

The background features a collage of financial data visualizations. On the left, there's a grid with columns labeled 'Estimated' and 'Actual', containing monetary values like \$200.00, \$300.00, and \$500.00. In the upper right, a pie chart shows segments with percentages like 13% and 3%. At the bottom, a bar chart with red and blue bars is visible. The overall color palette is purple and blue.

# 20

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

# 14

*For fiscal year ending June 30, 2014*



MORAINE  
PARK  
TECHNICAL COLLEGE

*Driven to do.*

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

# **Comprehensive Annual Financial Report**

**for the fiscal years ended June 30, 2014 and 2013**

**Official Issuing Report:**

Bonnie Baerwald, CPA  
Vice President, Finance and Administrative Services

**Report Prepared By:**

Carrie Kasubaski, CPA  
Director of Finance

**Assisted By:**

Accounting/Financial Services staff  
Marketing staff  
Office Services staff  
Schenck, SC

This page intentionally left blank.

## TABLE OF CONTENTS

	<u>Pages</u>
<b><u>Introductory Section</u></b>	
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	12
District and State Maps	13
Board Membership	14
Organizational Chart	15
<b><u>Financial Section</u></b>	
Independent Auditors' Report	16
Management's Discussion and Analysis (required supplementary information)	18
Basic Financial Statements:	
Statements of Net Position	32
Statements of Revenues, Expenses, and Changes in Net Position	33
Statements of Cash Flows	34
Statements of Fiduciary Net Position	36
Statements of Changes in Fiduciary Net Position	37
Notes to Financial Statements	38
<i>Required Supplementary Information:</i>	
Schedule of Funding Progress	59
Schedule of Employer Contributions	60
Notes to Required Supplementary Information	61
<i>Supplementary Information:</i>	
General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	62
Special Revenue Aidable Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	63
Special Revenue Non-Aidable Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	64
Capital Projects Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	65
Debt Service Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual	66
Enterprise Funds Schedule of Revenues, Expenditures, and Changes in Net Position – Budget (Non-GAAP Budgetary Basis) and Actual	67
Internal Service Funds Schedule of Revenues, Expenditures, and Changes in Net Position – Budget (Non-GAAP Budgetary Basis) and Actual	68
Schedule to Reconcile Budget (Non-GAAP Budgetary) Basis Financial Statements to Basic Financial Statements	69



## TABLE OF CONTENTS – CONTINUED

	<u>Pages</u>
<b><u>Statistical Section</u></b>	
Net Position by Component	73
Changes in Net Position	74
Distribution of Real Property on an Equalized Value Basis	75
Direct and Overlapping Property Tax Rates	76
Property Tax Levies and Collections	80
Principal Property Taxpayers	81
Enrollment Statistics	82
Schedule of Per Credit Program Fees Charged	83
Ratio of Outstanding Debt by Type	84
Computation of Direct and Overlapping Debt	85
Legal Debt Margin Information	86
Demographic Statistics for Dodge, Fond du Lac, Green Lake, and Washington Counties	87
Principal Employers	88
Full Time Employees by Equal Employment Opportunity Classification	89
Operational Expenditures per Full-time Equivalent (FTE) Student	91
Program Graduate Follow-up Statistics	92
Square Footage of District Facilities	93
Insurance Coverage Summary	94
<b><u>Single Audit Section</u></b>	
Schedule of Expenditures of Federal Awards	97
Notes to Schedule of Expenditures of Federal Awards	99
Schedule of Expenditures of State Awards	100
Notes to Schedule of Expenditures of State Awards	102
Schedule of Findings and Questioned Costs	103
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>	106
Independent Auditors' Report on Compliance for Each Major Federal and State Program and on Internal Control over Compliance Required by the OMB Circular A-133 and the <i>State Single Audit Guidelines</i>	108

# **INTRODUCTORY SECTION**

November 19, 2014

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, 2014, 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

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

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 Jackson 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 2013 from the College's associate degree or technical diploma programs experienced an 81% 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.

## **VISION, MISSION, VALUE STATEMENTS AND 2011-16 GOAL STATEMENTS**

### ***Vision***

Moraine Park Technical College will be a respected and preferred educational leader.

### ***Mission***

Innovative education for an evolving workforce and community.

### ***Value Statements***

**Collaboration** – We value collaboration and communication among students, staff and community partners to strengthen our District and communities.

**Lifelong Learning** – We value learning as a lifelong journey in the pursuit of personal and professional growth.

**Innovation** – We value innovation and creativity to remain a leader in global technical education.

**Integrity** – We value fair, honest, respectful and ethical behaviors.

**Inclusiveness** – We value inclusiveness and respect for all, providing accessible education to diverse learners. We believe that team work is critical, that each member is important to accomplishing our mission.

**Student-Centered** – We value a responsive and supportive environment providing the rigor and relevance necessary to advance student learning, development and student.

**Accountability** – We value individual and shared responsibility for our actions and ensuring the future of Moraine Park, both academically and fiscally.

**Continuous Improvement** – We value informed decisions which promote sustainability, continuous improvement and effective and efficient use of resources.

### ***2011-16 Goal Statements***

#### **Achieve Performance Excellence**

Promote an environment of continuous improvement and sustainability.

#### **Enhance Student Success**

Promote a learning environment dedicated to student achievement.

#### **Strengthen Community Connections**

Seek and develop opportunities that positively impact our communities.



## **2013-14 STRATEGIC PLAN – COLLEGE GOALS AND OUTCOMES**

MPTC is an organization where accomplishments flow from its vision and outcome-based strategic plan. Highlights from 2013-14 include the following:

### **Goal 1: Achieve Performance Excellence**

- Purchased a new Learning Management System built to take online learning to a new level at a lower annual price.
- Completed the on-site Higher Learning Commission visit as part of accreditation reaffirmation.
- Received and managed numerous federal and state grants involving various industries including manufacturing, information technology, healthcare and others.
- Completed various information technology projects including the implementation of Microsoft Office 365 for student email.
- Implemented a new credit card merchant services processor system which will enhance process efficiencies while reducing costs.
- Implemented a new security system at the Beaver Dam and Jackson sites which allows advanced technical monitoring.
- College leadership updated the District's master facility plan for fiscal years 2014-2017.
- Recognized nationally for the Viewbook and Economic and Workforce Development ad series.

### **Goal 2: Enhance Student Success**

- Remodeled space at the Fond du Lac campus to create a new State-of-the-Art Emergency Medical simulation laboratory.
- Approved transition of all campus bookstore services to outside provider, Neebo, effective July 1, 2014.
- Implemented a new mass communication solution which allows immediate communication via text, email and phone in the event of an emergency or a school closing.
- Implemented a career-coaching model to service in district high schools including partnerships with alumni and local business.
- Implemented American Student Assistant's SALT Program to help the financial literacy and awareness of our students and alumni, while at the same time helping them avoid the risk of default.
- Created a multi-year diversity plan.
- Implemented the All College Experts (ACE) student team which consists of students who have demonstrated a desire to serve and expand their knowledge of the college. The team provides campus-wide services.
- Centralized college-wide tutoring.

### **Goal 3: Strengthen Community Connections**

- Opened a new regional center in the Village of Jackson and began offering classes in October 2013.
- Continued support of the service-learning initiative with development of projects that establish community connections with local and global organizations.
- Twenty eight manufacturing companies from throughout the district provided internship sites for participants of the Wisconsin Covenant Grant and the Trade Adjustment Assistance Community College and Career Training (TAACCT) Grants program.
- Launched the "Community Connections" newsletter.
- Planned and supported a Fond du Lac Association of Commerce Business Connection event.
- Participated on the collaborative recruitment initiative in Fond du Lac County including; Fast Forward, Well City Fond du Lac Project Management Committee, Well Workplace University and Learning Circles.

## **FACILITIES AND CAPITAL INITIATIVES**

### Beaver Dam Campus

#### *Updated Surveillance Security System*

The District is investing in a new digital surveillance security system which will be implemented in a three phase approach. The existing system is an outdated system which is limited in performance. The new enhanced system is integrated with access control systems and will have the ability to be monitored and controlled with mobile devices. The Beaver Dam system was completed in 2013-14.

### Fond du Lac Campus

#### *New Student Services Addition*

A new one stop student services center addition and a more architecturally prominent main entrance is in the process of being built. This addition is located on the west side of the C-building in close proximity to the visitor parking lot. The addition provides a handicap accessible entrance that is easily identifiable for students and new customers. Following the "One-Stop Shop" student services model implemented earlier on the Beaver Dam and West Bend campuses, this model consolidates student services including registration, financial aid, assessment, and special services.

#### *EMT/Printing/Facilities Remodel*

Space was remodeled for the Emergency Medical Technician (EMT) Program, Printing and Document Distribution Center, and the Facilities Department. The remodeled space provides adequate classroom and storage space dedicated to the EMT program and upgraded space for the Document Distribution Center and Facilities Department.

#### *Emergency Generator for E Building*

The existing emergency generator which serves the data center and the B building boiler plant was extended to the E building boiler plant. This provides emergency power for life safety items and critical boiler plant operations in the event of an electrical outage.

#### *Primary Feeder Replacement*

The primary electrical feeders to the transformers serving the District Office and O building were replaced. The feeders have been spliced several times and were in jeopardy of failing. In addition, the feeders needed to be rerouted to clear the area for the new Student Services addition.

#### *District Office Rooftop Replacement*

The rooftop which serves the District Office was replaced. The unit was beyond the expectant life span and has been operating inconsistently causing inconvenience to staff and costly repairs.

### West Bend Campus

#### *Rooftop Unit Replacement*

The rooftop which serves the electrical computer labs was replaced. Unit failure has resulted in high repair cost.

## **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 the new Academic Quality Improvement Program (AQIP) 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 Program (AQIP) in 2001, Moraine Park has participated in the following Accreditation activities:

- Attended four Strategy Forums (2002, 2006, 2010, 2014).  
The team participated in the following activities at the 2014 Strategy Forum in St. Charles, IL:

- Attended multi-institution collaborative meeting focusing on AQIP lessons learned, current action projects and category review.
- Developed guidelines for the next Action Project, which was submitted for declaration in June 2014.
- 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 2013 Systems Portfolio feedback report.
- Transitioned to an innovative electronic portfolio and submitted three Systems Portfolios for appraisal (2005, 2009, 2013).
- Hosted its second Quality Checkup Site Visit in October 2013. While the college's current accreditation is affirmed through 2014-2015 year, the college will receive updates in 2014-2015 for its affirmation status for its next 8-year cycle.
- Maintained accreditation status in good standing since 2001.
- Continues to make progress annually on action projects that are reported to the AQIP review team. Current action projects include:
  - Implement a new Faculty Advising Model
  - Develop a process for using data to enhance decision making through Business Intelligence
  - Develop and implement a process to track student progress and achievement
  - College Council: Transformation of a Culture

In the coming months, college teams will continue to devote resources to improving processes identified in recent feedback reports and will review annual update feedback for Action Projects as submitted to the Higher Learning Commission. The next Systems Portfolio is due in 2017 to the Higher Learning Commission, at which time the college will again attend a Strategy Forum. Since the college completed its Quality Checkup Site Visit in October 2013, the next site visit will occur in approximately 2020-2021.

The following programs are individually accredited or approved:

**Alcohol and Other Drug Abuse** – State of Wisconsin Department of Regulation and Licensing

**Automotive Technician** – National Automotive Technicians Education Foundation

**Barber/Cosmetologist/Nail Technician** – State of Wisconsin Department of Regulation and Licensing

**Chiropractic Technician** – Wisconsin Chiropractic Examining Board

**Clinical Laboratory Technician** – National Accrediting Agency for Clinical Laboratory Sciences

**Culinary Arts** – American Culinary Federation

**Health Information Technology** – Commission on Accreditation for Health Informatics and Information Management Education

**Medical Assistant** – Commission on Accreditation of Allied Health Educational Programs and American Association of Medical Assistants

**Medical Transcription** – Association for Healthcare Documentation Integrity

**Nursing** – National League for Nursing Accrediting Commission, Inc. and Wisconsin Board of Nursing

**Radiography** – Joint Review Committee on Education in Radiologic Technology

**Respiratory Therapist** – Committee of Accreditation for Respiratory Care

**Surgical Technology** – Commission on Accreditation of Allied Health Education Programs in Cooperation with the Accreditation Review Council on Education in Surgical Technology and Surgical Assisting



## **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.

### **State and Local Economy**

The Wisconsin economy continues to grow at a moderate pace. The forecast calls for growth in terms of jobs and income for 2013 with the economy gaining steam in 2014. Wisconsin personal income was expected to post growth of 2.9% in 2013 and will grow 4.0% in 2014. In addition, employment in Wisconsin is expected to show positive growth throughout the forecast period, rising 1.5% in 2014 and 1.7% in 2015 and 2016 (Wisconsin Economic Outlook, Winter 2014).

Property values in Wisconsin continue to drop and the District experienced a drop in values totaling 2.16% for 2010, 1.83% in 2011, 3.51% in 2012, and a fourth year decrease of 1.29% for 2013. However, these declines are less than the statewide average and below the national average for residential property. College administration expects property value growth of approximately 2% for 2014.

### **State Administration**

Governor Scott Walker created a new funding model beginning July 2013. In the new 2013-15 biennial budget, Governor Walker introduced performance-based funding for distribution of Wisconsin general state aids. During 2013-14, State office officials and system leaders defined the following nine metrics for consideration to distribute these performance-based dollars in future years:

- 1) Job Placement – The placement rate of students in jobs related to students' programs of study
- 2) High Demand Fields – The number of degrees and certificates awarded in high-demand fields
- 3) Industry-Validated Curriculum – The number of programs or courses with industry-validated curriculum
- 4) Adult Basic Education (ABE) Transition – The transition of adult students from basic education to skills training
- 5) ABE Services and Success – The number of adult students served by basic education courses, adult high school or English language learning courses, or courses that combine basic skills and occupational training as a means of expediting basic skills remediation, and the success rate of adult students completing such courses
- 6) Dual Enrollment – Participation in dual enrollment programs
- 7) Workforce Training – The workforce training provided to businesses and individuals
- 8) Collaboration – Participation in statewide or regional collaboration or efficiency initiatives
- 9) Special Populations – Training or other services provided to special populations or demographic groups that can be considered unique to the district

The District selected seven of the nine criteria as funding allocation measurements for the 2014-15 fiscal year. For 2014-15, performance-funding allocations represent 10% of the general state aid dollars. At this time, the rate increase is set at a minimum 10% increase for future years until the allocation for performance-based funding reaches 100% of state aid payments.

In addition, the new budget includes the elimination of the \$1.50 operational mill cap. Instead, the District's operational tax levy growth will be limited to net new construction of the District as defined by the Wisconsin Department of Revenue. For 2013-14, the tax levy growth was limited to .78987% of the previous year's operational levy dollars.

### **Strategic Planning**

Since 2010, the College has focused on a set of strategic goals and related outcomes that set direction 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. At that time, 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 plan, only three college goals were created emphasizing the need to focus annual resources on a few strategic initiatives. Under direction from College leadership, the 2013-14 strategic plan was revised to align outcomes and initiatives with the College's goals.

In 2013-14, under the direction of President, Dr. Ruhland, the College created a new vision, mission and strategic priorities for 2015-2020. Known as Innovation 2020, the plan was generated from the input of District staff, faculty and students and will serve as the road map to drive Moraine Park in a forward, positive direction beginning in 2015-16.

College reserves remain at approximately 33% of expenditures and are above the board recommended guideline of 25%. However, College officials are unaware of the full impact of the new performance based funding model, the restricted growth limited by net new construction, and the revised processes for distribution of general purpose revenues. Until these changes are fully defined and understood, District board members will retain higher than anticipated reserves to smooth any financial disparities. 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 2014, Moody's Investors Service assigned an 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, manageable debt and pension burden" (Global Credit Research 11 Aug 2014).

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

- An extensive strategic plan which includes goals and measurable outcomes. All systems utilize this plan to create system-wide and departmental plans which are directly linked to these College goals.
- 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.
- The College utilizes numerous sources for identifying new program needs. These include the College's annual environmental scan, district employment projections data, business and advisory committee input, and peer institution data.
- Academic staff utilize several program assessment tools to measure various aspects of program viability include FTEs, enrollment, student placement statistics, student persistence and status of assessment measures. Programs not meeting certain measures are suspended and may be terminated in the future.
- The College developed a Facility Master plan in 2006 which is updated annually 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 project 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 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 Administrative Services. The policy permits investments in any instruments allowed within the Wisconsin Administrative Code. Idle cash during the year was invested in certificates of deposit.

The College has a new 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 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, cyber risk, 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 started the creation of a comprehensive business continuity plan. The entire project is expected to be complete in 2015-16 and will identify gaps within the College that could create severe risk for operational continuity both short and long-term. As the project progresses, MPTC will begin addressing identified needs as part of the annual 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**

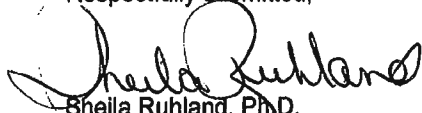
The District will submit this Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting. To be awarded this honor, the financial reporting entity must publish an easily readable and efficiently 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, 2013. 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 20th 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 Administrative Services





