



Southwest Wisconsin Technical College

District Board Meeting

Regular Meeting

January 26, 2017

Held at

Southwest Tech
1800 Bronson Boulevard
Fennimore, WI

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Annotated Agenda

BOARD MEETING NOTICE/AGENDA

Thursday, January 26, 2017

5:30 p.m. – Demonstration/Tour - Welding Lab (Room 522)

6:15 p.m. – Dinner in Room 490

7:00 p.m. – Board Meeting

Room 492-493 – College Connection

ANNOTATED AGENDA

OPEN MEETING

The following statement will be read: “The January 26, 2017, regular Board meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore in an attempt to make the general public aware of the time, place and agenda of the meeting.”

A. Roll Call

B. Reports/Forums/Public Input

CONSENT AGENDA

A. Approval of Agenda

A copy of the agenda is included with the electronic Board material.

B. Minutes of the Regular Meeting of December 16, 2016

Minutes of the December 16, 2016, Board meeting are included with the electronic Board packet.

C. Financial Reports

1. Purchase Orders Greater than \$2,500

2. Treasurer’s Cash Balance

3. Budget Control

Each report is available electronically with all other Board material. Caleb White, Vice President for Administrative Services, will be at the meeting and available for any questions.

D. Contract Revenue

There were 11 contracts totaling \$27,189.43 in December 2016 being presented for Board approval. The Contract Revenue Report is included with the electronic Board material.

E. Personnel Items

One employment recommendation, two transfers, and one resignation are being presented for approval in the Personnel Report.

OTHER ITEMS REQUIRING BOARD ACTION

A. FY2016 Financial Audit

Wegner CPAs, Madison, WI, will present the audit report. The draft audit report is available electronically with all other Board material.

Recommendation: Approve the 2015-16 Financial Audit as presented.

B. Foundation By-Laws

According to the Memorandum of Understanding between Southwest Wisconsin Technical College, Southwest Tech Foundation, and SWTC Real Estate Foundation, bylaw changes to the Foundation must be approved by the District Board. Holly Clendenen, Executive Director of the Foundation and Real Estate Foundation, will present the Foundation bylaw modifications for approval. The Foundation bylaws are included with the electronic Board material.

Recommendation: Approve the Southwest Tech Foundation bylaw changes as presented.

BOARD MONITORING OF COLLEGE EFFECTIVENESS

A. Foundation Quarterly Report

Holly Clendenen, Executive Director of the Foundation and Real Estate Foundation, will present a quarterly Foundation report to the Board highlighting the activities and results of fundraising efforts and other initiatives. The report is available with the electronic Board material.

B. Industry, Trades & Agriculture Report

Derek Dachelet, Dean of Industry, Trades & Agriculture, will present a report on the department strengths and areas for improvement and major activities which help the College achieve its strategic directions and college health indicators. Information is included in the electronic Board packet.

C. Business, Management & General Studies Report

Richard Ammon, Dean of Business, Management & General Studies, will present a report on the department strengths and areas for improvement and major activities which help the College achieve its strategic directions and college health indicators. Information is included in the electronic Board packet.

D. Staffing Update

Krista Weber, Director of Human Resources, will provide an update on College staffing. A summary is available electronically with all other Board material.

INFORMATION AND CORRESPONDENCE

A. Enrollment Report

The 2016-17 Comparison FTE Report and Fall 2017 Application Report are available electronically with all other Board material.

B. Chairperson's Report

C. College President's Report

1. Employee Giving Campaign
2. College Happenings

D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

A. Agenda

1. Board Retreat
2. Budget Assumptions & Parameters
3. Administrative Services Report including Borrowing Forecast/Debt Reduction
4. Human Resources Trends Report

B. Time and Place

1. Friday, February 24, 2017, at 12:30 p.m. in Platteville, WI, and Saturday, February 25, 2017 in Platteville, WI

ADJOURNMENT

Open Meeting

The following statement will be read: "The January 26, 2017, regular meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore in an attempt to make the general public aware of the time, place and agenda of the meeting."

A. Roll Call

B. Reports/Forums/Public Input

Consent Agenda

A. Approval of Agenda

BOARD MEETING NOTICE/AGENDA

Thursday, January 26, 2017

5:30 p.m. – Demonstration/Tour - Welding Lab (Room 522)

6:15 p.m. – Dinner in Room 490

7:00 p.m. – Board Meeting

Room 492-493 – College Connection

AGENDA

OPEN MEETING

The following statement will be read: “The January 26, 2017, regular Board meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore in an attempt to make the general public aware of the time, place and agenda of the meeting.”

