

# Comprehensive Annual Financial Report



For the Fiscal Year Ended June 30, 2011



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**MORaine**  
**PARK**

TECHNICAL COLLEGE

Fond du Lac, Wisconsin

**Moraine Park Technical College District**  
Fond du Lac, Wisconsin

# **Comprehensive Annual Financial Report**

**for the fiscal year ended June 30, 2011**

**Official Issuing Report:**

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## TABLE OF CONTENTS

	<u>Pages</u>
<b><u>Introductory Section</u></b>	
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	15
District Map	16
Board Membership	17
Organizational Chart	18
<b><u>Financial Section</u></b>	
Independent Auditors' Report	19
Management's Discussion and Analysis (required supplementary information)	21
Basic Financial Statements:	
Statements of Net Assets	34
Statements of Revenues, Expenses, and Changes in Net Assets	35
Statements of Cash Flows	36
Statement of Fiduciary Net Assets	38
Statement of Changes in Fiduciary Net Assets	39
Notes to Financial Statements	40
<i>Required Supplementary Information:</i>	
Schedule of Funding Progress	59
Schedule of Employer Contributions	60
<i>Supplementary Information:</i>	
General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	61
Special Revenue Aidable Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	62
Special Revenue Non-Aidable Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	63
Capital Projects Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	64
Debt Service Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	65
Enterprise Funds Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	66
Internal Service Funds Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	67
Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements	68

## TABLE OF CONTENTS – CONTINUED

	<u>Pages</u>
<b><u>Statistical Section</u></b>	
Net Assets by Component	72
Changes in Net Assets	73
Distribution of Real Property on an Equalized Value Basis	74
Direct and Overlapping Property Tax Rates	75
Property Tax Levies and Collections	77
Principal Property Taxpayers	80
Enrollment Statistics	81
Schedule of per Credit Program Fees Charged	82
Ratio of Outstanding Debt by Type	83
Computation of Direct and Overlapping Debt	84
Legal Debt Margin Information	85
Demographic Statistics for Dodge, Fond du Lac, Green Lake, and Washington Counties	86
Principal Employers	87
Full Time Employees by Equal Employment Opportunity Classification	88
Operational Expenditures per Full-time Equivalent (FTE) Student	89
Program Graduate Follow-up Statistics	90
Square Footage of District Facilities	91
Insurance Coverage Summary	92
<b><u>Single Audit Section</u></b>	
Schedule of Expenditures of Federal Awards	95
Notes to Schedule of Expenditures of Federal Awards	98
Schedule of Expenditures of State Awards	99
Notes to Schedule of Expenditures of State Awards	101
Schedule of Findings and Questioned Costs	102
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 <i>Government Auditing Standards</i>	104
Independent Auditors' Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Guidelines	106

# **INTRODUCTORY SECTION**

November 1, 2011

To the Citizens and Board of Directors  
of the Moraine Park Technical College District

The Comprehensive Annual Financial Report for the Moraine Park Technical College District (hereafter referred to as "College", "MPTC" or "District") for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate and reported in a manner designed to present fairly the financial position and results of operations of the District. We have included all disclosures necessary to enable you to understand the District's financial activities.

The District is required to undergo an annual single audit to conform to the provisions of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations and the State Single Audit Guidelines issued by the State of Wisconsin. Information related to this single audit, including the schedules of expenditures of federal awards and state awards, schedule of findings and questioned costs and independent auditors' reports on the internal control and compliance with certain provisions of laws, regulations, contracts and grants is included in the single audit section of this report.

This annual report includes all financial activity of the District in conformity with Generally Accepted Accounting Principles (GAAP). This annual report is consistent with legal reporting requirements of the State of Wisconsin. Besides meeting legal reporting requirements, the annual report is intended to present a summary of the significant District financial data in a format which meets the varying needs of District citizens, students, employees, taxpayers, financial institutions, bond rating agencies and intergovernmental agencies, including the Wisconsin Technical College System. We believe this presentation will provide better information to the user of the Comprehensive Annual Financial Report (CAFR).

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

## REPORTING ENTITY

The Moraine Park Technical College District (also known as Moraine Park Technical College) is one of 16 districts in the Wisconsin Technical College System. This system began as the first statewide occupational school system in the United States as the result of state legislation passed in 1911. The system continues to receive strong support from organized labor, agriculture and business and industry.

Since 1911, Moraine Park Technical College has been helping people acquire the knowledge and skills necessary to prepare them for a rewarding future in the world of business, industry and service occupations. Our campuses in Fond du Lac, West Bend and Beaver Dam have well-equipped, state-of-the-art educational and computer laboratories, highly experienced instructors and a curricula which is continually updated with assistance from MPTC's advisory committees. Our mission is to ensure that our students will acquire the knowledge and skills to become and remain employable in today's competitive job market.

235 North National Avenue • PO Box 1940 • Fond du Lac, WI 54936-1940 • Phone 920-922-8611  
700 Gould Street • Beaver Dam, WI 53916-1994 • Phone 920-887-1101  
2151 North Main Street • West Bend, WI 53090-1598 • Phone 262-334-3413

[www.morainepark.edu](http://www.morainepark.edu)

*Moraine Park Technical College does not discriminate on the basis of race, color, national origin, sex, disability or age in employment, admissions or its programs or activities. The following person has been designated to handle inquiries regarding the College's nondiscrimination policies:  
Equal Opportunity Officer, Moraine Park Technical College, 235 North National Avenue, PO Box 1940, Fond du Lac, WI 54936-1940, 920-924-6459 or 920-924-3232.*



The main campus and District administrative offices are located on the northeast side of Fond du Lac, while two branch campuses are located in West Bend and Beaver Dam. In addition, MPTC leases facilities for regional centers in Hartford and Ripon.

The District offers a variety of associate of applied science degree programs, two-year and one-year vocational diploma programs, apprenticeship programs, technical certificates and other adult education services. Students who graduated in 2010 from the College's vocational or technical programs experienced an 94% job placement rate.

The College is accredited by The Higher Learning Commission and a member of the North Central Association. Programs and courses are approved by the Wisconsin Technical College System Board and endorsed by the Veterans Administration, the American Association of Community Colleges and the Wisconsin Board of Nursing and Division of Nurses. Other selected programs are accredited by the National League of Nursing and other professional organizations.

## **ONE VISION: OUR MISSION, GOALS & PRINCIPLES**

### **Vision Statement**

**"Moraine Park Technical College will be a preferred, respected and responsive leader in collaborative learning dedicated to meeting the current and emerging needs of business, industry and the communities we serve through excellent service, high-quality programs and advanced technologies."**

### **Mission Statement**

**"Moraine Park Technical College builds and maintains a competitive workforce in collaboration with our communities through a future-focused learning environment."**

### **2006-2011 Goal Statements**

#### ***2010-11 Breakthrough Goal***

***Innovation and Technology*** – Empower Moraine Park faculty and staff to embrace innovative instructional and administrative technologies to improve and simplify delivery systems and processes, and to enrich learning experiences.

#### ***2010-11 Wildly Important Goal***

***Student Success*** – Promote a student-centered culture of collective responsibility dedicated to the successful achievement of students' goals.

***Build Enrollments*** – Increase enrollments and the number of skilled people in and entering the workforce.

***Institutional Effectiveness*** – Foster a culture of continuous improvement and effective and efficient use of College resources.

***Workforce/Economic Development*** – Enhance the economic vitality of our district through partnerships, coalitions and collaborations to build a highly skilled workforce capable of meeting the emerging needs of business and industry.

***Collaborative Environment*** – Support a collaborative learning, working and decision-making environment.

***Community*** – Develop and support linkages with educational partners and community organizations for mutual benefit.

## **Guiding Principles/Values**

**Collaboration** – We value collaboration among staff, students and communities to promote effective learning, communication and decision making.

**Informed Decision Making and Continuous Improvement** – We value data-driven decision making in order to assure continuous improvement and effective and efficient use of the College's resources.

**Integrity** – We value actions that are fair, ethical and respectful.

**Student-Centered Environment** – We value a safe, student-centered environment focused on student learning, student development and student success.

**Innovation and Technology** – We value a state-of-the-art learning and working environment.

**Access and Diversity** – We value equal access to programs and services reflecting the diversity of the communities we serve.

**Lifelong Learning** – We value the personal and professional growth of individuals through lifelong learning.

## **SERVICE EFFORTS AND ACCOMPLISHMENTS**

MPTC is an organization where service efforts and accomplishments flow from its vision and result-oriented planning processes. Highlights from 2010-11 include the following:

The Behavior Intervention Team (BIT) was implemented in July with a purpose to provide a:

- Structured positive method for addressing student behaviors that impact the College community and may involve mental health and/or safety issues.
- Comprehensive radar screen and eliminate fragmented support and intervention; therefore, providing the opportunity for preventing future problems through early identification and on-going situational monitoring.

During the 2010-2011 academic year, financial aid:

- Established financial aid application priority deadlines to increase efficiency and help ensure timelier processing of student files.
- Managed the ever-growing volume of disbursements - a 338% increase in disbursements over the last 8 years (\$3.4 million in 2002 to \$11.4 million in 2010).
- Implemented Direct Lending.
- Disbursed 24.3% more in financial aid awards than in the previous year.
- Disbursed 28.6% more in Pell grants than in the previous year.
- Disbursed 22.7% more in federal loans than in the previous year.

The College implemented a major upgrade to Version 8 for the Banner administrative software system.

The conversion to the .NExT platform for eCollege was completed. .NExT is the latest version of eCollege with multiple enhancements. .NExT training workshops were held for faculty during professional development days and the new .NExT enhancements were explained.

Economic and Workforce Development (EWD) received \$372,748 in Workforce Advancement Training grants to support training 30 companies and over 1,500 incumbent workers across the District. 100% of submitted applications were funded by state.

Economic and Workforce Development launched the STRAT program (strategy, alignment, and talent), aimed at mid/upper level managers to focus on strategic development and organizational alignment. The program incorporates classroom, experiential learning, best practice sharing, coaching and community engagement to help drive business growth and development in the District through strategy development.

Provided over 900 professional development and continuing education open enrollment courses throughout the District.

With the completion of presentations at the fall adjunct faculty in-service on using the pilot Early Alert form, the annual number of early alerts had increased by almost 200 referrals (320 to 517) with several weeks of the spring semester remaining.

Records show that the percentage of General College (GC) students successfully completing their GC courses and being retained to the next term has increased every semester from 76% (math), 76% (reading) and 69% (writing) to 82% (math), 78% (reading) and 86% (writing).

In August 2010, the College received notification that the application for a federal SSS TRiO grant had been accepted. Jay Edgren, Executive Dean of Instructional Support, coordinated its implementation during the fall semester. The grant provides funding for 140 disadvantaged students (low income, first generation and/or disabled) to receive intensive advising services, a new first year course specifically designed for them, the possibility to receive grant aid and the opportunity to participate in a variety of cultural activities. As of June, 2011, over 100 students were enrolled and receiving services.

Developed and implemented a "Go Green" scanning process for WTCS program correspondence. The new procedure eliminates the need of manually forwarding copies to staff. Correspondence is organized electronically by program, allowing staff 24/7 access to an archived history of all communication from WTCS.

Academic and Student Affairs held a two-day Transfer Fair at all three campuses. Over 20 four-year universities and colleges hosted booths. New transfer articulation agreements were developed with Marian University, Waldorf College, Herzing University, Bellevue University, National American University and Ottawa University.

The new Mechatronics A.A.S. degree program began in Fall 2010 with 14 students enrolled.

In the Automotive Technician Technical Diploma program, a Hybrid car was purchased to incorporate hybrid technology in the program. A diesel van was purchased to incorporate light duty diesel engine operations, alternative fuels and bio-diesel production in the program

In the Associate Degree Nursing program, the Simulation Center at the West Bend Campus became operationalized and more instruction through simulation has been included in the program.

International Education coordinated a London Education Experience in March 2011 with a Barber/Cosmetology program emphasis. International Education coordinated a Germany Education Experience in May 2011 with a Culinary Arts program emphasis.

I-BEST (Integrated - Basic Education and Skills Training) is demonstrating success as a model with a 91% certificate completion rate; 82% of students achieved an educational functional level, and 89% attained employment. This information was presented at two conferences at the request of state staff.

Grant writing efforts resulted in receipt of over \$615,000 for the Basic Education department. All projects were implemented and outcomes achieved.

The Clinical Lab Technician program received 7-year accreditation approval from the National Accreditation Association of Clinical Laboratory Science (NAACLS).

MPTC received state approval to begin the Interactive Media Design A.A.S. degree program, with an August 2011 launch. The College received an NSF grant and hired instructor, Karen Johnson.

The following Faculty Development Grants were awarded:

- Culinary Arts created an indoor greenhouse to develop a composting plan for the culinary arts area and add sustainability competencies throughout the program. A completely indoor garden that utilizes traditional hydroponic, and Fish Symbiosis Hydroponics to grow herbs and vegetables will be used in the program.
- John Cawley, Tool Design Engineering instructor, incorporated green-based projects into the Tool Design Engineering program. The projects are focusing on solar and wind technology.
- Bruce Forciea, Science instructor, produced 3D interactive digital anatomical models for use in both General and Advanced Anatomy and Physiology courses. The models are produced using special software that takes 2D digital images and creates wire frame mesh models much like CGI animation in movies. The software then wraps textures taken from the 2D images onto the wire frame mesh models to produce a 3D model of the original structure. To date there are 52 models available for student use.
- Jim Daniels, Automotive Technician instructor, used grant funding to provide students with light duty diesel technology to explore alternative fuels and bio-diesel production. He also participated in the Auto I-BEST grant.

Implemented new payment plan options within a new vendor application. The new application allows the District to administer the plans efficiently in a controlled, secure environment while giving the students more flexibility and responsibility in the payment of their tuition and fees.

Refinanced an existing callable bond issue saving the taxpayers an estimated \$60,000 due to reduced interest payments. Moraine Park continues to maintain its Aaa credit rating as awarded by Moody's Investors Service, Inc.

In compliance with Governor Walker's budget initiatives to cut 30% state aid and freeze all tax levy increases, the District developed a balanced 2011-12 budget which maintains a relatively low operational mill rate of 1.21929 – well below the 1.50 statutory limit. Moraine Park's total mill rate for 2011-12 is projected at 1.45387, or \$145.39 on a home valued at \$100,000.

Coordinated Presidential search for the District Board (Dr. Sheila Ruhland began July, 2011).

Partnered with UW FDL, Marian University and Ripon College to provide a Higher Education Diversity Initiative Team (HEDIT) Leadership event, Diversity Matters NOW!, for students and staff of all four Colleges and the community.

Implemented PeopleAdmin online application tracking system to include revised Recruitment & Hiring Guides, training manuals and training sessions for hiring managers.

Instituted a new process for communicating and updating employees and supervisors on progress toward completion of the College's required training; real-time updates communicated automatically through MyMPTC on a monthly basis.

Offered Health Risk Assessments to employees and spouses in February, March and April. Approximately 320 employees and spouses participated.

Managed by SunGard Higher Education, the IT Department saved \$630,052 with return on investment activities. Activities resulting in the highest-dollar savings include:

- \$330,215 saved through hours worked by SunGard staff assigned to Moraine Park that the College was not charged.
- \$56,157 saved through the elimination of a User Services position in West Bend.
- \$54,230 saved through the elimination of the Data Center operator position.
- \$46,560 saved due to the Central Help Desk resolution of Level 1 help desk requests.

The Central Help Desk (CHD) and onsite IT staff responded to 9,030 calls/cases, a 3.3% increase over the prior year with no increase in staff; Help Desk support received 12 consecutive months of 'excellent' ratings for the Customer Quality Assurance Surveys. All priority 1, 2, 3, and 4 issues reported to the Central Help Desk were resolved within the service level agreement time limits.

Completed 213 projects; the most significant were:

- Implemented the Banner Operating Data Store Warehouse and Executive Data Warehouse.
- Implemented the Luminis Portal and a new MorainePark.edu website.
- Implemented the TouchNet Payment Gateway.
- Implemented Exchange/Outlook/Lync to Replace Lotus Notes/Sametime systems.
- Implemented Microsoft Forefront Security protection for network servers and desktop/laptop computers.
- Implement Cisco TelePresence system.
- Implemented Microsoft Office 2010 on all staff computers.
- Completed hardware and software upgrades in 106 labs.

In partnership with local businesses and community organizations, conducted several regional retirement and departure intentions studies to assist with the long-term planning for a competitive regional workforce.

Promoted Middle Skills and the value Moraine Park Technical College brings to its District with numerous community, civic and educational organizations.

Collaborated with Academics to develop new academic programs aligned with current and emerging workforce needs: Fabrication Technologies A.A.S., Interactive Digital Media A.A.S., Automotive Technology A.A.S. and Medical Coding Specialist Technical Diploma.

The College was awarded a \$192,892 three-year grant from the National Science Foundation to develop and implement an Interactive Media Design A.A.S. program. Funds also will be used to create a career pathway which allows high school students to receive college credit in Interactive Media Design courses, and to create articulation agreements with four-year colleges in Science Technology, Engineering and Math (STEM) related fields.

Developed a new Student Success course delivery process to aid in student's career affirmation, leading to enhanced student success and retention. Process will be piloted with the Corrections program in fall 2011.

Two programs underwent major modifications based on focus groups of industry employers and program graduates. The new Business Management program now offers updated courses in three areas of emphasis: General Business, Human Resources and Entrepreneurism. The new Computer Numerical Control/Tool & Die Technologies program courses now combine advanced manufacturing competencies previously learned through two separate programs.

To support document imaging efforts on the Fond du Lac campus, implemented document imaging and indexing at the Student Services Center in Beaver Dam and West Bend.

Implemented an on-line only registration process for Spring 2011 returning program students in specific programs. Achieved an 85% participation rate with over 90% satisfaction.

The marketing team completed a comprehensive marketing audit of collateral pieces done historically, consumer research, listening sessions, and staff feedback as well as identified future goals of the organization. The team will focus next on presenting a unified Moraine Park branding strategy complete with guidelines for usage and application of the brand.

A total of 62 Moraine Park courses were offered at local high schools for transcribed credit creating 350 course sections.

Moraine Park Tech Prep and Recruitment staff provided free ACCUPLACER testing to high school juniors at 11 high schools in the District.

Enhanced Moraine Park's social media presence.

- Increased Twitter followers by 727%; 55 followers in September 2011 to 455 followers in June 2011.
- Increased Facebook followers by 85%; 400 "likes" in June 2010 to 739 "likes" in June 2011.

Hired the College's first student blogger and began posting blogs in January 2011, with two new students beginning their blogs in March 2011. All three blogs can be found at: [www.morainepark.edu/gateways/future-students/](http://www.morainepark.edu/gateways/future-students/)

Various recruitment events including Adult Information Sessions, Wisconsin Education Fairs, Preview Days and Discover Moraine Park netted nearly 1,100 student prospects.

New Student Orientation touched over 720 admitted students to ensure they had the right information to start their path to success at Moraine Park.

In its first step to identify the nation's best community and technical colleges and award \$1 million in prize money, the Aspen Institute College Excellence Program ranked Moraine Park Technical College as one of the nation's 120 best community colleges, challenging it to compete for the Prize funds (to be announced in December 2011) by insisting on high standards for learning, college completion without delay and serving as a training ground for jobs that pay competitive wages.

The College was awarded 16 State grants for a total of \$1,281,697; 19 Workforce Advancement Training Grants for a total of \$373,664; and 2 Federal WIRED grants for a total of \$68,608.

Established a MPTC chapter of the Wisconsin Women in Higher Education Leadership (WWHEL) with first luncheon held in May.

Refined process and targeted marketing of Foundation scholarships to students:

- New software is user-friendly allowing students to complete the application and gather references in a more efficient manner.
- Green initiative – paperless process moving forward.

Created the Alumni Advisory Committee with goals to cultivate and engage the College's alumni and identify ways to connect with current students/alumni.

Instructional Technology staff spent numerous hours planning the 2011 WTCS Tech Expo which was held at the West Bend Campus in May. The Expo featured innovative teaching tools from Wisconsin Technical Colleges.

In collaboration with the Civil Engineering Program staff and students, have begun planning for a West Bend Campus connection to the Eisenbaum Trail.

## **FACILITIES AND CAPITAL INITIATIVES**

### Districtwide

A lighting upgrade project was completed on all three campuses, which included replacement of T12 fixtures to more energy efficient T8. Shops with 400 watt metal halide fixtures were also replaced with more energy efficient florescent lighting. The College received \$4,081 from grants through Focus on Energy, and the projected return on invest on this project is 2.5 years.

### Beaver Dam Campus

Approximately 4,100 square feet of space was remodeled which provided two new general classrooms, a room for telepresence, training space for organizational development and new faculty offices. A majority of this space became available with the relocation of the student services and administrative staff into the new student services addition built in 2009-10. The project was 50% complete as of June 30 and completely operational by August, 2011.

### Fond du Lac Campus

The suppression system which serves the data center in Instructional Technology was replaced. The old system was obsolete and replaced with a Novec 1230 System which is a sustainable product and one of the safest if staff were to be exposed as a result of a discharge.

Other projects included replacement of carpeting at the district office administration building and the replacement of the burner and fire brick on a boiler serving C building.

### West Bend Campus

The College remodeled approximately 1,945 square feet of space to expand and update the existing bookstore which was last updated in 1982. The project consisted of remodeling existing space as well as expanding the bookstore by approximately 675 square feet. This remodeling will allow the bookstore to display course materials, college apparel, and supplies more effectively. The new bookstore was open for the start of the Fall 2011 semester.

In May 2011 the College began construction of a 7,500 square foot addition on the northeast section of the campus. The Tool & Die, Graphics, and Interactive Media programs will move into this addition. The first floor of the addition will provide sufficient space for relocation of the Tool and Die laboratory and will be constructed adjacent to the CNC laboratory. The adjacency provides student and faculty easy access to both laboratories, which is required to meet the needs of recent curriculum modification. The second floor addition will provide sufficient classroom space to support student workstations for 20 students per class. Classroom schedules will be structured to take full advantage of this additional space utilizing day and evening class offerings. The addition is expected to be completed in December, 2011.

In addition, approximately 1,100 square feet of space was remodeled in L Building to provide administrative office space. After staff moved into this area, work began on the construction of restrooms in the vacated space serving the student life area.

As a final project, the College replaced the roof on N building and also added additional insulation to increase the R-Value.

## **ACCREDITATION**

The Higher Learning Commission of the North Central Association of Colleges and Schools accredits Moraine Park Technical College. The College received a comprehensive evaluation under the Program to Evaluate and Advance Quality (PEAQ) in 1994-95, but later decided that the new pathway for accreditation introduced in 1999 was a better match. AQIP is structured around quality improvement principles and processes and involves a structured set of goal-setting, networking, and accountability activities.

Since joining the Higher Learning Commission's *Academic Quality Improvement Project* (AQIP) in 2001, Moraine Park has participated in the following Accreditation activities:

- Attended three Strategy Forums (2002, 2006, 2010)  
Team participated in the following events at the 2010 Strategy Forum:
  - Attended multi-institution collaborative meeting focusing on AQIP lessons learned, current action projects and category review
  - Developed the guidelines for the next Action Project
  - Outlined critical criteria necessary for the college to consider in order to further develop quality initiatives and integrate a culture of quality
  - Reviewed and prioritized action items stemming from the 2009 Systems Portfolio feedback report
- Transitioned to an innovative electronic portfolio and submitted two Systems Portfolios for appraisal (2005, 2009)
- Hosted first Quality Checkup Site Visit in February 2007 whereby accreditation was reaffirmed through 2014-2015
- Maintained accreditation status in good standing since 2001
- Continues to make progress annually on action projects that are reported to the AQIP review team:
  - *Implement a new Faculty Advising Model*
  - *Develop a College Model to Implement One-Stop Service Areas (to be retired in Fall 2011)*
  - *Develop and implement a process to track student progress and achievement*

In the coming months, college teams will continue to devote resources to improving processes identified in recent feedback reports and will submit annual updates for Action Projects to the Higher Learning Commission. Additionally, the college will review the commission's proposed revisions to the Criteria for Accreditation and begin discussing the details released in the gamma version of this document due out in November 2011.

## **ECONOMIC CONDITION**

The information presented in the financial statements and footnotes is supplemented by information provided below on other factors which may impact financial operations of the College for this year and the future.

### **Local Economy**

Across the nation, the economy continues to experience a recession. The State of Wisconsin and the ten counties within the District have also experienced downturns with plant closings and/or reductions of workforce.

Property values in Wisconsin continue to drop and the District experienced a drop in values totaling 2.16% for 2010 and another decrease of 1.83% for 2011. However, these declines are less than the statewide average and below the national average for residential property. College administration expects at least continued declines through 2012 before the property values are expected to remain stable.

### **Change in State Administration**

On January 3, 2011, Scott Walker became the 45<sup>th</sup> Governor of Wisconsin. Inheriting a budget deficit totaling \$3.6 billion, Walker proposed a budget repair bill in February, 2011, that would save the State an estimated \$30 million in the current fiscal year, and \$300 million over the next two years. Certain aspects of that original proposal were enacted as part of the 2011-13 biennial budget bill. The approved budget bill requires any state and local government employee, not under an existing union contract as of July 1, 2011, to contribute 50% of their Wisconsin Retirement pension payment annually and also to cover premium co-pays up to 12% under the State's insurance plan. The bill also eliminated, for government workers, most collective bargaining rights except for wages. Unions would be unable to seek pay increases for government workers above the inflation rate, unless approved by a voter referendum. Under the bill, unions must also recertify annually and employers are not allowed to collect union dues.

The impact to the Wisconsin Technical College System also included the following major items:

- A 30% cut to current general aid funding totaling \$119 million annually
- A freeze in operational levies for the next two years at no more than the dollar amount levied in 2010 – an exception is allowed so that a district could capture additional levy dollars to the extent property values increase (this language is expected to sunset June, 2013)

These new directives obviously create fiscal challenges in planning for 2011-13. Although the College was able to implement the cost-saving measures for non-represented and support professionals effective July 1, 2011, the faculty union members are under existing contract until June 30, 2013. As such, College leadership will continue to explore cost-saving initiatives to mitigate the impact on student enrollments and services provided by the College to students and businesses within the District.

### **Strategic Planning**

In the spring of 2010, Moraine Park Technical College embarked on a major planning initiative to set the direction the College would pursue from 2011 to 2016. As the community's technical college, it was important to gather feedback from those the College serves to ensure its direction aligns with the community's needs. Listening sessions were held throughout the District with business and community leaders, students and staff. Additional surveys were held throughout the summer and fall to gather feedback from those not able to attend the listening sessions. Overall, a new 2011-2016 College vision, mission, and value statements were created to direct the College's planning for the next five years.