Government Finance Officers Association

**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

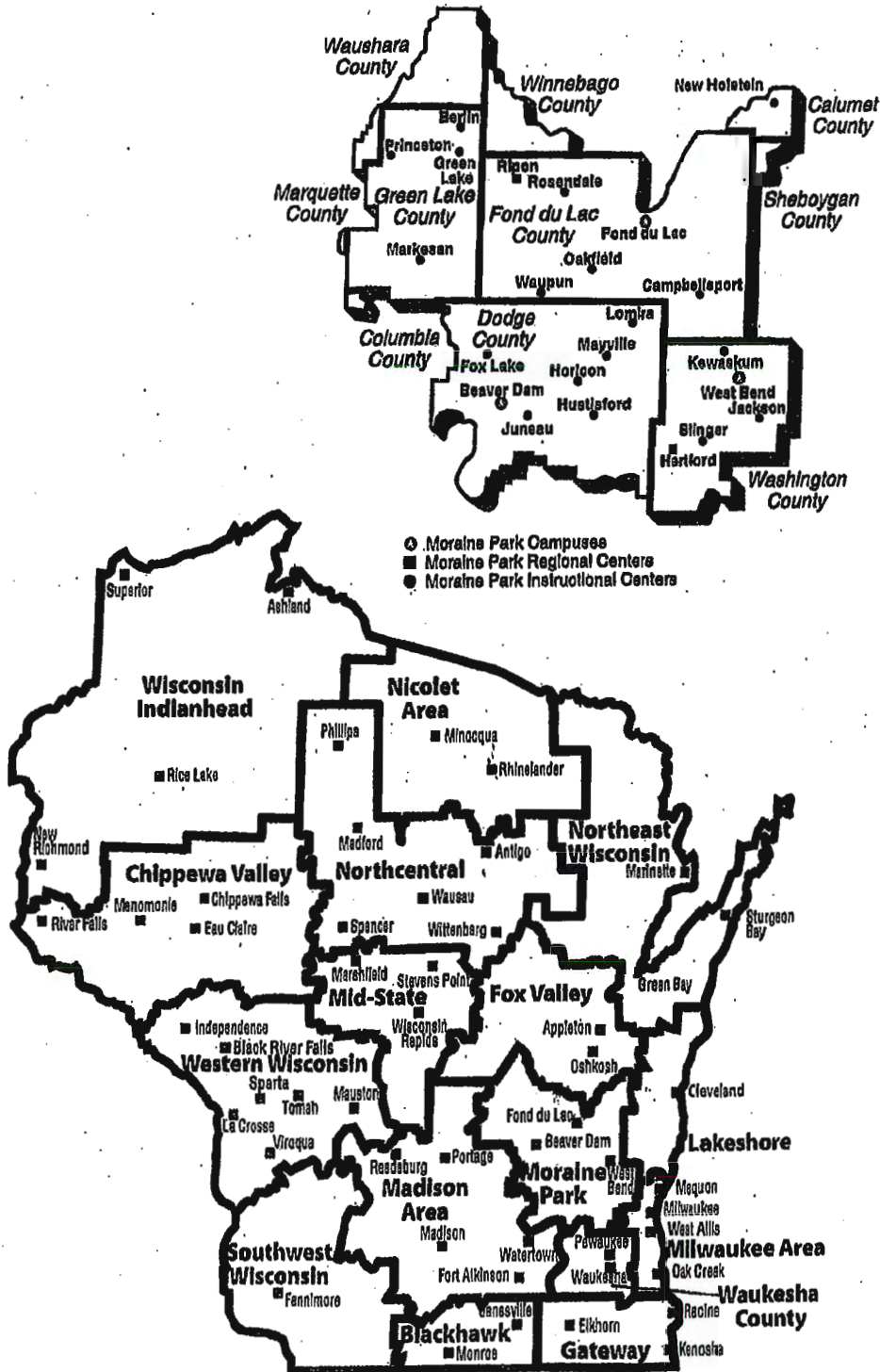
**June 30, 2013**

Executive Director/CEO



# MORaine PARK TECHNICAL COLLEGE DISTRICT

## DISTRICT AND STATE MAPS



# MORAINES PARK TECHNICAL COLLEGE DISTRICT

## BOARD MEMBERSHIP (As of June 30, 2014)

### DISTRICT BOARD

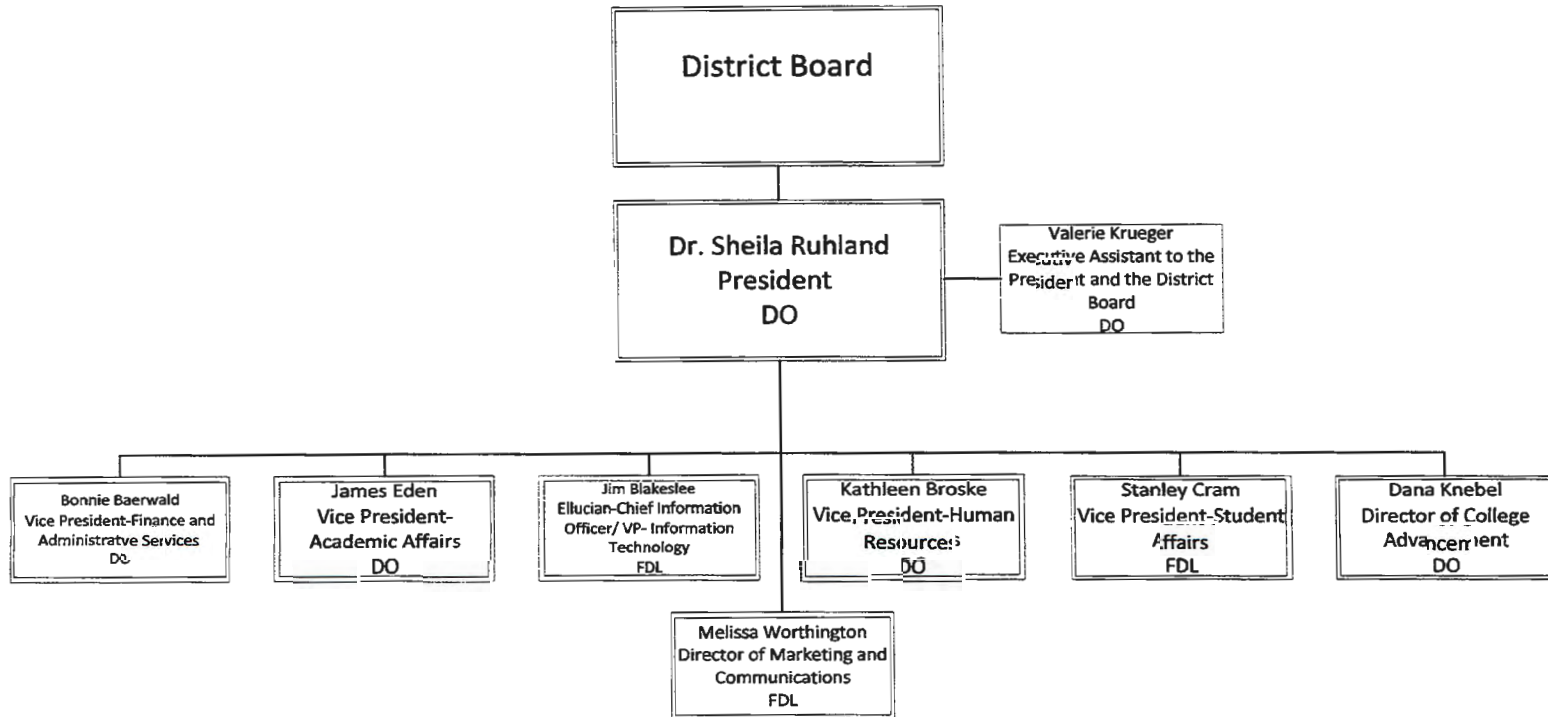
<i>Chairperson</i>	<i>Richard Zimman, Ph.D.</i>	<i>School Administrator</i>
<i>Vice Chairperson</i>	<i>Vernon Jung</i>	<i>Additional Member</i>
<i>Secretary</i>	<i>Mike Miller</i>	<i>Elected Official</i>
<i>Treasurer</i>	<i>Lisa Mader</i>	<i>Additional Member</i>
<i>Member</i>	<i>Jodine Deppisch</i>	<i>Employer Member</i>
<i>Member</i>	<i>Donna Goetz</i>	<i>Employee Member</i>
<i>Member</i>	<i>Mike Staral</i>	<i>Employer Member</i>
<i>Member</i>	<i>Kim Krueger</i>	<i>Employee Member</i>
<i>Member</i>	<i>Lowell Prill</i>	<i>Additional Member</i>

### BOARD FINANCE COMMITTEE

*Lisa Mader, Chairperson*

*Jodine Deppisch*  
*Donna Goetz*  
*Vernon Jung*  
*Kim Krueger*  
*Mike Miller*  
*Lowell Prill*  
*Mike Staral*  
*Richard Zimman, Ph.D.*

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**ORGANIZATIONAL CHART**  
**ORGANIZATIONAL LEADERSHIP SUPPORT SYSTEM**  
 (As of June 30, 2014)



This page intentionally left blank.



# **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of Moraine Park Technical College District, Wisconsin ("the District") as of and for the year ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

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

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2014 and 2013, and the respective 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.

### **Emphasis of Matter**

As described in Note C, the District recorded a prior period adjustment to increase capital assets and net position by \$1,000,000. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 18 through 31, 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by 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, and the other information, such as the introductory and statistical section are also not a required part of the basic financial statements.

The supplementary information and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Report Issued in Accordance with *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2014, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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* in considering the District's internal control over financial reporting and compliance.



Certified Public Accountants  
Green Bay, Wisconsin  
December 3, 2014

## 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 position is 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*.

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

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or 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 Position for the years ended June 30, 2014, 2013, and 2012 (dollars in thousands):

	2014	2013 (Restated)	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
<b>Revenues</b>					
<b>Operating revenues</b>					
Tuition and fees	\$ 4,402	\$ 4,536	\$ (134)	\$ 4,642	\$ (106)
State and federal grants	14,563	14,732	(169)	15,680	(948)
Contract revenue	3,423	3,247	176	2,959	288
Auxiliary revenues	2,445	2,412	33	2,607	(195)
Miscellaneous	1,106	984	122	861	123
<b>Total operating revenues</b>	<b>25,939</b>	<b>25,911</b>	<b>28</b>	<b>26,749</b>	<b>(838)</b>
<b>Non-operating revenues</b>					
Property taxes	36,397	36,465	(68)	35,960	505
State operating appropriation	3,114	3,024	90	2,936	88
Investment income	84	89	(5)	84	5
<b>Total non-operating revenues</b>	<b>39,595</b>	<b>39,578</b>	<b>17</b>	<b>38,980</b>	<b>598</b>
<b>Capital contributions - state and federal grants</b>					
	239	111	128	80	31
<b>Total revenues</b>	<b>65,773</b>	<b>65,600</b>	<b>173</b>	<b>65,809</b>	<b>(209)</b>



	2014	2013 (Restated)	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
<b>Expenses</b>					
<b>Operating expenses</b>					
Instruction	\$ 25,160	\$ 26,336	\$ (1,176)	\$ 26,729	\$ (393)
Instructional resources	2,310	1,920	390	2,009	(89)
Student services	6,273	6,180	93	6,417	(237)
General institutional	10,752	11,123	(371)	11,180	(57)
Physical plant	4,102	3,812	290	3,847	(35)
Auxiliary enterprise services	2,417	2,440	(23)	2,615	(175)
Depreciation	2,784	2,305	479	2,231	74
Student aid	7,507	7,949	(442)	8,598	(649)
<b>Total operating expenses</b>	<b>61,305</b>	<b>62,065</b>	<b>(760)</b>	<b>63,626</b>	<b>(1,561)</b>
<b>Non-operating expenses</b>					
Loss on disposal of capital assets	807	241	566	174	67
Interest expense	541	599	(58)	686	(87)
<b>Total non-operating expenses</b>	<b>1,348</b>	<b>840</b>	<b>508</b>	<b>860</b>	<b>(20)</b>
<b>Total expenses</b>	<b>62,653</b>	<b>62,905</b>	<b>(252)</b>	<b>64,486</b>	<b>(1,581)</b>
Increase in net position	3,120	2,695	\$ 425	1,323	\$ (1,372)
Cumulative effect of change in accounting principle	-	(188)	\$ (188)	-	\$ -
Net position – beginning of the year	51,715	49,208		47,885	
Net position – end of the year	\$ 54,835	\$ 51,715		\$ 49,208	

### Fiscal Year 2014 Compared to 2013

Operating revenues are the charges for services offered by the District. During 2014, Moraine Park generated more than \$25.9 million of operating revenues. This was consistent with the prior year, with a minimal increase of \$28,000. Significant items were as follows:

- Tuition and fee income, as reported in the basic financial statements, decreased by \$134,000, or 3% from 2013. A combination of a slight decrease in FTE's and financial aid contributed to the decline. These declines were offset by a tuition rate increase (set by the WTCS system) of 4.5%.
- Contract revenues experienced an increase of over 5% from the prior year. A significant factor in this was the continued efforts to reach high school students as part of the Career Prep contract as well as an increase in customized training contracts.
- Miscellaneous revenue increased over 12% compared to 2013 as a result of increases in various scholarship disbursements, funding of the insurance liability and debt proceeds.

Operating expenses are costs related to offering the programs of the District. During 2014, operating expenses decreased over \$750,000 or slightly more than 1% from the prior year. The decrease was primarily due to a combination of the following:

- The new Fond du Lac Services main entrance remodeling costs increased the physical plant expenses by 8%.
- The completion of previous year projects increased the depreciable assets and related costs over 20% from the previous year.

- The above expense increases were offset by various decreases, most notably in the instruction related expenses with a decrease of over \$1.1 million. An additional decrease in the amount reported as student aid which is calculated for financial statement purposes based on the distribution of 2014 financial aid between amounts applied to fees and amounts refunded to students. The overall decrease in financial aid disbursements of approximately 6% from 2013 was a primary factor in this calculation.

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:

- Capital contributions from state and federal grant revenue increased primarily due to the federal TAACCCT2 Making the Future: The Wisconsin Strategy grant initiative activities completed throughout the year.
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the College's long-term debt. During 2014 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 decreased due in part to lower interest rates.

Overall the net position increased over \$3.1 million as a result of the above activity.

#### Fiscal Year 2013 Compared to 2012

During 2013, Moraine Park generated more than \$25.9 million of operating revenues. This was a decrease of approximately \$800,000 from the prior year, or 3.1%. Significant items were as follows:

- Tuition and fee income, as reported in the basic financial statements, decreased by \$106,000, or 2.3% from 2012. A combination of a slight decrease in FTE's and an overall 5% reduction in financial aid contributed to the decline. These declines were offset by a tuition rate increase (set by the WTCS system) of 4.5%.
- State and federal grants decreased 6% from 2012. The majority of this decrease was due to federal student financial aid which decreased over 7% from the prior year, the combined effect of lower FTEs and the continued growth in the financial needs of students.
- Contract revenues experienced an increase of almost 10% over the prior year. A significant factor in this was the continued efforts to reach high school students as part of the Career Prep contract.
- Miscellaneous revenue increased compared to 2012 as a result of the Wisconsin Covenant Foundation Grant received during the year to foster a three-year partnership with Wisconsin advanced manufacturing businesses.

During 2013, operating expenses decreased over \$1.5 million from the prior year. The decrease was primarily due to a combination of the following:

- The new Jackson regional center expansion operational and leasehold improvement costs contribute to the \$4 million, 10.5% increase in the physical plant expenses.
- A decrease in the amount reported as student aid which is calculated for financial statement purposes based on the distribution of 2013 financial aid between amounts applied to fees and amounts refunded to students. The overall decrease in financial aid disbursements of approximately 5% from 2012 was a primary factor in this calculation.

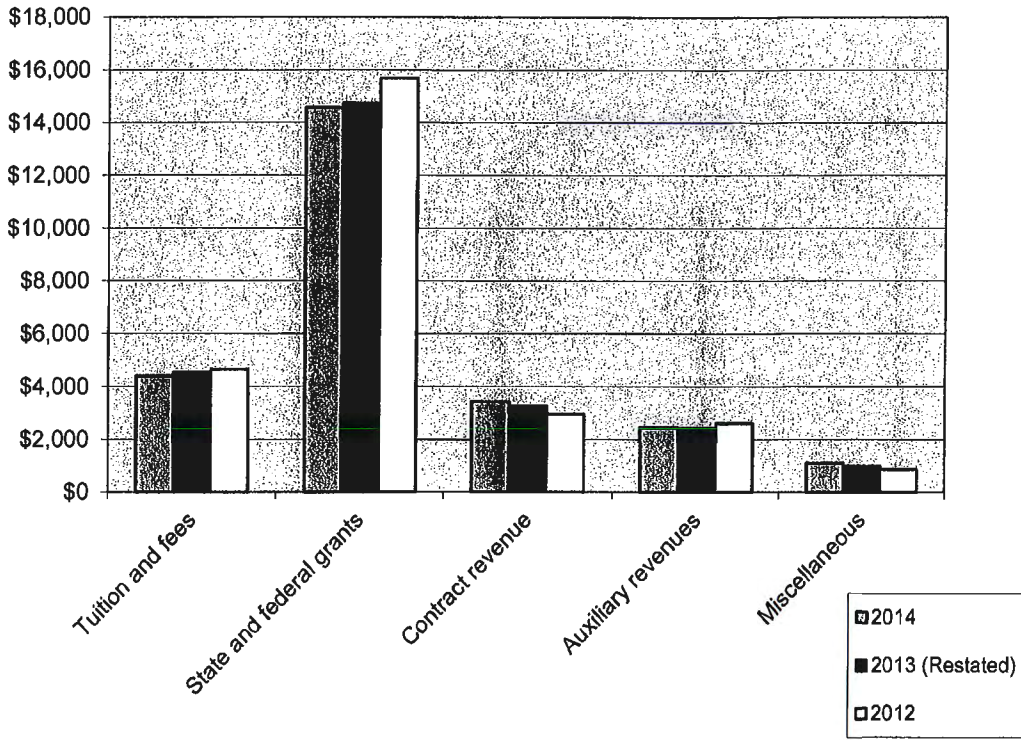
Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

- Property taxes levied by the District for 2013 were \$505,000 more than 2012.

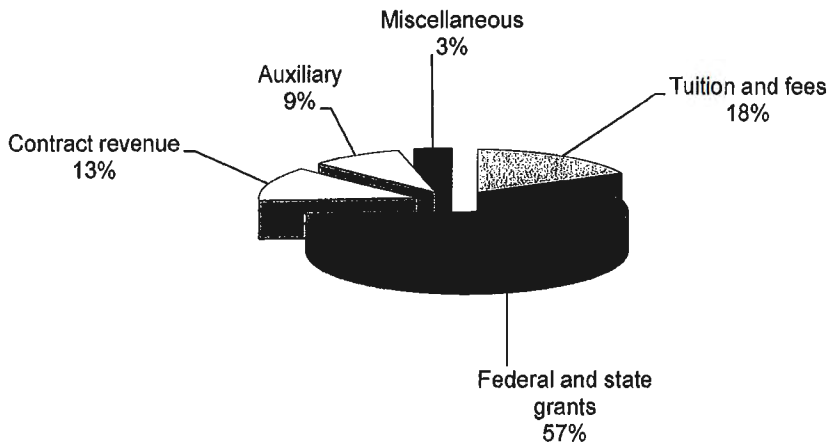
- Capital contributions from state and federal grant revenue increased through some new grant initiatives beginning during the 2012 year.
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the College's long-term debt. During 2013 there was an 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 decreased due in part to lower interest rates.

Overall the net position increased over \$2.7 million as a result of the above activity and the restatement.

**Comparison of Operating Revenues  
For the Years Ended June 30, 2014, 2013, and 2012  
(dollars in thousands)**

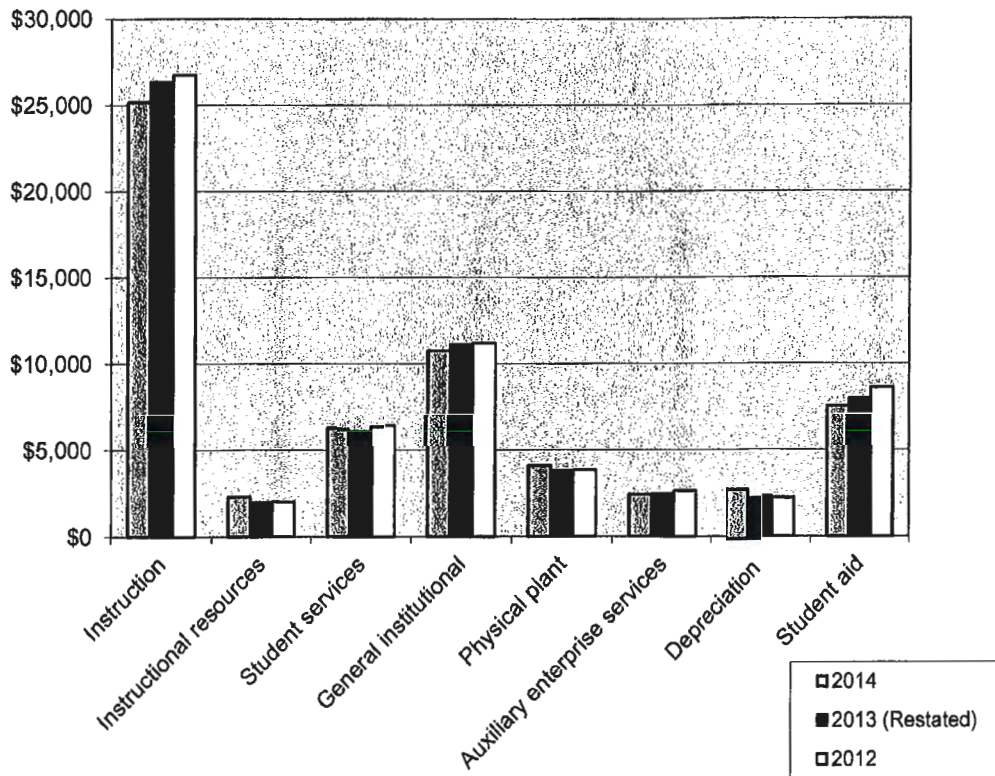


**Operating Revenues  
For the Year Ended June 30, 2014**

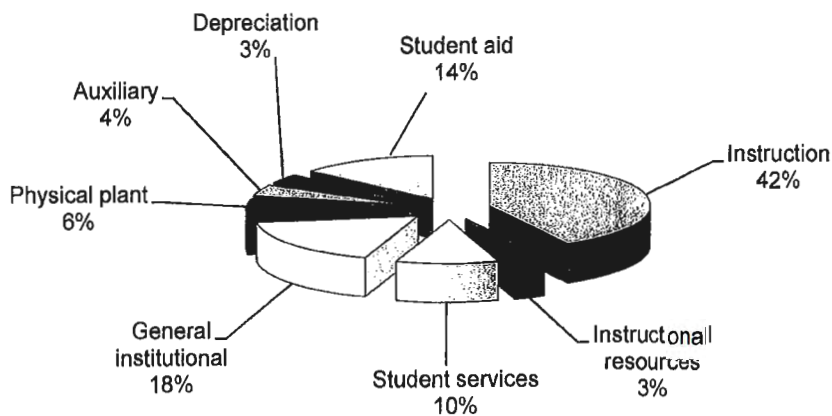




**Comparison of Operating Expenses  
For the Years Ended June 30, 2014, 2013, and 2012  
(dollars in thousands)**



**Operating Expenses  
For the Year Ended June 30, 2014**





## 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, 2014, 2013, and 2012.

	2014	2013 (Restated)	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
Net cash used in operating activities	\$ (33,625)	\$ (34,492)	\$ 867	\$ (35,463)	\$ 971
Net cash provided by non-capital financing activities	39,666	39,369	297	39,127	242
Net cash used in capital and related financing activities	(6,357)	(3,621)	(2,736)	(4,276)	655
Net cash provided by investing activities	84	89	(5)	83	6
Net increase (decrease) in cash and cash equivalents	(232)	1,345	<u>\$ (1,577)</u>	(529)	<u>\$ 1,874</u>
Cash and cash equivalents – beginning of the year	<u>19,614</u>	<u>18,269</u>		<u>18,798</u>	
Cash and cash equivalents – end of the year	<u>\$ 19,382</u>	<u>\$ 19,614</u>		<u>\$ 18,269</u>	

### Fiscal Year 2014 Compared to 2013

During the fiscal year ended June 30, 2014, the District had a net decrease in cash and cash equivalents of approximately \$232,000. Factors contributing to the decrease included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category remained relatively consistent, with a slight decrease of 1% from the previous year.
- Another significant component of operating cash flows was payments to suppliers, which decreased by 13% from 2013. Contributing largely to the decrease was a reduction in supplies and minor equipment purchases.
- All property taxes received are categorized as cash flows from non-capital financing activities. Cash flow from tax levy was consistent with 2013 as both tax levy revenue and related year-end receivables did not fluctuate significantly from the prior year. The other major item in this category, state appropriations, increased slightly in 2014 based on an allocation formula using FTE and expenditure information for all 16 technical colleges.
- 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). Capital purchases increased during the year. Both proceeds from issuance of debt and interest paid on the debt decreased with an increase on the principal payments. Further information is provided in Note D. The combined effect of these changes resulted in an overall net increase in the category of cash used in capital and related financing activities as compared to 2013.