- A. Roll Call
- B. Reports/Forums/Public Input

CONSENT AGENDA

- A. Approval of Agenda
- B. Minutes of the Regular Meeting of December 16, 2016
- C. Financial Reports
 - 1. Purchase Orders Greater than \$2,500
 - 2. Treasurer’s Cash Balance
 - 3. Budget Control
- D. Contract Revenue
- E. Personnel Items

OTHER ITEMS REQUIRING BOARD ACTION

- A. FY2016 Financial Audit
- B. Foundation By-Laws

BOARD MONITORING OF COLLEGE EFFECTIVENESS

- A. Foundation Quarterly Report
- B. Industry, Trades & Agriculture Report
- C. Business, Management & General Studies Report
- D. Staffing Update

INFORMATION AND CORRESPONDENCE

- A. Enrollment Report

- B. Chairperson's Report
- C. College President's Report
- D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

- A. Agenda
- B. Time and Place

ADJOURNMENT

{Facilities at Southwest Tech are handicap accessible. For all accommodations call 608-822-2400 or 608-822-2401 to reach the Director of Facilities, or e-mail accom@swtc.edu}

B. Minutes of the Regular Meeting of December 16, 2016



**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF
DIRECTORS OF SOUTHWEST WISCONSIN TECHNICAL COLLEGE
DECEMBER 16, 2016**

The Board of Southwest Wisconsin Technical College met in open session of a regular Board meeting commencing at 1:02 p.m. on December 16, 2016, in Rooms 492-493 on the District Campus located at 1800 Bronson Boulevard in the City of Fennimore, Grant County, Wisconsin. The following members were present:

Chuck Bolstad, James Kohlenberg, Darlene Mickelson, Russell Moyer, Eileen Nickels, Chris Prange and Donald Tuescher

Absent: Linda Erickson, Melissa Fitzsimons

Others present for all or a portion of the meeting included Dr. Jason S. Wood, College President; College Staff: Karen Campbell, Derek Dachelet, Katie Garrity, Stephen Goss, Dan Imhoff, Holly Miller, Krista Weber, and Caleb White.

Chairperson Kohlenberg called the meeting to order. Proof of notice was given as to the time, place, and purpose of the meeting. The following is the official agenda:

BOARD MEETING NOTICE/AGENDA

Friday, December 16, 2016

12:00 p.m. – Tour of a Mobile Health Unit Model

12:30 – Light Lunch

1:00 p.m. – Board Meeting

Room 492-493 – College Connection

AMENDED AGENDA

OPEN MEETING

The following statement will be read: "The December 16, 2016, Board regular meeting of the Southwest Wisconsin Technical College Board is called to order. This meeting is open to the public and in compliance with State Statutes. Notice of the meeting has been sent to the press and posted on campus and in the City of Fennimore in an attempt to make the general public aware of the time, place and agenda of the meeting."

- A. Roll Call
- B. Reports/Forums/Public Input

CONSENT AGENDA

- A. Approval of Agenda
- B. Minutes of the Regular Meeting of November 14, 2016
- C. Financial Reports

- D. Purchase Orders Greater than \$2,500
 - 1. Treasurer's Cash Balance
 - 2. Budget Control
 - 3. Contract Revenue
- E. Personnel Items
- F. American Association of Community Colleges 2017 Membership

OTHER ITEMS REQUIRING BOARD ACTION

- A. FY2016 Financial Audit Update
- B. Concept Review: Advanced Technical Certificate for a One-year Technical Diploma in Cancer Information Management
- C. Bid: Instrumentation Training Lab
- D. Bid: Welders for Mobile Welding Unit
- E. Second Reading of Governance Policy 4.3 – College Purposes

BOARD MONITORING OF COLLEGE EFFECTIVENESS

- A. Compensation Study Update
- B. Federal Civil Rights Audit Update
- C. Staffing Update

INFORMATION AND CORRESPONDENCE

- A. Enrollment Report
- B. Chairperson's Report
- C. College President's Report
- D. Other Information Items

ESTABLISH BOARD AGENDA ITEMS FOR NEXT MEETING

- A. Agenda
- B. Time and Place

ADJOURN TO CLOSED SESSION

- A. Consideration of adjourning to closed session for the purpose of
 - 1. Discussing personnel issues related to specific people per Wis. Statutes 19.85(1)(f) {Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.}.
 - 2. Approval of November 14, 2016, Closed Session Minutes

RECONVENE TO OPEN SESSION

- A. Action, if necessary, on Closed Session Items

ADJOURNMENT

{Facilities at Southwest Tech are handicap accessible. For all accommodations call 608-822-2400 or 608-822-2401 to reach the Director of Facilities, or e-mail accom@swtc.edu}