As part of this new plan, only three college goals were created emphasizing the need to focus annual resources on a few strategic initiatives. College reserves remain at approximately 29% of revenues and are above the board recommended policy of 25%. However, College officials anticipated future state aid cuts or tax levy freezes from the new Wisconsin state administration. College surpluses are also being used to fund a new Other Post-Employment Benefits Trust (OPEB) created in June, 2010.

## **Fiscal Planning**

Despite the financial restrictions imposed by the State, MPTC maintains a favorable credit rating. In August 2011, Moody's Investors Service assigned a Aaa rating to the District for a general obligation debt sale. The report indicated that "the Aaa rating reflects the District's sizable tax base favorably located near major employment centers; strong financial operations that are supported by healthy reserves; and, average debt burden that is expected to remain manageable" (Global Credit Research 09 Aug 2011).

To address these fiscal challenges, MPTC continually uses the following tools to assist with future directional planning of the College:

- A three-year academic plan is updated and reviewed annually by the academic and executive leadership teams. This document identifies academic strategic objectives, new program growth, and benchmarks related to the academic and business and industry services of the College.
- Annual follow-up studies including graduate placements, employer satisfaction reports, and environmental scanning instruments are used to monitor changes in the labor markets, demographics, technology and academia.
- A Facility Master plan was developed in 2006 and updated in 2011 to create a logical plan for facility building and maintenance projects.
- The Wisconsin Technical College System office requires a three-year facilities plan on an annual basis. This document is updated annually after the master facility plan is reviewed and updated.
- A Technology plan identifies major technology projects for the College within the next three years and is also updated annually. Projects include application development, network services, and user support services.

These challenges in mind, the long-term financial planning established by the College in conjunction with the District board will allow Moraine Park to effectively meet the financial needs of operations in the future. The low mill rate currently in place allows flexibility to address the needs of stakeholders of the College. The overall current financial position is positive, and MPTC is committed to maintaining a positive status in the future.

## **MANAGEMENT SYSTEMS AND CONTROLS**

Moraine Park Technical College is committed to the development of good management systems and controls. Every effort is made to employ qualified personnel. Likewise, systems are conscientiously developed to enable MPTC employees to function effectively, while providing appropriate levels of supervision and segregation of duties.

### **Accounting System**

Management of the College is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse, and to ensure the reliability of financial and accounting records to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

In addition, as a recipient of state and federal financial assistance, the District is responsible for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs.

We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Budgetary System**

The District's annual budget is prepared in accordance with the requirements of the Wisconsin Technical College System Board. Budgetary responsibility is delegated to the managers of various cost centers of MPTC. Each year staff prepare, present and modify budget plans for the forthcoming year.

At the time the District Board adopts the budget, it establishes the dollar amount of the operational tax levy, not the final mill rate, since valuation figures are not available until October. In addition, the Board may adjust the levy amounts prior to setting the tax rates in October based on more current information. Budgeted amounts are controlled by function within fund; modification or changes to the budget require approval by a two-thirds vote of the District Board. The District also maintains an encumbrance system as one technique of accomplishing budgetary control.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

### **Cash Management**

The District Board adopted an overall investment policy delegating investment responsibility to the Vice President, Finance and Facilities. The policy permits investments in any instruments allowed within the Wisconsin Administrative Code. Idle cash during the year was invested in certificates of deposit.

During 2011, the College implemented a new cash handling procedure to ensure all employees who handle cash follow specified procedures to safeguard cash and to protect employees from inappropriate charges of mishandling funds by defining employee responsibilities. All employees who handle cash are now required to annually acknowledge and confirm the understanding and compliance with this procedure. This new procedure is expected to increase internal controls related to all aspects of cash management.

### **Risk Management**

Since July 2004, the District maintains a comprehensive risk management program through Districts Mutual Insurance Company (DMI). DMI is an insurance company jointly created by all sixteen Wisconsin technical colleges. Through DMI, risk management services include an insurance program for property, casualty, and liability, an active safety committee, risk control services, risk management training and specialized services in the District's risk management efforts. In addition, the District also maintains a self-insurance fund which is used to cover the deductible on liability coverage and on small claims for lost or stolen items that fall below the deductible limits.

During 2011–12, the College will create a comprehensive business continuity plan to identify gaps within the college that could create severe risk for operational continuity both short and long-term. MPTC expects to complete the planning in 2012 and begin addressing identified needs as part of the 2013 budget planning process.

### **Independent Audit**

State statutes require an annual audit by independent certified public accountants, in addition to meeting the requirements of OMB Circular A-133 and the State Single Audit Guidelines. The accounting firm of Schenck SC was selected by the District Board to perform the annual audit. The audit report on the basic financial statements is included in the financial section of this report. The auditors' reports that relate specifically to the single audit are included in the single audit section.

## EXCELLENCE IN FINANCIAL REPORTING

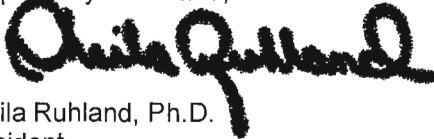
The District will submit this Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting. To be awarded this honor, the financial reporting entity must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This report satisfies both the generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to Moraine Park Technical College District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. A Certificate of Achievement is valid for a period of one year only. This is the 17th consecutive year that Moraine Park Technical College District has received a Certificate of Achievement. We believe our current report continues to conform to the program's requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.

## ACKNOWLEDGMENT

The timely preparation of this report was accomplished through the cooperative and concerted efforts of MPTC's Accounting/Financial Services, Office Services, and Marketing departments and with the professional services of the District's independent audit firm, Schenck SC. We express our appreciation to our dedicated staff for their many long hours in the preparation of this report. In addition, we convey our appreciation to the MPTC Board of Directors for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Sheila Ruhland, Ph.D.  
President



Bonnie Baerwald, CPA  
Vice President, Finance and Facilities

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Moraine Park  
Technical College District  
Wisconsin

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

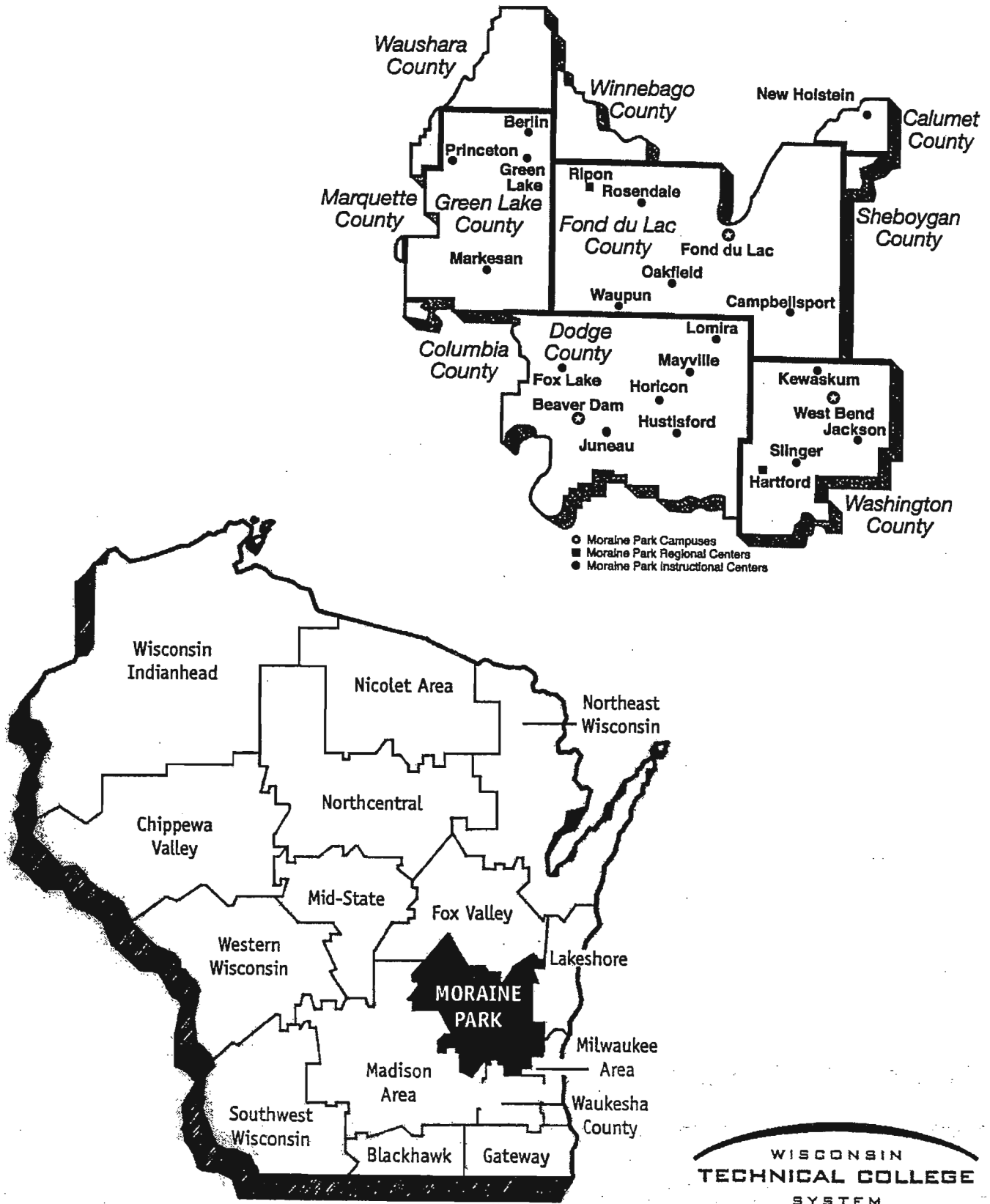


President

Executive Director

# Moraine Park Technical College District

## District and State Maps



# MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

(As of June 30, 2011)

## DISTRICT BOARD

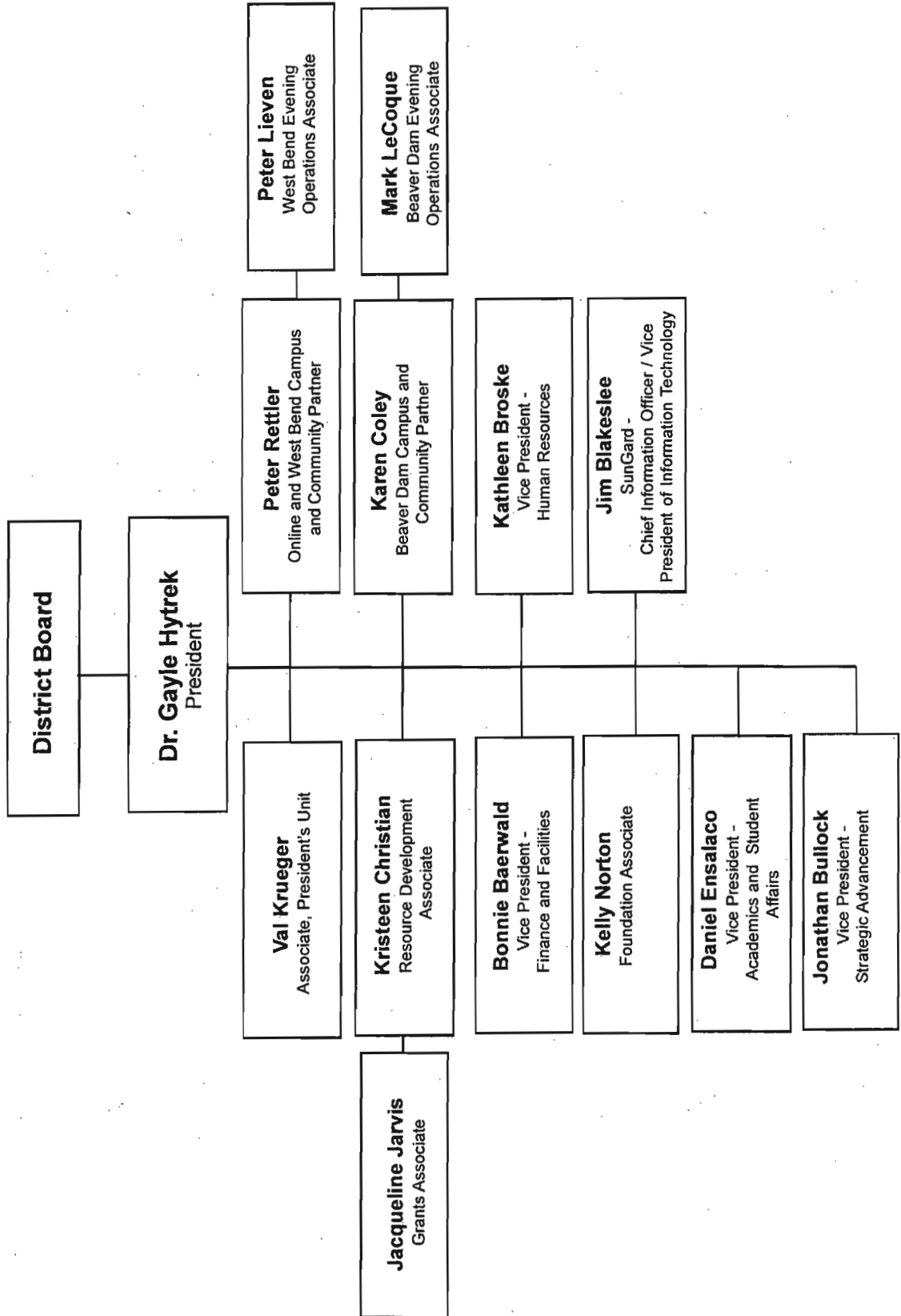
<i>Chairperson</i>	<i>Jodine Deppisch</i>	<i>Employer Member</i>
<i>Vice Chairperson</i>	<i>Richard Zimman</i>	<i>School Administrator</i>
<i>Secretary</i>	<i>Vernon H. Jung, Jr.</i>	<i>Additional Member</i>
<i>Treasurer</i>	<i>Philip J. Baranowski</i>	<i>Additional Member</i>
<i>Member</i>	<i>Mary Kerrigan</i>	<i>Employer Member</i>
<i>Member</i>	<i>Shirley Kitchen</i>	<i>Employee Member</i>
<i>Member</i>	<i>Lisa Mader</i>	<i>Additional Member</i>
<i>Member</i>	<i>Mike Miller</i>	<i>Elected Official</i>
<i>Member</i>	<i>Robb Steiner</i>	<i>Employee Member</i>

## BOARD FINANCE COMMITTEE

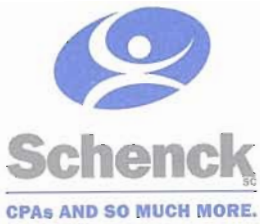
*Philip J. Baranowski, Chairperson*

*Jodine Deppisch*  
*Vernon H. Jung, Jr.*  
*Mary Kerrigan*  
*Shirley Kitchen*  
*Lisa A. Mader*  
*Mike Miller*  
*Robb Steiner*  
*Richard Zimman*

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**ORGANIZATIONAL CHART**  
**ORGANIZATIONAL LEADERSHIP SUPPORT SYSTEM**  
**(As of June 30, 2011)**



# **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

To the District Board  
Moraine Park Technical College District  
Fond du Lac, Wisconsin

We have audited the accompanying basic financial statements of the Moraine Park Technical College District as of and for the years ended June 30, 2011 and 2010 as listed in the table of contents. These financial statements are the responsibility of Moraine Park Technical College District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Moraine Park Technical College District as of June 30, 2011 and 2010, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 28, 2011, on our consideration of Moraine Park Technical College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant and agreements and other matters. The purpose of that report is 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 internal control

over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 21 through 33 and 59 through 60 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The financial information listed in the table of contents as supplemental information and the accompanying schedule of expenditures of federal and state awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental information and 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

The "Letter of Transmittal" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the District. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on such information.



Certified Public Accountants

Green Bay, Wisconsin  
October 28, 2011

## MORAINE PARK TECHNICAL COLLEGE DISTRICT Management's Discussion and Analysis

Moraine Park Technical College District's Management's Discussion and Analysis (MD&A) of its financial condition provides an overview of financial activity, identifies changes in financial positions, and assists the reader of the financial statements in focusing on noteworthy financial issues.

While maintaining its financial health is crucial to the long-term viability of the District, the primary mission of a public institution of higher education is to provide education and training. Therefore, net assets are accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

This annual report consists of a series of financial statements, prepared in accordance with generally accepted accounting principles, as stated in the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

The 2010 balances were restated to record an additional \$816,000 of capital assets purchased in 2010 but expensed.

### Statement of Revenues, Expenses, and Changes in Net Assets

The Statement of Revenues, Expenses, and Changes in Net Assets presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. In general, a public college such as Moraine Park Technical College will report an operating deficit or loss, as the financial reporting model classifies state appropriations and property taxes as non-operating revenues. 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 following is a condensed version of the Statement of Revenues, Expenses, and Changes in Net Assets for the years ended June 30, 2011, 2010 and 2009 (dollars in thousands):

	2011	2010 (Restated)	Increase (Decrease) 2011-2010	2009	Increase (Decrease) 2010-2009
<b>Revenues</b>					
<b>Operating revenues</b>					
Tuition and fees	\$ 5,286	\$ 6,051	\$ (765)	\$ 5,337	\$ 714
State and federal grants	16,986	14,226	2,760	10,071	4,155
Contract revenue	2,862	3,025	(163)	3,305	(280)
Auxiliary revenues	2,962	3,242	(280)	2,767	475
Miscellaneous	1,065	710	355	662	48
<b>Total operating revenues</b>	<b>29,161</b>	<b>27,254</b>	<b>1,907</b>	<b>22,142</b>	<b>5,112</b>
<b>Non-operating revenues</b>					
Property taxes	36,059	35,073	986	33,702	1,371
State operating appropriation	4,204	4,697	(493)	4,717	(20)
Investment income	94	112	(18)	242	(130)
<b>Total non-operating revenues</b>	<b>40,357</b>	<b>39,882</b>	<b>475</b>	<b>38,661</b>	<b>1,221</b>
<b>Capital contributions - state and federal grants</b>					
	185	517	(332)	201	316
<b>Total revenues</b>	<b>69,703</b>	<b>67,653</b>	<b>2,050</b>	<b>61,004</b>	<b>6,649</b>

	2011	2010 (Restated)	Increase (Decrease) 2011-2010	2009	Increase (Decrease) 2010-2009
<b>Expenses</b>					
<b>Operating expenses</b>					
Instruction	\$ 27,229	\$ 26,910	\$ 319	\$ 25,388	\$ 1,522
Instructional resources	2,364	2,118	246	1,933	185
Student services	6,463	5,529	934	5,296	233
General institutional	11,188	11,396	(208)	10,956	440
Physical plant	3,854	4,158	(304)	3,437	721
Auxiliary enterprise services	2,926	2,941	(15)	2,692	249
Depreciation	2,118	2,029	89	1,959	70
Student aid	8,930	7,130	1,800	4,852	2,278
<b>Total operating expenses</b>	<b>65,072</b>	<b>62,211</b>	<b>2,861</b>	<b>56,513</b>	<b>5,698</b>
<b>Non-operating expenses</b>					
Loss on sale of capital assets	593	34	559	143	(109)
Interest expense	845	884	(39)	930	(46)
<b>Total non-operating expenses</b>	<b>1,438</b>	<b>918</b>	<b>520</b>	<b>1,073</b>	<b>(155)</b>
<b>Total expenses</b>	<b>66,510</b>	<b>63,129</b>	<b>3,381</b>	<b>57,586</b>	<b>5,543</b>
<b>Increase in net assets</b>	<b>3,193</b>	<b>4,524</b>	<b>\$ (1,331)</b>	<b>3,418</b>	<b>\$ 1,106</b>
<b>Net assets – beginning of the year</b>	<b>44,692</b>	<b>40,168</b>		<b>36,750</b>	
<b>Net assets – end of the year</b>	<b>\$ 47,885</b>	<b>\$ 44,692</b>		<b>\$ 40,168</b>	

#### Fiscal Year 2011 Compared to 2010

Operating revenues are the charges for services offered by the District. During 2011, Moraine Park recorded more than \$29.1 million of operating revenues. This is an increase of approximately \$1.9 million from the prior year, or 7.0%. Significant items were as follows:

- Tuition and fee income, as reported in the basic financial statements, decreased by \$765,000, or 12.6%. These fees are reflected net of scholarship allowances, a calculated amount based in part on how much financial aid disbursed to students is applied to fees vs. refunded to the student. Financial aid refunds are issued when the aid disbursement exceeds the balance due on a student's account. The portion of financial aid applied to fees and the portion refunded increased significantly from 2009-10, however, because gross fees (before the deduction of scholarship allowances) increased only slightly, a decrease in reported fees resulted. Gross fees increased approximately 2.2% over the prior year due to an increase in tuition rates of 4.5% offset by a decrease in FTE's of 3.3%.
- State and federal revenue increased by more than 19.4% in fiscal year 2011. This was primarily due to a significant increase in state and federal student financial aid, which increased 24.3%, reflecting the continuing increase in student need. Both general state aids and grant revenue decreased from the prior year.
- Contract revenue decreased approximately 5.4% from 2010 largely due to a decrease in contract revenue from clients under Workforce Advancement Training (WAT) grants.
- Revenue from the College's auxiliary funds decreased 8.6% due in large part to the decrease in FTE's.
- Miscellaneous revenue increased significantly in 2011. A large part of this increase was the receipt of a class action lawsuit settlement from Microsoft of nearly \$200,000.

Operating expenses are costs related to offering the programs of the District. Operating expenses for 2011 increased over the prior year by \$2.9 million, or approximately 4.6%. The increase was primarily due to:

- Increases in the general costs related to doing business. Overall salary and benefit expenses increased 2.2% and 3.6%, respectively, due to annual salary increases, several new positions, and increases in insurance premiums. The employee contribution for health insurance premiums was 7% in 2011 and 2010.
- Another year of significant growth in student financial aid. Moraine Park disbursed over 24.3% more financial aid in 2010-11 than in the prior year. As noted above, the amount reported as student aid expense in the basic financial statements is a function of how much financial aid is applied to fees vs. refunded to the student. In 2011, the percentage allocation of financial aid was similar to that of 2010, thus it is the huge increase in financial aid overall evidenced in the \$1.8 million increase in student aid expense.

Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

- Property taxes levied by the District for 2011 were \$986,000 more than in 2010. The increase was due to an increase in the mill rate of 5.1% offset by a decrease in property values of over 2.1%.
- State operating appropriations decreased by \$493,000, or nearly 10.5%, from the previous year. The amount of state appropriations the College receives is a factor of enrollments and expenditures as compared to the other 15 technical colleges in Wisconsin.
- The continued nationwide economic woes during fiscal year 2011 resulted in very low interest rates and thus lower interest earnings on the College's investments. However, the reserve balances remained at a healthy level consistent with the prior year.
- Capital contributions from state and federal grants decreased from the previous year which is dependent upon the nature of each year's grants (i.e. designation allocated to the purchase of capital items).
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the College's long-term debt. During 2011, there was an increase in the amount of major equipment disposals that were not fully depreciated and for which minimal proceeds were received resulting in an increase in the loss on sale of capital assets. Interest expense, a function of the District's debt maturity schedule, also decreased slightly.

As a result of the above activity, net assets for 2011 increased over \$3.1 million.

#### Fiscal Year 2010 Compared to 2009

During 2010, Moraine Park generated more than \$27.2 million of operating revenues. This was an increase of approximately \$5.1 million from the prior year, or 23.1%. Significant items were as follows:

- Tuition and fee income increased by \$700,000, or 13.4%. As discussed above, these fees are reflected net of scholarship allowances. Gross fees (before the deduction of scholarship allowances) increased approximately 22.2% over the prior year – the result of an increase in tuition rates of 4.5% and an increase in FTE's of 12.8%.
- State and federal revenue increased 41.2% over 2009. The majority of this increase was due to state and federal student financial aid which increased over 43% from the prior year.
- Contract revenues experienced an 8.5% decrease from the prior year. A significant factor in this was the reduction in offerings, and thus enrollments, in the College's annual contract with the Department of Corrections (DOC) due to budgetary cuts experienced at the DOC.

- Auxiliary revenue increased over 17% from 2008-09 primarily as a result of the increase in FTE's.
- Miscellaneous revenue increased slightly in 2010. This was primarily due to the additional employee hired by Districts Mutual Insurance (DMI) who is paid by the District but reimbursed by DMI.

During 2010, operating expenses increased \$5.7 million, or 10.1% over the prior year. The increase was primarily due to:

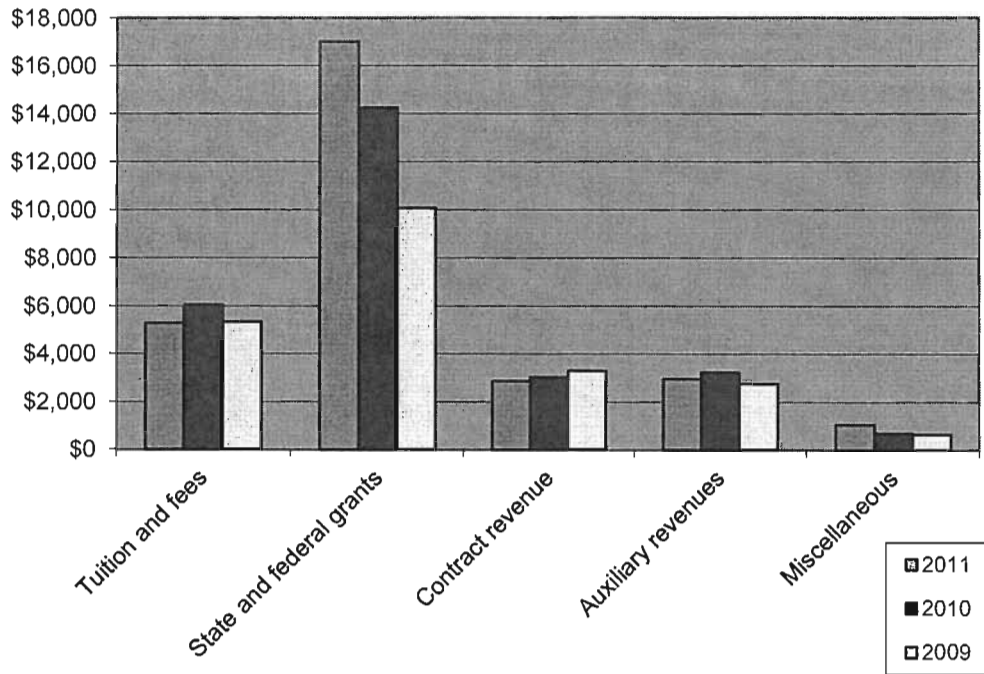
- An increase in the general costs related to doing business. Salaries and wages increased as well as benefit costs including an increase of 7% in health insurance.
- An increase in the physical plant category can be attributed to the nature and timing of 2010 capital projects spending which resulted in a larger percentage of these being included as operating expenses than in the prior year.
- An increase in the amount reported as student aid. Moraine Park disbursed over 43.1% more financial aid in 2009-10 than in the prior year. The distribution of 2010 financial aid between amounts applied to fees and amounts refunded to students, as calculated for financial statement purposes, was such that more student aid in 2010 was reported within student aid expense than in 2009.
- The creation of a trust account to fund future post-employment benefits. The initial amount transferred to the trust was \$1.25 million.