Overall, the District had a net decrease in cash and cash equivalents of approximately \$232,000.

### Fiscal Year 2013 Compared to 2012

During the fiscal year ended June 30, 2013, the District had a net increase in cash and cash equivalents of approximately \$1.3 million dollars. Factors contributing to the increase included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category decreased almost 3% from the previous year. This is a result of reorganization of resources and staffing throughout the college. Other post-employment benefit (OPEB) also decreased while payroll and benefit related accruals remained consistent with the prior year.
- Another significant component of operating cash flows was payments to suppliers, which increased slightly from 2012. Contributing to the increase was the fluctuation in year-end 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, state and federal grants and contract revenue. The increase in contract revenue and the reduction of accounts receivable contributes to the overall increase.
- All property taxes received are categorized as cash flows from non-capital financing activities. Cash flow from tax levy was consistent with 2012 as both tax levy revenue and related year-end receivables did not fluctuate significantly from the prior year. The other major item in this category, state appropriations, increased slightly in 2013 based on an allocation formula using FTE and expenditure information for all 16 technical colleges.
- 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). Capital purchases and proceeds from the issuance of capital debt both increased during the year. Principal payments also increased due to the refunding and early retirement of debt. Further information is provided in Note D. The combined effect of these increases resulted in an overall net decrease in the category of cash used in capital and related financing activities as compared to 2012.

Overall, the District had a net increase in cash and cash equivalents of approximately \$1.3 million.

## Statement of Net Position

The Statement of Net Position includes all assets (items that the District owns and amounts owed to the District by others), deferred outflows (inflows) of resources 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 Position as of June 30, 2014, 2013, and 2012 (dollars in thousands).

	2014	2013 (Restated)	Increase (Decrease) 2014-2013	2012	Increase (Decrease) 2013-2012
<b>Assets</b>					
Cash and cash equivalents	\$ 19,128	\$ 19,614	\$ (486)	\$ 18,269	\$ 1,345
Net capital assets	47,148	45,058	2,090	43,014	2,044
Other assets	21,499	20,171	1,328	21,528	(1,357)
<b>Total assets</b>	<b>87,775</b>	<b>84,843</b>	<b>2,932</b>	<b>82,811</b>	<b>2,032</b>
<b>Liabilities</b>					
Current liabilities	\$ 14,710	\$ 15,323	\$ (613)	\$ 15,212	\$ 111
Long-term liabilities	18,230	17,805	425	18,095	(290)
<b>Total liabilities</b>	<b>32,940</b>	<b>33,128</b>	<b>(188)</b>	<b>33,307</b>	<b>(179)</b>
<b>Deferred Inflows of Resources</b>					
Property Taxes	-	-	-	296	(296)
<b>Net Position</b>					
Net investment in capital assets	27,997	26,031	1,966	23,815	1,216
Restricted for debt service	483	349	134	258	91
Unrestricted	26,355	25,335	1,020	25,135	200
<b>Total net position</b>	<b>\$ 54,835</b>	<b>\$ 51,715</b>	<b>\$ 3,120</b>	<b>\$ 49,208</b>	<b>\$ 1,507</b>

### Fiscal Year 2014 Compared to 2013

Details of the changes in assets, liabilities, and net position between 2014 and 2013 include the following:

- Assets increased almost \$3 million, or 3.4%, during 2014.
  - Cash and cash equivalents (including restricted cash) decreased 2.5% as a result of the factors discussed in the Statement of Cash Flows above.
  - Inventories decreased almost 95% due to the sale of the bookstore inventory items as it relates to the outsourcing of the bookstore to Neebo.
  - Net capital assets increased almost 5% as a result of net 2014 asset additions exceeding depreciation for the year.
  - The other assets category is largely made up of receivable balances, the largest of these being property taxes at \$9.5 million at June 30, 2014. Overall year-end receivable balances increased due to a significant change in the Accounts Receivable asset related to the timing of the Department of Corrections contract year end payment.
  - Another item included in other assets for 2014 is a long-term other post-employment benefits asset of over \$4.2 million which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. OPEB is discussed in more detail in Note F.
- Liabilities decreased slightly by \$188,000 from 2013 to 2014.



- Current liabilities decreased by 4% from the prior year. This is a result of a combination of decreases and increases. A significant increase in accrued health, dental and vision insurance claims is due to timing of claims and was offset slightly by a decrease in the accrued vacation. Further offset to the overall liability increase was a decrease in unearned revenue, amounts due to other organizations and the current portion of long-term debt due within the next year. The reduction of current portion of long term debt is reflective of the debt refunding and is discussed further in Note D.
- Long-term debt decreased slightly from the previous year. The decrease is the net effect of over \$6.1 million in new debt incurred in 2013-14 and the debt principal payments of approximately \$6.3 million made during the year based on the maturity schedules of the debt issued by the District over the last 10 years as reflected in the Note D.
- Net position increased approximately \$3.1 million, or 6% from 2013 to 2014.
  - Net investment in capital assets increased \$2 million due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
  - Restricted for debt service increased due to unanticipated premiums paid of over \$116,000 by underwriters for the two note issues sold in 2013-14.
  - Unrestricted net position increased by 4% from the prior year reflecting the efforts to reduce operating expenses while revenues remained consistent from the prior year.

Fiscal Year 2013 Compared to 2012

Details of the changes in assets, deferred inflows of resources, liabilities, and net position between 2013 and 2012 include the following:

- Assets increased over \$1 million, or 1.2%, during 2013.
  - Cash and cash equivalents increased approximately \$1.3 million as a result of the factors discussed in the Statement of Cash Flows above.
  - Net capital assets increased slightly as a result of net 2013 asset additions exceeding depreciation for the year.
  - The other assets category is largely made up of receivable balances, the largest of these being property taxes at \$9.6 million at June 30, 2013. Overall year-end receivable balances decreased due to a significant change in the Accounts Receivable asset related to the timing of the Department of Corrections contract year end payment.
  - Another item included in other assets for 2013 is a long-term other post-employment benefits asset of over \$3.2 million which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. OPEB is discussed in more detail in Note F.
- Liabilities and deferred inflows of resources decreased by \$475,000, over 1%, from 2012 to 2013.
  - Current liabilities increased slightly from the prior year. This is a result of a combination of decreases and increases. A significant decrease in accrued health, dental and vision insurance claims is due to timing of claims. An increase in the current portion of long-term debt due within the next year is reflective of the debt refunding and is discussed further in Note D. A reduction of the accounts payable liability offset's the increase. Other current liability categories remained relatively comparable to last year.
  - Long-term debt decreased minimally from the previous year. The decrease is the net effect of the \$6.9 million in new debt incurred in 2012-13 and the debt principal payments of approximately

\$6 million made during the year based on the maturity schedules of the debt issued by the District over the last 10 years as reflected in the Note D.

- Net position increased approximately \$2 million, or 5% from 2012 to 2013.
  - Net investment in capital assets increased by \$1.3 million due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
  - Restricted for debt service increased considerably as a result of borrowing for refunding of debt. The funds were borrowed in June but not used for repayment until July.
  - Unrestricted net position remained consistent with the prior year (increasing less than 1%) reflecting the efforts for astute financial management of District funds despite significant decreases in state funding and FTEs.

### **Capital Assets and Debt Administration**

The District's investment in capital assets as of June 30, 2014 and 2013 was \$47,148,396 and \$45,058,192 (net of accumulated depreciation), respectively. This includes land and land improvements, construction in progress, buildings and improvements, and moveable equipment. Significant building projects capitalized in fiscal year 2014 included a remodeling of the space for the Emergency Medical Technician program, Printing and Document Distribution Center, Facilities Department and the third phase of a three year Building/Trades addition and remodeling project at the West Bend campus. Additional information on the District's capital assets can be found in Note C.

At the end of the 2014 and 2013 fiscal years, the District had total general obligation debt outstanding of \$23,140,000 and \$23,295,000, 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 2014 the District issued, refunded and paid off general obligation promissory notes. All general obligation debt for equipment is repaid in five years, while debt related to building and remodeling is repaid in 10 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, 2014 evidenced by an increase in net position of over 3 million. The District does not anticipate having to obtain short-term borrowing for cash flow purposes, which is consistent with previous years. 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 a favorable location near major employment centers, Moraine Park will continue to obtain the resources to adequately finance normal enrollment over the next decade.

### **Economic Factors**

The Wisconsin Department of Revenue indicates that the economy continues to grow at a moderate pace with the forecast calling for growth in terms of 40,000 jobs per year through 2015. Wisconsin's employment is expected to grow 1.5% in 2014 and 1.7% in 2015. Overall, experts predict real Gross Domestic Product growth of 2.7% in 2014 and growth above 3.0% in 2015 and 2016. Better job creation will bring improved consumer confidence and stronger consumer spending. (Wisconsin Economic Outlook, Winter, 2014).

The unemployment rate in Wisconsin was 5.7% in May, 2014, lower than the national unemployment rate of 6.3%. The forecast for Wisconsin and U.S. employment calls for an improvement of the recovery in 2014 and 2015. Total Wisconsin employment will return to its 2008 peak level of 2.9 million jobs by mid-2015. The national forecast expects the U.S. to recover its pre-recession employment level by late 2014 (Wisconsin Economic Outlook, Winter 2014).



The Wisconsin housing section is recovering at the state and national levels. National forecasters predict 24.8% and 26.9% growth in 2014 and 2015, respectively. This trend is evident in Wisconsin with building permits in Wisconsin increasing 12.5% in 2013. The forecast calls for a 20.4% growth of building permits in 2014 and a virtually identical growth of 19.8% in 2015 (Wisconsin Economic Outlook, Winter 2014).

Finally, the report also indicates that Wisconsin personal income will grow 2.9% in 2013, the same as the nation, and 4.0% in 2014, somewhat below the forecasted growth of national personal income. Wages and salaries, which are the biggest component of personal income, are projected to grow 3.7% in 2014, compared to 4.5% nationwide.

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 saw a decrease of 3.3%, 11.0%, 3.1% and 1.9% in the past four years following a significant 12.8% increase of 3,648 FTEs during the 2010 recession peak. Officials are expecting continuing declines through 2016 and are working on action plans to increase retention and enrollment growth for 2014-15 and beyond. In addition to decreases in enrollment, there are some other challenges and critical concerns that the College has identified:

- The state's 2013-15 biennium budget eliminated the operating rate cap and replaced the rate cap with strict levy limits, allowing for levy growth associated with net new construction only. Since the District had historically levied well below the cap of 1.5 mills, it lost retained millage and has foregone any growth related to appreciation of property values. Pending future construction efforts, fiscal challenges will be significant as tax levy revenues support over 63% of the operational expenditures. 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.
- The state's new budget also included the transition of state aids to a new performance-based funding model. State office representatives defined the criteria, but state aid distributions will now be dispersed on competitive criteria for service areas that are distinctly different throughout the state. Current law dictates that the performance-funded model will continue until 100% of the aid is allocated through the competitive criteria.
- For 2014-15, the Governor utilized \$406 million in state surplus to buy down the tax levy of the Wisconsin Technical College System (WTCS). In essence, the system became primarily state funded for the first time in its history. In addition, a legislative study group was organized to review the potential of merging the WTCS with the existing University of Wisconsin, 2-yr. campuses. Results of the study group will not be released until late 2014.
- Slow growth in the number of high school graduates throughout the District will mean significant competition for these students as it relates to post-secondary education.
- Today's students are ill-prepared for the modern world of work. Many possess a strong tech savvy background, but lack the basic human "soft skills" needed to function in a global workforce. As such, the College consistently needs to train students on "soft skills" throughout their academic curricula.
- Unfunded or partially-reimbursed mandates related to remedial services, veteran remissions, course options, and senior discounts will continue to erode District resources as these services are growing exponentially.
- The mandate for other post-employment benefits reporting and new GASB disclosures on pension plans will prompt additional financial planning and funding to offset the long-term financial impact.
- Health insurance costs in comparison to economic growth will continue to rise. These increases will force changes to benefit packages creating more competition for new hires.

- 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 recession has drastically impacted investment revenue and minimized opportunity to use investment income as an alternative revenue stream.
- The impact of technology and resulting productivity of employers in the market require continuous improvement of the College's existing infrastructure and programs including 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 to include mobile technology applications 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 by working on existing and new opportunities as indicated below:

- Expand articulation agreements, college pathways, 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.
- College administrators are meeting with state/local officials and business leaders to educate all on the impact the WTCS has on local economic recovery and workforce training.
- 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 partnerships by competing for and receiving Wisconsin Advanced Training and other grants offered by the State of Wisconsin.
- 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. In 2014-15, the College successfully sought and received over \$1.2 million on Blueprint for Prosperity grants offered by the State of Wisconsin.
- 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.
- Retirement studies conducted in Fond du Lac County, Washington County and for healthcare workers throughout the Fox Valley region indicate a mass exodus of workers is upon us, and will continue for the next 15 years. Moraine Park has an excellent opportunity to engage with external partners to develop solutions for training an incoming middle-skilled workforce.
- Moraine Park's primary counties have significantly higher numbers of residents age 25 and older with an educational attainment of high school or equivalent. Clearly, the College has opportunities to grow the educational attainment level in the District's adult market.
- 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 \$245,000 in savings alone for the College during 2013-14

- 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
- The College is currently investigating a joint insurance consortium to obtain health care and related services with significant discounts through the use of joint purchasing.

Overall, the College is confident that its long-term financial condition is stable. Operational reserves are strong and for 2013-14 represent over 32% 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 slow economic recovery 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 Administrative Services, 235 N. National Avenue, Fond du Lac, WI 54935.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION**  
As of June 30, 2014 and 2013

	2014	2013 (Restated)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 13,815,413	\$ 14,492,685
Accounts receivable	2,159,345	687,784
Property taxes receivable	9,479,472	9,633,973
Federal and state aid receivable	447,752	693,357
Student fees receivable	4,232,682	4,498,994
Inventories	32,989	629,494
Prepaid expenses	655,698	779,711
Total current assets	30,823,351	31,415,998
<b>Non-current Assets</b>		
Restricted cash and cash equivalents	5,566,598	5,121,702
Other post-employment benefits	4,236,523	3,247,287
Capital assets	81,244,974	79,202,350
Less accumulated depreciation	(34,096,579)	(34,144,158)
Total non-current assets	56,951,516	53,427,181
<b>TOTAL ASSETS</b>	87,774,867	84,843,179
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	2,287,151	2,262,041
Accrued payroll, payroll taxes, and retirement	1,917,646	1,879,153
Accrued vacation	416,073	466,337
Accrued health, dental and vision claims	637,800	455,669
Accrued interest	125,609	124,675
Unearned revenue - student fees	4,067,691	4,322,892
Other unearned revenue	33,378	48,259
Due to other organizations	4,780	26,794
Due to student organizations	309,823	247,633
General obligation debt - current portion	4,910,000	5,490,000
Total current liabilities	14,709,951	15,323,453
<b>Long-term Liabilities</b>		
General obligation debt	18,230,000	17,805,000
<b>TOTAL LIABILITIES</b>	32,939,951	33,128,453
<b>NET POSITION</b>		
Net investment in capital assets	27,997,249	26,031,176
Restricted for debt service	482,863	348,351
Unrestricted	26,354,804	25,335,199
<b>TOTAL NET POSITION</b>	\$ 54,834,916	\$ 51,714,726

The accompanying notes are an integral part of these statements.



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
For the years ended June 30, 2014 and 2013

	2014	2013 (Restated)
Operating Revenues		
Student program fees, net of scholarship allowances of \$4,387,903 and \$4,097,735 for 2014 and 2013, respectively	\$ 3,737,760	\$ 3,840,830
Student material fees, net of scholarship allowances of \$242,946 and \$230,415 for 2014 and 2013, respectively	206,951	215,970
Other student fees, net of scholarship allowances of \$537,127 and \$510,884 for 2014 and 2013, respectively	457,543	478,855
Federal grants	12,508,216	12,786,015
State grants	2,054,963	1,946,266
Contract revenue	3,422,878	3,247,325
Auxiliary enterprise revenues	2,444,915	2,412,418
Miscellaneous	1,106,235	983,655
Total operating revenues	25,939,461	25,911,334
Operating expenses		
Instruction	25,160,313	26,336,097
Instructional resources	2,310,329	1,920,013
Student services	6,272,598	6,179,774
General institutional	10,752,146	11,122,967
Physical plant	4,101,860	3,812,120
Auxiliary enterprise services	2,417,417	2,439,387
Depreciation	2,783,757	2,305,394
Student aid	7,507,330	7,948,743
Total operating expenses	61,305,750	62,064,495
Operating loss	(35,366,289)	(36,153,161)
Non-operating revenues (expenses)		
Property taxes	36,397,241	36,465,081
State operating appropriations	3,114,310	3,023,949
Loss on disposal of capital assets	(807,207)	(241,381)
Investment income earned	84,104	88,969
Interest expense	(541,278)	(599,067)
Total non-operating revenues (expenses)	38,247,170	38,737,551
Income before contributions	2,880,881	2,584,390
Capital contributions - state and federal grants	239,309	110,520
CHANGE IN NET POSITION	3,120,190	2,694,910
Cumulative effect of change in accounting principle	-	(188,135)
Net position - beginning of the year	51,714,726	49,207,951
Net position - end of the year	\$ 54,834,916	\$ 51,714,726

The accompanying notes are an integral part of these statements.



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
For the years ended June 30, 2014 and 2013

	2014	2013 (Restated)
<b>Cash flows from operating activities</b>		
Tuition and fees received	\$ 4,413,365	\$ 4,382,013
Federal and state grants received	14,808,784	14,691,065
Contract revenue received	1,951,317	4,857,615
Payments to employees	(36,508,512)	(36,804,995)
Payments to suppliers	(21,826,374)	(25,100,316)
Auxiliary enterprise revenue received	2,444,915	2,486,833
Other receipts	1,091,354	996,180
Net cash used in operating activities	(33,625,151)	(34,491,605)
<b>Cash flows from non-capital financing activities</b>		
Property taxes received	36,551,742	36,345,544
State appropriations received	3,114,310	3,023,949
Net cash provided by non-capital financing activities	39,666,052	39,369,493
<b>Cash flows from capital and related financing activities</b>		
Federal and state appropriations received for capital assets	239,309	110,520
Purchases of capital assets	(5,917,976)	(3,936,842)
Proceeds on sale of capital assets	16,630	18,550
Proceeds from issuance of capital debt	6,175,000	6,855,000
Principal paid on capital debt	(6,330,000)	(6,045,000)
Interest paid on capital debt	(540,344)	(624,031)
Net cash used in capital and related financing activities	(6,357,381)	(3,621,803)
<b>Cash flows from investing activities</b>		
Investment income received	84,104	88,969
Net increase (decrease) in cash and cash equivalents	(232,376)	1,345,054
Cash and cash equivalents - beginning of the year	19,614,387	18,269,333
Cash and cash equivalents - end of the year	\$ 19,382,011	\$ 19,614,387
<b>Reconciliation of cash and cash equivalents to the statement of net position</b>		
Cash and cash equivalents	\$ 13,815,413	\$ 14,492,685
Restricted cash and cash equivalents	5,566,598	5,121,702
Total cash and cash equivalents	\$ 19,382,011	\$ 19,614,387

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS - CONTINUED**  
For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013 (Restated)</u>
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (35,366,289)	\$ (36,153,161)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	2,783,757	2,305,394
Changes in assets and liabilities:		
Accounts receivable	(1,471,561)	1,681,923
Federal and state aid receivable	245,605	(41,216)
Student fees receivable	266,312	(219,333)
Inventories	596,505	(27,380)
Prepaid expenses	124,013	(92,477)
Accounts payable	245,289	(304,365)
Accrued payroll, payroll taxes, and retirement	38,493	43,870
Accrued vacation	(50,264)	17,537
Accrued health, dental and vision claims	182,131	(485,305)
Unearned revenue - student fees	(255,201)	65,691
Other unearned revenue	(14,881)	15,307
Due to other organizations	(22,014)	-
Due to student organizations	62,190	11,145
Other post-employment benefits	(989,236)	(309,235)
	<u>(989,236)</u>	<u>(309,235)</u>
Net cash used in operating activities	<u>\$ (33,625,151)</u>	<u>\$ (33,491,605)</u>

The accompanying notes are an integral part of these statements.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**POST-EMPLOYMENT BENEFITS TRUST**  
As of June 30, 2014 and 2013

	2014	2013
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 9,638	\$ 1,009
Non-current Assets		
Investments	5,680,156	4,539,397
<b>TOTAL ASSETS</b>	<b>5,689,794</b>	<b>4,540,406</b>
<b>NET POSITION</b>		
Held in Trust for post-employment benefits	5,689,794	4,540,406
<b>TOTAL NET POSITION</b>	<b>\$ 5,689,794</b>	<b>\$ 4,540,406</b>

The accompanying notes are an integral part of these statements.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION**  
**POST-EMPLOYMENT BENEFITS TRUST**  
For the years ended June 30, 2014 and 2013

	2014	2013
<b>ADDITIONS</b>		
Contributions		
MPTC	\$ 400,000	\$ 200,000
Investment Income		
Interest	1	3
Dividends	162,988	126,131
Net change in fair value of investments	612,403	343,544
Total investment income	775,392	469,678
Total additions	1,175,392	669,678
<b>DEDUCTIONS</b>		
Administrative expenses	26,004	20,956
Change in Net Position	1,149,388	648,722
<b>NET POSITION HELD IN TRUST FOR POST-EMPLOYMENT BENEFITS:</b>		
Beginning of year	4,540,406	3,891,684
End of year	\$ 5,689,794	\$ 4,540,406

The accompanying notes are an integral part of these statements.