After a review of the Consent Agenda, including the December 16, 2016, agenda; November 14, 2016, Board minutes; financial reports; seven contracts totaling \$9,371.47 in November 2016; the employment recommendations of Haylee Freymiller – Administrative Assistant-Public Safety and Michael Madsen – Mathematics Instructor; the transfer of Dave Friesen, Network Administrator; the resignations of Scott Swan - Academic Success Coach and Edwin Edwards – Academic Success Coach, and the renewal of the 2017 American Association of Community Colleges membership, Mr. Moyer moved to approve the Consent Agenda. Mr. Prange seconded the motion; motion carried.

Caleb White provided an update on the FY2016 Financial Audit at the Board meeting. He noted that there was a new proclamation several years ago on how retirement dollars are reported in the College financials. There has been a delay in certification of the retirement dollars from the State of Wisconsin. The audit will be brought to the January Board meeting for approval.

Katie Garrity, Chief Academic Officer, presented the Concept Review for an Advanced Technical Diploma in Cancer Information Management. Dr. Garrity explained that the certificate is designed for individuals who have a Health Information Technology degree to meet the qualifications to certify as cancer tumor registrars. Ms. Nickels moved to approve the Concept Review for Cancer Information Management: Advanced Technical Diploma. Ms. Mickelson seconded the motion; motion unanimously approved.

A bid summary for installation of an instrumentation training unit lab was presented by Mr. White. There were four bids received for the lab equipment that will be used by the Electromechanical Technology, Instrumentation & Controls Technology, and Industrial Mechanic programs. Derek Dachelet, Dean of Industry, Trades & Agriculture, and Stephen Goss, Instrumentation & Controls Technology Instructor, explained that the primary employers in our district that use this type of equipment are food processing manufacturers. Fall 2017 enrollment numbers for the Instrumentation and Controls Technology program are very low and the addition of the lab should increase enrollments. Ms. Nickels moved to accept the low bid from Aspen Automation, Des Moines, IA, for the installation of an Instrumentation Training Unit Lab in the amount of \$177,110.00. Ms. Mickelson seconded the motion; the motion was unanimously approved.

Mr. White presented the bid summary for welders for the mobile welding lab. Five bids were received at the public bid opening on December 2, 2016. Mr. Moyer moved to accept the low bid from Mississippi Welders Supply, Madison, WI, for eight welders for the Mobile Welding Lab in the amount of \$46,765.00. Mr. Bolstad seconded the motion; motion carried.

Mr. Prange moved to approve the second reading of Governance Policy 4.3 – College Purposes. At the October 20, 2016, Board Retreat, the College Purposes were reviewed. The Board decided to include items that were missing from the Statutory Purposes. Ms. Nickels seconded the motion; the motion unanimously carried.

Krista Weber, Director of Human Resources, provided an update on the Compensation Study currently being conducted. The goal is to finalize the study and implement in early 2017. Groupings and the review of exempt staff have been completed. The consultants are working on the external market study and the internal equity review. Training will be held for the human resources staff on the data banding method to learn how to place new positions, and faculty compensation guidelines will be reviewed starting in January.

Ms. Weber and Dan Imhoff, Facilities Director, provided an update on the October 2016 Federal Civil Rights Audit. The report of the findings indicated several minor findings, which have been corrected. As part of the audit, a facilities accessibility report was included. There were multiple findings on engineering differences between the State and the engineers regarding sinks, which will be corrected.

Krista Weber provided an update on staffing. Current open positions include Academic Success Coach (nursing) part-time LTE, Paramedic Instructor, Financial Aid Assistant/Accounting Bursar, Electromechanical Outreach Instructor, and two part-time Academic Success Coaches.

The 2016-17 Comparison FTE Report and Fall 2017 application report were reviewed. The comparison fte report reflected a decrease in overall enrollment of 3+ percent with program enrollment showing an increase. The application report indicated similar numbers as compared to the previous year.

Under the College President's Report, Dr. Wood shared that the Higher Learning Commission accreditation team concluded the on-site review and have not submitted their report yet. Dr. Wood also informed the Board that the WTCS is looking at changing the threshold from \$500 to \$5,000 for capital expenditures. The February Board retreat was discussed with suggested topics of restructuring monitoring reports to align with Board ends and the college health indicators; long-range planning; and Board mentoring, training, application process, and the District Boards Association. Dr. Wood had participated in a science class kidney dissection and met with the student ambassadors/advisors. The Foundation's employee-giving campaign is at 85 percent of employees donating to the Foundation with the campaign to end on December 21.