Changes in non-operating revenues and expenses were attributed to the following:

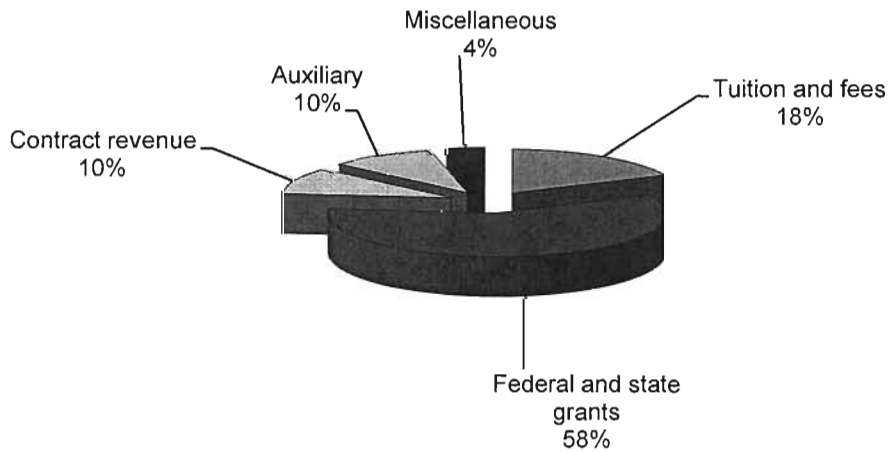
- The District's property tax levy for 2010 was approximately \$1.4 million more than in 2009. The mill rate increase of approximately 3.2% and a very insignificant increase in property values resulted in overall property tax revenue growth.
- State operating appropriations remained consistent with the prior year decreasing less than 0.5%.
- The country's economic downturn caused interest rates to remain at very low levels resulting in a decrease in investment income of 53.7%.
- Capital contributions from state and federal grant revenue increased significantly in 2010 due to the allocation of grant funding between operating and capital items which changes from year to year. Several grants the College secured in the current year included large amounts for the procurement of equipment.
- During 2010, there was a decrease in the amount of major equipment disposals that were not fully depreciated and for which minimal proceeds were received resulting in a decrease in the loss on sale of capital assets. Interest expense also decreased slightly.

Overall net assets increased over \$3.7 million as a result of the above activity.

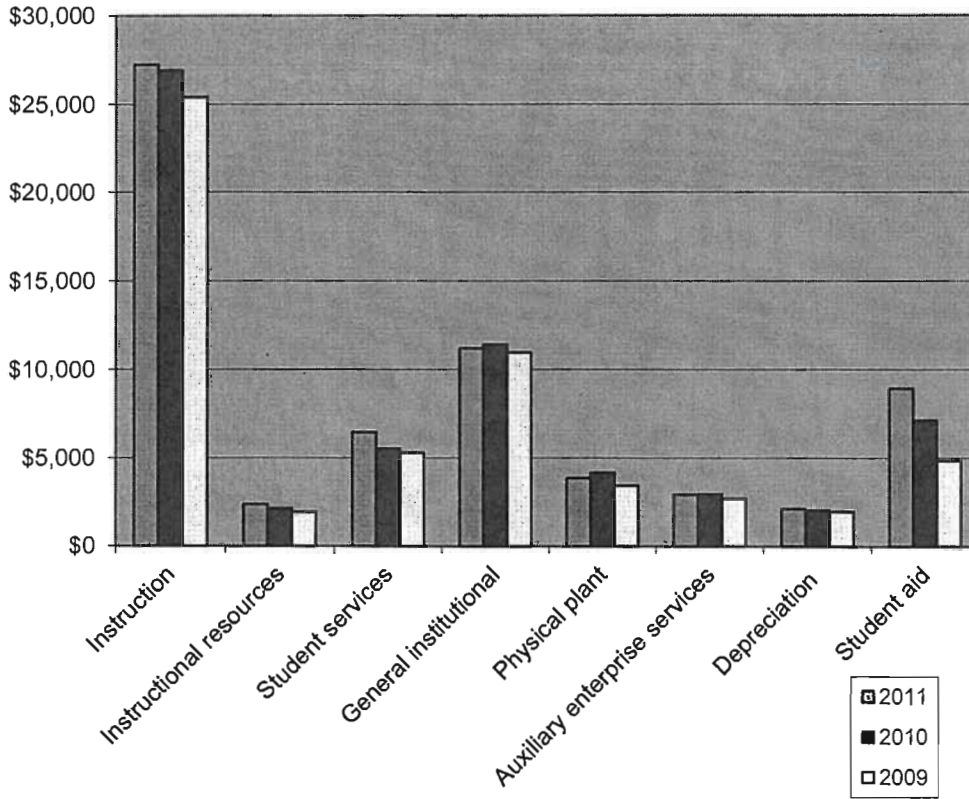
**Comparison of Operating Revenues  
For the Years Ended June 30, 2011, 2010, and 2009  
(dollars in thousands)**



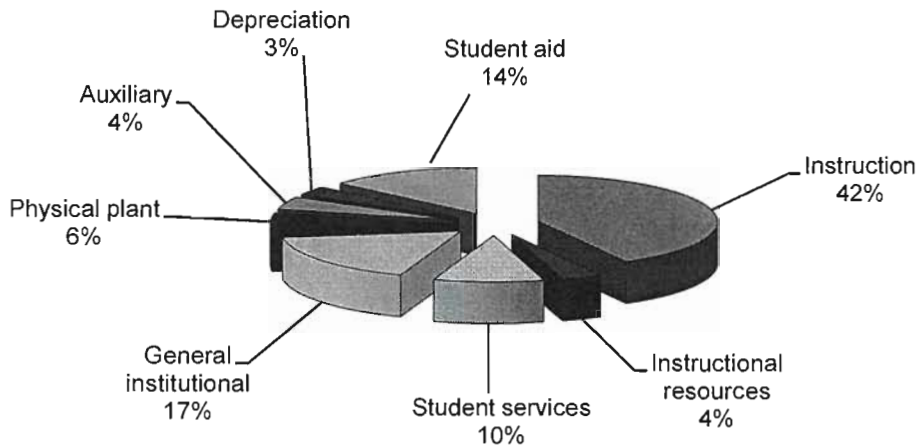
**Operating Revenues  
For the Year Ended June 30, 2011**



**Comparison of Operating Expenses  
For the Years Ended June 30, 2011, 2010, and 2009  
(dollars in thousands)**



**Operating Expenses  
For the Year Ended June 30, 2011**



## Statement of Cash Flows

The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating, capital, financing, and investing activities. This statement is important in evaluating the District's ability to meet financial obligations as they mature.

The following schedule shows the major components of the Statement of Cash Flows for the years ended June 30, 2011, 2010, and 2009.

	2011	2010 (Restated)	Increase (Decrease) 2011-2010	2009	Increase (Decrease) 2010-2009
Net cash used in operating activities	\$ (34,350)	\$ (34,610)	\$ 260	\$ (32,871)	\$ (2,556)
Net cash provided by non-capital financing activities	40,021	39,205	816	37,152	2,053
Net cash used in capital and related financing activities	(3,657)	(2,590)	(1,067)	(3,678)	1,905
Net cash provided by investing activities	94	112	(18)	242	(130)
Net increase (decrease) in cash and cash equivalents	2,108	2,117	\$ (9)	845	\$ 1,272
Cash and cash equivalents – beginning of the year	16,690	14,573		13,728	
Cash and cash equivalents – end of the year	\$ 18,798	\$ 16,690		\$ 14,573	

### Fiscal Year 2011 Compared to 2010

During the fiscal year ended June 30, 2011, the District's cash and cash equivalents increased over the 2010 year-end balance by \$2.1 million. The following factors contributed to the increase:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits, which continue to increase on a yearly basis. Overall payments in this category were up about 4.6% over the previous year. Both other post-employment benefit (OPEB) payments and payroll and benefit related accruals were consistent with the prior year.
- Another significant component of operating cash flows was payments to suppliers, which decreased from 2010. Contributing to the decrease was the fluctuation in year-end inventory, prepaid expense, and accounts payable balances.
- The above cash outflows were offset by cash inflows from operating activities, the largest of these being tuition and fees and state and federal grants. The tuition rate (set by the WTCS system) increase, FTE decrease, and significant increase in student financial aid in 2011 resulted in lower revenue amounts, and thus lower cash inflows, than in 2010. The year-end student receivable and deferred tuition balances remained consistent with the prior year. Cash inflows from state and federal grants were up significantly in 2011 primarily related to the large increase in student financial aid.
- Contract revenue, also included in cash inflows from operating activities, decreased primarily due to a large fluctuation in year-end receivables.
- Cash flows from auxiliary enterprises decreased due to lower sales volume (decreased FTE's) while the miscellaneous category increased quite substantially, in large part because of the Microsoft class action lawsuit settlement received in 2011.
- All property taxes received are categorized as cash flows from non-capital financing activities. Approximately \$1.3 million more in tax levy was collected in 2011 than in the previous year as the overall tax amount levied on the municipalities within the District increased. The other major item in this category, state appropriations, decreased 10.5% from 2010.

- The cash used in capital and related financing activities is primarily made up of two categories of cash flows: purchases of capital assets and debt activity (debt proceeds and principal and interest payments). The amount of capital assets purchased in 2011 increased just slightly over the previous year. Both proceeds from the issuance of debt and debt payments (principal and interest) increased substantially in 2011 primarily due to the refinancing of a portion of the District's debt to take advantage of more favorable interest rates. All of these factors resulted in a net cash outflow in this category that was larger than that of the previous year by approximately \$1.1 million.
- The final category on the cash flow statement, cash provided by investing activities, decreased slightly in 2011 due to low interest rates resulting from the continuing struggles of the U.S. economy.
- Overall, the District had a net increase in cash and cash equivalents of \$2.1 million.

Fiscal Year 2010 Compared to 2009

During the fiscal year ended June 30, 2010, the District had a net increase of cash and cash equivalents of over \$2.1 million. Factors contributing to the increase included the following:

- Payments to employees for salaries/wages and benefits increased 7.5% due to the increase of overall salary and wage expense. A significant decrease in the College's accrued insurance claims, the results of the year end actuarial calculation of other post employment benefits, and the initial funding of the trust established for other post employment benefits, \$1.25 million, also contributed to this increase.
- Payments to suppliers increased due to higher overall costs of doing business as well as increases in year-end inventory levels and prepaid expenses.
- The above cash outflows are offset by cash inflows from operating activities. As discussed earlier, tuition and fees, state and federal revenue (primarily related to student financial aid), and auxiliary revenue experienced strong increases, which positively affected the related cash flow. This was offset slightly by the decrease in contract revenue, also discussed above.
- Nearly \$1.6 million more in tax levy was collected in 2009-10 than in 2008-09, a result of mill rate and property value changes from the previous year. The other major item in this category, state appropriations, decreased slightly in 2010 based on an allocation formula using FTE and expenditure information for all 16 technical colleges.
- Capital purchases decreased in 2010 as did the proceeds from the issuance of capital debt. Principal and interest payments on existing debt, which are based on the maturity schedules of the College's outstanding debt, increased resulting in an overall decrease in the category of cash flows from capital and related financing activities from the prior year.
- Cash provided by investing activities, decreased in 2010 due to continued low interest rates on investment balances at levels consistent with the prior year.
- Overall, the District had a net increase in cash and cash equivalents of over \$2.1 million.

## Statement of Net Assets

The Statement of Net Assets includes all assets (items that the District owns and amounts owed to the District by others) and liabilities (amounts owed to others by the District and what has been collected from others for which a service has not yet been performed). 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 to the District – regardless of when cash is exchanged.

The following is a condensed version of the Statement of Net Assets as of June 30, 2011, 2010, and 2009 (dollars in thousands).

	2011	2010 (Restated)	Increase (Decrease) 2011-2010	2009	Increase (Decrease) 2010-2009
<b>Assets</b>					
Cash and cash equivalents	\$ 18,798	\$ 16,690	\$ 2,108	\$ 14,573	\$ 2,117
Net capital assets	41,833	41,973	(140)	41,511	462
Other assets	21,134	19,733	1,401	14,551	5,182
Total assets	<u>81,765</u>	<u>78,396</u>	<u>3,369</u>	<u>70,635</u>	<u>7,761</u>
<b>Liabilities</b>					
Current liabilities	\$ 15,430	\$ 14,999	\$ 431	\$ 11,761	\$ 3,238
Long-term liabilities	18,450	18,705	(255)	18,706	(1)
Total liabilities	<u>33,880</u>	<u>33,704</u>	<u>176</u>	<u>30,467</u>	<u>3,237</u>
<b>Net Assets</b>					
Invested in capital assets, net of related debt	22,393	21,169	1,224	20,434	735
Restricted for debt service	135	201	(66)	60	141
Unrestricted	25,357	23,322	2,035	19,674	3,648
Total net assets	<u>\$ 47,885</u>	<u>\$ 44,692</u>	<u>\$ 3,193</u>	<u>\$ 40,168</u>	<u>\$ 4,524</u>

### Fiscal Year 2011 Compared to 2010

Details of the changes in assets, liabilities, and net assets between 2011 and 2010 include the following:

- Assets increased approximately \$3.4 million, or 4.3%.
  - Cash and cash equivalents increased \$2.1 million in 2011 as a result of the factors discussed in the Statement of Cash Flows above.
  - Net capital assets decreased \$140,000 due to disposals (net of depreciation) exceeding asset additions and current year depreciation.
  - The other assets category is largely made up of receivable balances, the largest of these being property taxes at \$10.1 million at June 30, 2011. Overall, year-end receivable balances remained consistent with the prior year decreasing only about 0.7%.
  - Another item included in other assets is the long-term other post-employment benefits asset which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. The 2011 year-end balance increased nearly \$1.1 million primarily due to additional funding of the OPEB trust. OPEB is discussed in more detail in Note F.
- Liabilities had a small increase of \$176,000, less than 1.0%, in 2011.
  - Current liabilities increased \$431,000. The most significant changes were in accounts payable, deferred student fees, and the current portion of long-term debt. The difference in accounts payable is due to the timing of when the District's liabilities are paid. Deferred student fees were

lower due to the decrease in FTE's. Changes in the current portion of long-term debt are a function of the College's debt maturity schedules.

- Long-term debt decreased by \$255,000, or 1.4%, from 2010. The decrease was the net effect of new debt, debt principal payments, and the debt refinancing activities during the year.
- Net assets increased nearly \$3.2 million, or 7.1% over 2010.
  - Assets invested in capital assets, net of related debt increased more than \$1.2 million, or 5.8%, the net effect of the changes in net capital assets and general obligation notes payable used to finance capital acquisitions.
  - Restricted for debt service decreased as this amount is now presented net of accrued interest.
  - Unrestricted net assets increased by \$2.0 million, or 8.7%, reflecting continued prudent financial management of the District.

#### Fiscal Year 2010 Compared to 2009

An explanation of the changes between 2010 and 2009 include the following:

- Assets increased nearly \$7.8 million, or 11.0%, during 2010.
  - Cash and cash equivalents increased approximately \$2.1 million in 2010 as discussed above.
  - Net capital assets increased slightly as a result of net 2010 asset additions exceeding depreciation for the year.
  - The largest item within the other assets category is the property tax receivable balance, \$9.9 million at June 30, 2010. Other assets increased significantly over the previous year, 30.0%, due primarily to fluctuation in year-end receivable balances. Student fees increased the most as a result of a change in the timing of when student fees for the Summer and Fall 2010 terms were recorded.
  - Another item included in other assets for 2010 is a long-term other post-employment benefits asset of over \$900,000 which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. At June 30, 2009, the cumulative difference was a \$171,000 liability.
- Liabilities increased by \$3.2 million, or 10.6%, from 2009 to 2010.
  - Current liabilities accounted for all of this increase, most of which was due to the large increase in deferred student fees which has to do with the timing for Summer and Fall 2010 mentioned above.
  - Long-term debt decreased minimally from the previous year. The decrease is the net effect of the \$4.9 million in new debt incurred in 2009-10 and the debt principal payments made during the year based on the maturity schedules of the debt issued by the District over the last 10 years.
- Net assets increased approximately \$4.5 million, or 11.3% from 2009 to 2010.
  - Assets invested in capital assets, net of related debt increased by \$735,000 due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
  - Restricted for debt service increased as a result of the increase in long-term obligations.
  - Unrestricted net assets increased (over \$3.6 million or 18.5%) reflecting the efforts for astute financial management of District funds.

## **Capital Assets and Debt Administration**

The District's investment in capital assets as of June 30, 2011 and 2010 was \$41,833,206 and \$41,973,618 (net of accumulated depreciation), respectively. This includes land and land improvements, buildings and improvements, and moveable equipment. Significant building projects capitalized in fiscal year 2011 included a remodeling project at the Beaver Dam campus (new classroom, meeting and office space) and a new and improved bookstore at the West Bend campus. Fiscal year 2010's activities included an addition and parking lot expansion at the Beaver Dam campus and a new and improved nursing area at the West Bend campus. Additional information on the District's capital assets can be found in Note C.

At the end of the 2011 and 2010 fiscal years, the District had total general obligation debt outstanding of \$22,790,000 and \$23,095,000, respectively. The District bonds and notes maintained a rating of Aaa as awarded by Moody's Investors Services, and the District has continued to meet all of its debt service requirements. During 2011 the outstanding bonds were refinanced with notes taking advantage of more favorable interest rates. All general obligation debt for equipment is repaid in five years, while debt related to building and remodeling is repaid in 10-15 years. The debt is secured by the full faith and credit of the unlimited taxing powers of the District. 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 D.

## **Financial Position**

The District continued to improve its financial position during the year ended June 30, 2011 evidenced by an increase in net assets of \$3.2 million. The District does not anticipate having to obtain short-term borrowing for cash flow purposes, which is consistent with previous years, especially given the current year increase in cash and cash equivalents. The District also has diversified sources of revenues consisting of property taxes, state aid, student fees, federal and state grants, and other sources to meet the expenses of the District. With a diversity of revenues and the sixth lowest mill rate in the technical college system, Moraine Park will continue to obtain the resources to adequately finance normal enrollment over the next decade.

## **Economic Factors**

The Wisconsin Department of Revenue states that the Wisconsin economy continues to grow. Through May 2011, Wisconsin has added 38,600 jobs since total employment hit bottom in January 2010. By the first quarter of 2014, employment is projected to return to its peak level of 2.9 million jobs reached back in early 2008. Personal income has increased four consecutive quarters through the fourth quarter of 2010. Wisconsin personal income grew 3.4% in 2010, compared to 3.1% nationally. Wisconsin personal income should grow 4.6% in 2011 and 3.4% in 2012 (Wisconsin Economic Outlook, May 2011).

The Wisconsin Economic Outlook report (May 2011) also reports that most of the Wisconsin jobs lost in the recession came from the two largest sectors: Manufacturing (75,800) and Trade, Transportation and Utilities (38,300). Manufacturing is also the sector that has added the most jobs (22,100) in the recovery, but it has only recovered 30% of the jobs lost so far.

The report continues with information on Wisconsin unemployment reporting stating that the unemployment rate rose from 4.3% in the first quarter of 2008 to 8.8% in mid-2009, but fell to 7.4% in the first quarter of 2011 (Wisconsin Economic Outlook, May 2011). Unemployment trends in the three largest counties of Moraine Park continue to decline. Per Wisconsin's labor market information, Dodge, Fond du Lac and Washington counties' average unemployment rate fell from 8.4% to 7.9% from June, 2010 to June 2011 ([worknet.government.org](http://worknet.government.org)).

Since College enrollments are countercyclical to the economy, preliminary data indicates that laid off workers are returning to work after retraining opportunities or when job training dollars expire. College officials are not expecting continued growth in enrollment as experienced in 2009, but expect continuing declines of 10% over the next few years until they stabilize again at 2007-08 amounts. In addition to decreases in enrollment, there are some other challenges and critical concerns that the College has identified:

- The structure and direction of the new State Administration will be vital to the continuing success of the technical college system. College officials will continue to educate state representatives on the importance of local control and fiscal growth to meet the ever-changing needs of Wisconsin's workforce.
- Expenses will continue to increase. As the number of students increases and programs are added and expanded to meet community needs, additional burdens will be placed on the College's finances.
- Unfunded or partially-reimbursed mandates related to remedial services, veteran remissions, and senior discounts will continue to erode District resources as these services are growing exponentially.
- The new mandate for other post-employment benefits will require additional financial planning and funding to offset the long-term financial impact.
- Health insurance costs in comparison to economic growth will continue to rise.
- Continuing efforts to introduce sustainability components to all building projects and services at the College will increase up-front costs. Although return on investment is substantiated, resources for the initial investment may be significant.
- The financial crisis has affected investment solutions and the efforts to borrow in the tax-exempt market for certain projects. These strategies may need to be altered to protect taxpayer assets.
- The impact of technology and resulting productivity of employers in the market require continuous improvement of the College's existing programs as well as the development of new programs in response to evolving occupations and advancing technology.
- The need to remain current with expanding technology is great. Technology-related expenses are a key requirement in providing a competitive, top-notch education.

Despite these challenges, the staff members continually work to improve the financial condition of the College as indicated below:

- Expand articulation agreements and joint efforts with college members of the UW System and private colleges to provide seamless transition for students as they continue to pursue advanced degrees.
- The College has been a statewide leader in dual credit offerings to high school students within the District; these offerings allow high school students the opportunity to earn both high school and college credit through these efforts - thereby saving taxpayer dollars.
- The College is also a leader in business and industry training. Efforts continue to meet with local officials and business leaders to not only provide customized training, but also to create strategic succession planning programs with a major emphasis on job coaching, mentorships, advanced leadership skill building, and business planning efforts.
- The College continues to take advantage of state and federal funding opportunities that make sense for fiscal viability within the goal of enhancing student success.
- Staff members constantly review programs and services in order to meet the demands of the District and the State's workforce demands. Strong emphasis is placed on the retention efforts, recruitment of part-time adult learners, second career training for baby boomer retirees and assessing the success of each student.
- Joining statewide efforts within the Wisconsin Technical College System to save resources as demonstrated by the following:

- State purchasing consortium group – efforts have generated more than \$340,000 in savings alone for the College during 2010-11
- Districts Mutual Insurance Company – an insurance company created by the sixteen technical colleges in Wisconsin to provide all services related to full risk management services including administration of general liability, property, auto, worker's compensation, and educator's legal liability insurance lines; projected savings since inception in 2004 equates to more than \$11 million
- Joint library consortium that allows all members to access centralized databases and electronic subscriptions at significantly reduced costs

Overall, the College is confident that its long-term financial condition is stable. The operational mill rate for 2010-11 was \$1.21929 – well below the statutory cap of \$1.50. Operational reserves are strong and for 2010-11 represent over 28% of operational expenses on a budgetary basis. Finally, the debt burden is reasonable and is structured to be paid back in a relatively short, aggressive timeframe. The College is positioned to maintain a positive financial structure within this economic downturn and for several years in the foreseeable future.