**MORaine PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**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 Jackson 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 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 November 2010, GASB issued statement No. 61, "The Financial Reporting Entity: Omnibus." This statement amends GASB issued Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB 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 when 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.

**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



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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, 2014.

Through 2013, Section 38.16 of the Wisconsin Statutes allowed the District Board to 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 was not applicable to taxes levied for the purposes of paying principal and interest on general obligation notes and bonds payable issued by the District. Effective for 2014, the District's ability to raise additional operational revenues is restricted to net new construction growth rates. The restriction does not include limits to debt service expenditures and the \$1.50 per \$1,000 operational mill rate cap was repealed. For the years ended June 30, 2014 and 2013, the District levied taxes at the following mill rates:

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

	<u>Year ended June 30, 2014</u>	<u>Year ended June 30, 2013</u>
Operating purposes	\$ 1.30990	\$ 1.28490
Debt service requirements	<u>.25907</u>	<u>.25572</u>
Total	<u>\$ 1.56897</u>	<u>\$ 1.54062</u>

The 2013 tax levy used to finance the fiscal year ended June 30, 2014 was \$36,337,317. The 2012 tax levy used to finance the prior year was \$36,147,317.

**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 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. Vacation pay is accrued when earned.

**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.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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 70% of the health premiums and 90% 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 90% of the health premiums. At age 65, a dental plan is available through COBRA continuation for 18 months. Retirees were eligible for the District paid vision plan through COBRA continuation for a period of 18 months after retirement. The District paid vision plan was discontinued as of December 31, 2014. Effective January 1, 2014 a voluntary vision plan was implemented. 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, 2014 and 2013, the District had 216 and 214 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, 2014, 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. Unearned Revenues

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

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.



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**14. Deferred Outflows/Inflows of Resources**

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Revenues, Deferred Inflows of Resources, and Net Position* and GASB Statement no. 65, *Items Previously Reported as Assets and Liabilities* for the year ended June 30, 2013. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District current does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District currently does not have any items that qualify for reporting in this category.

**15. Net Position**

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

Net investment in capital assets represent 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 position 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 position is 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.

**16. 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**  
June 30, 2014 and 2013

**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 \$25,071,805 and \$24,154,793 as of June 30, 2014 and 2013, respectively, as summarized below:

	2014	2013
Petty cash funds	\$ 5,402	\$ 13,432
Interest bearing demand deposits	14,076,609	10,100,955
Certificates of deposit	5,300,000	9,500,000
Investments		
Money market mutual fund	9,638	1,009
Mutual funds – equity	3,734,277	2,853,978
Mutual funds – fixed income	1,945,879	1,685,419
	<u>\$ 25,071,805</u>	<u>\$ 24,154,793</u>

Reconciliation to the basic financial statements:

	2014	2013
Statements of net position		
Cash and cash equivalents	\$ 13,815,413	\$ 14,492,685
Restricted cash and cash equivalents	5,566,598	5,121,702
Fiduciary fund statements of net position		
Post-employment benefits trust	5,689,794	4,540,406
	<u>\$ 25,071,805</u>	<u>\$ 24,154,793</u>

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.



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

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

**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. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of June 30, 2014 and 2013, \$18,587,620 and \$19,062,811 of the District's deposits with financial institutions were in excess of federal and state 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, 2014 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 9,638	\$ -	\$ 9,638	\$ -	\$ -
Mutual funds - fixed income	1,945,879	-	-	-	1,945,879
<b>Totals</b>	<b>\$ 1,955,517</b>	<b>\$ -</b>	<b>\$ 9,638</b>	<b>\$ -</b>	<b>\$ 1,945,879</b>

Presented below is the actual rating as of June 30, 2013 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 1,009	\$ -	\$ 1,009	\$ -	\$ -
Mutual funds - fixed income	1,685,419	-	-	-	1,685,419
<b>Totals</b>	<b>\$ 1,686,428</b>	<b>\$ -</b>	<b>\$ 1,009</b>	<b>\$ -</b>	<b>\$ 1,685,419</b>

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

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

**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, 2014 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	\$ 9,638	\$ 9,638	\$ -	\$ -	\$ -
Mutual funds - fixed income	1,945,879	1,945,879	-	-	-
<b>Totals</b>	<b>\$ 1,955,517</b>	<b>\$ 1,955,517</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Presented below are the maturities as of June 30, 2013 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	\$ 1,009	\$ 1,009	\$ -	\$ -	\$ -
Mutual funds - fixed income	1,685,419	1,685,419	-	-	-
<b>Totals</b>	<b>\$ 1,686,428</b>	<b>\$ 1,686,428</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE C: CAPITAL ASSETS**

The following is a summary of changes in capital assets for the year ended June 30, 2014:

	Balance July 1, 2013 (Restated)	Increases	Decreases	Balance June 30, 2014
<b>Non-depreciable capital assets</b>				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Construction in progress	-	1,032,678	-	1,032,678
Total non-depreciable capital assets	<u>830,602</u>	<u>1,032,678</u>	<u>-</u>	<u>1,863,280</u>
<b>Depreciable capital assets</b>				
Land improvements	1,646,195	-	-	1,646,195
Buildings and improvements	58,505,607	2,327,616	1,526,539	59,306,684
Equipment	18,219,946	2,337,504	2,128,634	18,428,816
Total depreciable capital assets	<u>78,371,748</u>	<u>4,665,120</u>	<u>3,655,173</u>	<u>79,381,695</u>
Total cost of capital assets	79,202,350	5,697,798	3,655,173	81,244,975
<b>Less accumulated depreciation for</b>				
Land improvements	781,267	72,976	-	854,243
Buildings and improvements	20,305,095	1,484,366	803,978	20,985,483
Equipment	13,057,796	1,226,415	2,027,358	12,256,853
Total accumulated depreciation	<u>34,144,158</u>	<u>2,783,757</u>	<u>2,831,336</u>	<u>34,096,579</u>
Net capital assets	45,058,192	<u>\$ 2,914,041</u>	<u>\$ 823,837</u>	47,148,396
<b>Less related long-term debt</b>				
outstanding (net of available debt proceeds of \$4,267,984 and \$3,988,853 as of July 1, 2013 and June 30, 2014, respectively)	<u>(19,027,016)</u>			<u>(19,151,147)</u>
Net investment in capital assets	<u>\$ 26,031,176</u>			<u>\$27,997,249</u>

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE C: CAPITAL ASSETS - CONTINUED**

The following is a summary of changes in capital assets for the year ended June 30, 2013:

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013 (Restated)
<b>Non-depreciable capital assets</b>				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Total non-depreciable capital assets	<u>830,602</u>	<u>-</u>	<u>-</u>	<u>830,602</u>
<b>Depreciable capital assets</b>				
Land improvements	1,646,195	-	-	1,646,195
Buildings and improvements	55,642,676	1,862,931	-	58,505,607
Equipment	17,707,827	1,746,392	1,234,273	18,219,946
Total depreciable capital assets	<u>74,996,698</u>	<u>3,609,323</u>	<u>1,234,273</u>	<u>78,371,748</u>
Total cost of capital assets	75,827,300	3,609,323	1,234,273	79,202,350
<b>Less accumulated depreciation for</b>				
Land improvements	704,318	76,949	-	781,267
Buildings and improvements	19,096,959	1,208,136	-	20,305,095
Equipment	13,011,829	1,020,309	974,342	13,057,796
Total accumulated depreciation	<u>32,813,106</u>	<u>2,305,394</u>	<u>974,342</u>	<u>34,144,158</u>
Net capital assets	43,014,194	<u>\$ 1,303,929</u>	<u>\$ 259,931</u>	45,058,192
<b>Less related long-term debt outstanding (net of available debt proceeds of \$3,286,136 and \$4,267,984 as of July 1, 2012 and June 30, 2013, respectively)</b>				
	<u>(19,198,864)</u>			<u>(19,027,016)</u>
Net investment in capital assets	<u>\$ 23,815,330</u>			<u>\$ 26,031,176</u>

The District did not capitalize building additions of \$1,000,000 due to a miscalculation in determining net building additions. As a result, buildings and improvements and the net investment in capital assets were understated while 2013 operating expenses were overstated by \$1,000,000. The District restated its 2013 actual results to reflect this adjustment.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE D: GENERAL LONG-TERM OBLIGATIONS**

Long-term obligations of the District consist of general obligation notes payable. Changes in these liabilities during the years ended June 30, 2014 and 2013 are summarized below:

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2014</u>	<u>Due within one year</u>
General obligation notes payable	\$ 23,295,000	\$ 6,175,000	\$ 6,330,000	\$ 23,140,000	\$ 4,910,000

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2013</u>	<u>Due within one year</u>
General obligation notes payable	\$ 22,485,000	\$ 6,855,000	\$ 6,045,000	\$ 23,295,000	\$ 5,490,000

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, 2014 and 2013 are comprised of the following individual issues:

	<u>Balance June 30, 2014</u>	<u>Balance June 30, 2013</u>
\$1,780,000 general obligation promissory notes dated April 1, 2004 to R.W. Baird & 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.	\$ -	\$ 210,000
\$3,450,000 general obligation promissory notes dated September 1, 2004 to R.W. Baird & 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.	-	65,000
\$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.	175,000	335,000



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED**

	Balance June 30, 2014	Balance June 30, 2013
<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>	\$ 100,000	\$ 200,000
<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. Refinanced in June 2013; payment settled in July 2013.</p>	-	375,000
<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. Refinanced in June 2013; payment settled in July 2013.</p>	-	580,000
<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>	615,000	800,000
<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>	625,000	815,000
<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>	685,000	835,000
<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>	370,000	455,000

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED**

	Balance June 30, 2014	Balance June 30, 2013
<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>	\$ 1,935,000	\$ 2,260,000
<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>	320,000	750,000
<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>	1,585,000	1,810,000
<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>	345,000	675,000
<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>	2,980,000	3,655,000
<p>\$1,830,000 general obligation promissory notes dated September 7, 2011 to R.W. Baird &amp; Co., for building expansion, 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 2016.</p>	585,000	860,000
<p>\$2,905,000 general obligation promissory notes dated June 6, 2012 to UMB Bank N.A., for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.25% to 1.85% 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 2022.</p>	2,405,000	2,660,000

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED**

	Balance June 30, 2014	Balance June 30, 2013
<p>\$4,000,000 general obligation promissory notes dated October 10, 2012 to UMB Bank N.A., for remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.00% to 1.65% 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 2022.</p>	\$ 2,720,000	\$ 3,100,000
<p>\$2,855,000 general obligation promissory notes dated June 27, 2013 to UMB Bank N.A., for building expansion, the acquisition of moveable equipment and the refunding of notes issued in 2006 and 2007. Semi-annual interest payments ranging from 1.25% to 2.20% 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 2023.</p>	2,360,000	2,855,000
<p>\$3,975,000 general obligation promissory notes dated October 10, 2013 to Piper Jaffray., for general remodeling, EMT, facilities/printing and equipment. Semi-annual interest payments ranging from 2.00% to 2.75% 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 2023.</p>	3,135,000	-
<p>\$2,200,000 general obligation promissory notes dated June 16, 2014 to BOSCO, Inc., for the Fond du Lac main entrance expansion and equipment. Semi-annual interest payments ranging from 2.00% to 2.25% 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 2024.</p>	2,200,000	-
<p>Total general long-term debt obligations</p>	\$ 23,140,000	\$ 23,295,000

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

Years ending June 30,	Principal	Interest	Total
2015	\$ 4,910,000	\$ 502,434	\$ 5,412,434
2016	4,105,000	401,496	4,506,496
2017	3,130,000	312,934	3,442,934
2018	2,650,000	239,458	2,889,458
2019	2,275,000	180,763	2,455,763
2020-2024	6,070,000	301,133	6,371,133
	\$ 23,140,000	\$ 1,938,218	\$ 25,078,218

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE D: GENERAL LONG-TERM OBLIGATIONS - CONTINUED**

The District issued general obligation notes of \$2,855,000 on June 27, 2013 to finance capital projects, purchase equipment, and refund \$955,000 of general obligation promissory notes dated June 30, 2006 and October 11, 2006. The District retired the refunded debt in July of 2013. In addition, the District paid off the general obligation promissory note dated May 1, 2006. The refunding and early retirement of debt reduced future debt service payments (interest) by approximately \$98,000.

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, 2014, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$22,778,030 and \$0, respectively. The 5% and 2% limits as of June 30, 2014 were \$1,193,665,222 and \$477,466,089.

At June 30, 2013, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$23,072,117 and \$0. The 5% and 2% limits as of June 30, 2013 were \$1,214,583,118 and \$485,833,247 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 employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and educational support employees) and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS. All employees initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in WRS. Note: Employees hired to work nine or ten months per year (e.g. teachers contracts) but expected to return year after year are considered to have met the one-year requirement.

Effective the first day of the first pay period on or after June 29, 2011, the employees required contribution was changed to one-half of the actuarially determined contribution rate for employees in the General Employment category, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates are as follows:

	<u>2013</u>		<u>2014</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.65%	6.65%	7.0%	7.0%
Executives & Elected Officials	7.0%	7.0%	7.75%	7.75%
Protective with Social Security	6.65%	9.75%	7.0%	10.10%
Protective without Social Security	6.65%	12.35%	7.0%	13.70%

The payroll for District employees covered by the WRS for the year ended June 30, 2014 was \$24,698,960; the District's total payroll was \$26,225,260. The total required contribution for the year ended June 30, 2014 was \$3,371,761, which consisted of \$1,685,881 for the employer portion and \$1,685,880 for the employee portion. Total contributions for the years ending June 30, 2014, 2013, and 2012 were \$3,371,761, \$3,155,002, and \$2,902,405, respectively, equal to the required contributions for each year.



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE E: RETIREMENT PLAN- CONTINUED**

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) 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. A 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, 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 and prior to July 1, 2011 are immediately vested. Participants who initially become WRS eligible on or after July 1, 2011 must have five years of creditable service to be 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 (asset).

	2014	2013
Annual required contribution	\$ 302,967	\$ 664,944
Interest on net OPEB	(194,837)	(176,283)
Adjustment to annual required contribution	235,912	201,364
Annual OPEB cost (expense)	344,042	690,025
Contributions made	(1,333,278)	(999,260)
Change in net OPEB obligation	(989,236)	(309,235)
OPEB obligation (asset) – beginning of the year	(3,247,287)	(2,938,052)
OPEB obligation (asset) – end of the year	\$ (4,236,523)	\$ (3,247,287)



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE F: OTHER POST-EMPLOYMENT BENEFITS - CONTINUED**

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, 2014
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar, 30 year open amortization
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	6.0%
Inflation rate	3.0%
Healthcare cost trend rate (medical)	10.0% (initial) 5.0% (ultimate)
Healthcare cost trend rate (dental)	4.0% (initial) 4.0% (ultimate)

*Trend Information:*

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the past four 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, 2011	\$ 928,101	\$ 920,407	218.4%	220.3%	\$ (2,000,555)
June 30, 2012	925,658	908,580	201.3%	205.1%	(2,938,052)
June 30, 2013	690,025	664,944	144.8%	150.3%	(3,247,287)
June 30, 2014	344,042	302,967	387.5%	440.1%	(4,236,523)

*Funded Status:*

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

Fiscal Year Ended	Valuation Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2011	\$2,920,488	\$9,343,150	\$6,422,662	31.3%	\$23,609,312	27.20%
June 30, 2012	3,891,684	9,188,265	5,296,581	42.4%	22,246,471	23.81%
June 30, 2013	4,540,406	6,980,733	2,440,327	65.0%	21,664,596	11.26%
June 30, 2014	5,689,794	6,253,960	564,166	91.0%	19,252,470	2.93%

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

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE F: OTHER POST-EMPLOYMENT BENEFITS - CONTINUED**

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 begin funding this liability. During 2013-14 the College transferred \$400,000 into the trust. Total net position held in the trust at June 30, 2014 was \$5,689,794. 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 2013-14 and 2012-13 fiscal years were:

	2014	2013
Accrued claims - beginning of year	\$ 455,669	\$ 940,974
Current year claims and changes in estimate	6,084,646	5,056,309
Claim payments	(5,902,515)	(5,541,614)
Accrued claims – end of year	\$ 637,800	\$ 455,669

*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. Future premiums will be based on relevant rating exposure bases as well as the

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE G: RISK MANAGEMENT – CONTINUED**

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, 2014, the District paid a total premium of \$281,117, which included no capitalization component. For 2013 total premiums were \$286,046 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.

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, 2014, 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.

The District's share of the operating costs was \$68,405 and \$65,861 for the years ended June 30, 2014 and 2013, respectively. The fund balance for the joint venture increased \$3487 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.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**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, 2014.

The District has commitments for capital projects as of June 30, 2014 totaling \$1,791,376. As of June 30, 2013, the commitments for capital projects were \$2,384,108.

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, 2014 and 2013 was \$100,566 and \$82,003, respectively.

In March, 2013, the District entered into an operational lease with Delaney Group, LLC to lease a portion of a building for a new Jackson Regional Center. For the first four months, leasehold improvements were made to the building and lease payments began July 1, 2013. The base term of the lease extends for five years with five additional one-year optional extensions. Rent expense under this lease for the year ended June 30, 2014 was \$48,337.

**NOTE J: EXPENSE CLASSIFICATION**

Expenses on the Statements of Revenues, Expenses, and Changes in Net Position are classified by function. Alternatively, the expenses could also be shown by type of expense as follows for the years ended June 30, 2014 and June 30, 2013:

	2014	2013 (Restated)
Salaries and wages	\$ 26,172,381	\$ 26,307,633
Fringe benefits	9,517,255	9,764,229
Travel, memberships, and subscriptions	564,067	571,633
Supplies	3,463,396	5,037,413
Contracted services	9,603,966	8,569,419
Rentals – facilities and equipment	102,686	81,953
Credit	186,626	183,457
Insurance	329,318	348,241
Utilities	993,809	856,178
Depreciation	2,783,757	2,305,394
Student aid	7,507,330	7,948,743
Other expenses	81,159	90,202
Total operating expenses	<u>\$ 61,305,750</u>	<u>\$ 62,064,495</u>



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2014 and 2013

**NOTE K: SUBSEQUENT EVENTS**

On August 20, 2014, the Board of Directors authorized the sale of \$2,980,000 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 10, 2014.

**NOTE L: CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE**

The District has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which requires debt issuance costs to be expensed in the period incurred, rather than recorded as assets and amortized over the life of the related debt issue. Financial statements for the year ended June 30, 2012, have not been restated. The cumulative effect of this change was to decrease the June 30, 2013 net position of the District by \$188,135.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
For the year ended June 30, 2014

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)	(3) Covered Payroll	UAAL as a % of Covered Payroll ((2 - 1) / 3)
2009	\$ -	\$ 9,828,010	\$ 9,828,010	0.00%	(a)	-
2010	1,250,000	9,238,644	7,988,644	13.53%	23,088,470	34.60%
2011	2,920,488	9,343,150	6,422,662	31.26%	23,609,312	27.20%
2012	3,891,684	9,188,265	5,296,581	42.36%	22,246,471	23.81%
2013	4,540,406	6,980,733	2,440,327	65.04%	21,664,596	11.26%
2014	5,689,794	6,253,960	564,166	90.98%	19,252,470	2.93%

(a) Information not available.