Mr. Tuescher moved to adjourn to closed session for the purpose of discussing personnel issues related to specific persons per Wis. Statutes 19.85(1)(f). Mr. Bolstad seconded the motion. Upon a roll call vote with all members voting affirmatively, the Board meeting adjourned to closed session at 1:57 p.m.

The Board reconvened to open session at 2:13 p.m. With no further business to come before the Board, Mr. Moyer moved to adjourn the meeting with Ms. Mickelson seconding the motion. The motion carried and the meeting adjourned at 2:13 p.m.

Darlene Mickelson, Secretary

C. Financial Reports

1. Purchase Orders Greater than \$2,500

**SOUTHWEST WISCONSIN TECHNICAL COLLEGE
OUTSTANDING PURCHASE ORDERS GREATER THAN \$2,500
FOR THE PERIOD 12/01/2016 TO 12/31/2016**

<u>PO DATE</u>	<u>PO #</u>	<u>VENDOR NAME</u>	<u>PO AMOUNT</u>	<u>DESCRIPTION</u>
<u>GENERAL FUND</u>				
12/19/2016	6460	Fisher Scientific	\$ 3,170.65	Natural Science: D-MOTICAM Camera/tablet for microscope
SUBTOTAL			\$ 3,170.65	
<u>CAPITAL FUND</u>				
12/1/2016	6454	Lab Midwest	\$ 34,510.00	Electricity Apprentiship: AC Variable Frequency Drive Learning System
12/7/2016	6456	Seiler Instrument & Mfg	\$ 6,806.00	EPD: Trimble Juno 3B Handheld GPS
12/12/2016	6457	CDW Government	\$ 5,236.00	IT: Cisco ASA 5505 8 Port Security Appliance - Grant
12/12/2016	6458	NetSource Global	\$ 24,640.00	IT: Cisco 2911 Router (24) - Grant
12/12/2016	6459	Midwest Airflow & Collision Tech	\$ 7,650.00	Auto Body: Pro Spot PR5 Rivet Gun System
12/22/2016	6461	SOS Technologies	\$ 21,326.90	Paramedic/EMT: Cardiac Monitor/ACLS Monitor Equipment
SUBTOTAL			\$ 100,168.90	
<u>ENTERPRISE FUND</u>				
none this month				
SUBTOTAL			\$ -	
TOTAL			\$ 103,339.55	

2. Treasurer's Cash Balance

Southwest Wisconsin Technical College Report of Treasurers Cash Balance 12/31/2016

Liability End of Month Balances

FICA			
Federal Withholding			
State Withholding	70,458.53		
Teachers Retirement	-		
Wisconsin Retirement	-		
Hospitalization	-		
Dental Insurance	-		
Credit Union	-		
Tax Sheltered Annuity			
Deferred Compensation			
American Family Insurance	-		
Foundation	-		
PSA Dues	-		
SWACTE Dues	-		
Garnishment	-		
Child Care	-		
Accrued Vacation Payable	301,761.81		
Sick Leave Payable	514,552.36		
Other (Due To)	<u>14,249,445.77</u>		
Total Liability Adjustment	15,136,218.47		
Beginning Treasurers Balance			(1,717,693.68)
Receipt			
Fund			
1 General	109,191.91		
2 Special Revenue	-		
3 Capital Projects	8,704.00		
4 Debt Service	-		
5 Enterprise	61,382.64		
6 Internal Service	428,607.27		
7 Financial Aid/Activities	<u>152,219.98</u>		
Total Receipts		<u>760,105.80</u>	
Cash Available			(957,587.88)
Expenses			
Fund			
1 General	2,326,929.04		
2 Special Revenue			
3 Capital Projects	147,313.44		
4 Debt Service	-		
5 Enterprise	203,962.77		
6 Internal Service	40,682.32		
7 Financial Aid/Activities	<u>92,021.12</u>		
Total Expenses		<u>2,810,908.69</u>	
Treasurers Cash Balance			(3,768,496.57)
Liability Adjustment			<u>15,136,218.47</u>
Cash in Bank			\$11,367,721.90