### **Contacting the District's Financial Management**

The financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or requests for additional information should be addressed to the Vice President – Finance and Facilities, 235 N. National Avenue, Fond du Lac, WI 54935.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF NET ASSETS**  
As of June 30, 2011 and 2010

	2011	2010 (Restated)
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 16,566,420	\$ 12,677,635
Accounts receivable	2,612,823	1,607,497
Property taxes receivable	10,061,508	9,893,185
Federal and state aid receivable	786,457	1,295,193
Student fees receivable	4,230,955	4,714,188
Inventories	635,671	741,891
Prepaid expenses	623,747	409,741
Debt issuance costs	39,874	32,654
Total current assets	35,557,455	31,371,984
Non-current Assets		
Restricted cash and cash equivalents	2,231,915	4,012,305
Debt issuance costs	142,178	137,597
Other post-employment benefits	2,000,555	901,239
Cost of capital assets	73,171,504	74,893,886
Less accumulated depreciation	(31,338,298)	(32,920,268)
Total non-current assets	46,207,854	47,024,759
TOTAL ASSETS	81,765,309	78,396,743
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	3,131,489	2,327,647
Accrued payroll, payroll taxes, and retirement	1,953,853	1,844,184
Accrued vacation	453,751	478,028
Accrued health, dental and vision claims	386,724	421,583
Accrued interest	178,894	196,343
Deferred property taxes	315,275	388,974
Deferred student fees	4,346,850	4,714,900
Other unearned revenue	50,737	35,201
Due to other organizations	29,915	31,807
Due to student organizations	242,584	170,402
Current portion of long-term obligations	4,340,000	4,390,000
Total current liabilities	15,430,072	14,999,069
Long-term Liabilities		
General obligation notes and bonds	18,450,000	18,705,000
Total long-term liabilities	18,450,000	18,705,000
TOTAL LIABILITIES	33,880,072	33,704,069
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	22,392,527	21,169,867
Restricted for debt service	135,494	200,811
Unrestricted	25,357,216	23,321,996
TOTAL NET ASSETS	\$ 47,885,237	\$ 44,692,674

The accompanying notes are an integral part of these statements.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
For the years ended June 30, 2011 and 2010

	2011	2010 (Restated)
Operating Revenues		
Student program fees, net of scholarship allowances of \$4,459,231 and \$3,597,956 for 2011 and 2010, respectively	\$ 4,443,515	\$ 5,043,326
Student material fees, net of scholarship allowances of \$255,417 and \$206,905 for 2011 and 2010, respectively	254,516	290,024
Other student fees, net of scholarship allowances of \$590,056 and \$512,033 for 2011 and 2010, respectively	587,976	717,727
Federal grants	15,390,614	12,577,041
State grants	1,594,831	1,649,303
Contract revenue	2,861,942	3,024,552
Auxiliary enterprise revenues	2,961,871	3,241,917
Miscellaneous	1,065,326	709,701
Total operating revenues	29,160,591	27,253,591
Operating expenses		
Instruction	27,228,728	26,909,652
Instructional resources	2,363,444	2,117,607
Student services	6,463,390	5,528,914
General institutional	11,188,398	11,395,594
Physical plant	3,854,442	4,158,279
Auxiliary enterprise services	2,925,760	2,941,473
Depreciation	2,117,849	2,028,612
Student aid	8,930,216	7,130,490
Total operating expenses	65,072,227	62,210,621
Operating loss	(35,911,636)	(34,957,030)
Non-operating revenues (expenses)		
Property taxes	36,059,442	35,073,334
State operating appropriations	4,203,845	4,697,471
Gain/(loss) on sale of capital assets	(593,068)	(34,205)
Investment income earned	94,368	112,259
Interest expense	(845,018)	(883,834)
Total non-operating revenues (expenses)	38,919,569	38,965,025
Income before contributions	3,007,933	4,007,995
Capital contributions - state and federal grants	184,630	516,596
<b>INCREASE IN NET ASSETS</b>	3,192,563	4,524,591
Net assets - beginning of the year	44,692,674	40,168,083
Net assets - end of the year	\$ 47,885,237	\$ 44,692,674

The accompanying notes are an integral part of these statements.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
For the years ended June 30, 2011 and 2010

	2011	2010 (Restated)
Cash flows from operating activities		
Tuition and fees received	\$ 5,401,190	\$ 6,593,022
Federal and state grants received	17,494,181	13,848,156
Contract revenue received	1,961,748	3,863,690
Payments to employees	(39,624,079)	(37,878,251)
Payments to suppliers	(23,520,950)	(25,000,905)
Auxiliary enterprise revenue received	2,912,471	3,214,763
Other receipts	1,025,130	748,893
Net cash used in operating activities	(34,350,309)	(34,610,632)
Cash flows from non-capital financing activities		
Property taxes received	35,817,420	34,507,136
State appropriations received	4,203,845	4,697,471
Net cash provided by non-capital financing activities	40,021,265	39,204,607
Cash flows from capital and related financing activities		
Federal and state appropriations received for capital assets	184,630	516,596
Purchases of capital assets	(2,670,477)	(2,340,123)
Proceeds on sale of capital assets	8,186	563
Proceeds from issuance of capital debt	6,840,000	4,930,000
Debt issuance costs capitalized	(51,675)	(41,365)
Principal paid on capital debt	(7,145,000)	(4,790,000)
Interest paid on capital debt	(822,593)	(865,271)
Net cash used in capital and related financing activities	(3,656,929)	(2,589,600)
Cash flows from investing activities		
Investment income received	94,368	112,259
Net increase in cash and cash equivalents	2,108,395	2,116,634
Cash and cash equivalents - beginning of the year	16,689,940	14,573,306
Cash and cash equivalents - end of the year	\$ 18,798,335	\$ 16,689,940
Reconciliation of cash and cash equivalents to the statement of net assets		
Cash and cash equivalents	\$ 16,566,420	\$ 12,677,635
Restricted cash and cash equivalents	2,231,915	4,012,305
Total cash and cash equivalents	\$ 18,798,335	\$ 16,689,940

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS - CONTINUED**  
For the years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010 (Restated)</u>
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (35,911,636)	\$ (34,957,030)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	2,117,849	2,028,612
Changes in assets and liabilities:		
Accounts receivable	(1,005,326)	847,484
Federal and state aid receivable	508,736	(378,188)
Student fees receivable	483,233	(3,787,401)
Inventories	106,220	(157,839)
Prepaid expenses	(214,006)	(257,203)
Accounts payable	895,628	(965,556)
Accrued payroll, payroll taxes, and retirement	109,669	149,070
Accrued vacation	(24,277)	22,704
Accrued health, dental and vision claims	(34,859)	(447,390)
Deferred student fees	(368,050)	4,329,346
Other unearned revenue	15,536	3,692
Due to other organizations	(1,892)	(9,122)
Due to student organizations	72,182	40,236
Other post-employment benefits	(1,099,316)	(1,072,047)
Net cash used in operating activities	<u>\$ (34,350,309)</u>	<u>\$ (34,610,632)</u>

The accompanying notes are an integral part of these statements.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**MPTC POST-EMPLOYMENT BENEFITS TRUST**  
As of June 30, 2011 and 2010

	2011	2010
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 49,852	\$ 1,250,000
Total current assets	49,852	1,250,000
Non-current Assets		
Investments	2,870,636	-
Total non-current assets	2,870,636	-
<b>TOTAL ASSETS</b>	2,920,488	1,250,000
 <b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	13,428	-
Total current liabilities	13,428	-
<b>TOTAL LIABILITIES</b>	13,428	-
 <b>NET ASSETS</b>		
Held in Trust for post-employment benefits	2,907,060	1,250,000
<b>TOTAL NET ASSETS</b>	\$ 2,907,060	\$ 1,250,000

The accompanying notes are an integral part of these statements.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**MPTC POST-EMPLOYMENT BENEFITS TRUST**  
For the years ended June 30, 2011 and 2010

	2011	2010
<b>ADDITIONS</b>		
Contributions		
MPTC	\$ 1,250,000	\$ 1,250,000
Investment Income		
Interest	12	-
Dividends	73,022	-
Net change in fair value of investments	347,454	-
Total investment income	420,488	-
Total additions	1,670,488	1,250,000
 <b>DEDUCTIONS</b>		
Administrative Expenses	13,428	-
Total deductions	13,428	-
 Change in Net Assets	1,657,060	1,250,000
 <b>NET ASSETS HELD IN TRUST FOR POST-EMPLOYMENT BENEFITS:</b>		
Beginning of year	1,250,000	-
End of year	\$ 2,907,060	\$ 1,250,000

The accompanying notes are an integral part of these statements.

**MORaine PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2011 and 2010

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Moraine Park Technical College was organized in 1911. In 1967 MPTC dropped its status as a city institution and became an area district under the Wisconsin Vocational, Technical and Adult Education system. In April 1994 Moraine Park Technical College became officially known as the Moraine Park Technical College District. Three campuses located at West Bend, Beaver Dam, and Fond du Lac, two regional centers in Hartford and Ripon, as well as several centers throughout the District offer associate degree programs in technical education, vocational programs and a wide range of courses in adult education.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System Board (WTCSB). The District reports are based on all applicable GASB pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Review Boards of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The following is a summary of the significant accounting policies:

1. Reporting Entity

The District Board (Board) oversees the operations of the District under provisions of Chapter 38 of the Wisconsin Statutes. The District includes all of Fond du Lac and Green Lake counties, major portions of Dodge and Washington counties, and parts of Calumet, Sheboygan, Waushara, Winnebago, Marquette, and Columbia counties. The Board consists of nine members appointed by county board chairpersons of the ten counties within the service area. As the District's governing authority, the Board's powers 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.

In May 2002, GASB issued Statement No. 39, "Determining Whether Certain Organizations are Component Units." This statement amends Statement No. 14, "The Financial Reporting Entity," to provide additional guidance to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District. Generally, it requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit.

The Moraine Park Foundation, Inc. (Foundation) is 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 has an independent board and is not fiscally accountable to the District. The financial resources of the Foundation are not significant to the District as a whole and accordingly, financial information related to the Foundation is not presented in these financial statements.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. 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. Accordingly, the District's 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 years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant inter-District transactions have been eliminated.

3. Accounting Estimates

The preparation of basic financial statements in conformity with GAAP requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities 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 these estimates.

4. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all investments with an original maturity of three months or less to be cash equivalents. To facilitate cash management, cash is combined in common operating accounts.

Investments are stated at cost, which approximates fair value.

5. Property Tax and Taxes Receivable

The District disseminates its property tax levy to city, village, and town clerks in October of the fiscal year for which the taxes are levied. Property taxes are recognized as District revenue when it is measurable and available. Installment payments associated with principal and interest due on general obligation notes and bonds payable after June 30 are considered deferred revenue. The following dates are pertinent to the District's tax calendar:

Levy date	October 31
Assessment date	January 1
Due dates	January 31 (full) January 31 and July 31 (installments)
Lien date	August 31
Settlement dates	February and August

The District recognizes the property tax levy as revenue in the fiscal year for which the taxes were levied, except for tax levy collections applicable to debt service funding for the subsequent year. These collections do not meet the revenue recognition criteria and are reported as deferred property taxes at June 30, 2011.

**MORAIN PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 notes and bonds payable issued by the District. For the years ended June 30, 2011 and 2010, the District levied taxes at the following mill rates:

	<u>Year ended June 30, 2011</u>	<u>Year ended June 30, 2010</u>
Operating purposes	\$ 1.21929	\$ 1.15715
Debt service requirements	<u>.23660</u>	<u>.22853</u>
Total	<u>\$ 1.45589</u>	<u>\$ 1.38568</u>

The 2010 tax levy used to finance the fiscal year ended June 30, 2011 was \$35,997,317. The 2009 tax levy used to finance the prior year was \$35,016,845.

6. Inventories

Inventories are valued at the lower of cost (first-in, first-out basis) or market. Such inventories consist of the contents of the bookstore, food service supplies, auto parts, and certain other supplies. Instructional and administrative inventories are recorded as expenses when purchased.

7. Prepaid Expenses

Prepaid expenses represent payments made by the District for which benefits extend beyond June 30.

8. Capital Assets

Capital assets are valued at the historical cost or estimated historical cost if actual cost history is not available. Donated capital assets are valued at their estimated fair value on the date donated.

The costs of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations as incurred. Equipment assets having a cost of \$5,000 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on capital assets is provided in amounts sufficient to relate the cost of the depreciable assets to operations on the straight-line basis over the estimated service lives, which range from 5 to 15 years for equipment, 20 years for land improvements, and 50 years for buildings and improvements.

9. Accumulated Unpaid Vacation, Income Protection, and Other Employee Benefit Amounts

Vacation:

District employees are granted vacation in varying amounts based on length of contract or hours worked. Vacation earned is forfeited if not taken within six months following the end of the fiscal year in which it was earned, with the exception of support professionals. Support professionals are able to carryover 5 days until the end of February of the following fiscal year. Vacation pay is accrued when earned.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Protection:

As provided in the applicable negotiated contracts and District procedures, income protection is granted to employees based on a formula. Income protection allows employees to take paid leave for personal illnesses, deaths in the family, attendance at funerals, temporary medical disabilities, or other personal obligations. The amount of days credited to an employee's account is based on negotiated formulas and District procedures. Any unused portion is allowed to accumulate to a maximum number of days, but is lost upon retirement or termination. Accumulated unpaid amounts are not accrued.

Retirement Plan:

The District has a retirement plan covering substantially all of its employees which is funded through contributions to the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenses when incurred.

Post-retirement health, dental and life benefits:

Upon retirement, District employees meeting a minimum age and length of service requirement may participate in the District's group health and dental insurance plans. The District pays 90% of the health premiums and 93% of the dental premiums (100% for persons who retired prior to July 1, 2006) until age 65. If a retiree and spouse participate in a health risk assessment or complete an annual physical with blood work, the District pays 93% of the health premiums. At age 65, a dental plan is available through COBRA continuation for 18 months. A vision plan is available for 18 months after retirement through COBRA continuation. Life insurance premiums are paid in full by the District for employees who retired prior to July 1, 2009 until a death benefit is paid. At June 30, 2011 and 2010, the District had 196 and 187 retirees receiving benefits, respectively. Additional information regarding the District's other post-employment benefits is included in Note F.

10. Tuition and Fees and Student Accounts Receivable

Tuition and fees are recorded as revenue in the period in which the related activity or instruction takes place. Revenues for the summer semester are prorated on the basis of student class days occurring before and after June 30.

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts, if appropriate. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering a number of 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. At June 30, 2011, the District has determined that an allowance for doubtful accounts is not necessary based on the above criteria, which is consistent with the prior year.

11. State and Federal Revenues

The District receives funding pursuant to various federal and state contracts and grants. Some of these revenues are earned over fiscal periods different than that of the District and are subject to the Federal and State Single Audit Act guidelines.

12. Deferred Revenues

Deferred revenues include amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period. Deferred revenues also include amounts received from grant and contract sponsors that have not yet been earned.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Scholarship Allowances and Student Financial Aid

All financial aid awarded to students, including loans and private scholarships, is reflected in the 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 students in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition.

14. Net Assets

Net assets are classified according to restrictions or availability of assets for satisfaction of District obligations. Restricted net assets are resources which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Invested in capital assets, net of related debt represents the net value of capital assets (property, plant, and equipment) less the debt incurred to acquire or construct the assets plus borrowed resources not yet expended, but restricted for capital purchases. Restricted net assets for debt service can only be used to repay debt service costs (principal and interest) as they are levied for that specific purpose. All remaining net assets are unrestricted for legal purposes, but may be designated for specific purposes.

When an expense is incurred that can be paid using either restricted or unrestricted resources, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

15. Classification of Revenue and Expense

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

**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 student tuition and fees, net of scholarship allowances, sales and services of auxiliary enterprises, and most federal, state, and local grants and contracts. Operating expenses include the cost of providing educational services, student aid, administrative expenses, and depreciation on capital assets.

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

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

NOTE B: CASH AND INVESTMENTS

Cash and investments of the District consist of 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. Investments in the post-employment benefit trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

The carrying amount of the District's cash and investments totaled \$21,218,823 and \$17,939,940 as of June 30, 2011 and 2010, respectively, as summarized below:

	2011	2010
Petty cash funds	\$ 15,580	\$ 15,580
Interest bearing demand deposits	13,782,755	10,674,360
Certificates of deposit	5,000,000	6,000,000
Investments		
Money market mutual fund	49,852	1,250,000
Mutual funds – equity	1,653,018	-
Mutual funds – fixed income	1,217,618	-
	\$ 21,718,823	\$ 17,939,940

Reconciliation to the basic financial statements:

	2011	2010
Statement of net assets		
Cash and cash equivalents	\$ 16,566,420	\$ 12,677,635
Restricted cash and cash equivalents	2,231,915	4,012,305
Fiduciary fund		
Post-employment benefits trust	2,920,488	1,250,000
	\$ 21,718,823	\$ 17,939,940

Deposits and investments of the District are subject to various risks. Presented below is a discussion of 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 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. The District's investment policy minimizes credit risk by limiting investments to the safest type of securities.

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 time and savings deposits and \$250,000 for demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State or Wisconsin are insured by the FDIC in the amount of \$250,000 per official custodian per depository institution. In addition, the District's non-interest bearing transaction accounts are fully insured through December 31, 2012. 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,

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

**NOTE B: CASH AND INVESTMENTS - CONTINUED**

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.

As of June 30, 2011 and 2010, \$18,862,522 and \$11,342,406 of the District's deposits with financial institutions were in excess of federal depository insurance limits and uncollateralized (or collateralized with securities held by the pledging financial institution or its trust department or agent but not in the District's name).

**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. Presented below is the actual rating as of June 30, 2011 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 49,852	\$ -	\$ 49,852	\$ -	\$ -
Mutual funds - equity	1,653,018	-	-	-	1,653,018
Mutual funds - fixed income	1,217,618	-	-	-	1,217,618
Totals	\$ 2,920,488	\$ -	\$ 49,852	\$ -	\$ 2,870,636

Presented below is the actual rating as of June 30, 2010 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 1,250,000	\$ -	\$ 1,250,000	\$ -	\$ -
Totals	\$ 1,250,000	\$ -	\$ 1,250,000	\$ -	\$ -

**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. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits the maturity of any security to no more than one year from the date of purchase. Presented below are the maturities as of June 30, 2011 for each investment type.

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Money market mutual fund	\$ 49,852	\$ 49,852	\$ -	\$ -	\$ -
Mutual funds - equity	1,653,018	1,653,018	-	-	-
Mutual funds - fixed income	1,217,618	1,217,618	-	-	-
Totals	\$ 2,920,488	\$ 2,920,488	\$ -	\$ -	\$ -

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

**NOTE B: CASH AND INVESTMENTS - CONTINUED**

Presented below are the maturities as of June 30, 2010 for each investment type.

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Money market mutual fund	\$ 1,250,000	\$ 1,250,000	\$ -	\$ -	\$ -
<b>Totals</b>	<b>\$ 1,250,000</b>	<b>\$ 1,250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**NOTE C: CAPITAL ASSETS**

The following is a summary of changes in capital assets for the year ended June 30, 2011:

	Balance July 1, 2010 (Restated)	Increases	Decreases	Balance June 30, 2011
<b>Non-depreciable capital assets</b>				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Total non-depreciable capital assets	830,602	-	-	830,602
<b>Depreciable capital assets</b>				
Land improvements	1,835,331	-	526,342	1,308,989
Buildings and improvements	53,594,152	1,524,991	1,761,641	53,357,502
Equipment	18,633,801	1,053,700	2,013,090	17,674,411
Total depreciable capital assets	74,063,284	2,578,691	4,301,073	72,340,902
Total cost of capital assets	74,893,886	2,578,691	4,301,073	73,171,504
<b>Less accumulated depreciation for</b>				
Land improvements	1,068,333	60,088	526,342	602,079
Buildings and improvements	18,086,131	1,094,881	1,166,644	18,014,368
Equipment	13,765,804	962,880	2,006,833	12,721,851
Total accumulated depreciation	32,920,268	2,117,849	3,699,819	31,338,298
Net capital assets	41,973,618	\$ 460,842	\$ 601,254	41,833,206
<b>Less related long-term debt outstanding (net of available debt proceeds of \$2,291,249 and \$3,349,321 as of July 1, 2010 and June 30, 2011, respectively)</b>	<b>(20,803,751)</b>			<b>(19,440,679)</b>
<b>Total invested in capital assets, net of related debt</b>	<b>\$ 21,169,867</b>			<b>\$ 22,392,527</b>

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE C: CAPITAL ASSETS - CONTINUED

The following is a summary of changes in capital assets for the year ended June 30, 2010:

	Balance July 1, 2009	Increases	Decreases	Balance June 30, 2010 (Restated)
Non-depreciable capital assets				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Total non-depreciable capital assets	<u>830,602</u>	<u>-</u>	<u>-</u>	<u>830,602</u>
Depreciable capital assets				
Land improvements	1,835,331	-	-	1,835,331
Buildings and improvements	52,203,597	1,390,555	-	53,594,152
Equipment	17,674,385	1,135,414	175,998	18,633,801
Total depreciable capital assets	<u>71,713,313</u>	<u>2,525,969</u>	<u>175,998</u>	<u>74,063,284</u>
Total cost of capital assets	72,543,915	2,525,969	175,998	74,893,886
Less accumulated depreciation for				
Land improvements	1,008,245	60,088	-	1,068,333
Buildings and improvements	17,033,461	1,052,670	-	18,086,131
Equipment	12,991,180	915,854	141,230	13,765,804
Total accumulated depreciation	<u>31,032,886</u>	<u>2,028,612</u>	<u>141,230</u>	<u>32,920,268</u>
Net capital assets	41,511,029	<u>\$ 497,357</u>	<u>\$ 34,768</u>	41,973,618
Less related long-term debt outstanding (net of available debt proceeds of \$1,877,720 and \$2,291,249 as of July 1, 2009 and June 30, 2010, respectively)	<u>(21,077,280)</u>			<u>(20,803,751)</u>
Total invested in capital assets, net of related debt	<u>\$ 20,433,749</u>			<u>\$ 21,169,867</u>

The District did not capitalize building additions of \$816,352 due to a miscalculation in determining net building additions. As a result, buildings and improvements and net assets invested in capital assets, net of related debt were understated while 2010 operating expenses were overstated by \$816,352. The District restated its 2010 actual results to reflect this adjustment.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE D: GENERAL LONG-TERM OBLIGATIONS

Long-term obligations of the District consist of general obligation notes payable and general obligation bonds payable. Changes in these liabilities during the years ended June 30, 2011 and 2010 are summarized below:

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2011</u>	<u>Due within one year</u>
General obligation notes payable	\$ 20,580,000	\$ 6,840,000	\$ 4,630,000	\$ 22,790,000	\$ 4,340,000
General obligation bonds payable	<u>2,515,000</u>	<u>-</u>	<u>2,515,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,095,000</u>	<u>\$ 6,840,000</u>	<u>\$ 7,145,000</u>	<u>\$ 22,790,000</u>	<u>\$ 4,340,000</u>
	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2010</u>	<u>Due within one year</u>
General obligation notes payable	\$ 20,095,000	\$ 4,930,000	\$ 4,445,000	\$ 20,580,000	\$ 4,025,000
General obligation bonds payable	2,860,000	-	345,000	2,515,000	365,000
Other post-employment benefits	<u>170,808</u>	<u>994,942</u>	<u>1,165,750</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,125,808</u>	<u>\$ 5,924,942</u>	<u>\$ 5,955,750</u>	<u>\$ 23,095,000</u>	<u>\$ 4,390,000</u>

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General long-term debt obligations at June 30, 2011 and 2010 are comprised of the following individual issues:

	<u>Balance June 30, 2011</u>	<u>Balance June 30, 2010</u>
\$1,090,000 general obligation promissory notes dated April 1, 2001 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and refunding of 1994 callable debt obligations. Semi-annual interest payments ranging from 3.75% to 4.40% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2011.	\$ -	\$ 65,000
\$500,000 general obligation promissory notes dated June 28, 2001 to Bernardi Securities, Inc. for building remodeling and improvement projects. Semi-annual interest payments ranging from 4.25% to 4.60% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2011.	-	60,000

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2011	Balance June 30, 2010
<p>\$5,000,000 general obligation Applied Technology Center bonds dated June 28, 2001 to Harris Trust and Savings Bank for construction of an applied technology center at the West Bend campus. Semi-annual interest payments ranging from 4.00% to 5.00% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Refinanced during 2011.</p>	\$ -	\$ 2,515,000
<p>\$1,055,000 general obligation promissory notes dated June 28, 2002 to Bankers' Bank for new construction at the West Bend campus, building remodeling and improvement projects and acquisition of moveable equipment. Semi-annual interest payments ranging from 2.20% to 4.10% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2012.</p>	105,000	205,000
<p>\$1,425,000 general obligation promissory notes dated October 8, 2002 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects and acquisition of moveable equipment. Semi-annual interest payments ranging from 2.4% to 3.4% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2012.</p>	70,000	140,000
<p>\$1,000,000 general obligation promissory notes dated April 9, 2003 to Bankers' Bank for the Integrated Manufacturing Center remodeling project. Semi-annual interest payments ranging from 2.3% to 3.3% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2012.</p>	135,000	265,000
<p>\$770,000 general obligation promissory notes dated November 1, 2003 to Bankers' Bank for the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.5% to 3.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2012.</p>	90,000	175,000
<p>\$1,780,000 general obligation promissory notes dated April 1, 2004 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects. Semi-annual interest payments ranging from 2.5% to 3.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2014.</p>	605,000	790,000
<p>\$3,450,000 general obligation promissory notes dated September 1, 2004 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects. Semi-annual interest payments ranging from 3.0% to 3.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2014.</p>	190,000	250,000

**MORAINES PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2011	Balance June 30, 2010
<p>\$1,850,000 general obligation promissory notes dated May 1, 2005 to Harris Trust and Savings Bank for building expansion, remodeling and improvement projects and acquisition of moveable equipment. Semi-annual interest payments ranging from 3.0% to 3.75% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	\$ 640,000	\$ 780,000
<p>\$3,000,000 general obligation promissory notes dated October 1, 2005 to Piper Jaffray, Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.3% to 3.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	400,000	500,000
<p>\$2,600,000 general obligation promissory notes dated May 1, 2006 to JP Morgan for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.75% to 4.25% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2016.</p>	1,200,000	1,505,000
<p>\$1,400,000 general obligation promissory notes dated June 30, 2006 to Harris Trust and Savings Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 4.0% to 4.4% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2016.</p>	600,000	775,000
<p>\$2,970,000 general obligation promissory notes dated October 11, 2006 to Bankers' Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.7% to 3.8% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2016.</p>	920,000	1,370,000
<p>\$1,830,000 general obligation promissory notes dated May 9, 2007 to R.W. Baird &amp; Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 4.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2017.</p>	1,165,000	1,345,000
<p>\$2,745,000 general obligation promissory notes dated October 10, 2007 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.75% to 4.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2017.</p>	1,375,000	1,740,000

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2011 and 2010

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2011	Balance June 30, 2010
<p>\$1,500,000 general obligation promissory notes dated June 10, 2008 to R.W. Baird &amp; Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 4.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2018.</p>	\$ 1,120,000	\$ 1,255,000
<p>\$2,365,000 general obligation promissory notes dated October 8, 2008 to Bankers Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2018.</p>	1,270,000	1,650,000
<p>\$3,425,000 general obligation promissory notes dated May 6, 2009 to R.W. Baird &amp; Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 2.7% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2019.</p>	2,865,000	3,150,000
<p>\$2,315,000 general obligation promissory notes dated October 8, 2009 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.0% to 2.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	1,565,000	1,945,000
<p>\$2,615,000 general obligation promissory notes dated May 12, 2010 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2020.</p>	2,240,000	2,615,000
<p>\$1,905,000 general obligation promissory notes dated October 6, 2010 to R.W. Baird &amp; Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.0% to 2.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	1,300,000	-
<p>\$4,935,000 general obligation promissory notes dated June 8, 2011 to R.W. Baird &amp; Co., Inc. for building expansion, remodeling and improvement projects, the acquisition of moveable equipment and the refunding of bonds issued in 2001. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2021.</p>	4,935,000	-
<p style="padding-left: 40px;">Total general long-term debt obligations</p>	\$ 22,790,000	\$ 23,095,000

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2011 and 2010

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

Aggregate maturities of principal and interest of the general obligation debt are as follows:

<u>Years ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 4,340,000	\$ 650,494	\$ 4,990,494
2013	3,875,000	544,696	4,419,696
2014	3,675,000	435,710	4,110,710
2015	3,440,000	331,157	3,771,157
2016	2,595,000	228,965	2,823,965
2017-2021	4,865,000	343,464	5,208,464
	<u>\$ 22,790,000</u>	<u>\$ 2,534,486</u>	<u>\$ 25,324,486</u>

The District issued general obligation bonds of \$4,935,000 on June 8, 2011 to finance capital projects, purchase equipment, and refund the \$5,000,000 general obligation bonds dated June 28, 2001. The current refunding reduced future debt service payments (principal and interest) by approximately \$215,000.

Wisconsin State Statutes limit the total general obligation debt of Moraine Park Technical College District to 5% of the equalized valuation of taxable property within the District and further limit the District's bonded indebtedness to 2% of equalized valuation.

At June 30, 2011, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$22,475,612 and \$0, respectively. The 5% and 2% limits as of June 30, 2011 were \$1,278,023,469 and \$511,209,388.

At June 30, 2010, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$22,894,189 and \$2,493,132. The 5% and 2% limits as of June 30, 2010 were \$1,306,201,517 and 522,480,607, respectively.

NOTE E: RETIREMENT PLAN

All eligible District employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work at least 600 hours a year (440 hours for teachers and educational support employees) are eligible to participate in the WRS. Covered employees in the General/Teacher/Educational Support Personnel category are required by statute to contribute 6.2% of their salary to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for District employees covered by the WRS for the year ended June 30, 2011 was \$25,455,009; the District's total payroll was \$27,193,991. The total required contribution for the year ended June 30, 2011 was \$2,877,086, which consisted of \$1,260,358 for the employer portion (4.8% from July 2010 thru December 2010 and 5.1% from January 2011 thru June 2011) and \$1,616,728 for the employee portion (6.2% from July 2010 thru December 2010 and 6.5% from January 2011 thru June 2011). Total contributions for the years ending June 30, 2011, 2010, and 2009 were \$2,877,086, \$2,668,693, and \$2,417,529, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 are entitled to receive a retirement benefit. Employees may retire at age 55 and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so,

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

NOTE E: RETIREMENT PLAN – CONTINUED

forfeit all rights to any subsequent benefit. 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 are immediately vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

NOTE F: OTHER POST-EMPLOYMENT BENEFITS

*Annual Other Post-Employment Benefits (OPEB) Cost and Net OPEB Obligation:*

The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with GASB Statement No. 45, for this single-employer defined benefit plan. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a closed amortization period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation.