See Notes to Required Supplementary Information.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**OTHER POST-EMPLOYMENT BENEFIT PLAN**  
For the year ended June 30, 2014

<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%
2012	1,863,155	908,580	205.1%
2013	999,260	664,944	150.3%
2014	1,333,278	302,967	440.1%

See Notes to Required Supplementary Information.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
For the year ended June 30, 2014

**NOTE A: GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45**

The District implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" for the year ended June 30, 2009. Information for prior years is not available.

**NOTE B: SCHEDULE OF FUNDING PROGRESS**

The decrease in the Actuarial Accrued Liability between the 2013 and 2014 actuarial valuations is due to changes in benefit terms including increases in deductibles and employee contributions towards benefits.



## **SUPPLEMENTARY INFORMATION**

---

The following supplementary information is provided to document Moraine Park Technical College's compliance with budgetary requirements. This accountability is an essential requirement to maintain the public trust. The method of accounting used for budgetary compliance monitoring is substantially different from the method of preparing the basic financial statements of the college. At the end of this section is a reconciliation between the two methods.

---

## **GENERAL FUND**

---

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

---

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 29,892,317	\$ 29,763,244	\$ 29,829,168	\$ -	\$ 29,828,168	\$ 64,924
Intergovernmental revenue						
State	2,932,661	3,081,575	3,212,092	-	3,212,092	130,517
Federal	20,000	26,000	21,224	-	21,224	(4,776)
Tuition and fees						
Statutory program fees	6,556,778	6,371,000	6,125,663	-	6,125,663	(245,337)
Material fees	451,500	450,400	449,898	-	449,898	(502)
Other student fees	1,129,000	1,081,000	994,670	-	994,670	(66,330)
Institutional	3,632,212	3,546,261	3,802,474	-	3,802,474	256,213
<b>Total revenues</b>	<b>46,614,468</b>	<b>46,299,480</b>	<b>46,434,189</b>	<b>-</b>	<b>46,434,189</b>	<b>134,709</b>
<b>Expenditures</b>						
Instruction	24,026,927	23,900,806	23,252,850	12,916	23,265,766	635,040
Instructional resources	2,438,744	2,450,395	2,287,877	14,341	2,302,218	148,177
Student services	5,512,231	5,423,092	5,168,290	(28,300)	5,139,990	283,102
General institutional	11,776,923	11,685,294	11,506,804	(7,577)	11,499,227	186,087
Physical plant	4,000,695	3,980,945	3,840,729	(5,273)	3,835,456	145,489
<b>Total expenditures</b>	<b>47,755,520</b>	<b>47,440,532</b>	<b>46,056,550</b>	<b>(13,893)</b>	<b>46,042,657</b>	<b>1,397,875</b>
Excess (deficiency) of revenues over expenditures	(1,141,052)	(1,141,052)	377,639	13,893	391,532	1,532,584
<b>Other financing sources (uses)</b>						
Transfers in (out)	250,000	(100,000)	(100,000)	-	(100,000)	-
<b>Net change in fund balance</b>	<b>(891,052)</b>	<b>(1,241,052)</b>	<b>277,639</b>	<b>13,893</b>	<b>291,532</b>	<b>1,532,584</b>
Fund balance at July 1, 2013	14,434,172	15,348,554	15,412,537	(65,983)	15,346,554	-
<b>Fund balance at June 30, 2014</b>	<b>\$ 13,543,120</b>	<b>\$ 14,105,502</b>	<b>\$ 15,690,176</b>	<b>\$ (52,090)</b>	<b>\$ 15,638,086</b>	<b>\$ 1,532,584</b>
<b>Fund balance</b>						
Reserved for encumbrances			\$ 52,090			
Reserved for prepaid items			302,613			
Unreserved fund balance						
Designated for state aid fluctuations			282,000			
Designated for operations			15,054,473			
			<u>\$ 15,690,176</u>			

## **SPECIAL REVENUE AIDABLE FUND**

---

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.

---



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SPECIAL REVENUE AIDABLE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 445,000	\$ 519,403	\$ 519,403	\$ -	\$ 519,403	\$ -
Intergovernmental revenue						
State	636,366	1,043,000	1,042,937	-	1,042,937	(63)
Federal	958,515	1,093,796	1,124,115	-	1,124,115	30,319
Institutional	200,000	253,801	167,593	-	167,593	(86,208)
<b>Total revenues</b>	<u>2,239,881</u>	<u>2,910,000</u>	<u>2,854,048</u>	<u>-</u>	<u>2,854,048</u>	<u>(55,952)</u>
<b>Expenditures</b>						
Instruction	1,290,363	1,690,000	1,689,833	-	1,689,833	167
Student services	1,036,610	1,055,000	1,053,964	-	1,053,964	1,036
General institutional	51,200	165,000	164,179	-	164,179	821
Physical plant	3,775	-	-	-	-	-
<b>Total expenditures</b>	<u>2,381,948</u>	<u>2,910,000</u>	<u>2,907,976</u>	<u>-</u>	<u>2,907,976</u>	<u>2,024</u>
<b>Net change in fund balance</b>	(142,067)	-	(53,928)	-	(53,928)	(53,928)
Fund balance at July 1, 2013	545,823	448,942	448,942	-	448,942	-
<b>Fund balance at June 30, 2014</b>	<u>\$ 403,756</u>	<u>\$ 448,942</u>	<u>\$ 395,014</u>	<u>\$ -</u>	<u>\$ 395,014</u>	<u>\$ (53,928)</u>
<b>Fund balance</b>						
Reserved for prepaid items			\$ 1,300			
Unreserved fund balance						
Designated for subsequent year			<u>393,714</u>			
			<u>\$ 395,014</u>			

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

---

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.

---

**MORAINÉ 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**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Intergovernmental revenue						
State	\$ 789,300	\$ 789,300	\$ 914,244	\$ -	\$ 914,244	\$ 124,944
Federal	13,236,000	13,236,000	11,362,877	-	11,362,877	(1,873,123)
Institutional	397,000	397,000	365,590	-	365,590	(31,410)
Total revenues	<u>14,422,300</u>	<u>14,422,300</u>	<u>12,642,711</u>	<u>-</u>	<u>12,642,711</u>	<u>(1,779,589)</u>
<b>Expenditures</b>						
Student services	<u>14,455,400</u>	<u>14,455,400</u>	<u>12,675,307</u>	<u>-</u>	<u>12,675,307</u>	<u>1,780,093</u>
Net change in fund balance	(33,100)	(33,100)	(32,596)	-	(32,596)	504
Fund balance at July 1, 2013	<u>50,402</u>	<u>48,436</u>	<u>48,436</u>	<u>-</u>	<u>48,436</u>	<u>-</u>
Fund balance at June 30, 2014	<u>\$ 17,302</u>	<u>\$ 15,336</u>	<u>\$ 15,840</u>	<u>\$ -</u>	<u>\$ 15,840</u>	<u>\$ 504</u>
Fund balance						
Reserved for student financial assistance			<u>\$ 15,840</u>			

## **CAPITAL PROJECTS FUND**

---

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.

---



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ -	\$ 49,670	\$ 49,670	\$ -	\$ 49,670	\$ -
Intergovernmental revenue						
State	34,170	13,132	13,390	-	13,390	258
Federal	98,686	848	225,919	-	225,919	225,071
Institutional	92,000	111,500	157,437	-	157,437	45,937
<b>Total revenues</b>	<b>224,856</b>	<b>175,150</b>	<b>446,416</b>	<b>-</b>	<b>446,416</b>	<b>271,266</b>
<b>Expenditures</b>						
Instruction	1,701,289	1,600,000	1,918,801	(358,458)	1,560,343	39,657
Instructional resources	281,344	290,000	279,030	6,974	286,004	3,996
Student services	28,750	50,000	58,968	(10,311)	48,657	1,343
General institutional	845,186	845,186	736,505	(96,191)	640,314	204,872
Physical plant	2,898,050	3,069,433	3,052,243	(134,747)	2,917,496	151,937
<b>Total expenditures</b>	<b>5,754,819</b>	<b>5,854,819</b>	<b>6,045,547</b>	<b>(592,733)</b>	<b>5,452,814</b>	<b>401,805</b>
Excess (deficiency) of revenues over expenditures	(5,529,763)	(5,679,469)	(5,599,131)	592,733	(5,006,398)	673,071
<b>Other financing sources</b>						
Long term debt issued	6,175,000	6,175,000	6,175,000	-	6,175,000	-
Transfers in	-	100,000	100,000	-	100,000	-
<b>Total other financing sources</b>	<b>6,175,000</b>	<b>6,275,000</b>	<b>6,275,000</b>	<b>-</b>	<b>6,275,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>645,237</b>	<b>595,531</b>	<b>675,869</b>	<b>592,733</b>	<b>1,268,602</b>	<b>673,071</b>
Fund balance at July 1, 2013	816,020	928,876	3,312,984	(2,384,108)	928,876	-
<b>Fund balance at June 30, 2014</b>	<b>\$ 1,461,257</b>	<b>\$ 1,524,407</b>	<b>\$ 3,988,853</b>	<b>\$ (1,791,375)</b>	<b>\$ 2,197,478</b>	<b>\$ 673,071</b>
<b>Fund balance</b>						
Reserved for encumbrances			\$ 1,791,375			
Reserved for prepaid items			57,707			
Reserved for capital projects			2,139,771			
			<b>\$ 3,988,853</b>			

## **DEBT SERVICE FUND**

---

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.

---

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
<b>Revenues</b>						
Local government - tax levy	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ -	\$ 6,000,000	\$ -
Institutional	5,000	5,000	118,141	-	118,141	113,141
<b>Total revenues</b>	<b>6,005,000</b>	<b>6,005,000</b>	<b>6,118,141</b>	<b>-</b>	<b>6,118,141</b>	<b>113,141</b>
<b>Expenditures</b>						
Physical plant	5,991,714	5,991,714	5,982,695	-	5,982,695	9,019
<b>Excess of revenues over expenditures</b>	<b>13,286</b>	<b>13,286</b>	<b>135,446</b>	<b>-</b>	<b>135,446</b>	<b>122,160</b>
<b>Other financing uses</b>						
Payment to Current Noteholder	(966,354)	(966,354)	(955,000)	-	(955,000)	11,354
<b>Net change in fund balance</b>	<b>(953,068)</b>	<b>(953,068)</b>	<b>(819,554)</b>	<b>-</b>	<b>(819,554)</b>	<b>133,514</b>
Fund balance at July 1, 2013	1,515,503	1,428,026	1,428,026	-	1,428,026	-
Fund balance at June 30, 2014	<b>\$ 562,435</b>	<b>\$ 474,958</b>	<b>\$ 608,472</b>	<b>\$ -</b>	<b>\$ 608,472</b>	<b>\$ 133,514</b>
Fund balance Reserved for debt service			<b>\$ 608,472</b>			

## **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, parts department, and other activities.

---

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**ENTERPRISE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
For the year ended June 30, 2014

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Auxiliary revenue	\$ 2,733,210	\$ 2,733,210	\$ 2,444,915	\$ -	\$ 2,444,915	\$ (288,295)
Expenditures						
Auxiliary services	2,690,056	2,690,056	2,429,097	-	2,429,097	260,959
Net change in position	43,154	43,154	15,818	-	15,818	(27,336)
Net position at July 1, 2013	869,748	933,811	933,811	-	933,811	-
Net position at June 30, 2014	\$ 912,902	\$ 976,965	\$ 949,629	\$ -	\$ 949,629	\$ (27,336)
Net position Unrestricted			\$ 949,629			



## **INTERNAL SERVICE FUNDS**

---

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.

---

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**INTERNAL SERVICE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the year ended June 30, 2014**

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Auxiliary revenue	\$ 7,210,400	\$ 7,210,400	\$ 7,106,418	\$ -	\$ 7,106,418	\$ (103,982)
Expenditures						
Auxiliary services	7,375,253	7,375,253	7,317,618	-	7,317,618	57,635
Net change in position	(164,853)	(164,853)	(211,200)	-	(211,200)	(46,347)
Net position at July 1, 2013	4,858,236	5,430,168	5,430,168	-	5,430,168	-
Net position at June 30, 2014	<u>\$ 4,493,383</u>	<u>\$ 5,265,315</u>	<u>\$ 5,218,968</u>	<u>\$ -</u>	<u>\$ 5,218,968</u>	<u>\$ (46,347)</u>
Net position						
Unrestricted			<u>\$ 5,218,968</u>			

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS**  
**FINANCIAL STATEMENTS TO BASIC FINANCIAL STATEMENTS**  
For the year ended June 30, 2014

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund
<b>Revenues</b>				
Local government - tax levy	\$ 29,828,168	\$ 519,403	\$ -	\$ 49,670
Intergovernmental revenue				
State	3,212,092	1,042,937	914,244	13,390
Federal	21,224	1,124,115	11,362,877	225,919
Tuition and fees				
Statutory program fees	8,125,663	-	-	-
Material fees	449,898	-	-	-
Other student fees	994,670	-	-	-
Institutional	3,802,474	167,593	365,590	157,437
Auxiliary revenue	-	-	-	-
<b>Total revenues</b>	<b>46,434,189</b>	<b>2,854,048</b>	<b>12,642,711</b>	<b>446,416</b>
<b>Expenditures</b>				
Instruction	23,265,766	1,689,833	-	1,560,343
Instructional resources	2,302,218	-	-	286,004
Student services	5,139,990	1,053,964	12,675,307	48,657
General institutional	11,499,227	164,179	-	640,314
Physical plant	3,835,456	-	-	2,917,496
Auxiliary services	-	-	-	-
Depreciation	-	-	-	-
Student aid	-	-	-	-
<b>Total expenditures</b>	<b>46,042,657</b>	<b>2,907,976</b>	<b>12,675,307</b>	<b>5,452,814</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>391,532</b>	<b>(53,928)</b>	<b>(32,596)</b>	<b>(5,006,398)</b>
<b>Other financing sources (uses)</b>				
Transfers in (out)	(100,000)	-	-	100,000
Long term debt issued	-	-	-	6,175,000
<b>Total other financing sources (uses)</b>	<b>(100,000)</b>	<b>-</b>	<b>-</b>	<b>6,275,000</b>
<b>Net change in fund balance/net position</b>	<b>291,532</b>	<b>(53,928)</b>	<b>(32,596)</b>	<b>1,268,602</b>
Fund balance/net position at July 1, 2013	15,346,554	448,942	48,436	928,876
Prior period adjustment	-	-	-	-
Fund balances/net position at July 1, 2013 (as restated)	15,346,554	448,942	48,436	928,876
<b>Fund balance/net position at June 30, 2014</b>	<b>\$ 15,638,086</b>	<b>\$ 395,014</b>	<b>\$ 15,840</b>	<b>\$ 2,197,478</b>

Debt Service Fund	Enterprise Funds	Internal Service Funds	Total	Reconciling Items	Statement of revenues, expenses, and changes in net position
\$ 6,000,000	\$ -	\$ -	\$ 36,397,241	\$ -	\$ 36,397,241
-	-	-	5,182,663	-	5,182,663 (1)
-	-	-	12,734,135	-	12,734,135 (2)
-	-	-	8,125,663	(4,387,903)	3,737,760
-	-	-	449,898	(242,947)	206,951
-	-	-	994,670	(537,127)	457,543
118,141	-	-	4,611,235	(805,225)	3,806,010 (3)
-	2,444,915	7,106,418	9,551,333	(7,106,418)	2,444,915
6,118,141	2,444,915	7,106,418	78,046,838	(13,079,620)	64,967,218
-	-	-	26,515,942	(1,355,629)	25,160,313
-	-	-	2,588,222	(277,893)	2,310,329
-	-	-	18,917,918	(12,645,320)	6,272,598
-	-	-	12,303,720	(1,551,574)	10,752,146
5,982,695	-	-	12,735,647	(8,092,509)	4,643,138 (4)
-	2,429,097	7,317,618	9,746,715	(7,329,298)	2,417,417
-	-	-	-	2,783,757	2,783,757
-	-	-	-	7,507,330	7,507,330
5,982,695	2,429,097	7,317,618	82,808,164	(20,961,136)	61,847,028
135,446	15,818	(211,200)	(4,761,326)	7,881,516	3,120,190
(955,000)	-	-	(955,000)	955,000	-
-	-	-	6,175,000	(6,175,000)	-
(955,000)	-	-	5,220,000	(5,220,000)	-
(819,554)	15,818	(211,200)	458,674	2,661,516	3,120,190
1,428,026	933,811	5,430,168	24,564,813	26,149,913	50,714,726
-	-	-	-	1,000,000	1,000,000
1,428,026	933,811	5,430,168	24,564,813	27,149,913	51,714,726
\$ 608,472	\$ 949,629	\$ 5,218,968	\$ 25,023,487	\$ 29,811,429	\$ 54,834,916 (5)

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL**  
**STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED**  
For the year ended June 30, 2014

**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 President's Cabinet 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	\$ 2,054,963
Non-operating	
State operating appropriations	3,114,310
Capital contributions (state portion)	<u>13,390*</u>
	<u>\$ 5,182,663</u>

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

Operating	\$ 12,508,216
Capital contributions (federal portion)	<u>225,919*</u>
	<u>\$ 12,734,135</u>

\* Shown as one line item totaling \$239,309 on basic financial statements.



**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL**  
**STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED**  
For the year ended June 30, 2014

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

Contract revenue	\$ 3,422,878
Miscellaneous	1,106,235
Loss on disposal of capital assets	(807,207)
Investment income earned	<u>84,104</u>
	<u>\$ 3,806,010</u>

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

Physical plant	\$ 4,101,860
Interest expense	<u>541,278</u>
	<u>\$ 4,643,138</u>

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

Budgetary basis fund balance/net position	\$ 25,023,487
General capital assets capitalized – cost	80,964,093
Accumulated depreciation on general capital assets	(33,967,463)
General obligation notes payable	(23,140,000)
Accrued interest on notes payable	(125,609)
Long-term OPEB asset	4,236,523
Encumbrances outstanding at year end	<u>1,843,885</u>
Net position per basic financial statements	<u>\$ 54,834,916</u>

This page intentionally left blank.