	2011	2010
Annual required contribution	\$ 920,407	\$ 996,984
Interest on net OPEB	(54,074)	8,540
Adjustment to annual required contribution	(61,768)	10,582
Annual OPEB cost (expense)	928,101	994,942
Contributions made	(2,027,417)	(2,066,989)
Change in net OPEB obligation	(1,099,316)	(1,072,047)
OPEB obligation (asset) – beginning of the year	(901,239)	170,808
OPEB obligation (asset) – end of the year	\$ (2,000,555)	\$ (901,239)

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2011
Actuarial cost method	Projected Unit Credit
Amortization method	Level
Remaining amortization period	27 years
Actuarial assumptions:	
Investment rate of return	6.0%
Healthcare cost trend rate (medical)	10.0% (initial) 5.0% (ultimate)
Healthcare cost trend rate (dental)	4.0% (initial) 4.0% (ultimate)

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

NOTE F: OTHER POST-EMPLOYMENT BENEFITS – CONTINUED

*Trend Information:*

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Required Contribution (ARC)	Percentage of Annual OPEB Cost Contributed	Percentage of ARC Contributed	Net OPEB Obligation (Asset)
June 30, 2009	\$ 1,182,157	\$ 1,182,157	85.6%	85.6%	\$ 170,808
June 30, 2010	994,942	996,984	207.7%	207.3%	(901,239)
June 30, 2011	928,101	920,407	218.4%	220.3%	(2,000,555)

*Funded Status:*

The funded status of the plan for the past three years is shown below.

Fiscal Year Ended	Valuation Assets	Accrued Liability	Unfunded Accrued Liability	Funded Ratio
June 30, 2009	\$ -	\$ 9,828,010	\$ 9,828,010	0.00%
June 30, 2010	1,250,000	9,238,644	7,988,644	13.5%
June 30, 2011	2,920,488	9,343,150	6,422,662	31.3%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

An irrevocable trust, the MPTC Post Employment Benefits Trust, was created in June 2010 to be funding this liability. During 2010-11 the College transferred \$1,250,000 into the trust. Total net assets held in the trust at June 30, 2011 were \$2,920,488. A separate audited post-employment benefit plan report has not been prepared.

NOTE G: RISK MANAGEMENT

*Self Insurance*

The District is exposed to various risks of loss related to employee health, dental, and vision care, for which the District is self-insured. The accrued liability for insurance claims represents an estimate of the eventual loss on claims arising prior to year end, including claims incurred but not yet reported. It is based on the requirements of GASB Statement No. 10, which requires 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. The amount of the liability is estimated by the District's third party administrator based on prior experience and actual claims submitted subsequent to year end. Changes in the claims liability for the 2010-11 and 2009-10 fiscal years were:

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
 June 30, 2011 and 2010

NOTE G: RISK MANAGEMENT – CONTINUED

	2011	2010
Accrued claims - beginning of year	\$ 421,583	\$ 868,973
Current year claims and changes in estimate	5,943,526	4,807,426
Claim payments	(5,978,385)	(5,254,816)
Accrued claims – end of year	\$ 386,724	\$ 421,583

*Districts Mutual Insurance Company*

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). DMI is a fully-assessable mutual company authorized under Wisconsin statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$350,000,000 per occurrence; general liability, auto, and educators' 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 between \$2,500 and \$100,000 per occurrence depending on the type of coverage; 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 a budget, set policy, and control the financial affairs of the company.

During 2004-2008, all member colleges were assessed an annual premium that included a capitalization component to establish reserves for the company. Since inception, members have provided capital contributions of \$4,484,665. During 2009-10, certain member colleges received a return on capital totaling \$113,625 and DMI collected capital in the amount of \$28,559; however, Moraine Park did not pay an assessment or receive a return. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are allocated to participants based on equity interest in the company.

For the year ended June 30, 2011, the District paid a total premium of \$279,693, which included no capitalization component. For 2010 total premiums were \$225,538 which included no capitalization component.

Audited financial statements for DMI can be obtained from Districts Mutual Insurance Company, 212 W. Pinehurst Trail, Dakota Dunes, SD 57049.

*Supplemental Insurance*

In July 1997, the WTCS technical colleges formed the WTCS Insurance Trust to jointly purchase commercial insurance to provide coverage for losses from theft of, damages 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. Members include all sixteen Wisconsin Technical College System districts.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE G: RISK MANAGEMENT – CONTINUED

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

- Foreign liability: \$1,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses; \$1,000 deductible for employee benefits.
- Crime: \$750,000 coverage for employee dishonesty, forgery, computer fraud and funds transfer fraud; \$500,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$2,500 deductible for investigation; \$10,000 deductible for employee dishonesty, forgery, and fraud.

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

NOTE H: JOINT VENTURE

The District has implemented a computerized library database through a joint venture with Gateway and Waukesha County (WCTC) Technical Colleges by forming the Wisconsin Public Access Library System (WisPALS) in the fall of 1989. Since 1997 and as of June 30, 2011, eight additional technical colleges have joined. WisPALS is governed by the eleven colleges' presidents and librarians with each college having an equal vote. Through the joint venture each college owns one-eleventh of the computer hardware and software that comprises WisPALS; however, the computer hardware and software is permanently housed at WCTC's Pewaukee campus. Operating costs of WisPALS are also shared equally by the eleven colleges.

The District's share of the operating costs was \$60,078 and \$38,521 for the years ended June 30, 2011 and 2010, respectively. Its investment in capital assets was \$251,521 in both years. The fund balance for the joint venture decreased \$6,063 in the current year. WisPALS has no joint venture debt outstanding.

The WisPALS financial statements can be obtained through Gateway Technical College District, 3520 30th Avenue, Racine, WI 53144.

NOTE I: COMMITMENTS AND CONTINGENCIES

Intergovernmental awards received by the District are subject to audit and adjustment by the funding agency or their representatives. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements at June 30, 2011.

The District has commitments for capital projects as of June 30, 2011 totaling \$1,649,173. As of June 30, 2010, the commitments for capital projects were \$905,104.

The District has operating leases which are year-to-year agreements for instructional facilities and equipment. Rent expense under all operating leases for the years ended June 30, 2011 and 2010 was \$70,679 and \$81,667, respectively.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2011 and 2010

NOTE J: EXPENSE CLASSIFICATION

Expenses on the Statements of Revenues, Expenses, and Changes in Net Assets are classified by function. Alternatively, the expenses could also be shown by type of expense as follows for the years ended June 30, 2011 and June 30, 2010:

	2011	2010
Salaries and wages	\$ 27,155,973	\$ 26,545,955
Fringe benefits	11,419,323	9,984,633
Travel, memberships, and subscriptions	648,829	578,876
Supplies	5,304,350	6,483,409
Contracted services	7,967,007	7,997,755
Rentals – facilities and equipment	70,679	81,667
Credit	169,968	145,615
Insurance	361,773	299,738
Utilities	887,279	852,178
Depreciation	2,117,849	2,028,612
Student aid	8,930,216	7,130,490
Other expenses	38,981	81,693
Total operating expenses	\$ 65,072,227	\$ 62,210,621

NOTE K: SUBSEQUENT EVENTS

On August 17, 2011, the Board of Directors authorized the issuance of \$1,830,000 in general obligation promissory notes for the purpose of financing building remodeling and improvement projects and the acquisition of moveable equipment. The notes were issued September 7, 2011.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
June 30, 2011

Actuarial Valuation Date June 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	Funded Ratio (1) / (2)
2009	\$ -	\$ 9,828,010	\$ 9,828,010	0.00%
2010	1,250,000	9,238,644	7,988,644	13.53%
2011	2,920,488	9,343,150	6,422,662	31.26%

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
 June 30, 2011

<u>Year Ended June 30,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 1,011,349	\$ 1,182,157	85.6%
2010	2,066,989	996,984	207.3%
2011	2,027,417	920,407	220.3%

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## **GENERAL FUND**

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The General Fund is the operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

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**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 29,640,359	\$ 29,690,359	\$ 29,678,785	\$ -	\$ 29,678,785	\$ (11,574)
Intergovernmental revenue						
State	4,761,888	4,295,000	4,297,861	-	4,297,861	2,861
Federal	-	-	8,357	-	8,357	8,357
Tuition and fees						
Statutory program fees	8,585,500	8,902,500	8,902,746	-	8,902,746	246
Material fees	490,000	509,900	509,933	-	509,933	33
Other student fees	1,148,000	1,178,000	1,178,032	-	1,178,032	32
Institutional	3,632,500	3,350,000	3,353,445	-	3,353,445	3,445
<b>Total revenues</b>	<b>48,258,247</b>	<b>47,925,759</b>	<b>47,929,159</b>	<b>-</b>	<b>47,929,159</b>	<b>3,400</b>
<b>Expenditures</b>						
Instruction	26,856,636	25,962,879	25,099,621	(1,319)	25,098,302	864,577
Instructional resources	2,031,992	2,067,716	2,067,716	-	2,067,716	-
Student services	5,013,446	5,195,596	5,019,885	-	5,019,885	175,711
General institutional	11,373,327	12,530,272	11,768,943	6,385	11,775,328	754,944
Physical plant	3,240,669	3,332,379	3,258,881	73,498	3,332,379	-
<b>Total expenditures</b>	<b>48,516,070</b>	<b>49,088,842</b>	<b>47,215,046</b>	<b>78,564</b>	<b>47,293,610</b>	<b>1,795,232</b>
Excess (deficiency) of revenues over expenditures	(257,823)	(1,163,083)	714,113	(78,564)	635,549	1,798,632
<b>Other financing sources (uses)</b>						
Transfers in (out)	80,000	-	-	-	-	-
<b>Net change in fund balance</b>	<b>(177,823)</b>	<b>(1,163,083)</b>	<b>714,113</b>	<b>(78,564)</b>	<b>635,549</b>	<b>1,798,632</b>
Fund balance at July 1, 2010*	13,075,416	14,307,409	14,376,720	(69,311)	14,307,409	-
<b>Fund balance at June 30, 2011</b>	<b>\$ 12,897,593</b>	<b>\$ 13,144,326</b>	<b>\$ 15,090,833</b>	<b>\$ (147,875)</b>	<b>\$ 14,942,958</b>	<b>\$ 1,798,632</b>
<b>Fund balance</b>						
Reserved for encumbrances			\$ 147,875			
Reserved for prepaid items			393,685			
Unreserved fund balance						
Designated for state aid fluctuations			429,000			
Designated for Other Post Employment Benefits (OPEB)			500,000			
Designated for operations			13,620,273			
			<u>\$ 15,090,833</u>			

\* Amounts presented in the Actual and Adjustment to Budgetary Basis columns differ from the 2010 Comprehensive Annual Financial Report by \$84,250. The 2010 statements included an adjustment of \$84,250 for other post-employment benefits that was reflected in the actual and adjustment columns.

## **SPECIAL REVENUE AIDABLE FUND**

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The Special Revenue Aidable Fund is used to account for the proceeds and related financial activities of specific revenue sources (other than debt service, major capital projects, or expendable trusts) that are restricted to expenditures for designated purposes because of legal or regulatory provisions.

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**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SPECIAL REVENUE AIDABLE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 404,958	\$ 404,958	\$ 404,958	\$ -	\$ 404,958	\$ -
Intergovernmental revenue						
State	751,470	717,893	717,893	-	717,893	-
Federal	1,787,784	2,048,372	2,218,426	-	2,218,426	170,054
Institutional	175,000	212,156	213,115	-	213,115	959
<b>Total revenues</b>	<b>3,119,212</b>	<b>3,383,379</b>	<b>3,554,392</b>	<b>-</b>	<b>3,554,392</b>	<b>171,013</b>
<b>Expenditures</b>						
Instruction	1,708,839	1,733,450	1,728,427	5,023	1,733,450	-
Instructional resources	-	1,606	1,606	-	1,606	-
Student services	1,229,764	1,388,169	1,388,169	-	1,388,169	-
General institutional	165,705	260,448	260,448	-	260,448	-
Physical plant	15,180	15,180	15,180	-	15,180	-
<b>Total expenditures</b>	<b>3,119,488</b>	<b>3,398,853</b>	<b>3,393,830</b>	<b>5,023</b>	<b>3,398,853</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(276)</b>	<b>(15,474)</b>	<b>160,562</b>	<b>(5,023)</b>	<b>155,539</b>	<b>171,013</b>
Fund balance at July 1, 2010	50,808	176,591	176,591	-	176,591	-
<b>Fund balance at June 30, 2011</b>	<b>\$ 50,532</b>	<b>\$ 161,117</b>	<b>\$ 337,153</b>	<b>\$ (5,023)</b>	<b>\$ 332,130</b>	<b>\$ 171,013</b>
<b>Fund balance</b>						
Reserved for encumbrances			\$ 5,023			
Unreserved fund balance						
Designated for subsequent year			332,130			
			<u>\$ 337,153</u>			

## **SPECIAL REVENUE NON-AIDABLE FUND**

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The Special Revenue Non-Aidable Fund is used to account for expendable trust funds held by the District in a trustee/agent capacity, primarily for student activities and financial aid.

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**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SPECIAL REVENUE NON-AIDABLE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 32,000	\$ 32,000	\$ 32,000	\$ -	\$ 32,000	\$ -
Intergovernmental revenue						
State	745,000	766,121	782,922	-	782,922	16,801
Federal	10,533,000	13,163,831	13,163,831	-	13,163,831	-
Institutional	190,000	272,968	272,968	-	272,968	-
Total revenues	11,500,000	14,234,920	14,251,721	-	14,251,721	16,801
<b>Expenditures</b>						
Student services	11,500,000	14,234,920	14,234,920	-	14,234,920	-
Total expenditures	11,500,000	14,234,920	14,234,920	-	14,234,920	-
Net change in fund balance	-	-	16,801	-	16,801	16,801
Fund balance at July 1, 2010	66,847	87,960	87,960	-	87,960	-
Fund balance at June 30, 2011	<u>\$ 66,847</u>	<u>\$ 87,960</u>	<u>\$ 104,761</u>	<u>\$ -</u>	<u>\$ 104,761</u>	<u>\$ 16,801</u>
<b>Fund balance</b>						
Reserved for student financial assistance			<u>\$ 104,761</u>			

## **CAPITAL PROJECTS FUND**

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The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities and major equipment other than those financed by the Enterprise and Internal Service funds.

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**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -
Intergovernmental revenue						
State	-	-	17,013	-	17,013	17,013
Federal	39,060	39,060	167,617	-	167,617	128,557
Institutional	20,000	20,000	29,524	-	29,524	9,524
<b>Total revenues</b>	<b>79,060</b>	<b>79,060</b>	<b>234,154</b>	<b>-</b>	<b>234,154</b>	<b>155,094</b>
<b>Expenditures</b>						
Instruction	650,421	758,345	774,245	(15,900)	758,345	-
Instructional resources	956,247	911,247	834,086	6,900	840,986	70,261
Student services	54,600	55,230	59,430	(4,200)	55,230	-
General institutional	692,788	647,788	619,831	(34,435)	585,396	62,392
Physical plant	1,508,339	2,484,785	1,633,490	791,703	2,425,193	59,592
<b>Total expenditures</b>	<b>3,862,395</b>	<b>4,857,395</b>	<b>3,921,082</b>	<b>744,068</b>	<b>4,665,150</b>	<b>192,245</b>
Excess (deficiency) of revenues over expenditures	(3,783,335)	(4,778,335)	(3,686,928)	(744,068)	(4,430,996)	347,339
<b>Other financing sources</b>						
Long term debt issued	3,750,000	4,745,000	4,745,000	-	4,745,000	-
<b>Net change in fund balance</b>	<b>(33,335)</b>	<b>(33,335)</b>	<b>1,058,072</b>	<b>(744,068)</b>	<b>314,004</b>	<b>347,339</b>
Fund balance at July 1, 2010	1,161,619	1,386,145	2,291,249	(905,104)	1,386,145	-
<b>Fund balance at June 30, 2011</b>	<b>\$ 1,128,284</b>	<b>\$ 1,352,810</b>	<b>\$ 3,349,321</b>	<b>\$ (1,649,172)</b>	<b>\$ 1,700,149</b>	<b>\$ 347,339</b>
<b>Fund balance</b>						
Reserved for encumbrances			\$ 1,649,172			
Reserved for capital projects			1,700,149			
			<u>\$ 3,349,321</u>			

## **DEBT SERVICE FUND**

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The Debt Service Fund is used to account for the accumulation of resources and the payment of principal and interest on long-term general obligation debt.

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**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
Year ended June 30, 2011

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 5,900,000	\$ 5,850,000	\$ 5,923,699	\$ (73,699)	\$ 5,850,000	\$ -
Institutional	25,000	90,288	121,644	-	121,644	31,356
<b>Total revenues</b>	<b>5,925,000</b>	<b>5,940,288</b>	<b>6,045,343</b>	<b>(73,699)</b>	<b>5,971,644</b>	<b>31,356</b>
<b>Expenditures</b>						
Physical plant	5,910,615	5,876,766	5,876,766	-	5,876,766	-
<b>Total expenditures</b>	<b>5,910,615</b>	<b>5,876,766</b>	<b>5,876,766</b>	<b>-</b>	<b>5,876,766</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>14,385</b>	<b>63,522</b>	<b>168,577</b>	<b>(73,699)</b>	<b>94,878</b>	<b>31,356</b>
<b>Other financing sources (uses)</b>						
Long term debt issued	-	2,095,000	2,095,000	-	2,095,000	-
Payment to current noteholder	-	(2,150,000)	(2,150,000)	-	(2,150,000)	-
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<b>14,385</b>	<b>8,522</b>	<b>113,577</b>	<b>(73,699)</b>	<b>39,878</b>	<b>31,356</b>
Fund balance at July 1, 2010	571,091	589,785	200,811	388,974	589,785	-
<b>Fund balance at June 30, 2011</b>	<b>\$ 585,476</b>	<b>\$ 598,307</b>	<b>\$ 314,388</b>	<b>\$ 315,275</b>	<b>\$ 629,663</b>	<b>\$ 31,356</b>
<b>Fund balance</b>						
Reserved for debt service			<u>\$ 314,388</u>			

## **ENTERPRISE FUNDS**

---

The Enterprise Funds are used to account for operations that provide services which are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control, or other purposes. The District's enterprise funds are used to account for the operations of the bookstore, vending machines, child care, parts department, and other activities.

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**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**ENTERPRISE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Auxiliary revenue	\$ 3,019,700	\$ 3,030,873	\$ 2,961,871	\$ -	\$ 2,961,871	\$ (69,002)
Total revenues	3,019,700	3,030,873	2,961,871	-	2,961,871	(69,002)
<b>Expenditures</b>						
Auxiliary services	2,844,500	2,935,673	2,935,673	-	2,935,673	-
Total expenditures	2,844,500	2,935,673	2,935,673	-	2,935,673	-
Excess of revenues over expenditures	175,200	95,200	26,198	-	26,198	(69,002)
<b>Other financing sources (uses)</b>						
Transfers in (out)	(80,000)	-	-	-	-	-
Net change in fund balance	95,200	95,200	26,198	-	26,198	(69,002)
Fund balance at July 1, 2010	820,198	957,208	957,208	-	957,208	-
Fund balance at June 30, 2011	<u>\$ 915,398</u>	<u>\$ 1,052,408</u>	<u>\$ 983,406</u>	<u>\$ -</u>	<u>\$ 983,406</u>	<u>\$ (69,002)</u>
<b>Fund balance</b>						
Unreserved retained earnings			<u>\$ 983,406</u>			

## **INTERNAL SERVICE FUNDS**

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The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. At present, the District has two Internal Service Funds. One is used to account for the transactions of the District's self-insured employee health, dental, and vision coverage programs. The other accounts for all costs associated with copiers and usage by District departments.

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**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**INTERNAL SERVICE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**Year ended June 30, 2011**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Auxiliary revenue	\$ 6,708,000	\$ 7,210,681	\$ 6,899,950	\$ -	\$ 6,899,950	\$ (310,731)
Total revenues	6,708,000	7,210,681	6,899,950	-	6,899,950	(310,731)
<b>Expenditures</b>						
Auxiliary services	6,589,200	7,091,881	7,091,881	-	7,091,881	-
Total expenditures	6,589,200	7,091,881	7,091,881	-	7,091,881	-
Net change in fund balance	118,800	118,800	(191,931)	-	(191,931)	(310,731)
Fund balance at July 1, 2010	6,088,305	6,920,855	6,920,855	-	6,920,855	-
Fund balance at June 30, 2011	<u>\$ 6,207,105</u>	<u>\$ 7,039,655</u>	<u>\$ 6,728,924</u>	<u>\$ -</u>	<u>\$ 6,728,924</u>	<u>\$ (310,731)</u>
<b>Fund balance</b>						
Reserved for self-insurance			\$ 6,615,851			
Unreserved retained earnings			<u>113,073</u>			
			<u>\$ 6,728,924</u>			

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS**  
**FINANCIAL STATEMENTS TO BASIC FINANCIAL STATEMENTS**  
Year ended June 30, 2011

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund
<b>Revenues</b>				
Local government - tax levy	\$ 29,678,785	\$ 404,958	\$ 32,000	\$ 20,000
Intergovernmental revenue				
State	4,297,861	717,893	782,922	17,013
Federal	8,357	2,218,426	13,163,831	167,617
Tuition and fees				
Statutory program fees	8,902,746	-	-	-
Material fees	509,933	-	-	-
Other student fees	1,178,032	-	-	-
Institutional	3,353,445	213,115	272,968	29,524
Auxiliary revenue	-	-	-	-
<b>Total revenues</b>	<b>47,929,159</b>	<b>3,554,392</b>	<b>14,251,721</b>	<b>234,154</b>
<b>Expenditures</b>				
Instruction	25,098,302	1,733,450	-	758,345
Instructional resources	2,067,716	1,606	-	840,986
Student services	5,019,885	1,388,169	14,234,920	55,230
General institutional	11,775,328	260,448	-	585,396
Physical plant	3,332,379	15,180	-	2,425,193
Auxiliary services	-	-	-	-
Depreciation	-	-	-	-
Student aid	-	-	-	-
<b>Total expenditures</b>	<b>47,293,610</b>	<b>3,398,853</b>	<b>14,234,920</b>	<b>4,665,150</b>
Excess (deficiency) of revenues over expenditures	635,549	155,539	16,801	(4,430,996)
<b>Other financing sources (uses)</b>				
Long term debt issued	-	-	-	4,745,000
Payment to current noteholder	-	-	-	-
<b>Net change in fund balances</b>	<b>635,549</b>	<b>155,539</b>	<b>16,801</b>	<b>314,004</b>
Fund balances at July 1, 2010	14,307,409	176,591	87,960	1,386,145
Prior period adjustment	-	-	-	-
Fund balances at July 1, 2010 (as restated)	14,307,409	176,591	87,960	1,386,145
Fund balances at June 30, 2011	<b>\$ 14,942,958</b>	<b>\$ 332,130</b>	<b>\$ 104,761</b>	<b>\$ 1,700,149</b>

Debt Service Fund	Enterprise Funds	Internal Service Funds	Total	Reconciling Items	Statement of revenues, expenses, and changes in net assets
\$ 5,850,000	\$ -	\$ -	\$ 35,985,743	\$ 73,699	\$ 36,059,442
-	-	-	5,815,689	-	5,815,689 (1)
-	-	-	15,558,231	-	15,558,231 (2)
-	-	-	8,902,746	(4,459,231)	4,443,515
-	-	-	509,933	(255,417)	254,516
-	-	-	1,178,032	(590,056)	587,976
121,644	-	-	3,990,696	(562,128)	3,428,568 (3)
-	2,961,871	6,899,950	9,861,821	(6,899,950)	2,961,871
5,971,644	2,961,871	6,899,950	81,802,891	(12,693,083)	69,109,808
-	-	-	27,590,097	(361,369)	27,228,728
-	-	-	2,910,308	(546,864)	2,363,444
-	-	-	20,698,204	(14,234,814)	6,463,390
-	-	-	12,621,172	(1,432,774)	11,188,398
5,876,766	-	-	11,649,518	(6,950,058)	4,699,460 (4)
-	2,935,673	7,091,881	10,027,554	(7,101,794)	2,925,760
-	-	-	-	2,117,849	2,117,849
-	-	-	-	8,930,216	8,930,216
5,876,766	2,935,673	7,091,881	85,496,853	(19,579,608)	65,917,245
94,878	26,198	(191,931)	(3,693,962)	6,886,525	3,192,563
2,095,000	-	-	6,840,000	(6,840,000)	-
(2,150,000)	-	-	(2,150,000)	2,150,000	-
39,878	26,198	(191,931)	996,038	2,196,525	3,192,563
589,785	957,208	6,920,855	24,425,953	19,450,369	43,876,322
-	-	-	-	816,352	816,352
589,785	957,208	6,920,855	24,425,953	20,266,721	44,692,674
\$ 629,663	\$ 983,406	\$ 6,728,924	\$ 25,421,991	\$ 22,463,246	\$ 47,885,237 (5)

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL**  
**STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED**  
 Year ended June 30, 2011

**BUDGETS AND BUDGETARY ACCOUNTING**

The District's fund structure used in preparing the basic financial statements is different than the fund structure used for budgetary accounting. 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 annual budgets for all funds in accordance with legal requirements.

- Annual budget requests by departments are submitted to the Planning and Budget Coordination Committee during January. After all the requests are reviewed, the President submits the proposed budget to the District Board.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- In accordance with State Statute 38.12, the budget is legally enacted through approval by the District Board prior to July 1.
- Budget amendments made during the year are legally authorized by the District Board. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the District Board and public notice published in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function (e.g., instruction, instructional resources, student services, etc.), as presented in the accompanying financial statements. Expenditures may not exceed funds available or appropriated. Unused appropriations lapse at the end of each fiscal year.

Formal budgetary integration is employed as a planning device for all funds. MPTC adopts an annual operating budget that is prepared on a different basis from the basic financial statements. The budget differs from GAAP by recognizing encumbrances as expenditures and property taxes levied that relate to debt service funding for the subsequent year as revenue. Also, the budget does not incorporate changes related to GASB Statement Nos. 34, 35, 37, and 38 as listed previously in Note A to the financial statements.

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

Operating	\$ 1,594,831
Non-operating	
State operating appropriations	4,203,845
Capital contributions (state portion)	<u>17,013*</u>
	<u>\$ 5,815,689</u>

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

Operating	\$ 15,390,614
Capital contributions (federal portion)	<u>167,617*</u>
	<u>\$ 15,558,231</u>

\* Shown as one line item totaling \$184,630 on basic financial statements.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL**  
**STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED**  
Year ended June 30, 2011

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

Contract revenue	\$ 2,861,942
Miscellaneous	1,065,326
Loss on sale of capital assets	(593,068)
Investment income earned	<u>94,368</u>
	<u>\$ 3,428,568</u>

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

Physical plant	\$ 3,854,442
Interest expense	<u>845,018</u>
	<u>\$ 4,699,460</u>

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

Budgetary basis fund balance	\$ 25,421,991
General capital assets capitalized – cost	72,954,355
Accumulated depreciation on general capital assets	(31,191,618)
General obligation notes and bonds payable	(22,790,000)
Accrued interest on notes and bonds payable	(178,894)
Unamortized debt issuance costs	182,052
Long-term OPEB asset	2,000,555
Encumbrances outstanding at year end	1,802,071
Deferred property taxes related to debt service	<u>(315,275)</u>
	<u>22,463,246</u>
Net assets per basic financial statements	<u>\$ 47,885,237</u>

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# STATISTICAL SECTION

The statistical section of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. The information was prepared by the District and was not subject to audit by the independent certified public accounting firm.

The statistical section contains information related to the following categories:

*Financial Trends*

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed.

*Revenue Capacity*

These schedules contain information to aid the reader in assessing the District's most significant local revenue source, the property tax.

*Debt Capacity*

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

*Demographic and Economic Information*

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

*Operating Information*

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

NET ASSETS BY COMPONENT  
Last Nine Fiscal Years  
(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Invested in capital assets, net of related debt	\$ 22,392,527	\$ 21,169,867	\$ 20,433,749	\$ 18,846,368	\$ 17,442,598	\$ 17,539,006	\$ 18,517,952	\$ 18,819,056	\$ 19,016,984
Restricted for debt service	135,494	200,811	60,491	171,867	389,162	173,182	64,738	60,577	44,156
Unrestricted	25,357,216	23,321,996	19,673,843	17,731,354	14,994,957	12,985,319	10,095,279	7,103,567	4,666,456
<b>Total Net Assets</b>	<b>\$ 47,885,237</b>	<b>\$ 44,692,674</b>	<b>\$ 40,168,083</b>	<b>\$ 36,749,589</b>	<b>\$ 32,826,717</b>	<b>\$ 30,697,507</b>	<b>\$ 28,677,969</b>	<b>\$ 25,983,200</b>	<b>\$ 23,727,596</b>

Note: The District implemented GASB Statements 34 and 35 beginning with the fiscal year ended June 30, 2003.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**CHANGES IN NET ASSETS**  
Last Nine Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Operating Revenues</b>									
Student program fees, net of scholarship allowances	\$ 4,443,515	\$ 5,043,326	\$ 4,445,699	\$ 3,568,597	\$ 2,688,721	\$ 3,581,464	\$ 3,392,118	\$ 3,059,236	\$ 2,669,643
Student material fees, net of scholarship allowances	254,516	290,024	269,795	211,695	166,770	235,090	265,281	260,555	259,071
Other student fees, net of scholarship allowances	587,976	717,727	621,989	543,994	387,013	411,224	415,425	344,050	372,005
Federal grants	15,390,614	12,577,041	8,461,436	7,362,268	6,649,353	6,534,329	6,136,267	5,411,562	4,382,758
State grants	1,594,831	1,649,303	1,609,053	1,381,354	1,371,697	1,512,399	1,439,247	1,145,490	1,162,305
Contract revenue	2,861,942	3,024,552	3,304,784	3,313,553	3,214,444	2,941,047	2,389,951	2,247,471	2,222,219
Auxiliary enterprise revenues	2,961,871	3,241,917	2,766,754	2,518,154	2,460,683	2,469,942	2,445,691	2,335,984	2,101,819
Miscellaneous	1,065,326	709,701	662,027	540,425	704,695	422,709	321,407	301,402	342,175
<b>Total operating revenues</b>	<b>29,160,591</b>	<b>27,253,591</b>	<b>22,141,537</b>	<b>19,440,040</b>	<b>17,643,376</b>	<b>18,108,204</b>	<b>16,805,387</b>	<b>15,105,750</b>	<b>13,411,995</b>
<b>Operating expenses</b>									
Instruction	27,228,728	26,909,652	25,388,159	24,324,920	24,034,908	22,963,130	22,502,838	21,564,390	20,572,620
Instructional resources	2,363,444	2,117,607	1,932,608	2,074,652	2,022,672	1,887,566	1,803,014	1,461,804	1,328,139
Student services	6,463,390	5,528,914	5,295,808	4,748,804	4,426,438	4,124,639	3,655,919	3,537,136	3,393,570
General institutional	11,188,398	11,395,594	10,955,635	9,872,114	10,239,128	9,170,863	7,701,519	6,514,631	6,361,343
Physical plant	3,854,442	4,158,279	3,436,929	3,366,545	3,757,623	3,856,601	3,264,295	3,034,650	2,966,230
Auxiliary enterprise services	2,925,760	2,941,473	2,692,247	2,464,624	2,468,609	2,524,529	2,398,804	2,266,221	1,944,794
Depreciation	2,117,849	2,028,612	1,959,415	1,815,504	1,722,739	1,972,332	2,510,031	2,791,545	2,752,454
Student aid	8,930,216	7,130,490	4,851,847	3,909,936	2,832,629	4,010,350	3,369,368	2,730,905	1,811,129
<b>Total operating expenses</b>	<b>65,072,227</b>	<b>62,210,621</b>	<b>56,512,648</b>	<b>52,577,099</b>	<b>51,504,746</b>	<b>50,510,010</b>	<b>47,205,788</b>	<b>43,901,282</b>	<b>41,130,279</b>
<b>Operating loss</b>	<b>(35,911,636)</b>	<b>(34,957,030)</b>	<b>(34,371,111)</b>	<b>(33,137,059)</b>	<b>(33,861,370)</b>	<b>(32,401,806)</b>	<b>(30,400,401)</b>	<b>(28,795,532)</b>	<b>(27,718,284)</b>
<b>Non-operating revenues (expenses)</b>									
Property taxes	36,059,442	35,073,334	33,701,800	32,394,755	31,154,753	29,671,623	28,346,706	27,239,173	26,142,542
State operating appropriations	4,203,845	4,697,471	4,717,435	4,867,628	4,840,047	5,163,811	5,374,802	5,032,905	4,789,088
Gain/(loss) on sale of capital assets	(593,068)	(34,205)	(142,802)	(57,888)	(3,227)	(46,376)	(18,255)	(404,982)	27,910
Investment income earned	94,368	112,259	241,898	610,604	777,886	505,136	243,480	92,272	94,767
Interest expense	(845,018)	(883,834)	(929,746)	(988,517)	(979,757)	(906,254)	(898,271)	(928,690)	(1,014,242)
<b>Total non-operating revenues</b>	<b>38,919,569</b>	<b>38,965,025</b>	<b>37,588,585</b>	<b>36,826,582</b>	<b>35,789,702</b>	<b>34,387,940</b>	<b>33,048,462</b>	<b>31,030,678</b>	<b>30,040,065</b>
<b>Income before capital contributions</b>	<b>3,007,933</b>	<b>4,007,995</b>	<b>3,217,474</b>	<b>3,689,523</b>	<b>1,928,332</b>	<b>1,986,134</b>	<b>2,648,061</b>	<b>2,235,146</b>	<b>2,321,781</b>
<b>Capital contributions - state and federal grants</b>	<b>184,630</b>	<b>516,596</b>	<b>201,020</b>	<b>233,349</b>	<b>200,878</b>	<b>33,404</b>	<b>46,708</b>	<b>20,458</b>	<b>176,020</b>
<b>INCREASE IN NET ASSETS</b>	<b>\$ 3,192,563</b>	<b>\$ 4,524,591</b>	<b>\$ 3,418,494</b>	<b>\$ 3,922,872</b>	<b>\$ 2,129,210</b>	<b>\$ 2,019,538</b>	<b>\$ 2,694,769</b>	<b>\$ 2,255,604</b>	<b>\$ 2,497,801</b>

Note: The District implemented GASB Statements 34 and 35 beginning with the fiscal year ended June 30, 2003.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**DISTRIBUTION OF REAL PROPERTY ON AN EQUALIZED VALUE BASIS  
DODGE, FOND DU LAC, GREEN LAKE, AND WASHINGTON COUNTIES (1)  
Last Ten Calendar Years (Jan. 1 to Dec. 31)**

(Amounts in thousands)

Year	Residential	Commercial	Manufacturing	Agricultural and Other	Undeveloped	Forest	Personal Property	Total	District Equalized Valuation (2)	Total Direct Tax Rate
2001	13,502,559.8	2,557,242.5	719,449.6	1,286,548.8	153,572.0	108,551.9	511,367.1	18,839,291.7	15,406,354.9	1.56479
% of Total	71.7%	13.6%	3.8%	6.8%	0.8%	0.6%	2.7%			
2002	14,484,507.8	2,712,965.6	749,100.3	1,053,457.5	187,750.2	137,072.3	499,259.9	19,824,113.6	16,207,500.5	1.56081
% of Total	75.2%	14.1%	3.9%	5.5%	1.0%	0.7%	2.6%			
2003	15,740,796.9	2,856,223.0	768,039.8	1,004,995.1	222,723.1	157,999.8	487,894.1	21,238,671.8	17,316,630.2	1.52560
% of Total	74.3%	13.4%	3.6%	4.7%	1.0%	0.7%	2.3%			
2004	17,217,395.4	3,043,120.2	785,351.3	1,045,782.6	126,810.2	179,349.4	479,152.7	22,248,725.2	18,691,985.7	1.47345
% of Total	77.3%	13.7%	3.5%	4.7%	0.6%	0.8%	2.2%			
2005	18,850,881.0	3,261,925.4	791,022.6	1,145,038.6	160,361.5	101,008.6	498,736.3	24,808,974.0	20,228,965.2	1.42791
% of Total	76.1%	13.1%	3.2%	4.6%	0.6%	0.4%	2.0%			
2006	20,712,650.3	3,613,206.9	804,390.8	1,216,541.0	189,718.7	87,951.2	529,168.9	27,153,627.8	22,118,648.6	1.36957
% of Total	76.3%	13.3%	3.0%	4.5%	0.7%	0.3%	1.9%			
2007	21,967,110.3	3,858,810.8	834,029.4	1,262,537.1	200,164.2	81,816.6	583,132.5	28,787,600.9	23,503,676.7	1.34014
% of Total	76.3%	13.4%	2.9%	4.4%	0.7%	0.3%	2.0%			
2008	22,626,696.4	4,198,481.9	860,230.4	1,268,923.2	192,994.3	80,637.5	645,916.6	29,873,880.3	24,401,644.4	1.34277
% of Total	75.7%	14.1%	2.9%	4.2%	0.6%	0.3%	2.2%			
2009	22,636,229.0	4,375,567.3	886,378.7	1,269,118.4	189,435.8	76,674.2	672,636.6	30,106,040.0	24,599,146.1	1.38568
% of Total	75.3%	14.5%	2.9%	4.2%	0.6%	0.3%	2.2%			
2010	22,144,570.5	4,235,850.4	886,502.6	1,261,611.6	182,828.8	70,938.4	644,506.6	29,426,808.9	24,060,945.2	1.45589
% of Total	75.3%	14.4%	3.0%	4.3%	0.6%	0.2%	2.2%			

Source: Wisconsin Department of Revenue, Bureau of Local Financial Assistance.

Notes: (1) The District is comprised of all or the majority of four counties (Dodge, Fond du Lac, Green Lake, and Washington), which make up over 97% of the District's equalized valuation, and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago). Real property values are presented for all of Dodge, Fond du Lac, Green Lake, and Washington counties. Therefore, the above total column will be greater than the District Equalized Valuation column which includes only the in-District valuation for the four counties.

(2) Due to varying assessment policies in the municipalities contained in the District, the District uses equalized value of taxable property for tax levy purposes. The equalized value of property approximates estimated actual (full) value of taxable property in the State of Wisconsin. The District Equalized Valuation is the equalized value of property, excluding tax incremental financing districts, within the District. Amount shown is for the four counties listed only.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
District direct rates										
Operational	\$ 1.21929	\$ 1.15715	\$ 1.10184	\$ 1.09180	\$ 1.10228	\$ 1.15469	\$ 1.18375	\$ 1.20767	\$ 1.20220	\$ 1.21638
Debt Service	0.2366	0.22853	0.24093	0.24834	0.26729	0.27322	0.28970	0.31793	0.35861	0.34841
Total Direct Rate	1.45589	1.38568	1.34277	1.34014	1.36957	1.42791	1.47345	1.52560	1.56081	1.56479
<b>Calumet County</b>										
T Brothertown	20.11	19.31	18.46	18.20	18.03	18.52	20.59	21.54	20.84	19.61
T Charlestown	19.88	19.19	18.38	18.27	18.09	18.51	20.53	21.18	20.83	19.10
T New Holstein	17.60	16.69	15.70	15.54	15.20	15.67	17.17	17.53	17.65	17.74
C New Holstein	24.78	23.95	22.62	21.80	21.90	21.70	23.48	23.76	24.38	24.01
<b>Columbia County</b>										
T Marcellon	18.52	17.61	15.67	15.22	14.40	15.21	16.14	15.69	14.68	15.18
T Scott	18.66	17.33	15.86	15.92	15.66	15.81	17.53	17.68	16.94	17.01
<b>Dodge County</b>										
T Ashippun	19.15	18.27	16.76	16.51	16.63	17.36	19.59	20.43	20.24	21.23
T Beaver Dam	18.11	16.76	16.07	15.94	16.19	17.47	18.73	19.38	20.17	19.64
T Burnett	19.94	19.02	18.04	18.07	17.71	18.74	20.48	20.13	20.92	21.15
T Calamus	20.21	18.75	17.66	17.93	18.32	18.64	21.20	21.59	22.64	22.28
T Chester	19.17	17.32	16.48	16.67	16.47	17.70	19.46	18.89	19.36	19.32
T Clyman	21.12	19.99	18.87	19.79	19.85	20.73	21.78	22.03	23.28	23.28
T Elba	19.48	18.01	17.24	17.96	17.86	18.53	20.48	20.37	20.45	20.94
T Fox Lake	20.02	18.09	17.25	17.54	17.62	19.07	21.05	21.22	21.92	22.11
T Herman	20.50	19.00	17.92	19.26	19.25	20.07	24.21	24.83	24.39	27.19
T Hubbard	18.91	18.10	17.14	17.50	17.35	18.63	19.99	20.35	20.74	21.69
T Hustisford	19.12	18.38	17.79	18.71	18.94	20.19	20.94	22.14	22.68	22.99
T Lebanon	19.84	18.62	17.83	18.03	18.01	18.87	20.88	21.19	21.96	22.08
T Leroy	20.26	18.68	18.00	19.17	19.16	20.69	21.90	21.36	21.82	21.58
T Lomira	19.23	18.07	17.33	17.32	16.75	18.91	20.60	20.97	20.86	21.38
T Lowell	22.22	21.46	19.78	20.56	20.35	21.32	22.64	23.35	24.47	24.25
T Oak Grove	20.99	20.03	18.96	19.51	19.43	20.36	21.46	22.10	23.49	23.62
T Rubicon	19.74	18.62	17.80	18.04	18.32	18.73	20.93	20.69	20.70	22.38
T Shields	19.48	18.01	17.23	16.71	16.75	17.70	19.81	19.14	18.88	19.13
T Theresa	19.90	18.53	17.46	17.83	17.52	19.50	20.80	21.09	21.05	21.81
T Trenton	19.30	17.81	17.03	17.07	17.14	18.61	20.18	20.43	21.08	20.84
T Westford	18.28	17.05	16.07	16.34	16.77	18.10	19.27	20.11	21.18	21.05
T Williamstown	14.73	13.80	13.25	13.81	13.42	14.71	18.60	18.26	18.62	18.59
V Brownsville	21.23	19.72	18.40	20.27	19.81	21.80	23.57	23.37	23.46	24.43
V Clyman	30.13	28.32	25.52	26.55	26.25	27.35	28.33	29.39	30.79	30.63

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES - CONTINUED

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
V Hustisford	23.35	22.61	21.69	22.48	22.50	23.69	24.92	26.43	26.83	28.30
V of Iron Ridge	21.39	20.93	19.94	19.84	19.44	20.63	22.43	21.81	22.32	22.89
V Kekoskee	17.18	16.35	15.95	15.80	15.54	17.16	18.24	17.99	18.37	18.27
V Lomira	22.01	20.43	19.08	19.11	17.73	19.62	21.26	21.83	21.55	22.13
V Lowell	25.94	26.68	23.72	25.20	25.44	26.63	28.55	31.57	29.67	28.84
V Neosho	20.61	19.86	19.39	19.54	19.53	19.93	23.28	23.10	23.48	25.67
V Reeseville	23.56	22.31	21.09	21.97	22.03	22.68	23.37	24.58	26.04	25.76
V Theresa	20.55	19.04	18.01	18.38	18.35	20.27	22.01	22.92	22.91	24.39
C Beaver Dam	24.64	22.41	21.51	21.40	22.26	24.05	25.49	26.73	27.70	27.33
C Fox Lake	26.51	24.17	23.47	24.09	24.06	25.24	27.06	26.77	27.92	28.12
C Hartford	24.51	22.99	21.78	22.16	22.93	23.50	25.62	26.32	26.63	27.81
C Horicon	25.66	24.40	23.00	23.23	23.04	24.41	26.18	25.41	25.95	26.43
C Juneau	27.68	26.20	24.84	25.83	25.52	27.04	27.47	28.95	30.42	29.80
C Mayville	24.07	22.74	21.82	21.46	21.15	22.86	23.90	24.04	24.74	24.45
C Waupun	23.63	21.68	20.81	21.30	21.28	22.73	24.44	24.06	24.64	25.59
Fond du Lac County										
T Alto	21.06	19.18	18.14	17.88	17.63	18.66	19.82	19.90	20.34	20.08
T Ashford	18.58	17.78	17.52	16.67	16.51	17.31	17.41	17.70	17.27	17.00
T Auburn	18.08	17.35	16.92	16.33	16.02	16.90	17.23	17.40	17.53	18.78
T Byron	19.08	17.63	16.38	16.48	16.76	17.09	18.15	18.38	18.36	18.96
T Calumet	18.34	17.59	16.28	15.83	15.20	15.89	17.17	17.23	17.19	17.37
T Eden	18.58	17.79	17.68	17.49	17.67	18.23	18.35	18.36	18.62	18.31
T Eldorado	20.55	20.03	18.72	18.89	18.89	20.69	20.76	20.76	21.08	20.50
T Empire	18.33	17.42	16.84	16.63	16.28	16.92	17.49	17.46	17.26	17.72
T Fond du Lac	19.95	18.50	17.66	16.78	16.49	17.18	17.84	17.70	17.42	17.75
T Forest	17.71	17.02	16.83	16.31	15.68	16.64	16.70	16.87	16.88	16.92
T Friendship	16.88	15.52	15.68	15.39	15.08	15.95	16.55	15.93	16.08	15.60
T Lamartine	20.53	19.23	18.62	18.75	19.43	19.69	20.57	20.94	21.35	21.27
T Marshfield	17.95	17.13	15.94	15.81	15.20	15.79	16.30	16.16	15.64	15.73
T Metomen	21.14	20.34	18.89	19.01	19.44	20.32	21.54	21.03	21.40	21.12
T Oakfield	20.85	19.12	19.17	19.21	20.59	19.22	20.86	21.69	21.43	22.14
T Osceola	17.90	17.02	16.87	16.01	15.50	15.98	15.97	15.83	16.17	15.92
T Ripon	22.99	21.84	20.09	19.13	19.95	19.88	21.04	20.92	21.28	20.77
T Rosendale	21.25	20.65	19.33	19.38	19.67	20.87	21.68	21.61	22.07	21.52
T Springvale	20.99	20.08	18.65	18.87	18.88	20.46	20.75	20.75	20.78	20.30
T Taycheedah	18.38	17.32	16.36	16.38	15.89	16.43	17.13	17.07	16.46	16.69
T Waupun	20.06	18.08	17.19	17.10	16.84	17.76	18.85	18.30	18.61	18.35
V Brandon	26.47	25.60	23.23	23.24	23.08	24.94	25.03	24.36	25.13	26.17
V Campbellsport	23.93	23.12	22.31	21.41	21.44	22.46	22.39	21.31	21.63	21.48

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES - CONTINUED  
 Last Ten Years  
 (Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
V of Eden	17.26	16.48	16.33	15.46	15.15	15.75	15.74	15.88	15.98	15.76
V Fairwater	24.53	21.14	20.25	20.15	18.74	19.24	20.69	21.24	20.66	20.01
V Mount Calvary	18.53	17.92	16.44	14.63	13.91	14.44	15.63	15.94	16.15	16.76
V North Fond du Lac	23.55	22.13	22.14	21.88	21.65	23.68	23.52	22.75	23.13	21.82
V Oakfield	25.75	23.53	23.55	23.30	24.49	23.08	24.25	25.59	26.27	27.16
V Rosendale	22.13	21.54	20.16	20.30	20.09	21.73	21.77	21.69	22.28	21.77
V Saint Cloud	21.52	21.34	19.24	18.72	18.13	18.93	20.15	19.91	19.43	18.47
C Fond du Lac	23.76	22.47	21.68	21.87	21.70	22.50	23.11	22.87	22.76	23.38
C Ripon	24.62	23.73	22.11	22.52	23.30	23.50	25.55	25.45	25.99	26.46
C Waupun	23.78	21.67	20.72	21.02	20.89	22.04	23.32	22.94	23.37	24.10
Green Lake County										
T Berlin	15.71	15.27	14.23	14.37	14.70	15.85	16.81	16.88	16.79	17.22
T Brooklyn	13.98	13.34	12.91	13.44	13.73	15.29	16.13	17.00	17.61	18.10
T Green Lake	16.96	15.84	15.26	15.86	15.32	16.59	17.98	19.23	19.90	19.85
T Kingston	21.32	20.00	19.23	19.69	18.51	19.54	21.23	22.00	22.44	20.92
T Mackford	21.67	20.18	19.50	20.23	19.51	20.20	22.20	23.40	23.92	22.84
T Manchester	20.36	18.84	18.21	18.71	17.62	18.45	20.09	20.58	20.82	20.10
T Marquette	19.47	18.34	17.67	17.95	16.55	17.50	18.88	19.81	19.87	19.41
T Princeton	15.64	15.29	14.99	15.00	14.70	15.55	16.64	17.36	18.85	18.36
T Saint Marie	16.91	16.53	16.22	16.14	15.84	16.59	17.74	18.08	19.51	18.94
T Seneca	18.14	17.67	16.60	16.82	16.91	18.08	19.11	19.01	18.99	19.18
V Kingston	22.03	20.59	19.69	20.15	18.87	20.01	21.75	22.73	22.91	22.65
V Marquette	20.16	19.00	18.04	18.52	17.46	18.19	19.96	21.08	21.49	21.28
C Berlin	24.31	23.80	22.73	22.45	22.72	24.19	25.08	24.63	24.67	25.29
C Green Lake	17.34	16.62	16.25	17.27	17.67	19.12	19.99	21.41	21.47	22.92
C Markesan	25.20	23.75	23.33	23.61	22.63	23.93	25.58	26.53	27.37	26.83
C Princeton	2,444.00	23.50	22.99	19.12	18.77	19.62	20.79	24.97	26.56	26.71
Marquette County										
T Buffalo	17.17	17.45	16.49	15.91	15.43	16.19	17.04	17.44	18.14	17.98
T Mecan	17.20	17.36	16.49	15.91	15.49	16.17	17.12	17.38	18.21	18.14
T Montello	17.21	17.40	16.44	15.87	15.30	16.03	16.96	16.95	17.42	17.31
T Neshkoro	18.23	16.63	15.75	16.01	15.70	16.91	17.48	17.86	18.63	18.53
Sheboygan County										
T Greenbush	16.23	15.15	14.39	14.71	15.01	16.08	16.54	16.89	17.29	17.52
T Russell	18.03	17.50	16.53	16.83	17.26	17.70	19.17	19.46	20.20	21.03
Washington County										
T Addison	16.65	15.89	15.42	15.27	15.43	16.14	17.85	17.62	18.53	19.20
T Barton	15.61	14.49	13.62	13.60	13.42	13.99	15.07	15.25	16.05	16.51

MORAINE PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES - CONTINUED

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
T Erin	16.42	15.67	14.99	14.97	14.95	15.57	17.10	17.37	17.85	19.47
T Farmington	14.81	14.25	13.60	13.65	13.17	14.36	14.90	15.42	15.66	16.38
T Hartford	16.54	15.72	14.77	14.90	15.01	15.45	17.03	17.77	18.13	18.80
T Jackson	16.24	15.16	13.98	13.74	13.72	14.41	15.43	16.26	16.94	17.31
T Kewaskum	16.08	15.51	14.70	14.72	14.37	15.67	16.29	16.98	17.16	17.88
T Polk	14.66	14.03	13.58	13.40	13.41	14.17	15.66	15.59	16.49	16.94
T Richfield (now V of Richfield)	-	-	-	15.26	15.34	16.24	17.48	18.14	18.93	19.31
T Trenton	15.11	13.92	12.99	12.88	12.74	13.14	14.29	14.69	15.39	16.21
T Wayne	14.85	14.33	13.56	13.71	13.45	14.69	15.35	15.94	16.99	18.29
T West Bend	14.80	13.82	13.15	13.02	12.95	13.43	14.77	14.88	15.41	15.87
V Jackson	20.16	18.71	17.57	16.84	16.55	16.97	18.34	19.17	20.04	20.79
V Kewaskum	19.58	19.02	17.89	17.95	17.49	18.98	19.83	20.47	20.63	21.08
V Newburg	18.55	17.53	16.23	16.07	15.72	16.15	17.38	17.96	18.23	18.09
V Richfield (formerly T of Richfield)	17.03	16.18	15.47	-	-	-	-	-	-	-
V Slinger	20.20	19.11	18.52	18.48	18.50	19.71	21.35	21.22	22.47	22.92
C Hartford	21.05	19.74	18.51	19.01	19.34	19.83	21.88	23.58	24.00	24.84
C West Bend	21.26	19.73	18.83	18.77	18.55	18.93	20.34	20.98	21.75	22.17
Waushara County										
T Aurora	18.58	18.07	16.72	16.93	17.25	18.32	19.01	18.88	18.57	19.06
T Bloomfield	17.53	17.49	15.98	16.69	16.51	17.11	18.20	18.19	19.29	19.62
T Leon	17.41	17.12	15.64	16.20	16.37	17.24	18.17	18.23	18.20	18.05
T Marion	17.01	16.93	15.26	15.78	15.80	16.82	17.53	18.11	17.93	17.42
T Poy Sippi	18.30	17.76	16.40	16.64	16.98	18.07	18.91	18.74	18.36	18.88
T Saxeville	17.85	17.47	16.15	16.68	17.01	17.77	19.10	18.73	18.75	18.53
T Warren	18.18	17.85	16.29	16.78	16.96	18.04	18.77	18.78	18.17	18.33
C Berlin	24.86	24.29	22.94	22.67	22.94	24.28	25.05	24.25	24.07	23.24
Winneshago County										
T Nekimi	18.58	17.41	16.62	16.86	16.64	16.63	17.49	17.39	17.68	18.56
T Nepeuskun	21.47	20.89	19.79	19.16	19.35	19.78	21.22	21.21	21.47	21.93
T Rushford	19.80	18.82	18.21	18.88	18.15	18.30	20.89	19.91	22.09	20.84
T Utica	20.06	18.89	18.26	17.31	17.05	18.15	18.55	19.57	20.11	20.36

Source: Town, Village, and City Taxes, Wisconsin Department of Revenue.