# **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 POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2014</u>	<u>2013 (Restated)</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net investment in capital assets	\$27,997,249	\$26,031,176	\$ 23,815,330	\$ 22,392,527	\$ 21,169,867	\$ 20,433,749	\$ 18,846,368	\$ 17,442,598	\$ 17,539,006	\$ 18,517,952
Restricted for debt service	482,863	348,351	257,862	135,494	200,811	60,491	171,867	389,162	173,182	64,738
Unrestricted	<u>26,354,804</u>	<u>25,335,199</u>	<u>25,134,759</u>	<u>25,357,216</u>	<u>23,321,996</u>	<u>19,673,843</u>	<u>17,731,354</u>	<u>14,994,957</u>	<u>12,985,319</u>	<u>10,095,279</u>
Total Net Position	<u>\$ 54,834,916</u>	<u>\$ 51,714,726</u>	<u>\$ 49,207,951</u>	<u>\$ 47,885,237</u>	<u>\$ 44,692,674</u>	<u>\$ 40,168,083</u>	<u>\$ 36,749,589</u>	<u>\$ 32,826,717</u>	<u>\$ 30,697,507</u>	<u>\$ 28,677,969</u>



MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

CHANGES IN NET POSITION  
Last Ten Fiscal Years

	2014	2013 (Restated)	2012	2011	2010	2009	2008	2007	2006	2005
<b>Operating Revenues</b>										
Student program fees, net of scholarship allowances	\$ 3,737,760	\$ 3,840,830	\$ 3,910,248	\$ 4,443,515	\$ 5,043,326	\$ 4,445,699	\$ 3,568,597	\$ 2,688,721	\$ 3,581,464	\$ 3,392,118
Student material fees, net of scholarship allowances	206,951	215,970	222,027	254,516	290,024	269,795	211,895	166,770	235,090	265,281
Other student fees, net of scholarship allowances	457,543	478,855	509,948	587,976	717,727	621,989	543,994	387,013	411,224	415,425
Federal grants	12,508,216	12,786,015	14,078,300	15,390,614	12,577,041	8,461,436	7,362,268	6,649,353	6,534,329	6,136,267
State grants	2,054,963	1,946,266	1,602,153	1,594,831	1,649,303	1,609,053	1,381,354	1,371,697	1,512,399	1,439,247
Contract revenue	3,422,878	3,247,325	2,959,294	2,861,942	3,024,552	3,304,784	3,313,553	3,214,444	2,941,047	2,389,951
Auxiliary enterprise revenues	2,444,915	2,412,418	2,606,817	2,961,871	3,241,917	2,766,754	2,518,154	2,460,683	2,469,942	2,445,691
Miscellaneous	1,106,235	983,655	860,502	1,065,326	709,701	662,027	540,425	704,695	422,709	321,407
<b>Total operating revenues</b>	<b>25,939,461</b>	<b>25,911,334</b>	<b>26,749,289</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>Operating expenses</b>										
Instruction	25,160,313	26,336,097	26,729,423	27,228,728	26,909,652	25,388,159	24,324,920	24,034,908	22,963,130	22,502,838
Instructional resources	2,310,329	1,920,013	2,008,717	2,363,444	2,117,607	1,932,608	2,074,652	2,022,672	1,887,566	1,803,014
Student services	6,272,598	6,179,774	6,416,632	6,463,390	5,528,914	5,295,808	4,748,804	4,426,438	4,124,639	3,655,919
General institutional	10,752,146	11,122,967	11,180,309	11,188,398	11,395,594	10,955,635	9,872,114	10,239,128	9,170,863	7,701,519
Physical plant	4,101,860	3,812,120	3,846,962	3,854,442	4,158,279	3,436,929	3,366,545	3,757,623	3,856,601	3,264,295
Auxiliary enterprise services	2,417,417	2,439,387	2,614,739	2,925,760	2,941,473	2,692,247	2,464,624	2,468,609	2,524,529	2,398,804
Depreciation	2,783,757	2,305,394	2,230,649	2,117,849	2,028,612	1,959,415	1,815,504	1,722,739	1,972,332	2,510,031
Student aid	7,507,330	7,948,743	8,598,564	8,930,216	7,130,490	4,851,847	3,909,936	2,832,629	4,010,350	3,369,368
<b>Total operating expenses</b>	<b>61,305,750</b>	<b>62,064,495</b>	<b>63,625,995</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>
Operating loss	(35,366,289)	(36,153,161)	(36,876,706)	(35,911,636)	(34,957,030)	(34,371,111)	(33,137,059)	(33,861,370)	(32,401,806)	(30,400,401)
<b>Non-operating revenues (expenses)</b>										
Property taxes	36,397,241	36,465,081	35,959,981	36,059,442	35,073,334	33,701,800	32,394,755	31,154,753	29,671,623	28,346,706
State operating appropriations	3,114,310	3,023,949	2,935,635	4,203,845	4,697,471	4,717,435	4,867,628	4,840,047	5,163,811	5,374,802
Gain/(loss) on sale of capital assets	(807,207)	(241,381)	(173,901)	(593,068)	(34,205)	(142,802)	(57,888)	(3,227)	(46,376)	(18,255)
Investment income earned	84,104	88,969	83,418	94,368	112,259	241,898	610,604	777,886	505,136	243,480
Interest expense	(541,278)	(599,067)	(685,715)	(845,018)	(883,834)	(929,746)	(988,517)	(979,757)	(906,254)	(898,271)
<b>Total non-operating revenues</b>	<b>38,247,170</b>	<b>38,737,551</b>	<b>38,119,418</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>
Income before capital contributions	2,880,881	2,584,390	1,242,712	3,007,933	4,007,995	3,217,474	3,689,523	1,928,332	1,986,134	2,648,061
Capital contributions - state and federal grants	239,309	110,520	80,002	184,630	516,596	201,020	233,349	200,878	33,404	46,708
Change in net position before special item	\$ 3,120,190	\$ 2,694,910	\$ 1,322,714	\$ 3,192,563	\$ 4,524,591	\$ 3,418,494	\$ 3,922,872	\$ 2,129,210	\$ 2,019,538	\$ 2,694,769
Cumulative effect of change in accounting principle (1)	-	(188,135)	-	-	-	-	-	-	-	-
<b>CHANGE IN NET POSITION</b>	<b>\$ 3,120,190</b>	<b>\$ 2,506,775</b>	<b>\$ 1,322,714</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>

(1) The District implemented GASB 65 beginning with the fiscal year ended June 30, 2013.

**MORAINE 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
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%			
2011	21,722,216.8	4,203,614.0	888,321.6	1,246,917.2	181,011.5	68,958.4	617,015.0	28,928,054.5	23,617,193.7	1.48102
% of Total	75.2%	14.5%	3.1%	4.3%	0.6%	0.2%	2.1%			
2012	20,715,776.6	4,161,536.3	903,592.6	1,249,239.5	186,358.1	63,584.9	637,151.1	27,917,239.1	22,821,371.0	1.54062
% of Total	74.2%	14.9%	3.2%	4.5%	0.7%	0.2%	2.3%			
2013	20,204,797.6	4,151,057.7	916,713.4	1,271,591.2	188,585.8	67,696.8	610,082.1	27,410,524.6	22,513,821.0	1.56897
% of Total	73.9%	15.1%	3.3%	4.6%	0.7%	0.2%	2.2%			

75

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.

MORAINE 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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
District direct rates										
Operational	\$ 1.30990	\$ 1.28490	\$ 1.24206	\$ 1.21929	\$ 1.15715	\$ 1.10184	\$ 1.09180	\$ 1.10228	\$ 1.15469	\$ 1.18375
Debt Service	0.25907	0.25572	0.23896	0.2366	0.22853	0.24093	0.24834	0.26729	0.27322	0.2897
Total Direct Rate	1.56897	1.54062	1.48102	1.45589	1.38568	1.34277	1.34014	1.36957	1.42791	1.47345
Calumet County										
T Brothertown	21.25	21.39	20.48	20.11	19.31	18.46	18.20	18.03	18.52	20.59
T Charlestown	21.29	21.49	20.16	19.88	19.19	18.38	18.27	18.09	18.51	20.53
T New Holstein	18.01	18.14	17.65	17.60	16.69	15.70	15.54	15.20	15.67	17.17
C New Holstein	26.51	25.82	25.11	24.78	23.95	22.62	21.80	21.90	21.70	23.48
Columbia County										
T Marcellon	20.29	19.62	19.21	18.52	17.61	15.67	15.22	14.40	15.21	16.14
T Scott	19.92	19.41	19.24	18.66	17.33	15.86	15.92	15.66	15.81	17.53
Dodge County										
T Ashippun	20.61	20.77	19.66	19.15	18.27	16.76	16.51	16.63	17.36	19.59
T Beaver Dam	17.50	17.71	17.41	18.11	16.76	16.07	15.94	16.19	17.47	18.73
T Burnett	20.95	20.08	20.01	19.94	19.02	18.04	18.07	17.71	18.74	20.48
T Calamus	19.76	20.04	20.16	20.21	18.75	17.66	17.93	18.32	18.64	21.20
T Chester	20.32	19.90	19.11	19.17	17.32	16.48	16.67	16.47	17.70	19.46
T Clyman	22.04	21.43	21.14	21.12	19.99	18.87	19.79	19.85	20.73	21.78
T Elba	21.59	20.85	20.17	19.48	18.01	17.24	17.96	17.86	18.53	20.48
T Fox Lake	21.22	20.95	20.03	20.02	18.09	17.25	17.54	17.62	19.07	21.05
T Herman	21.42	21.02	20.58	20.50	19.00	17.92	19.26	19.25	20.07	24.21
T Hubbard	20.30	19.57	19.15	18.91	18.10	17.14	17.50	17.35	18.63	19.99
T Hustisford	20.82	19.91	19.20	19.12	18.38	17.79	18.71	18.94	20.19	20.94
T Lebanon	21.45	21.30	20.49	19.84	18.62	17.83	18.03	18.01	18.87	20.88
T Leroy	21.10	21.11	21.00	20.26	18.68	18.00	19.17	19.16	20.69	21.90
T Lomira	20.10	19.20	19.74	19.23	18.07	17.33	17.32	16.75	18.91	20.60
T Lowell	22.57	22.12	22.00	22.22	21.46	19.78	20.56	20.35	21.32	22.64
T Oak Grove	21.71	20.91	20.85	20.99	20.03	18.96	19.51	19.43	20.36	21.46
T Rubicon	18.93	19.52	19.27	19.74	18.62	17.80	18.04	18.32	18.73	20.93
T Shields	20.56	20.73	20.47	19.48	18.01	17.23	16.71	16.75	17.70	19.81
T Theresa	20.53	20.14	20.51	19.90	18.53	17.46	17.83	17.52	19.50	20.80
T Trenton	19.54	19.38	18.85	19.30	17.81	17.03	17.07	17.14	18.61	20.18
T Westford	18.27	18.56	18.13	18.28	17.05	16.07	16.34	16.77	18.10	19.27
T Williamstown	15.42	15.41	15.40	14.73	13.80	13.25	13.81	13.42	14.71	18.60
V Brownsville	22.22	21.61	21.77	21.23	19.72	18.40	20.27	19.81	21.80	23.57
V Clyman	31.69	30.26	29.74	30.13	28.32	25.52	26.55	26.25	27.35	28.33

Legend: T - Town, V - Village, C - City

MORAINE 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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
V Hustisford	27.42	25.33	23.77	23.35	22.61	21.69	22.48	22.50	23.69	24.92
V of Iron Ridge	23.22	21.87	21.72	21.39	20.93	19.94	19.84	19.44	20.63	22.43
V Kekoskee	18.10	18.04	17.79	17.18	16.35	15.95	15.80	15.54	17.16	18.24
V Lomira	22.47	21.95	22.81	22.01	20.43	19.08	19.11	17.73	19.62	21.26
V Lowell	28.80	27.74	27.50	25.94	26.68	23.72	25.20	25.44	26.63	28.55
V Neosho	22.29	21.61	21.11	20.61	19.86	19.39	19.54	19.53	19.93	23.28
V Reeseville	24.51	23.81	23.56	23.56	22.31	21.09	21.97	22.03	22.68	23.37
V Theresa	20.70	20.95	21.31	20.55	19.04	18.01	18.38	18.35	20.27	22.01
C Beaver Dam	25.36	25.16	24.32	24.64	22.41	21.51	21.40	22.26	24.05	25.49
C Fox Lake	28.95	29.58	28.55	26.51	24.17	23.47	24.09	24.06	25.24	27.06
C Hartford	23.67	24.51	23.81	24.51	22.99	21.78	22.16	22.93	23.50	25.62
C Horicon	28.23	25.90	26.39	25.66	24.40	23.00	23.23	23.04	24.41	26.18
C Juneau	29.93	28.96	28.72	27.68	26.20	24.84	25.83	25.52	27.04	27.47
C Mayville	25.81	25.59	24.85	24.07	22.74	21.82	21.46	21.15	22.86	23.90
C Waupun	25.59	24.41	23.40	23.63	21.68	20.81	21.30	21.28	22.73	24.44
Fond du Lac County										
T Alto	21.91	21.46	22.40	21.06	19.18	18.14	17.88	17.63	18.66	19.82
T Ashford	20.88	19.96	18.96	18.58	17.78	17.52	16.67	16.51	17.31	17.41
T Auburn	20.30	19.47	18.28	18.08	17.35	16.92	16.33	16.02	16.90	17.23
T Byron	20.37	19.93	19.48	19.08	17.63	16.38	16.48	16.76	17.09	18.15
T Calumet	19.48	18.85	18.38	18.34	17.59	16.28	15.83	15.20	15.89	17.17
T Eden	20.79	19.87	18.86	18.58	17.79	17.68	17.49	17.67	18.23	18.35
T Eldorado	21.03	21.57	19.37	20.55	20.03	18.72	18.89	18.89	20.69	20.76
T Empire	20.25	19.66	18.69	18.33	17.42	16.84	16.63	16.28	16.92	17.49
T Fond du Lac	21.02	20.70	19.97	19.95	18.50	17.66	16.78	16.49	17.18	17.84
T Forest	19.98	19.06	18.02	17.71	17.02	16.83	16.31	15.68	16.64	16.70
T Friendship	18.09	18.15	17.61	16.88	15.52	15.68	15.39	15.08	15.95	16.55
T Lamartine	21.33	21.69	20.08	20.53	19.23	18.62	18.75	19.43	19.69	20.57
T Marshfield	19.09	18.47	18.05	17.95	17.13	15.94	15.81	15.20	15.79	16.30
T Metomen	22.43	21.76	20.93	21.14	20.34	18.89	19.01	19.44	20.32	21.54
T Oakfield	22.02	22.32	21.41	20.85	19.12	19.17	19.21	20.59	19.22	20.86
T Osceola	20.14	19.22	18.21	17.90	17.02	16.87	16.01	15.50	15.98	15.97
T Ripon	24.08	23.45	23.32	22.99	21.84	20.09	19.13	19.95	19.88	21.04
T Rosendale	21.83	21.70	20.75	21.25	20.65	19.33	19.38	19.67	20.87	21.68
T Springvale	21.25	20.82	19.44	20.99	20.08	18.65	18.87	18.88	20.46	20.75
T Taycheedah	20.31	19.78	18.49	18.38	17.32	16.36	16.38	15.89	16.43	17.13
T Waupun	21.36	20.84	19.94	20.06	18.08	17.19	17.10	16.84	17.76	18.85
V Brandon	26.25	26.41	24.65	26.47	25.60	23.23	23.24	23.08	24.94	25.03
V Campbellsport	27.65	26.00	24.57	23.93	23.12	22.31	21.41	21.44	22.46	22.39

Legend: T - Town, V - Village, C - City



MORAINE 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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
V of Eden	19.49	18.59	17.56	17.26	16.48	16.33	15.46	15.15	15.75	15.74
V Fairwater	26.47	26.51	25.13	24.53	21.14	20.25	20.15	18.74	19.24	20.69
V Mount Calvary	19.67	18.93	18.51	18.53	17.92	16.44	14.63	13.91	14.44	15.63
V North Fond du Lac	25.44	25.31	24.62	23.55	22.13	22.14	21.88	21.65	23.68	23.52
V Oakfield	25.99	26.45	25.33	25.75	23.53	23.55	23.30	24.49	23.08	24.25
V Rosendale	21.86	21.93	20.26	22.13	21.54	20.16	20.30	20.09	21.73	21.77
V Saint Cloud	22.88	22.21	21.63	21.52	21.34	19.24	18.72	18.13	18.93	20.15
C Fond du Lac	26.15	25.39	24.29	23.76	22.47	21.68	21.87	21.70	22.50	23.11
C Ripon	26.78	26.07	25.91	24.62	23.73	22.11	22.52	23.30	23.50	25.55
C Waupun	25.90	24.59	23.54	23.78	21.67	20.72	21.02	20.89	22.04	23.32
Green Lake County										
T Berlin	17.09	17.04	16.01	15.71	15.27	14.23	14.37	14.70	15.85	16.81
T Brooklyn	15.61	15.13	14.15	13.98	13.34	12.91	13.44	13.73	15.29	16.13
T Green Lake	19.30	19.15	17.50	16.96	15.84	15.26	15.86	15.32	16.59	17.98
T Kingston	23.89	23.70	21.95	21.32	20.00	19.23	19.69	18.51	19.54	21.23
T Mackford	23.84	23.94	22.25	21.67	20.18	19.50	20.23	19.51	20.20	22.20
T Manchester	22.72	22.69	20.97	20.36	18.84	18.21	18.71	17.62	18.45	20.09
T Marquette	22.03	21.85	20.07	19.47	18.34	17.67	17.95	16.55	17.50	18.88
T Princeton	18.33	18.05	16.26	15.64	15.29	14.99	15.00	14.70	15.55	16.64
T Saint Marie	19.44	19.20	17.51	16.91	16.53	16.22	16.14	15.84	16.59	17.74
T Seneca	19.61	19.54	18.45	18.14	17.67	16.60	16.82	16.91	18.08	19.11
V Kingston	24.36	24.36	22.73	22.03	20.59	19.69	20.15	18.87	20.01	21.75
V Marquette	23.25	23.18	21.49	20.16	19.00	18.04	18.52	17.46	18.19	19.96
C Berlin	26.21	25.97	24.58	24.31	23.80	22.73	22.45	22.72	24.19	25.08
C Green Lake	18.35	17.94	17.28	17.34	16.62	16.25	17.27	17.67	19.12	19.99
C Markesan	27.80	28.00	26.57	25.20	23.75	23.33	23.61	22.63	23.93	25.58
C Princeton	29.55	28.29	26.03	24.40	23.50	22.99	19.12	18.77	19.62	20.79
Marquette County										
T Buffalo	19.67	18.65	17.55	17.17	17.45	16.49	15.91	15.43	16.19	17.04
T Mecan	19.67	18.71	17.61	17.20	17.36	16.49	15.91	15.49	16.17	17.12
T Montello	19.59	18.57	17.59	17.21	17.40	16.44	15.87	15.30	16.03	16.96
T Neshkoro	20.30	19.24	18.11	18.23	16.63	15.75	16.01	15.70	16.91	17.48
Sheboygan County										
T Greenbush	17.91	17.26	16.46	16.23	15.15	14.39	14.71	15.01	16.08	16.54
T Russell	18.62	18.23	17.92	18.03	17.50	16.53	16.83	17.26	17.70	19.17
Washington County										
T Addison	17.63	17.34	16.70	16.65	15.89	15.42	15.27	15.43	16.14	17.85
T Barton	16.83	16.06	15.63	15.61	14.49	13.62	13.60	13.42	13.99	15.07

Legend: T - Town, V - Village, C - City



**MORAINE 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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
T Erin	16.38	15.94	15.79	16.42	15.67	14.99	14.97	14.95	15.57	17.10
T Farmington	16.36	15.59	14.64	14.81	14.25	13.60	13.65	13.17	14.36	14.90
T Hartford	17.11	17.00	16.57	16.54	15.72	14.77	14.90	15.01	15.45	17.03
T Jackson	16.78	16.56	16.12	16.24	15.16	13.98	13.74	13.72	14.41	15.43
T Kewaskum	17.50	16.89	15.97	16.08	15.51	14.70	14.72	14.37	15.67	16.29
T Polk	15.50	15.17	14.58	14.66	14.03	13.58	13.40	13.41	14.17	15.66
T Richfield (now V of Richfield)	-	-	-	-	-	-	15.26	15.34	16.24	17.48
T Trenton	16.34	15.60	15.22	15.11	13.92	12.99	12.88	12.74	13.14	14.29
T Wayne	16.27	15.69	14.71	14.85	14.33	13.56	13.71	13.45	14.69	15.35
T West Bend	15.95	15.24	14.72	14.80	13.82	13.15	13.02	12.95	13.43	14.77
V Jackson	22.42	21.30	20.56	20.16	18.71	17.57	16.84	16.55	16.97	18.34
V Kewaskum	21.70	20.97	19.57	19.58	19.02	17.89	17.95	17.49	18.98	19.83
V Newburg	21.86	19.17	19.13	18.55	17.53	16.23	16.07	15.72	16.15	17.38
V Richfield (formerly T of Richfield)	16.84	16.87	16.69	17.03	16.18	15.47	-	-	-	-
V Slinger	21.49	21.05	20.25	20.20	19.11	18.52	18.48	18.50	19.71	21.35
C Hartford	21.80	21.67	21.13	21.05	19.74	18.51	19.01	19.34	19.83	21.88
C West Bend	22.38	21.77	21.16	21.26	19.73	18.83	18.77	18.55	18.93	20.34
<b>Waushara County</b>										
T Aurora	19.85	19.63	18.99	18.58	18.07	16.72	16.93	17.25	18.32	19.01
T Bloomfield	19.32	18.96	17.79	17.53	17.49	15.98	16.69	16.51	17.11	18.20
T Leon	18.97	18.57	18.08	17.41	17.12	15.64	16.20	16.37	17.24	18.17
T Marion	19.20	18.55	18.09	17.01	16.93	15.26	15.78	15.80	16.82	17.53
T Poy Sippi	19.58	19.33	18.72	18.30	17.76	16.40	16.64	16.98	18.07	18.91
T Saxeville	19.29	18.90	18.35	17.85	17.47	16.15	16.68	17.01	17.77	19.10
T Warren	19.75	19.45	18.87	18.18	17.85	16.29	16.78	16.96	18.04	18.77
C Berlin	26.57	26.17	25.23	24.86	24.29	22.94	22.67	22.94	24.28	25.05
<b>Winneshago County</b>										
T Nekimi	18.85	18.81	18.28	18.58	17.41	16.62	16.86	16.64	16.63	17.49
T Nepeuskun	21.78	22.00	21.65	21.47	20.89	19.79	19.16	19.35	19.78	21.22
T Rushford	20.32	20.87	20.68	19.80	18.82	18.21	18.88	18.15	18.30	20.89
T Utica	21.64	21.82	21.35	20.06	18.89	18.26	17.31	17.05	18.15	18.55

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. Prior to 2014, the operational rate could 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.

Legend: T - Town, V - Village, C - City

**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
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%	10,061,508	35,997,317	100.00%
2012	35,947,317	26,137,048	72.71%	9,810,269	35,947,317	100.00%
2013	36,147,317	26,513,344	73.35%	9,633,973	36,147,317	100.00%
2014	36,337,317	26,703,344	73.49%	-	26,703,344	73.49%

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.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

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

Name of Business	Type of Business	Year Ended June 30, 2014			Year Ended June 30, 2005		
		2013 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation	2004 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation
Wal-Mart Real Estate	Commercial development, leasing, construction	\$ 81,092,865	1	0.34	\$ -	-	- %
West Bend Mutual Insurance Co.	Insurance	62,824,400	2	0.26	-	-	-
Quad/Graphics Inc. (Dodge County)	Commercial lithographic printing	58,709,813	3	0.25	53,742,643	1	0.27
Mercury Marine/Brunswick (1)	Manufacturer of marine motors, parts	46,595,964	4	0.20	36,515,425	2	0.18
Agnesian Healthcare	Health care	29,598,301	5	0.12	-	-	-
Cabela's Retail Inc.	Retail store	26,999,000	6	0.11	-	-	-
Michels Pipeline Construction	Pipeline construction	26,169,922	7	0.11	-	-	-
John Mark Apartment Complexes (1)	Apartment buildings	24,843,544	8	0.10	22,338,403	6	0.11
Mayville Engineering Co.	Custom stamping	24,125,586	9	0.10	-	-	-
United Cooperative	Retail, variety	23,147,204	10	0.10	-	-	-
Sysco Foods	Frozen foods	-	-	-	23,096,700	4	0.12
Menards, Inc	Building materials	-	-	-	24,499,400	3	0.12
John Deere	Manufacture of lawn tractors	-	-	-	22,392,140	5	0.11
Valley Realty LLC (1)	Commercial property	-	-	-	20,308,888	7	0.10
Paradise Development	Multi-family housing	-	-	-	17,346,200	9	0.09
Agnesian Health Care (1)	Health care	-	-	-	16,569,856	10	0.07
Simon Property (1)	Commercial property-mall	-	-	-	17,615,327	8	0.08
	<b>Total</b>	<b>\$ 404,106,599</b>		<b>1.69%</b>	<b>\$ 254,424,982</b>		<b>1.28%</b>

Source: RW Baird & Co.

Notes:

(1) For year ended June 30, 2005, 2003 Equalized Valuations used as 2004 was not available.

**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>
2005	31,207	8,124	13,289	59	7,915	60,594	21,500
2006	32,032	8,153	13,331	29	7,728	61,273	22,305
2007	28,053	7,785	13,132	6	7,687	56,663	20,516
2008	27,637	7,638	13,175	8	8,522	56,980	20,020
2009	29,102	7,885	12,167	49	8,361	57,564	18,490
2010	33,133	7,911	11,513	1,445	9,984	63,986	18,784
2011	32,459	7,135	10,930	1,325	9,163	61,012	18,712
2012	27,951	7,570	9,446	1,652	8,483	55,102	17,279
2013	27,172	7,131	7,989	2,279	9,797	54,368	16,223
2014	25,473	7,341	8,380	2,366	8,752	52,312	16,232

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>
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
2012	2,205	609	84	7	233	3,138
2013	2,129	559	76	9	269	3,042
2014	2,071	581	80	10	241	2,983

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.

**MORAINE 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 (2)</u>
	<u>Resident</u>	<u>Out of State (1)</u>	
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
2011-12	111.85	55.95	195.00
2012-13	116.90	58.45	202.00
2013-14	122.20	61.10	202.00

**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 2013-14 academic year.

Notes:

- (1) Out-of-state tuition excludes those students covered by reciprocal agreements.
- (2) During 2009-10 the WTCS evaluated the utilization of professional development and avocational courses, requiring that many courses be transitioned to the avocational category which operates under different pricing regulations whereby fees are not set by the WTCS. Previous to this time, Moraine Park had not run avocational courses in many years and had not evaluated appropriate pricing until required by the State to transition courses and price appropriately.



**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	Per Capita
2005	297,263	\$ 19,859,334,477	\$ 17,265,000	\$ 4,050,000	\$ 54,738	\$ 21,250,262	0.11%	\$ 71
2006	300,232	21,503,125,449	19,810,000	3,780,000	173,182	23,416,818	0.11	78
2007	302,625	23,523,243,255	19,970,000	3,490,000	389,162	23,070,838	0.10	76
2008	304,520	24,944,655,971	19,225,000	3,185,000	171,867	22,238,133	0.09	73
2009	306,507	25,919,263,048	20,095,000	2,860,000	50,491	22,894,509	0.09	75
2010	307,917	26,124,030,330	20,580,000	2,515,000	20,831	22,894,189	0.09	74
2011	308,423	25,560,469,384	22,790,000	-	-	22,790,000	0.09	73
2012	307,008	25,115,841,233	22,485,000	-	111,668	22,373,332	0.09	73
2013	301,626	24,291,662,323	23,295,000	-	222,883	23,072,117	0.09	76
2014	301,626	23,873,304,438	23,140,000	-	361,970	22,778,030	0.10	76

84

Notes:

(1) Source: Wisconsin Department of Administration. Figures represent population estimates available from the prior calendar year end. For example, year ended June 30, 2014 population estimates are calendar year 2013 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, 2014**

Name of Entity (1)	Net Debt Outstanding	Percent Applicable to District (2)	Outstanding Debt Applicable to District
Calumet County	\$ 5,825,000	8.56%	\$ 498,620
Columbia County	20,385,000	0.10	20,385
Dodge County	39,175,000	78.99	30,944,333
Fond du Lac County	61,150,000	99.98	61,137,770
Green Lake County	16,070,000	99.51	15,991,257
Marquette County	11,974,805	1.97	235,904
Sheboygan County	35,195,000	5.59	31,676
Washington County	15,235,000	76.21	11,610,594
Waushara County	5,300,000	8.59	455,270
Winnebago County	38,658,762	0.95	367,258
Total Cities	240,466,102	Varies	239,764,376
Total Towns	9,445,313	Varies	8,706,860
Total Villages	49,894,811	100	49,894,811
Total School Districts	195,466,828	Varies	189,641,845
Total Sanitary Districts	5,729,407	100	5,729,407
Subtotal, overlapping debt			615,030,366
District Direct Debt			
General Obligation Notes			23,140,000
General Obligation Bonds			-
Subtotal, District direct debt			23,140,000
Total direct and overlapping debt			<u>\$ 638,170,366</u>

**Statistical Summary**

2013 Equalized Valuation - TID In	<u>\$ 23,873,304,438</u>
Direct District Indebtedness	23,140,000
Overlapping and Underlying Indebtedness	<u>615,030,366</u>
Total Direct, Overlapping and Underlying Indebtedness	<u>\$ 638,170,366</u>
Direct, Overlapping and Underlying Indebtedness as a Percentage of Equalized Value	2.67%
Population of District	301,626
Direct, Overlapping and Underlying Indebtedness - Per Capita	<u>\$ 2,115.77</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 2013**

2013 Equalized Valuation - TID In \$ 23,873,304,438

Total Debt

Total debt limit (5% of equalized valuation) \$ 1,193,665,222

Debt applicable to limit:

General obligation notes	23,140,000
General obligation bonds	-
Less: debt service funds available (GAAP Basis)	<u>361,970</u>

Total amount of debt applicable to debt limit 22,778,030

Legal total debt margin \$ 1,170,887,192

Bonded Indebtedness

Total debt limit (2% of equalized valuation) \$ 477,466,089

Debt applicable to limit:

General obligation bonds	-
Less: debt service funds available for bonds (GAAP basis)	<u>-</u>

Total amount of debt applicable to debt limit -

Legal total debt margin \$ 477,466,089

98

**Legal Debt Margin, Last Ten Fiscal Years**

Total Debt

Year	Debt Limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2005	992,966,724	21,250,262	971,716,462	2.14
2006	1,075,156,272	23,418,818	1,051,739,454	2.18
2007	1,176,162,163	23,070,838	1,153,091,325	1.96
2008	1,247,232,799	22,238,133	1,224,994,666	1.78
2009	1,295,963,152	22,894,509	1,273,068,643	1.77
2010	1,306,201,517	22,894,189	1,283,307,328	1.75
2011	1,278,023,469	22,790,000	1,255,233,469	1.78
2012	1,255,792,062	22,373,332	1,233,418,730	1.78
2013	1,214,583,118	23,072,117	1,191,511,001	1.90
2014	1,193,665,222	22,778,030	1,170,887,192	1.91

Bonded Indebtedness

Year	Debt Limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2005	397,186,690	3,985,262	393,201,428	1.00
2006	430,062,509	3,752,250	426,310,259	0.87
2007	470,464,865	3,432,107	467,032,758	0.73
2008	498,893,119	3,160,574	495,732,545	0.63
2009	518,335,261	2,852,463	515,532,798	0.55
2010	522,480,607	2,493,132	519,987,475	0.48
2011	511,209,388	-	511,209,388	-
2012	502,316,825	-	502,316,825	-
2013	485,833,247	-	485,833,247	-
2014	477,466,089	-	477,466,089	-

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

**DEMOGRAPHIC STATISTICS FOR DODGE, FOND DU LAC, GREEN LAKE, AND WASHINGTON COUNTIES (1)  
For the Calendar Years Ended June 30, 2004 to 2013**

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)
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	2,927,502	32,542	8.9%	8,406	102,385	3,765,312	36,776	8.2%	15,393
2011	88,789	3,110,733	35,035	7.8%	8,429	101,740	3,766,440	37,020	7.2%	15,270
2012	88,692	3,364,199	37,931	7.3%	8,496	101,955	4,018,578	39,415	6.6%	15,415
2013	88,875	(7)	(7)	7.2%	8,385	101,984	(7)	(7)	6.3%	15,369

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)
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	644,162	32,580	9.3%	3,085	131,343	5,666,106	43,140	8.0%	20,074
2011	19,091	724,819	37,967	8.1%	3,167	132,206	5,978,473	45,221	6.9%	20,215
2012	19,106	786,664	41,174	7.6%	3,164	132,482	6,352,885	47,953	6.4%	20,173
2013	19,093	(7)	(7)	5.9%	3,188	132,612	(7)	(7)	6.1%	20,036

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.





MORAIN PARK TECHNICAL COLLEGE DISTRICT

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

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
<b>Administrative/Managerial</b>			47	50	43	42	37	38	39	41
Number of females			30	30	30	27	25	24	28	27
Percent females			63.83%	60.00%	69.77%	64.29%	67.57%	63.16%	71.79%	65.85%
Number of minorities			3	3	1	1	1	1	1	1
Percent minorities			6.38%	6.00%	2.33%	2.38%	2.70%	2.63%	2.56%	2.44%
<b>Faculty</b>	139	141	144	144	145	142	143	140	139	136
Number of females	72	74	75	74	78	75	76	72	71	67
Percent females	51.80%	52.48%	52.08%	51.38%	52.41%	52.80%	53.15%	50.71%	51.00%	49.26%
Number of minorities	1	3	4	6	6	6	6	6	6	6
Percent minorities	0.72%	2.13%	2.78%	4.17%	4.14%	4.22%	4.20%	4.29%	4.32%	4.41%
<b>Professional/Noninstruction</b>			46	39	41	38	37	41	40	49
Number of females			33	28	28	29	28	30	27	33
Percent females			71.74%	71.79%	68.29%	76.32%	75.88%	73.17%	67.50%	67.35%
Number of minorities			2	2	2	2	2	3	3	3
Percent minorities			4.35%	7.14%	4.88%	5.26%	5.41%	4.86%	7.50%	6.12%
<b>Secretarial/Clerical</b>			88	103	108	102	103	97	95	102
Number of females			85	98	96	85	88	91	90	98
Percent females			95.59%	95.15%	90.57%	93.18%	95.15%	93.81%	94.74%	96.08%
Number of minorities			1	0	0	0	1	1	1	2
Percent minorities			1.47%	0.00%	0.00%	0.00%	0.97%	1.03%	1.05%	1.96%
<b>Technical/Para-professional</b>			43	16	18	12	10	12	12	13
Number of females			38	12	14	8	7	9	9	9
Percent females			88.37%	75.00%	77.78%	66.66%	70.00%	75.00%	75.00%	69.23%
Number of minorities			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%
<b>Skilled Trades</b>			1	1	1	1	0	0	0	0
Number of females			0	0	0	0	0	0	0	0
Percent females			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of minorities			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%
<b>Service/Maintenance</b>			21	23	28	26	27	28	28	27
Number of females			9	9	24	13	13	13	13	14
Percent females			42.86%	39.13%	85.71%	50.00%	48.15%	50.00%	50.00%	51.85%
Number of minorities			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%
<b>Library Technicians</b>	3	3								
Number of females	3	3								
Percent females	100.00%	100.00%								
Number of minorities	1	1								
Percent minorities	33.33%	33.33%								
<b>Librarians</b>	3	3								
Number of females	0	0								
Percent females	0	0								
Number of minorities	1	1								
Percent minorities	33.33%	33.33%								
<b>Student &amp; Academic Affairs &amp; Other Education Services</b>	22	22								
Number of females	18	17								
Percent females	81.82%	77.27%								
Number of minorities	2	2								
Percent minorities	9.09%	9.09%								
<b>Management</b>	40	38								
Number of females	24	23								
Percent females	60.00%	60.53%								
Number of minorities	1	1								
Percent minorities	2.50%	2.63%								

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

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

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-08	2004-05
<b>Business &amp; Financial Operations</b>	10	13								
Number of females	7	11								
Percent females	70.00%	84.62%								
Number of minorities	0	0								
Percent minorities	0.00%	0.00%								
<b>Computer, Engineering &amp; Science</b>	17	19								
Number of females	5	6								
Percent females	29.41%	31.58%								
Number of minorities	0	0								
Percent minorities	0	0%								
<b>Community, Social Service, Legal, Arts, Design, Entertainment, Sports &amp; Media</b>	15	11								
Number of females	13	6								
Percent females	86.67%	54.55%								
Number of minorities	1	1								
Percent minorities	6.67%	9.09%								
<b>Service</b>	18	18								
Number of females	10	10								
Percent females	55.56%	55.56%								
Number of minorities	1	0								
Percent minorities	5.56%	0.00%								
<b>Sales &amp; Related</b>	3	4								
Number of females	3	4								
Percent females	100.00%	100.00%								
Number of minorities	0	0								
Percent minorities	0%	0%								
<b>Office &amp; Administrative Support</b>	92	101								
Number of females	88	92								
Percent females	0.00%	91.09%								
Number of minorities	0	0								
Percent minorities	0.00%	0.00%								
<b>Natural Resources, Construction &amp; Maintenance</b>	8	5								
Number of females	0	0								
Percent females	0.00%	0.00%								
Number of minorities	1	0								
Percent minorities	16.67%	0.00%								
<b>Production, Transportation, and Material Moving</b>	1	1								
Number of females	0	0								
Percent females	0.00%	0.00%								
Number of minorities	0	0								
Percent minorities	0.00%	0.00%								
<b>Total</b>	389	377	370	378	382	383	357	354	351	388
Number of females	243	248	250	251	288	247	247	239	238	248
Percent females	65.85%	65.25%	67.57%	66.40%	70.18%	68.04%	69.19%	67.51%	67.78%	67.39%
Number of minorities	9	9	10	11	9	9	10	10	11	12
Percent minorities	2.44%	2.39%	2.70%	2.91%	2.38%	2.48%	2.80%	2.82%	3.13%	3.26%

Source: IPEDS report. Categories changed to match standard occupational classifications in 2013 from 7 to 13 categories.

**MORAIN PARK TECHNICAL COLLEGE DISTRICT**

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

<u>Year</u>	<u>Operational Expenditures (1)</u>		<u>Student Enrollments</u>		<u>Expenditures per FTE</u>	
	<u>Amount 000's</u>	<u>Percent Increase (Decrease)</u>	<u>FTE's</u>	<u>Percent Increase (Decrease)</u>	<u>Per FTE</u>	<u>Percent Increase (Decrease)</u>
2005	38,268		3,249		11,778	
2006	40,020	4.58	3,263	0.43	12,265	4.13
2007	41,514	3.73	3,121	(4.35)	13,301	8.45
2008	42,534	2.46	3,094	(0.87)	13,747	3.35
2009	45,851	2.46	3,233	4.49	14,182	3.16
2010	49,359	7.65	3,648	12.84	13,530	(4.60)
2011	50,692	2.70	3,526	(3.34)	14,377	6.26
2012	47,779	(5.75)	3,138	(11.00)	15,226	5.91
2013	48,529	1.57	3,042	(3.06)	15,953	4.77
2014	48,945	0.86	2,983	(1.94)	16,408	2.85

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 Surveyed</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>
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
2011	1,080	781	573	89.0	74.0	57.0	2,864
2012	1,110	895	640	88.0	77.0	56.0	2,873
2013	1,020	657	389	92.0	81.0	56.0	2,768

Notes:

(1) Schedule is based on a survey of MPTC graduates conducted approximately six months after graduation. Therefore, 2013-14 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**

<u>Campus</u>	<u>Address</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Beaver Dam	700 Gould Street Beaver Dam, WI 53916-1994	69,072	69,072	61,889	61,889	60,768	53,968	53,968	49,668	47,698	47,698
Fond du Lac	235 N National Avenue Fond du Lac, WI 54936-1940	302,055	302,055	302,055	302,055	301,814	301,814	301,814	301,814	301,814	296,814
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	156,491	156,491	147,541	140,035	131,554	131,554	125,054	125,054	125,054	125,054
93 Jackson Regional Center (leased)	N173 W21150 Northwest Passage Way Jackson, WI 53037	9,736	Not Applicable								
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.



**MORaine PARK TECHNICAL COLLEGE DISTRICT**  
**INSURANCE COVERAGE SUMMARY**  
**Fiscal Year 2013-14**  
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Property Coverage	DMI	7/1/13 - 6/30/14	Covers all real and personal property, all risk, \$25,000 Deductible		
			Blanket Property Limit (Per Occurrence)	\$ 400,000,000	\$ 54,311
			Certified Terrorism	400,000,000	
			Non-Certified Terrorism	400,000,000	
			Accounts Receivable	15,000,000	
			Fine 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)	25,000,000	
			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	20,000,000	
			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	2,500,000	
			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**  
**Fiscal Year 2013-14**  
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Equipment Breakdown</b>	DMI	7/1/13 - 6/30/14	Comprehensive coverage, \$25,000 deductible Combined property/time element Property Damage Off-Premises Property Damage Business Income Extra Expense Service Interruption Contingent Business Income Perishable Goods (Spoilage/Ammonia Contamination) Data Restoration Demolition Ordinance or Law Expediting Expenses Hazardous Substances Newly Acquired Locations (365 days) Broad Comprehensive Coverage (Including Production Machines, Computer Equipment) Repair or Replacement	\$ 100,000,000 1,000,000 Included 25,000 Included Included 1,000,000 25,000 250,000 250,000 1,000,000 1,000,000 250,000 250,000 15,000,000 Included	\$ 2,604
<b>Workers' Compensation</b>	DMI	7/1/13 - 6/30/14	<b>Workers' Compensation - Wisconsin Benefits</b> - Bodily injury by accident, each accident - Bodily injury by disease, policy limit - Bodily injury by disease, each employee	<b>Statutory</b> \$ 100,000 500,000 100,000	\$ 164,651
			<b>Employer's Liability</b>		
<b>General Liability  (Includes Professional, Automobile and Educators Legal Liability)</b>	DMI	7/1/13 - 6/30/14	Each occurrence limit Fire Damage limit (any one fire) Limited Above Ground Pollution Liability - Each Claim and Policy Aggregate Under/Uninsured motorists Garagekeepers Legal Liability (ACV up to \$350,000) - Comprehensive deductible (each customer auto/each event) - Collision deductible (each customer auto) Policy Deductible Automobile Physical Damage Deductible	\$ 5,000,000 500,000 1,000,000 100,000 350,000 500,500 500 5,000 2,500	\$ 51,648
<b>Educators Legal Liability (includes, Directors &amp; Officers, Employment Practices, and Employee Benefits Liability)</b>	DMI	7/1/13 - 6/30/14	- Per Wrongful act and aggregate limit - Per wrongful act and aggregate deductible	\$ 5,000,000 100,000	
<b>Campus Violent Acts</b>	DMI	7/1/13 - 6/30/14	Policy Aggregate Limit Policy Deductible Equipment or Property Improvements	250,000 25,000 25,000	\$ 785