Notes:

(1) The operational property tax levies for all District funds except the debt service fund. By state statutes, the operational rate may not exceed \$1.50.

(2) Tax rates shown for overlapping governments are the Full Value Rates - Gross. This rate is the total property tax divided by the full value of all taxable general property in the municipality, excluding tax incremental financing (TIF) districts. Total property tax includes state taxes and special charges on counties and tax districts, state trust fund loans, general county and county special purpose taxes, local taxes, county special charges, special purpose district taxes, and school taxes (elementary, secondary, and technical college). It reflects the amount of surplus funds applied (if any) by a tax district to reduce any of the above appointments or charges. It does not include special assessments and charges to individuals, delinquent taxes, omitted taxes, forest crop taxes, managed forest land taxes, or occupational taxes.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**PROPERTY TAX LEVIES AND COLLECTIONS**  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 24,851,010	\$ 18,407,116	74.07%	\$ 6,443,894	\$ 24,851,010	100.00%
2003	26,068,709	19,436,999	74.56%	6,631,710	26,068,709	100.00%
2004	27,215,732	20,185,492	74.17%	7,030,240	27,215,732	100.00%
2005	28,336,008	21,156,408	74.66%	7,179,600	28,336,008	100.00%
2006	29,707,291	22,223,699	74.81%	7,483,592	29,707,291	100.00%
2007	31,132,841	22,997,196	73.87%	8,135,645	31,132,841	100.00%
2008	32,378,155	23,789,394	73.47%	8,588,761	32,378,155	100.00%
2009	33,673,281	24,319,177	72.22%	9,354,104	33,673,281	100.00%
2010	35,016,845	25,123,660	71.75%	9,893,185	35,016,845	100.00%
2011	35,997,317	25,935,809	72.05%	-	25,935,809	72.05%

Note: Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, village, and town treasurers/clerks, who then make settlement with the county treasurer for certain purposes. Second installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with city, village, and town treasurers/clerks before retaining any for county purposes. In practice, any delinquent real estate taxes are withheld from the county's share. Therefore, the District will receive 100% of its levy upon receipt of the final settlement from the county treasurer.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**PRINCIPAL PROPERTY TAXPAYERS**  
Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2011			Year Ended June 30, 2002		
		2010 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation	2001 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation
Wal-Mart Real Estate	Commercial development, leasing, construction	\$ 87,482,593	1	0.35%	\$ -	-	- %
West Bend Mutual Insurance Co.	Insurance	68,935,100	2	0.28	-	-	-
Quad/Graphics Inc. (Dodge County)	Commercial lithographic printing	60,744,280	3	0.25	57,837,519	1	0.36
Agnesian Healthcare	Health care	34,903,494	4	0.14	19,741,946	6	0.12
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	34,671,213	5	0.14	32,746,774	3	0.21
Cabela's Retail Inc.	Retail store	29,069,500	6	0.12	-	-	-
John Mark Apartment Complexes	Apartment buildings	28,283,696	7	0.11	45,727,228	2	0.29
John Deere	Manufacturer of lawn tractors	23,700,723	8	0.10	27,102,623	4	0.17
Menards, Inc. (Washington County)	Building materials	22,023,800	9	0.09	-	-	-
Gehl Gurnsey Farms Inc.	Manufacturer of farm and construction equipment	21,710,700	10	0.09	-	-	-
Valley Realty LLC	Commercial warehousing	-	-	-	20,912,762	5	0.13
Alliance Laundry Systems	Manufacturer of wash machines and dryers	-	-	-	18,462,796	7	0.12
Alto Dairy Cooperative	Dairy products	-	-	-	18,382,214	8	0.12
United Cooperative	Retail, variety	-	-	-	16,924,970	9	0.11
West Bend Company	Manufacturer of houseware and cookware	-	-	-	15,328,500	10	0.10
Total		\$ 411,525,099		1.66%	\$ 273,167,332		1.72%

Source: RW Baird & Co.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**ENROLLMENT STATISTICS  
Last Ten Fiscal Years**

Student Enrollment (1)

<u>Year Ended June 30,</u>	<u>Associate Degree</u>	<u>Technical Diploma</u>	<u>Vocational Adult</u>	<u>Community Service</u>	<u>Non-Post Secondary</u>	<u>Total</u>	<u>Unduplicated Total</u>
2002	11,772	3,597	11,564	210	4,052	31,195	23,953
2003	12,107	3,689	10,844	127	4,141	30,908	23,184
2004	12,616	3,467	10,447	49	3,727	30,306	22,756
2005	12,485	3,404	9,389	58	3,598	28,934	21,500
2006	13,400	3,225	9,511	29	3,515	29,680	22,305
2007	11,505	3,073	9,278	6	3,628	27,490	20,516
2008	11,179	3,089	8,980	8	3,789	27,045	20,020
2009	11,512	3,150	7,490	37	3,539	25,728	18,490
2010	12,518	3,044	7,184	755	3,883	27,384	18,785
2011	12,533	2,898	7,241	810	3,458	26,940	18,712

Full-time Equivalents (2)

<u>Year Ended June 30,</u>	<u>Associate Degree</u>	<u>Technical Diploma</u>	<u>Vocational Adult</u>	<u>Community Service</u>	<u>Non-Post Secondary</u>	<u>Total</u>
2002	1,814	744	141	3	243	2,945
2003	1,938	719	140	1	253	3,051
2004	2,166	695	135	-	265	3,261
2005	2,247	648	124	-	230	3,249
2006	2,245	665	125	-	228	3,263
2007	2,133	642	124	-	222	3,121
2008	2,086	634	130	-	244	3,094
2009	2,240	647	109	-	237	3,233
2010	2,620	642	108	9	269	3,648
2011	2,571	593	100	8	254	3,526

Notes:

- (1) Student enrollment represents the duplicated count of citizens enrolled in District courses per the Student Headcount Summary by Aid Category and Instructional Division (VE215572) report from the WTCS client reporting system. The unduplicated total is per the Student Headcount Summary by Course Aid Category (VE215512) report.
- (2) Full-time equivalent data per the FTE Student Summary by Aid Category and Instructional Division (VE215570A) report from the WTCS client reporting system. A full-time equivalent is basically equal to 30 annual student credits based on a mathematical calculation which varies somewhat by program and which is subject to state approval and audit of student and course data.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**SCHEDULE OF PER CREDIT PROGRAM FEES CHARGED  
Last Ten Fiscal Years**

<u>Year</u>	<u>Post Secondary Vocational Adult</u>		<u>Non-Aidable</u>
	<u>Resident</u>	<u>Out of State (1)</u>	
2001-02	\$ 64.00	\$ 499.60	\$ 65.00
2002-03	67.00	513.70	65.00
2003-04	70.00	489.75	65.00
2004-05	76.00	488.10	65.00
2005-06	80.50	510.30	65.00
2006-07	87.00	536.30	65.00
2007-08	92.05	570.55	65.00
2008-09	97.05	497.20	80.00
2009-10	101.40	505.45	175.00
2010-11	106.00	53.00	180.00

**Additional Per Credit Fees**

Material Fees

Fees for instructional materials consumed by students and instructors are required by s.38.24(1)(c), Wisconsin Statutes. These materials fees are to be charged to all students on a uniform basis unless exempted by state statute, administrative code, or State Board action. There are various fee categories ranging from \$4.00 per credit to \$300 per credit. Courses are assigned to one of the material fee categories based on the amount of instructional materials required for the course. The minimum fee that is to be charged for any non-exempt enrollment is \$4.00, regardless of the credit value.

Supplemental Fees

A supplemental fee is charged to all students enrolling in post secondary courses. This fee supports Student Senate, clubs and associations, and the College Life department. The fee was set at 5% of program fees for the 2010-11 academic year.

Notes:

(1) Out-of-state tuition excludes those students covered by reciprocal agreements.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**RATIO OF OUTSTANDING DEBT BY TYPE**  
Last Ten Fiscal Years

Year ended June 30,	District Population (1)	Equalized Valuation - TID In	General Obligation Notes	General Obligation Bonds	Debt Service Fund Assets Available	Net Total Debt (2)	
						Amount	Percent of Equalized Valuation
2002	289,503	\$ 16,427,255,612	\$ 17,620,000	\$ 4,775,000	\$ -	\$ 22,395,000	0.14%
2003	292,429	17,278,847,958	15,310,000	4,545,000	44,156	19,810,844	0.11
2004	294,776	18,454,700,019	16,445,000	4,305,000	60,577	20,689,423	0.11
2005	297,263	19,859,334,477	17,265,000	4,050,000	64,738	21,250,262	0.11
2006	300,232	21,503,125,449	19,810,000	3,780,000	173,182	23,416,818	0.11
2007	302,625	23,523,243,255	19,970,000	3,490,000	389,162	23,070,838	0.10
2008	304,520	24,944,655,971	19,225,000	3,185,000	171,867	22,238,133	0.09
2009	306,507	25,919,263,048	20,095,000	2,860,000	60,491	22,894,509	0.09
2010	307,917	26,124,030,330	20,580,000	2,515,000	200,811	22,894,189	0.09
2011	308,423	25,560,469,384	22,790,000	-	314,388	22,475,612	0.09

Notes:

(1) Source: Wisconsin Department of Administration. Figures represent population estimates available from the prior calendar year end. For example, year ended June 30, 2011 population estimates are calendar year 2010 population estimates.

(2) Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
For the Year Ended June 30, 2011**

Name of Entity (1)	Net Debt Outstanding	Percent Applicable to District (2)	Outstanding Debt Applicable to District
Calumet County	\$ 9,230,000	8.82%	\$ 814,086
Columbia County	19,775,000	0.09	17,798
Dodge County	28,500,000	78.81	22,432,350
Fond du Lac County	77,996,319	100.00	77,996,319
Green Lake County	269,919,459	100.00	269,919,459
Marquette County	9,705,954	1.99	193,148
Sheboygan County	29,810,000	0.08	23,848
Washington County	23,900,000	76.36	18,250,040
Waushara County	-	8.49	-
Winnebago County	47,512,148	0.93	441,863
Total Cities	224,499,256	Varies	220,899,256
Total Towns	6,244,694	Varies	4,786,250
Total Villages	62,862,501	Varies	62,862,501
Total School Districts	177,946,062	Varies	172,739,503
Total Sanitary Districts	4,803,734	Varies	4,803,734
Subtotal, overlapping debt			856,180,155
District Direct Debt			
General Obligation Notes			22,790,000
General Obligation Bonds			-
Subtotal, District direct debt			22,790,000
Total direct and overlapping debt			<u>\$ 878,970,155</u>

**Statistical Summary**

2010 Equalized Valuation - TID In	<u>\$ 25,560,469,384</u>
Direct District Indebtedness	22,790,000
Overlapping and Underlying Indebtedness	<u>856,180,155</u>
Total Direct, Overlapping and Underlying Indebtedness	<u>\$ 878,970,155</u>
Direct, Overlapping and Underlying Indebtedness as a Percentage of Equalized Value	3.44%
Population of District	308,423
Direct, Overlapping and Underlying Indebtedness - Per Capita	<u>\$ 2,849.89</u>

Source: R.W. Baird & Co.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses located within the District boundaries. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for the repaying the debt, of each overlapping government.
- (2) The percentage of overlapping debt applicable to the District is the equalized property value of the property of the overlapping government located in the District as a percentage of total equalized value of all property for the overlapping government.

# MORAINE PARK TECHNICAL COLLEGE DISTRICT

## LEGAL DEBT MARGIN INFORMATION

### Legal Debt Margin Calculations for Fiscal year 2010

2010 Equalized Valuation - TID In	\$ 25,560,469,384	
<u>Total Debt</u>		
Total debt limit (5% of equalized valuation)	\$ 1,278,023,469	\$ 511,209,388
Debt applicable to limit:		
General obligation notes	22,790,000	
General obligation bonds	-	
Less: debt service funds available (GAAP Basis)	-	
Total amount of debt applicable to debt limit	<u>22,790,000</u>	<u>-</u>
Legal total debt margin	\$ 1,255,233,469	\$ 511,209,388

### Legal Debt Margin, Last Ten Fiscal Years

<u>Total Debt</u>		<u>Bonded Indebtedness</u>		<u>Bonded Indebtedness</u>	
Year	Debt Limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit	Total net debt applicable to the limit as a percentage of debt limit
2002	\$ 821,362,781	\$ 22,395,000	\$ 798,967,781	\$ 328,545,112	1.45%
2003	863,942,398	19,810,840	844,131,558	345,576,959	1.30
2004	922,735,001	20,689,423	902,045,578	369,094,000	1.15
2005	992,966,724	21,250,262	971,716,462	397,186,690	1.00
2006	1,075,156,272	23,416,818	1,051,739,454	430,062,509	0.87
2007	1,176,162,163	23,070,838	1,153,091,325	470,464,865	0.73
2008	1,247,232,799	22,238,133	1,224,994,666	498,893,119	0.63
2009	1,295,963,152	22,894,509	1,273,068,643	518,385,261	0.55
2010	1,306,201,517	22,894,189	1,283,307,328	522,480,607	0.48
2011	1,278,023,469	22,790,000	1,255,233,469	511,209,388	0.00

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**DEMOGRAPHIC STATISTICS FOR DODGE, FOND DU LAC, GREEN LAKE, AND WASHINGTON COUNTIES (1)**  
 For the Calendar Years Ended June 30, 2001 to 2010

Year	Dodge County					Fond du Lac County				
	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)
2001	86,476	\$ 2,187,680	\$ 25,298	4.9%	8,500	97,927	\$ 2,753,340	\$ 28,116	4.0%	15,733
2002	87,083	2,208,511	25,361	5.5%	8,529	98,589	2,866,995	29,080	4.9%	15,758
2003	87,599	2,284,426	26,078	5.9%	8,447	99,205	2,952,326	29,760	5.3%	15,707
2004	88,285	2,366,770	26,808	5.3%	8,354	99,608	3,088,374	31,005	4.7%	15,634
2005	88,748	2,463,875	27,763	5.0%	8,028	100,180	3,215,463	32,097	4.7%	15,043
2006	89,063	2,522,272	28,320	5.0%	8,176	100,716	3,250,875	32,278	4.7%	15,854
2007	89,225	2,697,765	30,236	5.1%	8,123	101,174	3,475,319	34,350	4.8%	15,771
2008	89,810	2,877,980	32,045	4.9%	8,216	101,740	3,649,137	35,867	4.7%	15,772
2009	90,022	2,818,366	31,308	9.3%	8,382	102,151	3,541,333	34,668	8.9%	15,668
2010	89,962	(7)	(7)	8.9%	8,406	102,385	(7)	(7)	8.2%	15,393

Year	Green Lake County					Washington County				
	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)
2001	19,164	\$ 501,966	\$ 26,193	5.2%	3,618	118,686	\$ 4,028,486	\$ 33,942	3.8%	19,380
2002	19,282	503,666	26,121	6.3%	3,581	120,429	4,150,257	34,462	4.8%	19,496
2003	19,250	516,034	26,807	6.9%	3,410	121,929	4,223,083	34,636	5.2%	19,670
2004	19,344	558,102	28,851	5.8%	3,395	123,587	4,485,117	36,291	4.4%	19,700
2005	19,375	582,401	30,059	5.8%	3,277	125,940	4,740,197	37,639	4.2%	19,348
2006	19,353	597,655	30,882	5.5%	3,288	127,871	5,038,068	39,400	4.2%	19,817
2007	19,446	623,121	32,044	5.5%	3,230	129,316	5,295,779	40,952	4.3%	19,917
2008	19,416	655,216	33,746	5.4%	3,171	130,493	5,601,414	42,925	4.2%	19,913
2009	19,728	645,746	32,732	9.5%	3,038	131,066	5,336,197	40,714	8.6%	20,147
2010	19,772	(7)	(7)	9.3%	3,085	131,343	(7)	(7)	8.0%	20,074

- Notes:
- (1) Dodge, Fond du Lac, Green Lake, and Washington comprise over 97% of the District's total equalized valuation. The District includes all or the majority of these four counties and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago).
  - (2) Source: Wisconsin Department of Administration compiled by Institutional Research Department of the District.
  - (3) Source: US Department of Commerce, Bureau of Economic Analysis.
  - (4) Calculated value: Population / Personal Income.
  - (5) Source: Wisconsin Department of Workforce Development.
  - (6) Source: Wisconsin Department of Public Instruction.
  - (7) Information not yet available.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2011			Year Ended June 30, 2002		
		Number of Employees	Rank	Percent of District Population	Number of Employees	Rank	Percent of District Population
Agnesian Health Care	Health care	2,730	1	0.89%	2,100	3	0.73%
Quad/Graphics Inc. (Dodge and Washington Counties) (1)	Commercial lithographic printing	2,200	2	0.71	2,804	2	0.97
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	1,750	3	0.57	3,400	1	1.17
Wisconsin Department of Corrections (2)	Dodge, Waupun, Fox Lake, Fond du Lac, and Taycheedah Correctional Facilities	1,584	4	0.51	1,272	6	0.44
John Deere	Manufacturer of lawn tractors	1,200	5	0.39	1,465	4	0.51
Beaver Dam Community Hospital	Nursing home and hospital	1,003	6	0.33	973	10	0.34
Alliance Laundry Systems	Manufacturer of wash machines and dryers	1,000	7	0.32	-	-	-
Serigraph Inc.	Graphic art printing	962	8/9	0.31	1,400	5	0.48
Moraine Park Technical College	Education	962	8/9	0.31	-	-	-
West Bend Joint School District No. 1	Education	940	10	0.30	1,000	9	0.35
Fond du Lac County	Government	-	-	-	1,084	7	0.37
Dodge County	Government	-	-	-	1,014	8	0.35
Total		14,331		4.65%	16,512		5.70%

Source: RW Baird & Co.

Notes:

(1) Included only Dodge County in 2002.

(2) Included only Dodge, Waupun, and Fox Lake Correctional Facilities in 2002.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**FULL TIME EMPLOYEES BY EQUAL EMPLOYMENT OPPORTUNITY CLASSIFICATION  
Last Ten Fiscal Years**

	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>	<u>2002-03</u>	<u>2000-01</u>
<u>Administrative/Managerial</u>	50	43	42	37	38	39	41	45	36
Number of females	30	30	27	25	24	28	27	28	21
Percent females	60.00%	69.77%	64.29%	67.57%	63.16%	71.79%	65.85%	62.22%	58.33%
Number of minorities	3	1	1	1	1	1	1	1	4
Percent minorities	6.00%	2.33%	2.38%	2.70%	2.63%	2.56%	2.44%	2.22%	11.11%
<u>Faculty</u>	144	145	142	143	140	139	136	132	154
Number of females	74	76	75	76	72	71	67	56	70
Percent females	51.39%	52.41%	52.80%	53.15%	50.71%	51.00%	49.26%	42.42%	45.45%
Number of minorities	6	6	6	6	6	6	6	7	8
Percent minorities	4.17%	4.14%	4.22%	4.20%	4.29%	4.32%	4.41%	5.30%	5.19%
<u>Professional/Noninstruction</u>	39	41	38	37	41	40	49	48	47
Number of females	28	28	29	28	30	27	33	32	30
Percent females	71.79%	68.29%	76.32%	75.68%	73.17%	67.50%	67.35%	66.67%	63.83%
Number of minorities	2	2	2	2	2	3	3	2	1
Percent minorities	7.14%	4.88%	5.26%	5.41%	4.88%	7.50%	6.12%	4.17%	2.13%
<u>Secretarial/Clerical</u>	103	106	102	103	97	95	102	94	85
Number of females	98	96	95	98	91	90	98	90	81
Percent females	95.15%	90.57%	93.18%	95.15%	93.81%	94.74%	96.08%	95.74%	95.29%
Number of minorities	0	0	0	1	1	1	2	1	2
Percent minorities	0.00%	0.00%	0.00%	0.97%	1.03%	1.05%	1.96%	1.06%	2.35%
<u>Technical/Para-professional</u>	16	18	12	10	12	12	13	13	27
Number of females	12	14	8	7	9	9	9	10	22
Percent females	75.00%	77.78%	66.66%	70.00%	75.00%	75.00%	69.23%	76.92%	81.48%
Number of minorities	0	0	0	0	0	0	0	0	0
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Skilled Trades</u>	1	1	1	0	0	0	0	0	12
Number of females	0	0	0	0	0	0	0	0	5
Percent females	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	41.67%
Number of minorities	0	0	0	0	0	0	0	0	0
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Service/Maintenance</u>	23	28	26	27	26	26	27	26	14
Number of females	9	24	13	13	13	13	14	12	8
Percent females	39.13%	85.71%	50.00%	48.15%	50.00%	50.00%	51.85%	46.15%	57.14%
Number of minorities	0	0	0	0	0	0	0	0	0
Percent minorities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Total</u>	378	382	363	357	354	351	368	358	375
Number of females	251	268	247	247	239	238	248	228	237
Percent females	66.40%	70.16%	68.04%	69.19%	67.51%	67.78%	67.39%	63.69%	63.20%
Number of minorities	11	9	9	10	10	11	12	11	15
Percent minorities	2.91%	2.36%	2.48%	2.80%	2.82%	3.13%	3.26%	3.07%	4.00%

Source: IPEDS report beginning in fiscal year 2005. Prior to 2005, based on Fall Staff Survey which was prepared every two years.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**OPERATIONAL EXPENDITURES PER FULL-TIME EQUIVALENT (FTE) STUDENT  
Last Ten Fiscal Years**

Year	Operational Expenditures (1)		Student Enrollments		Expenditures per FTE	
	Amount 000's	Percent Increase (Decrease)	FTE's	Percent Increase (Decrease)	Per FTE	Percent Increase (Decrease)
2002	\$ 32,985	1.28%	2,945	3.60%	\$ 11,200	(2.23)%
2003	33,408	6.39	3,051	6.88	10,950	(0.47)
2004	35,542	7.67	3,261	(0.37)	10,899	8.06
2005	38,268	4.58	3,249	0.43	11,778	4.13
2006	40,020	3.73	3,263	(4.35)	12,265	8.45
2007	41,514	2.46	3,121	(0.87)	13,301	3.35
2008	42,534	2.46	3,094	4.49	13,747	3.16
2009	45,851	7.65	3,233	12.84	14,182	(4.60)
2010	49,359	2.70	3,648	(3.34)	13,530	6.26
2011	50,692		3,526		14,377	

Notes:

- (1) For the purposes of this compilation, operational expenditures is based on the budgetary expenditures from the District's General and Special Revenue Aidable funds.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

PROGRAM GRADUATE FOLLOW-UP STATISTICS (1)  
Last Ten Fiscal Years

<u>Year</u>	<u>Number of Graduates</u>	<u>Number of Follow-up Respondents</u>	<u>Number Available for Employment</u>	<u>Percent Employed</u>	<u>Percent Employed in Related Occupations</u>	<u>Percent Employed in District</u>	<u>Average Monthly Salary</u>
2001	739	502	455	94.7%	84.9%	64.0%	\$ 2,232
2002	812	671	486	93.8	83.6	66.0	2,276
2003	876	609	423	91.5	78.6	62.0	2,529
2004	986	716	369	94.0	81.0	61.0	2,418
2005	1,091	764	469	92.0	83.3	62.0	2,511
2006	1,106	847	549	90.0	76.0	59.0	2,613
2007	1,163	904	532	93.0	81.0	56.0	2,930
2008	1,172	721	405	89.0	83.0	55.0	2,970
2009	986	644	453	83.0	78.5	50.0	3,041
2010	1,030	742	548	94.0	68.3	58.0	2,879

Notes:

(1) Schedule is based on a survey of MPTC graduates conducted approximately six months after graduation. Therefore, 2010-11 statistics are not available. Statistics include graduates of the District's postsecondary vocational-technical programs. The data does not reflect the activities of students who complete only portions of their program.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

**SQUARE FOOTAGE OF DISTRICT FACILITIES**  
Last Ten Fiscal Years

Campus	Address	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Beaver Dam	700 Gould Street Beaver Dam, WI 53916-1994	61,889	60,768	53,968	53,968	49,668	47,698	47,698	40,287	40,287	40,287
Fond du Lac	235 N National Avenue Fond du Lac, WI 54936-1940	302,055	301,814	301,814	301,814	301,814	301,814	296,814	296,814	288,464	288,464
District Office Building	235 N National Avenue Fond du Lac, WI 54936-1940	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600
West Bend	2151 North Main Street West Bend, WI 53095-1598	140,035	131,554	131,554	125,054	125,054	125,054	125,054	125,054	125,054	110,295
West Bend South (leased)	737 3rd Avenue West Bend, WI 53095	-	-	-	-	-	-	-	-	-	13,000
Hartford Regional Center (leased)	805 Cedar Street Hartford, WI 53027	----- Not Available -----									
Ripon Regional Center (leased)	850 Tiger Drive Ripon, WI 54971-0313	----- Not Available -----									

Source: MPTC Facilities department.

Note: The College also offers classes at numerous Instructional Centers throughout the District.

# MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

## INSURANCE COVERAGE SUMMARY

Fiscal Year 2010-11  
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Property Coverage	DMI	7/1/10 - 6/30/11	Covers all real and personal property, all risk; \$25,000 Deductible		
			Blanket Property Limit (Per Occurrence)	\$ 350,000,000	\$ 43,476
			Certified Terrorism	350,000,000	
			Non-Certified Terrorism	350,000,000	
			Accounts Receivable	15,000,000	
			Fire Arts	15,000,000	
			Valuable Papers and Records	15,000,000	
			Extra Expense	20,000,000	
			Electronic Data Processing Equipment	20,000,000	
			Miscellaneous Unnamed Locations	15,000,000	
			Newly Acquired Property (180 days reporting)	15,000,000	
			Building Ordinance including Demolition & ICC & Increased Time to Rebuild	25,000,000	
			Debris Removal - the greater of 25% of the loss or \$15,000,000	15,000,000	
			Earth Movement and Volcanic Action (Annual Aggregate)	25,000,000	
			Flood and Water Damage (Annual Aggregate)	25,000,000	
			Flood in FEMA Zones designated using letters A or V (Annual Aggregate)	25,000,000	
			Property in the Course of Construction	15,000,000	
			Transit	2,500,000	
			Ingress/Egress (1 mile limitation, 30 days limitation)	5,000,000	
			Interruption by Civil Authority (1 mile radius limitation, 30 day limitation)	5,000,000	
			Leasehold Interest	1,000,000	
			Service Interruption - Property Damage & Time Element	10,000,000	
			Combined (Water, Communication including overhead transmission lines, Power including overhead transmission lines)		
			Mobile Equipment	1,000,000	
			Expediting Expenses	5,000,000	
			Pollutant Clean-Up and Removal (Annual Aggregate)	475,000	
			Claims Preparation Expenses (Subject to max. 5% of combined PD & TE Loss)	250,000	
			Defense Costs	250,000	
			Exhibition, Exposition, Fair or Trade Show	325,000	
			Fire Department Service Charges	325,000	
			Protection of Property	325,000	
			Radioactive Contamination	250,000	
			Royalties	250,000	

# MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

## INSURANCE COVERAGE SUMMARY - CONTINUED

Fiscal Year 2010-11  
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Equipment Breakdown</b>	DMI	7/1/10 - 6/30/11	Comprehensive coverage; \$25,000 deductible	\$ 100,000,000	\$ 2,260
			Property Damage	1,000,000	
			Off-Premises Property Damage	Included	
			Business Income	25,000	
			Extra Expense	Included	
			Service Interruption	1,000,000	
			Contingent Business Income	25,000	
			Perishable Goods (Spoilage/Ammonia Contamination)	250,000	
			Data Restoration	250,000	
			Demolition	1,000,000	
			Ordinance or Law	1,000,000	
			Expediting Expenses	250,000	
			Hazardous Substances	250,000	
			Newly Acquired Locations (365 days)	15,000,000	
			Broad Comprehensive Coverage (Including Production Machines, Computer Equipment)	Included	
			Repair or Replacement	Yes	
<b>Workers' Compensation</b>	DMI	7/1/10 - 6/30/11	<b>Workers' Compensation - Wisconsin Benefits</b>	<b>Statutory</b>	<b>178,090</b>
			- Bodily injury by accident, each accident	\$ 100,000	\$
			- Bodily injury by disease, policy limit	500,000	
			- Bodily injury by disease, each employee	100,000	
<b>General Liability</b>	DMI	7/1/10 - 6/30/11	Each occurrence limit	\$ 5,000,000	\$ 49,249
<b>(Includes Professional, Automobile and Educators Legal Liability)</b>			Fire Damage limit (any one fire)	500,000	
			Limited Above Ground Pollution Liability		
			- Each Claim and Policy Aggregate	1,000,000	
			Under/Uninsuredmotorists	100,000	
			Garagekeepers Legal Liability (ACV up to \$350,000)	350,000	
			- Comprehensive deductible (each customer auto/each event)	500/2,500	
			- Collision deductible (each customer auto)	500	
			Policy Deductible	5,000	
			Automobile Physical Damage Deductible	2,500	
<b>Educators Legal Liability (includes, Directors &amp; Officers, Employment Practices, and Employee Benefits Liability)</b>	DMI	7/1/10 - 6/30/11	- Per Wrongful act and aggregate limit	\$ 5,000,000	
			- Per wrongful act and aggregate deductible	100,000	
<b>Campus Violent Acts</b>	DMI	7/1/10 - 6/30/11	Policy Aggregate Limit	\$ 250,000	\$ 912
			Policy Deductible	25,000	
			Equipment or Property Improvements	25,000	

# MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

## INSURANCE COVERAGE SUMMARY - CONTINUED

Fiscal Year 2010-11

(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Crime	Travelers Casualty and Surety Company	7/1/10 - 6/30/11	Employee Theft Forgery or Alteration ERISA Fidelity On Premises/In-Transit Computer Fraud Computer Program and Electronic Data Restoration Funds Transfer Fraud Personal Accounts Forgery or Alteration Identity Fraud Expense Reimbursement Claim Expense Employee Dishonesty per Incidence Deductible	\$ 750,000 750,000 750,000 500,000 750,000 100,000 750,000 25,000 25,000	\$ 2,925
Foreign Travel Liability	ACE American Insurance Company	7/1/10 - 6/30/11	Foreign general liability - Each occurrence Products - Completed Operations - Aggregate Personal and Advertising Injury - Aggregate Premises Damage Limit - Each Occurrence Medical Expense Limit - Any one person Contingent Auto Liability - Combined Single Limit - Each Accident Foreign Hired Auto Physical Damage - Any One Accident - Any one policy period Foreign Employee Benefits Liability (\$1,000 Deductible) - Each Claim - Aggregate Foreign Voluntary Workers' Compensation - State of Hire Benefits - North American - Third Country Nationals - Local Nationals Foreign Employers Liability - Bodily injury by accident, each accident - Bodily injury by disease, each employee - Bodily injury by disease, policy limit Executive Assistance (per covered person) Kidnap and Extortion (per cause of loss)	\$ 1,000,000 2,000,000 1,000,000 1,000,000 10,000 1,000,000 25,000 25,000 1,000,000 1,000,000 Statutory State of Hire Benefits Country of Origin Country of Origin 1,000,000 1,000,000 1,000,000 50,000 50,000	\$ 2,500
Business Travel Accident (for local Boards of Director Members)	CIGNA	7/1/10 - 6/30/11	Principle Sum - Loss of Life - Other Covered Losses as scheduled	\$ 100,000	\$ 281
<b>TOTAL ANNUAL PREMIUMS</b>				<b>\$</b>	<b>\$ 279,693</b>

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# **SINGLE AUDIT SECTION**

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 Year ended June 30, 2011

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
<b>National Science Foundation:</b>								
<i>Direct Programs</i>								
EDUCATION AND HUMAN RESOURCES	47.076							
Science, Technology, Engineering and Mathematics (STEM) Scholars Program			8/15/08 - 7/31/13	\$ 520,824	\$ 77,149	\$ 77,149	\$ -	\$ 77,149
Interactive Media Design Program			2/1/11 - 1/31/14	192,830	77,399	77,399	-	77,399
<b>Total 47.076</b>				713,654	154,548	154,548	-	154,548
<b>U.S. Department of Education:</b>								
<i>Direct Programs</i>								
Student Financial Aid Cluster	84.007							
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)								
SEOG Grants		P007A104522	7/1/10 - 6/30/11	31,951	44,855	44,855	14,952	59,807
FEDERAL FAMILY EDUCATION LOANS	84.032							
Stafford Loans (Subsidized)			7/1/09 - 6/30/10	-	2,484	2,484	-	2,484
Stafford Loans (Unsubsidized)			7/1/09 - 6/30/10	-	(376)	(376)	-	(376)
<b>Total 84.032</b>				-	2,108	2,108	-	2,108
FEDERAL WORK-STUDY PROGRAM	84.033							
Work Study Awards		P033A104522	7/1/10 - 6/30/11	66,656	38,018	38,018	247	38,265
FEDERAL PELL GRANT PROGRAM	84.063							
Pell Grants		P063P093169	7/1/09 - 6/30/10	4,100,631	32,012	32,012	-	32,012
Pell Grants		P063P103169	7/1/10 - 6/30/11	5,202,403	5,202,403	5,202,403	-	5,202,403
Administrative Cost Allowance			7/1/10 - 6/30/11	-	9,500	9,500	-	9,500
<b>Total 84.063</b>				9,303,034	5,243,915	5,243,915	-	5,243,915
FEDERAL DIRECT STUDENT LOANS	84.268							
Direct Loans		P268K103169	7/1/09 - 6/30/10	13,595	13,595	13,595	-	13,595
Direct Loans		P268K113169	7/1/10 - 6/30/11	7,711,127	7,698,396	7,698,396	-	7,698,396
<b>Total 84.268</b>				7,724,722	7,711,991	7,711,991	-	7,711,991
ACADEMIC COMPETITIVENESS GRANTS	84.375							
Academic Competitiveness Grants		P375A103169	7/1/10 - 6/30/11	34,017	33,924	33,924	-	33,924
<b>Total Student Financial Aid Cluster</b>				17,160,380	13,074,811	13,074,811	15,199	13,090,010

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED  
 Year ended June 30, 2011

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
HIGHER EDUCATION INSTITUTIONAL AID	84.031							
Title III Grant		P031A060088	10/1/06 - 9/30/11	\$ 1,984,655	\$ 384,635	\$ -	\$ -	\$ 384,635
<b>TRIO Cluster</b>								
TRIO Student Support Services	84.042	P042A100735	9/1/10 - 8/31/15	1,100,000	188,000	-	-	188,000
TRIO Upward Bound	84.047	P047A080701	12/1/07 - 11/30/11	1,021,474	269,782	-	-	269,782
<b>Total TRIO Cluster</b>				2,121,474	457,782	-	-	457,782
<i>Pass-through Programs</i>								
<i>Wisconsin Technical College System Board</i>								
TECH PREP EDUCATION - PERKINS TITLE IIIIE	84.243A							
Tech Prep		10-003-150-401	7/1/10 - 6/30/11	120,311	120,311	21	21	120,332
ADULT EDUCATION- BASIC GRANTS TO STATES	84.002							
Adult Basic Education		10-501-146-121	7/1/10 - 6/30/11	306,900	306,900	152,238	152,238	459,138
Community Connections		10-503-146-161	7/1/10 - 6/30/11	24,190	24,190	36	36	24,226
Basic Skills in Jails		10-510-146-111	7/1/10 - 6/30/11	36,160	36,160	12,085	12,085	48,245
<b>Total 84.002</b>				367,250	367,250	164,359	164,359	531,609
CAREER AND TECHNICAL EDUCATION -								
BASIC GRANTS TO STATES	84.048							
Strengthening Career and Technical Education Programs		10-601-150-251	7/1/10 - 6/30/11	62,600	62,600	-	-	62,600
Student Success		10-602-150-231	7/1/10 - 6/30/11	234,900	234,900	260,185	260,185	495,085
Increasing Enrollment & Retention of Students in Nontraditional Occupations		10-607-150-261	7/1/10 - 6/30/11	15,700	15,700	-	-	15,700
Clinical Laboratory Technician - Technical Skill Attainment		10-101-150-221	7/1/10 - 6/30/11	23,000	15,888	-	-	15,888
Wisconsin Career Pathways Web Site Project		12-042-150-211	7/1/10 - 6/30/11	17,183	17,183	-	-	17,183
<b>Total 84.048</b>				353,383	346,271	260,185	260,185	606,456
<b>Subtotal - U.S. Department of Education</b>				22,107,453	14,751,060	439,764	439,764	15,190,824
<b>U.S. Department of Labor:</b>								
<b>WIA Cluster</b>								
WIA ADULT PROGRAM	17.258							
<i>Pass-through Programs</i>								
<i>Workforce Development Board of South Central Wisconsin</i>								
Basic Skills - Juneau			7/1/10 - 6/30/11	37,000	37,000	-	-	37,000
<b>WIA YOUTH ACTIVITIES</b>	17.259							
<i>Pass-through Programs</i>								
<i>Fox Valley Workforce Development Board</i>								
Skills Jump Start Welding Grant			12/1/09 - 1/31/11	35,015	759	-	-	759

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended June 30, 2011

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
<i>Waukesha-Ozaukee-Washington Workforce Development Inc.</i>								
Skills Jump Start Nursing Assistant Grant			3/15/10-1/31/11	\$ 30,103	\$ 28,058	\$ 28,058	\$ 9	\$ 28,067
MSSC Expansion			10/1/10 - 6/30/11	6,486	1,595	1,595	-	1,595
<b>Total 17,259</b>				<u>71,604</u>	<u>30,412</u>	<u>30,412</u>	<u>9</u>	<u>30,421</u>
<b>Total WIA Cluster</b>				<u>108,604</u>	<u>67,412</u>	<u>67,412</u>	<u>9</u>	<u>67,421</u>
WIA PILOTS, DEMONSTRATIONS & RESEARCH PROJECTS	17.261		8/1/09 - 9/30/10	58,085	34,476	34,476	-	34,476
WIRED - Health Care Sector								
COMMUNITY BASED JOB TRAINING GRANTS	17.269		2/15/09 - 2/14/12	1,707,828	525,209	525,209	-	525,209
Community Based Job Training								
<b>Subtotal - U.S. Department of Labor</b>				<u>1,874,517</u>	<u>627,097</u>	<u>627,097</u>	<u>9</u>	<u>627,106</u>
<b>U.S. Department of the Interior, Bureau of Indian Affairs:</b>								
<i>Direct Program</i>								
INDIAN EMPLOYMENT ASSISTANCE	15.108		7/1/09 - 6/30/10	-	1,450	1,450	-	1,450
Bureau of Indian Affairs Grants			7/1/10 - 6/30/11	-	15,718	15,718	-	15,718
Bureau of Indian Affairs Grants								
<b>Total 15,108</b>				<u>-</u>	<u>17,168</u>	<u>17,168</u>	<u>-</u>	<u>17,168</u>
<b>U.S. Department Transportation:</b>								
<i>Pass-through Program</i>								
<i>Wisconsin Technical College System Board</i>								
INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	20.703		7/1/10 - 6/30/11	-	8,357	8,357	-	8,357
Hazardous Materials Training								
<b>TOTAL FEDERAL AWARDS</b>				<u>\$ 24,695,624</u>	<u>\$ 15,558,230</u>	<u>\$ 15,558,230</u>	<u>\$ 439,773</u>	<u>\$ 15,998,003</u>

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 June 30, 2011

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.

NOTE B: RECONCILIATION OF FEDERAL REVENUE

A schedule reconciling total federal awards as reported on the Schedule of Expenditures of Federal Awards to the amounts as reported in the Basic Financial Statements follows:

	Federal Revenue	Match	Total Expenditures
Schedule of Expenditures of Federal Awards	\$ 15,558,230	\$ 439,773	\$ 15,998,003
Plus:			
Adjustments (rounding)	1	-	1
Basic Financial Statements	\$ 15,558,231	\$ 439,773	\$ 15,998,004

The District had no subrecipients for federal revenues during the fiscal year ended June 30, 2011.

(1) Federal grant revenue is presented on the basic financial statements as follows:

Operating	\$ 15,390,614
Capital contributions (federal portion)	167,617
	\$ 15,558,231

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
 Year ended June 30, 2011

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures	
					Revenue	Expenditures			
<b>Wisconsin Technical College System:</b>									
INSTRUCTOR OCCUPATIONAL COMPETENCY Occupational Competency Program	292.104		7/1/10 - 6/30/11	\$ 2,972	\$ 2,324	\$ 2,324	\$ 2,325	\$ 4,649	
STATE AIDS FOR VOCATIONAL, TECHNICAL AND ADULT EDUCATION State Aids - General	292.105		7/1/10 - 6/30/11	-	4,048,896	4,048,896	33,512,688	37,561,584	
MINORITY STUDENT PARTICIPATION AND RETENTION Minority Student Participation and Retention	292.109	10-201-109-111	7/1/10 - 6/30/11	18,300	18,300	18,300	6,109	24,409	
INCENTIVE GRANTS Basic Skills Access Success Opportunities for Achievement Quality Packaging - Workplace Adult Basic Education Plumbing Apprentices Program <i>Pass-through Programs</i> <i>Fox Valley Technical College</i>	292.112	10-320-112-121 10-334-112-161 10-335-112-161 10-720-112-171 10-835-112-131	7/1/10 - 6/30/11 7/1/10 - 6/30/11 7/1/10 - 6/30/11 7/1/10 - 6/30/11 7/1/10 - 6/30/11	122,740 22,501 44,627 9,468 8,000	122,740 22,501 44,627 9,468 8,000	122,740 22,501 44,627 9,468 8,000	43,475 7,666 14,885 3,269 219	166,215 30,167 59,512 12,737 8,219	
Advanced Manufacturing Network - Northeast Wisconsin <b>Total 292.112</b>		12-062-112-111	1/1/10 - 6/30/11	8,438	8,058	8,058	2,686	10,744	
HANDICAPPED TRANSITION SERVICE Transition Specialist	292.115	10-350-115-111	7/1/10 - 6/30/11	23,637	23,637	23,637	8,294	31,931	
WORKFORCE ADVANCEMENT TRAINING GRANT MAG Giddings & Lewis Strategic Quality and Process Improvement Project Advanced Manufacturing Continuous Improvement Project Grande Cheese Personal Productivity Improvement Project Mayville Engineering Business Process Improvement Project Amerquip Corporation Continuous Improvement Training Project John Deere Horicon Works HVAC Maintenance Small Business Leadership Consortium Broan-NuTone, LLC Demand Flow Technology Project Kindex Corporation Customer-Focused Innovation Project Del Monte Foods Operational Excellence Project MAG Operational Excellence Project Animart Team Formation Project Advanced Manufacturing Productivity Enhancement Project Badger Mining Coaching Development Project Broan-NuTone Productivity Enhancement Project C&D Technologies Supervisory Effectiveness Project JW Speaker Corporation Advanced Manufacturing Leadership Project Lutheran Homes and Health Services Strategy and Training Project Small Business Industrial Compliance <b>Total 292.116</b>	292.116	10-752-116-111 10-753-116-111 10-754-116-111 10-758-116-111 10-761-116-111 10-763-116-110 10-764-116-110 10-765-116-110 10-767-116-111 10-768-119-111 10-769-116-111 10-771-116-111 10-772-116-111 10-773-116-111 10-774-116-111 10-775-116-111 10-776-116-111 10-777-116-111 10-778-116-111	7/1/10 - 12/31/10 7/1/10 - 6/30/11 7/1/10 - 6/30/11 7/1/10 - 3/31/11 7/1/10 - 10/31/10 2/26/10 - 6/30/10 2/26/10 - 8/31/10 7/1/10 - 8/31/11 7/1/10 - 6/30/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11 7/1/10 - 8/31/11	28,066 61,052 26,385 6,956 13,266 7,540 10,052 9,955 27,848 25,035 67,528 12,899 27,232 27,860 17,194 9,511 28,371 17,592 27,616	28,066 61,052 26,385 6,956 13,266 7,540 10,052 9,955 27,848 25,035 67,528 12,899 27,232 27,860 17,194 9,511 28,371 17,592 27,616	28,066 61,052 26,385 6,956 13,266 7,540 10,052 9,955 27,848 25,035 67,528 12,899 27,232 27,860 17,194 9,511 28,371 17,592 27,616	3,687 45,026 8,973 3,964 11,214 1,513 805 6,640 26,203 13,917 38,604 10,988 8,060 18,428 4,522 9,511 20,073 12,205 18,670	3,687 45,026 8,973 3,967 11,214 2,018 1,073 10,407 28,318 13,917 38,604 11,131 8,060 18,428 4,522 9,511 20,073 12,205 18,670	31,931

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS - CONTINUED**  
 Year ended June 30, 2011

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures
					Revenue	Expenditures		
FACULTY DEVELOPMENT PROGRAM	292.123							
Faculty Development Program		10-340-123-111	7/1/10 - 6/30/11	\$ 46,400	\$ 46,400	\$ 46,400	\$ 310	\$ 46,710
Faculty Development Program - Match		10-341-123-111	7/1/10 - 6/30/11	-	-	46,400	46,400	46,400
<b>Total 292.123</b>				46,400	46,400	46,710	46,710	93,110
FIRE FIGHTER TRAINING 2%	292.137							
Fire Fighter Training 2%			7/1/10 - 6/30/11	-	35,936	-	-	35,936
RISE PROJECT FUNDING	292.138							
RISE Auto I-BEST		10-813-138-271	7/1/10 - 6/30/11	43,500	43,500	2,081	2,081	45,581
INCREASED PROGRAM CAPACITY GRANTS	292.161							
Nursing Program Expansion through Remediation/Support Instructional S		10-446-161-111	7/1/10 - 6/30/11	58,674	54,307	-	-	54,307
Health Information Technology Health Care Education		10-447-161-111	7/1/10 - 6/30/11	68,031	68,031	14	14	68,045
<b>Total 292.161</b>				126,705	122,338	14	14	122,352
<b>Subtotal - Wisconsin Technical College System</b>				929,046	4,819,728	33,664,757	33,664,757	38,484,485
<b>Wisconsin Department of Natural Resources:</b>								
Aids in Lieu of Taxes	370.503				43,543	-	-	43,543
<b>Wisconsin Department of Public Instruction:</b>								
PreCollege Scholarship Program	255.903				2,014	2,014	21,472	23,486
<b>Wisconsin Department of Revenue:</b>								
State Aid - Computers	835.109				109,392	-	-	109,392
<b>Wisconsin Higher Education Board:</b>								
Wisconsin Higher Education Grant	235.102				719,622	719,622	-	719,622
Handicapped Student Grant	235.112				1,800	1,800	-	1,800
Talent Incentive Program	235.114				46,500	46,500	-	46,500
Nursing Student Stipend Loan	235.117				15,000	15,000	-	15,000
Remission of Fees for Veterans and Dependents	235.105				58,080	58,080	-	58,080
<b>Total Wisconsin Higher Education Board</b>				-	841,002	841,002	-	841,002
<b>TOTAL STATE AWARDS</b>				<b>\$ 929,046</b>	<b>\$ 5,815,679</b>	<b>\$ 33,686,229</b>	<b>\$ 33,686,229</b>	<b>\$ 39,501,908</b>

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
 June 30, 2011

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of State Awards is prepared on the accrual basis of accounting.

**NOTE B: RECONCILIATION OF STATE REVENUE**

A schedule reconciling total state awards as reported on the Schedule of Expenditures of State Awards to the amounts as reported in the Basic Financial Statements follows:

	<u>State Revenue</u>	<u>Match</u>	<u>Total Expenditures</u>
Schedule of Expenditures of State Awards	\$ 5,815,679	\$ 33,686,229	\$ 39,501,908
Plus:			
Adjustments to Prior Year	<u>10</u>	<u>-</u>	<u>10</u>
Basic Financial Statements	<u>\$ 5,815,689</u> <sup>(1)</sup>	<u>\$ 33,686,229</u>	<u>\$ 39,501,918</u>

The District had no subrecipients for state revenues during the fiscal year ended June 30, 2011.

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

Operating	\$ 1,594,831
Non-operating	
State operating appropriations	4,203,845
Capital contributions (state portion)	<u>17,013</u>
	<u>\$ 5,815,689</u>

**MORAINÉ PARK TECHNICAL COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2011

**Section I – Summary of Auditors’ Results**

Basic Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	No
Noncompliance material to basic financial statements noted?	No

Federal Awards and State Financial Assistance

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	No
Type of auditors’ report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	No
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No
Identification of major federal and state programs:	

CFDA Number	Name of Federal Programs or Cluster
	Student Financial Aid Program Cluster
84.007	Federal Supplemental Educational Opportunity Grants
84.032	Federal Family Education Loans
84.033	Federal College Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
84.375	Academic Competitiveness Grants to Students
84.002	Adult Education – Basic Grants to States

State Catalog Number	Name of State Programs
235.112	State Handicapped Grant
235.114	Talent Incentive Program
235.117	Nursing Student Loan
292.105	State Aids for Vocational, Technical and Adult Education

Audit threshold used to determine between Type A and Type B programs:	
Federal	\$300,000
State	\$100,000
Audit qualified as a low-risk auditee	Yes

**Section II – Basic Financial Statement Findings as Required by Government Auditing Standards**

Finding Number	Internal Control Finding
----------------	--------------------------

There were no findings required to be reported in accordance with generally accepted governmental auditing standards.

**MORAINÉ PARK TECHNICAL COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**  
 Year Ended June 30, 2011

**Section III – Federal Award and State Financial Assistance Findings and Questioned Costs**

Finding Number	OMB Circular A-133 Findings	Questioned Costs
----------------	-----------------------------	------------------

There were no findings required to be reported in accordance with OMB Circular A-133.

Finding Number	State Single Audit Guideline Findings	Questioned Costs
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There were no findings required to be reported in accordance with *State Single Audit Guidelines*.

**Section IV – Other Issues**

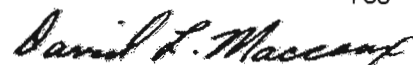
Does the auditor's report or the notes to the financial statements include disclosure with Regard to substantial doubt as to the auditee's ability to continue as a going concern? No

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

Wisconsin Technical College System Board	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Workforce Development	No
Wisconsin Department of Administration	No
Wisconsin Department of Transportation	No
Wisconsin Higher Education Aids Board	No
Wisconsin Department of Revenue	No

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

Name and signature of Shareholder



\_\_\_\_\_  
David L. Maccoux, CPA

Date of report

October 28, 2011

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

To the District Board  
Moraine Park Technical College District  
Fond du Lac, Wisconsin

We have audited the basic financial statements of Moraine Park Technical College District, as of and for the year ended June 30, 2011, and have issued our report thereon dated October 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of Moraine Park Technical College District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Moraine Park Technical College District's internal control over financial reporting as a basis of designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Moraine Park Technical College District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Moraine Park Technical College District's internal control over financial reporting.

*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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

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

We noted certain matters that we reported to management of Moraine Park Technical College District in a separate letter dated October 28, 2011.

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



Certified Public Accountants

Green Bay, Wisconsin  
October 28, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE STATE SINGLE AUDIT GUIDELINES

To the District Board  
Moraine Park Technical College District  
Fond du Lac, Wisconsin

Compliance

We have audited Moraine Park Technical College District's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2011. Moraine Park Technical College 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of Moraine Park Technical College District's management. Our responsibility is to express an opinion on Moraine Park Technical College District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Moraine Park Technical College 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. Our audit does not provide a legal determination on Moraine Park Technical College District's compliance with those requirements.

In our opinion, Moraine Park Technical College District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2011.

#### Internal Control over Compliance

Management of Moraine Park Technical College District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and *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 Moraine Park Technical College District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect 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 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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



Certified Public Accountants

Green Bay, Wisconsin  
October 28, 2011

**Beaver Dam**  
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**Beaver Dam, WI 53916-1994**  
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**West Bend, WI 53090-1598**  
**262-334-3413**

Moraine Park Technical College does not discriminate on the basis of race, color, national origin, sex, disability or age in employment, admissions or its programs or activities. The following person has been designated to handle inquiries regarding the College's nondiscrimination policies: Equal Opportunity Officer, Moraine Park Technical College, 235 N. National Ave., PO Box 1940, Fond du Lac, WI 54936-1940, 920-924-6459 or 920-924-3232.