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**INSURANCE COVERAGE SUMMARY**  
**Fiscal Year 2013-14**  
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Crime	Travelers Casualty and Surety Company	7/1/13 - 6/30/14	Employee Theft	\$ 750,000	\$ 3,628
			Forgery or Alteration	750,000	
			ERISA Fidelity	750,000	
			On Premises/In-Transit	500,000	
			Computer Fraud	750,000	
			Computer Program and Electronic Data Restoration	100,000	
			Funds Transfer Fraud	750,000	
			Personal Accounts Forgery or Alteration	750,000	
			Identity Fraud Expense Reimbursement	25,000	
			Claim Expense	25,000	
			Employee Dishonesty per Incidence Deductible		
			Foreign Travel Liability	ACE American Insurance Company	
Products - Completed Operations - Aggregate	2,000,000				
Personal and Advertising Injury - Aggregate	1,000,000				
Premises Damage Limit - Each Occurrence	1,000,000				
Medical Expense Limit - Any one person	10,000				
Contingent Auto Liability - Combined Single Limit					
- Each Accident	1,000,000				
Foreign Hired Auto Physical Damage					
- Any One Accident	25,000				
- Any one policy period	25,000				
Foreign Employee Benefits Liability (\$1,000 Deductible)					
- Each Claim	1,000,000				
- Aggregate	1,000,000				
Foreign Voluntary Workers' Compensation					
- State of Hire Benefits	Statutory				
- North American	State of Hire Benefits				
- Third Country Nationals	Country of Origin				
- Local Nationals	Country of Origin				
Foreign Employers Liability					
- Bodily injury by accident, each accident	1,000,000				
- Bodily injury by disease, each employee	1,000,000				
- Bodily injury by disease, policy limit	1,000,000				
Executive Assistance (per covered person)	50,000				
Kidnap and Extortion (per cause of loss)	50,000				
Business Travel Accident (for local Boards of Director Members)	CIGNA	7/1/13 - 6/30/14	Principal Sum	100,000	\$ 284
			- Loss of Life		
			- Other Covered Losses as scheduled		
<b>TOTAL ANNUAL PREMIUMS</b>					<b>\$ 281,117</b>

# **SINGLE AUDIT SECTION**

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the year ended June 30, 2014

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
<b>U.S. Department of the Interior, Bureau of Indian Affairs:</b>								
INDIAN EMPLOYMENT ASSISTANCE	15.108							
Bureau of Indian Affairs Grants			7/1/13 - 6/30/14	\$ -	\$ 7,845	\$ 7,845	\$ -	\$ 7,845
<b>Total 15.108</b>				-	7,845	7,845	-	7,845
<b>U.S. Department of Labor:</b>								
<b>WIA Cluster</b>								
WIA ADULT PROGRAM	17.258							
<u>Passed through Workforce Development Board of South Central Wisconsin</u>								
Basic Skills			7/1/13 - 6/30/14	40,000	40,000	40,000	(2,705)	37,295
<b>Total WIA Cluster and 17.258</b>				40,000	40,000	40,000	(2,705)	37,295
<b>TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE CAREER AND TRAINING GRANTS (TAA CCCT)</b>								
<u>Passed through Northeast Wisconsin Technical College</u>	17.282							
TAA Welding			10/1/12-9/30/16	647,000	370,140	362,343	(7,797)	362,343
<u>Passed through Northeast Wisconsin Technical College</u>								
TAA Interface			10/1/13-9/30/17	995,662	110,005	110,005	-	110,005
<b>Total 17.282</b>				1,642,662	480,145	472,348	(7,797)	472,348
<b>U.S. Department Transportation:</b>								
<b>INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS</b>								
<u>Passed through Wisconsin Technical College System Board</u>	20.703							
Hazardous Materials Training			7/1/13 - 6/30/14	-	4,311	4,311	-	4,311
<b>Total 20.703</b>				-	4,311	4,311	-	4,311
<b>National Science Foundation:</b>								
<b>EDUCATION AND HUMAN RESOURCES</b>								
Science, Technology, Engineering and Mathematics (STEM) Scholars Program	47.076	0807035	8/15/08 - 7/31/13	520,824	150,301	150,301	-	150,301
Interactive Media Design Program		1103972	2/1/11 - 1/31/14	22,830	12,444	14,829	(615)	14,829
<u>Passed through University of Wisconsin System</u>								
Manufacturing and Engineering Technology and Technician Education (METTE) Project		369K154	9/15/13 - 8/31/14	30,000	6,963	6,963	-	6,963
<b>Total 47.076</b>				743,654	172,708	172,093	(615)	172,093
<b>ADULT EDUCATION - BASIC GRANTS TO STATES</b>								
<u>Passed through Wisconsin Technical College System Board</u>	84.002							
Adult Basic Education		10-501-146-124	7/1/13 - 6/30/14	221,904	221,904	221,904	141,707	363,611
EL/Civics		10-503-146-164	7/1/13 - 6/30/14	18,385	18,385	18,385	86	18,471
Institutionalized Individuals		10-510-146-114	7/1/13 - 6/30/14	41,419	41,419	41,419	13,830	55,249
<b>Total 84.002</b>				281,708	281,708	281,708	155,623	437,331
<b>TRIO Cluster</b>								
TRIO Student Support Services	84.042	P042A100735	9/1/10 - 8/31/15	1,100,000	221,219	221,219	(15,646)	205,573
<b>Total TRIO Cluster</b>				1,100,000	221,219	221,219	(15,646)	205,573

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED**  
For the year ended June 30, 2014

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
<b>CAREER AND TECHNICAL EDUCATION - BASIC GRANTS TO STATES</b>								
<i>Passed through Wisconsin Technical College System Board</i>								
Career Prep	84.048	10-004-150-214	7/1/13 - 6/30/14	40,677	40,632	40,632	-	40,632
Strengthening Career and Technical Education Programs		10-601-150-254	7/1/13 - 6/30/14	56,721	56,721	56,721	3,366	60,087
Student Success		10-602-150-234	7/1/13 - 6/30/14	206,614	203,214	203,214	228,315	431,529
Increasing Enrollment & Retention of Students in Nontraditional Occupations		10-607-150-264	7/1/13 - 6/30/14	14,180	13,992	13,992	-	13,992
<b>Total 84.048</b>				<b>318,192</b>	<b>314,559</b>	<b>314,559</b>	<b>231,681</b>	<b>546,240</b>
<b>U.S. Department of Education:</b>								
<b>Student Financial Aid Cluster</b>								
<b>FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)</b>								
SEOG Grants	84.007	P007A134522	7/1/13 - 6/30/14	59,345	59,345	59,345	19,781	79,126
<b>Total 84.007</b>				<b>59,345</b>	<b>59,345</b>	<b>59,345</b>	<b>19,781</b>	<b>79,126</b>
<b>FEDERAL WORK-STUDY PROGRAM</b>								
Federal Work Study Program	84.033	P033A134522	7/1/13 - 6/30/14	49,768	40,235	40,235	12,753	52,988
Federal Work Study Program Administration		P033A134522	7/1/13 - 6/30/14	-	7,306	7,306	-	7,306
<b>Total 84.033</b>				<b>49,768</b>	<b>47,541</b>	<b>47,541</b>	<b>12,753</b>	<b>60,294</b>
<b>FEDERAL PELL GRANT PROGRAM</b>								
PELL	84.063	P063P123169	7/1/12 - 6/30/13	4,667,587	860	860	-	860
PELL		P063P133169	7/1/13 - 6/30/14	4,707,682	4,691,202	4,691,202	-	4,691,202
PELL		P063P143169	7/1/14 - 6/30/15	2,062,573	12,780	12,780	-	12,780
PELL Administration			7/1/13 - 6/30/14	-	7,720	7,720	-	7,720
<b>Total 84.063</b>				<b>11,437,842</b>	<b>4,712,562</b>	<b>4,712,562</b>	<b>-</b>	<b>4,712,562</b>
<b>FEDERAL DIRECT STUDENT LOANS</b>								
Direct Loans	84.268	P268K133169	7/1/12 - 6/30/13	6,635,841	5,255	5,255	-	5,255
Direct Loans		P268K143169	7/1/13 - 6/30/14	6,635,841	6,362,536	6,362,536	-	6,362,536
Direct Loans		P268K153169	7/1/14 - 6/30/15	3,980,221	22,514	22,514	-	22,514
<b>Total 84.268</b>				<b>17,251,903</b>	<b>6,390,305</b>	<b>6,390,305</b>	<b>-</b>	<b>6,390,305</b>
Veterans Administration - Reporting Fee	N/A		7/1/13 - 6/30/14	-	1,887	2,087	200	2,087
<b>Total Student Financial Aid Cluster</b>				<b>28,798,858</b>	<b>11,211,640</b>	<b>11,211,840</b>	<b>32,734</b>	<b>11,244,374</b>
<b>TOTAL FEDERAL AWARDS</b>				<b>\$ 32,925,074</b>	<b>\$ 12,734,135</b>	<b>\$ 12,725,923</b>	<b>\$ 393,275</b>	<b>\$ 13,127,410</b>

See Notes to Schedule of Expenditures of Federal Awards



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the year ended June 30, 2014

**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	\$ 12,734,135	\$ 393,275	\$ 13,127,410
Basic Financial Statements	\$ 12,734,135 <sup>(1)</sup>	\$ 393,275	\$ 13,127,410

The District had no subrecipients for federal revenues during the fiscal year ended June 30, 2014.

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

Operating	\$ 12,508,216
Capital contributions (federal portion)	225,919
	\$ 12,734,135

**NOTE C: OVERSIGHT AGENCY**

The U.S. Department of Education has been designated as the Federal oversight agency for the District.

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
For the year ended June 30, 2014

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures
					Revenue	Expenditures		
<b>Wisconsin Department of Transportation:</b>								
Beginning Motorcycle Drivers Education	20.395(4)(aq)	M/C-10-10-665-V	4/1/13 - 11/1/13	\$ 3,799	\$ 3,799	\$ 3,799	\$ 8,393	\$ 12,192
Beginning Motorcycle Drivers Education	20.395(4)(aq)	M/C-10-10-665-V	4/1/14 - 11/1/14	-	-	-	10,858	10,858
<b>Total 20.395(4)(aq)</b>				<u>3,799</u>	<u>3,799</u>	<u>3,799</u>	<u>19,251</u>	<u>23,050</u>
<b>Wisconsin Higher Education Board:</b>								
Wisconsin Higher Education Grant	235.102		7/1/13 - 6/30/14	847,789	847,789	847,789	-	847,789
Remission of Fees for Veterans and Dependents	235.105		7/1/13 - 6/30/14	59,086	59,086	59,086	-	59,086
Minority Undergraduate Retention Grant	235.107		7/1/13 - 6/30/14	6,935	6,935	6,935	-	6,935
Covenant Scholars	235.108		7/1/13 - 6/30/14	9,858	9,858	9,858	-	9,858
Talent Incentive Program	235.114		7/1/13 - 6/30/14	28,600	28,600	28,600	-	28,600
Academic Excellence Scholarship	235.109		7/1/13 - 6/30/14	562	562	562	563	1,125
Nursing Student Stipend Loan	235.117		7/1/13 - 6/30/14	12,000	12,000	12,000	-	12,000
Covenant Foundation	235.131		7/1/13 - 6/30/14	6,500	6,500	6,500	-	6,500
Hearing & Visually Handicapped Student Grant	235.112		7/1/13 - 6/30/14	900	900	900	-	900
Indian Student Assistance Grant	235.132		7/1/13 - 6/30/14	1,100	1,100	1,100	-	1,100
<b>Total 235.102-132</b>				<u>973,330</u>	<u>973,330</u>	<u>973,330</u>	<u>563</u>	<u>973,893</u>
<b>Wisconsin Technical College System:</b>								
Occupational Competency Program	292.104		7/1/13 - 6/30/14	2,921	2,323	2,323	2,323	4,646
State Aids for Vocational, Technical and Adult Education	292.105		7/1/13 - 6/30/14	2,845,103	2,947,628	2,947,628	34,949,118	37,896,746
Minority/Students of Color Participation and Retention	292.109	10-201-109-114	7/1/13 - 6/30/14	50,633	50,633	50,633	17,414	68,047
<b>INCENTIVE GRANTS</b>								
Instructional Assistant: Program Review and Revision	292.112	10-103-112-144	7/1/13 - 6/30/14	17,000	16,947	16,947	-	16,947
Website Improvement Project		10-104-112-184	7/1/13 - 6/30/14	150,000	150,000	150,000	68	150,068
Basic Skills		10-320-112-124	7/1/13 - 6/30/14	105,882	105,870	105,870	43,368	149,238
Adult Literacy: Workplace Adult Basic Education for Three Work Sites		10-337-112-164	7/1/13 - 6/30/14	17,792	17,792	17,792	5,952	23,744
Leveraging Transitions: Developing Student Pathways with Faculty		10-338-112-164	7/1/13 - 6/30/14	17,487	17,487	17,487	5,893	23,380
Computer/Information Fluency - An Essential Skill		10-339-112-164	7/1/13 - 6/30/14	29,583	29,582	29,582	9,951	39,533
Interactive Media Design Program		10-426-112-134	7/1/13 - 6/30/14	55,776	55,776	55,776	19,096	74,872
Carpentry Apprenticeship		10-838-112-184	7/1/13 - 6/30/14	15,000	15,000	15,000	54	15,054
<i>Passed through Western Technical College</i>								
Statewide Automotive Career Center Pathway		02-816-112-114	7/1/13 - 6/30/14	1,000	1,000	1,000	-	1,000
<i>Passed through Lakeshore Technical College</i>								
Advanced Manufacturing Network - NE		11-440-112-114	7/1/13 - 6/30/14	9,500	9,392	9,392	-	9,392
<b>Total 292.112</b>				<u>419,020</u>	<u>418,846</u>	<u>418,846</u>	<u>84,382</u>	<u>503,228</u>
Transition Specialist	292.115	10-350-115-114	7/1/13-6/30/14	23,638	23,638	23,638	8,646	32,284

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS - CONTINUED**  
For the year ended June 30, 2014

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures
					Revenue	Expenditures		
<b>WORKFORCE ADVANCEMENT TRAINING GRANTS</b>	292.116							
MAG Fond du Lac Efficiency Enhancement Project		10-783-116-113	7/1/12 - 8/31/13	\$ 15,294	\$ 4,713	\$ 4,713	\$ 205	\$ 4,918
Advanced Manufacturing CNC Skills Development Project		10-789-116-113	7/1/12 - 8/31/13	76,678	5,568	5,568	-	5,568
Advanced Manufacturing Leadership Project		10-791-116-113	7/1/12 - 8/31/13	90,230	6,594	6,594	146	6,740
Advanced Manufacturing Welding Skills Project		10-792-116-113	7/1/12 - 8/31/13	50,365	656	656	-	656
Continuous Improvement Skills Development Project		10-793-116-113	7/1/12 - 8/31/13	69,370	5	5	-	5
Advanced Manufacturing CNC/Fabrication Technologies Project		10-795-116-114	7/1/13 - 8/31/14	120,139	66,601	66,601	-	66,601
Continuous Improvement Project		10-796-116-114	7/1/13 - 8/31/14	110,883	65,060	65,060	-	65,060
Leadership Development Project		10-797-116-114	7/1/13 - 8/31/14	108,740	70,981	70,981	6,115	77,096
Animart Strategic Advancement Initiative		10-798-116-114	7/1/13 - 8/31/14	18,807	10,894	10,894	2,499	13,393
<b>Total 292.116</b>				<b>660,506</b>	<b>231,072</b>	<b>231,072</b>	<b>8,965</b>	<b>240,037</b>
<b>FACULTY DEVELOPMENT PROGRAM</b>	292.123							
Faculty Development Program		10-340-123-114	7/1/13 - 6/30/14	46,900	46,900	46,900	6,098	52,998
Faculty Development Program - Match		10-341-123-114	7/1/13 - 6/30/14	-	-	-	48,278	48,278
<b>Total 292.123</b>				<b>46,900</b>	<b>46,900</b>	<b>46,900</b>	<b>54,376</b>	<b>101,276</b>
Fire Fighter Training 2%	292.137		7/1/13 - 6/30/14	-	38,696	38,696	-	38,696
<b>HEALTH CARE EDUCATION GRANTS</b>	292.161							
Targeted Advising for Health Science Programs		10-448-161-114	7/1/13 - 6/30/14	63,329	56,557	56,557	84,836	141,393
Nursing Student Retention and Support		10-449-161-114	7/1/13 - 6/30/14	169,640	169,640	169,640	117,845	287,485
Nursing Assistant Program Section Increase		10-450-161-114	7/1/13 - 6/30/14	52,919	52,919	52,919	35,289	88,208
<b>Total 292.161</b>				<b>285,888</b>	<b>279,116</b>	<b>279,116</b>	<b>237,970</b>	<b>517,086</b>
<b>Wisconsin Department of Natural Resources:</b>								
Aids in Lieu of Taxes	370.503		7/1/13 - 6/30/14	50,941	50,941	50,941	-	50,941
<b>Wisconsin Department of Revenue:</b>								
State Aid - Computers	835.109		7/1/13 - 6/30/14	115,741	115,741	115,741	-	115,741
<b>TOTAL STATE AWARDS</b>				<b>\$ 5,478,420</b>	<b>\$ 5,182,663</b>	<b>\$ 5,182,663</b>	<b>\$ 35,383,008</b>	<b>\$ 40,565,671</b>

101

See Notes to Schedule of Expenditures of State Awards

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
For the year ended June 30, 2014

**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	\$ 5,182,663	\$ -	\$ 5,182,663
Basic Financial Statements	\$ 5,182,663 (1)	\$ -	\$ 5,182,663

The District had no subrecipients for state revenues during the fiscal year ended June 30, 2014.

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

Operating	\$ 2,054,963
Non-operating	
State operating appropriations	3,114,310
Capital contributions (state portion)	<u>13,390</u>
	<u>\$ 5,182,663</u>

**NOTE C: OVERSIGHT AGENCY**

The Wisconsin Technical College System Board has been designated as the state oversight agency for the District.

**MORAINE PARK TECHNICAL COLLEGE DISTRICT**

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2014

**Section I - Summary of Auditors' Results**

**Basic Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to basic financial statements noted?	No

**Federal Awards and State Financial Assistance**

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
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
17.282	Trade Adjustment Assistance Community College Career and Training Grants
	Student Financial Aid Program Cluster
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal College Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Loans
84.002	Adult Education - Basic Grants to States

State ID Number	Name of State Programs
235.102	Wisconsin Higher Education Grant
235.114	Talent Incentive Program
235.117	Nursing Student Stipend Loan
292.105	General State Aid

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

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Year Ended June 30, 2014

**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.

**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 the OMB Circular A-133 findings

Finding Number	State Single Audit Guidelines Findings	Questioned Costs
----------------	--	------------------

There were no findings required to be reported in accordance with the *State Single Audit Guidelines*.

**Section IV - Other Issues**

Does the auditors' 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, reportable condition, 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 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

*David L. Maccoux*

Name and signature of Shareholder

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

Date of report

December 3, 2014



**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT**  
Corrective Action Plan  
For the Year Ended June 30, 2014

**Status of Prior Year Audit Findings**

The District implemented procedures which corrected Finding 2013-01.

**Corrective Action Plan for Audit Findings**

None required for the year ended June 30, 2014.

This page intentionally left blank.



**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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Moraine Park Technical College District, as of and for the year ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Moraine Park Technical College District's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 17 dated December 3, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Moraine Park Technical College District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Moraine Park Technical College District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Moraine Park Technical College District's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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*.



## Purpose of this Report

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



Certified Public Accountants  
Green Bay, Wisconsin  
December 3, 2014



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES**

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

**Report on Compliance for Each Major Federal and State Program**

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 the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Moraine Park Technical College District's major federal and state programs for the year ended June 30, 2014. 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.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Moraine Park Technical College District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB 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. 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of Moraine Park Technical College District's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, Moraine Park Technical College District's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014.



## Report on Internal Control Over Compliance

Management of Moraine Park Technical College District's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Moraine Park Technical College District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

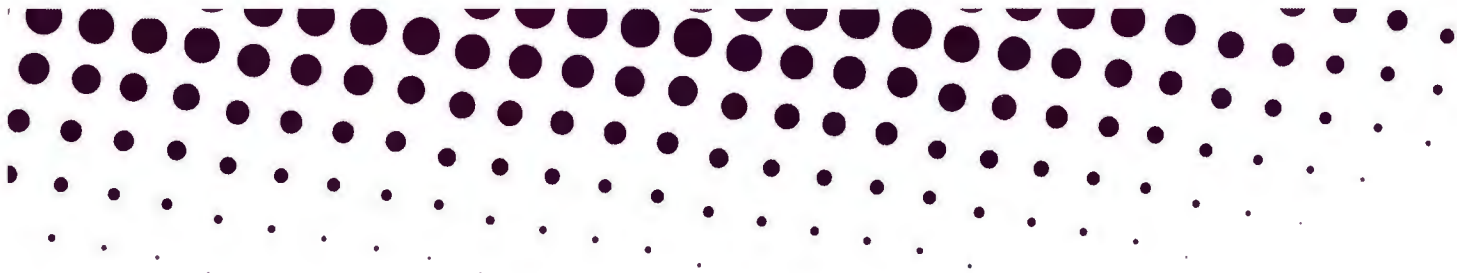
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants  
Green Bay, Wisconsin  
December 3, 2014





**Beaver Dam**  
**700 Gould Street**  
**Beaver Dam, WI 53916-1994**  
**920-887-1101**

**Fond du Lac**  
**235 North National Avenue**  
**PO Box 1940**  
**Fond du Lac, WI 54936-1940**  
**920-922-8611**  
**Toll-Free 1-800-472-4554**

**West Bend**  
**2151 North Main Street**  
**West Bend, WI 53090-1598**  
**262-334-3413**