3. Budget Control

**Southwest Wisconsin Technical College
YTD Summary for Funds 1-7
For 6 Months ended December 2016**

	<u>2016-17 Budget</u>	<u>2016-17 YTD Actual</u>	<u>2016-17 Percent</u>	<u>2015-16 Percent</u>	<u>2014-15 Percent</u>	<u>2013-14 Percent</u>	<u>2012-13 Percent</u>
General Fund Revenue	23,388,000.00	6,179,501.76	26.42	28.08	25.61	24.97	27.70
General Fund Expenditures	23,916,000.00	10,919,985.09	45.66	46.13	42.08	44.72	45.04
Capital Projects Fund Revenue	2,520,000.00	2,546,171.39	101.04	99.51	100.57	101.03	101.01
Capital Projects Fund Expenditures	2,755,000.00	991,823.32	36.00	24.50	41.99	37.91	15.79
Debt Service Fund Revenue	5,288,000.00	229,409.38	4.34	4.18	3.47	3.62	-
Debt Service Fund Expenditures	5,356,000.00	673,316.01	12.57	12.68	14.03	13.74	11.40
Enterprise Fund Revenue	2,100,000.00	880,038.47	41.91	49.08	48.60	48.12	49.04
Enterprise Fund Expenditure	2,000,000.00	905,315.88	45.27	45.90	44.64	41.47	45.14
Internal Service Fund Revenue	4,200,000.00	2,054,602.01	48.92	49.83	47.11	46.28	47.38
Internal Service Fund Expenditures	4,200,000.00	1,951,183.03	46.46	65.40	59.51	48.39	51.76
Trust & Agency Fund Revenue	8,000,000.00	3,583,709.73	44.80	41.39	43.27	48.33	50.92
Trust & Agency Fund Expenditures	7,950,000.00	3,568,464.96	44.89	41.63	44.40	49.11	50.38
Grand Total Revenue	45,496,000.00	15,473,432.74	34.01	29.24	33.30	34.23	35.81
Grand Total Expenditures	46,177,000.00	19,010,088.29	41.17	42.09	41.00	41.88	40.62

D. Contract Revenue

There are 11 contracts totaling \$27,189.43 in December 2016 being presented for Board approval. The Contract Revenue Report follows.

2016-2017 CONTRACTS
12/01/16 through 12/31/16

<u>Contract #</u>	<u>Service Provided</u>	<u>Contact</u>	<u>Number Served</u>	<u>Price</u>	<u>Exchange of Services</u> (Instructional Fees Waived)	<u>INDIRECT COST FACTOR</u>		
						<u>On-Campus</u>	<u>Off-Campus</u>	<u>Waiver</u>
03-2017-0120-F-23 Prosperity Southwest	Administrative and Fiscal Services	Amy Charles		\$ 2,708.33	No		X	
03-2017-0123-I-41 Bemis - Lancaster	MS Excel 2013 Beginner & Intermediate Training	Amy Charles	23	\$ 5,000.00	No		X	
03-2017-0128-I-41 Reilly Plumbing and Heating	Heartsaver CPR/AED Training	Kris Wubben	10	\$ 702.14	No		X	
03-2017-0136-I-41 Metz Welding	Heartsaver CPR/AED Training	Kris Wubben	9	\$ 450.00	No		X	
03-2017-0406-I-11 Dodgeville School District	WI Statute 118.15	Julie Pluemer	1	\$ 518.06	No		X	
03-2017-0408-I-11 Fennimore School District	WI Statute 118.15	Julie Pluemer	1	\$ 2,763.95	No	X		
03-2017-0410-I-11 Iowa Grant School District	WI Statute 118.15	Julie Pluemer	2	\$ 4,613.02	No	X		
03-2017-0412-I-11 Lancaster School District	WI Statute 118.15	Julie Pluemer	3	\$ 3,006.88	No		X	
03-2017-0416-I-11 Platteville School District	WI Statute 118.15	Julie Pluemer	2	\$ 3,533.85	No		X	
03-2017-0424-I-11 Riverdale School District	WI Statute 118.15	Julie Pluemer	1	\$ 1,249.45	No	X		
03-2017-0426-I-11 Southwestern School District	WI Statute 118.15	Julie Pluemer	1	\$ 2,643.75	No	X		
TOTAL of all Contracts			53	\$ 27,189.43				
Exchange of Services								
For Pay Service			53	\$ 27,189.43				

E. Personnel Items

One employment recommendation, two transfers, and one resignation are being presented for approval in the Personnel Report. The report is available below.

PERSONNEL REPORT January 26, 2017

Employment: NEW HIRES

Name	Brooke Mitchell
Title	Academic Success Coach - Nursing
Number of Applicants and Number Interviewed	6 applicants / 1 interviewed
Start Date	January 9, 2017
Salary/Wages	\$25.00/ hour
Classification	Part-time, Limited-Term
Education and/or Experience	Associate degrees in Nursing and Criminal Justice from Scott Community College with 5 years nursing experience.

PROMOTIONS / TRANSFERS

Heath Ahnen	Director of Information Technology
Anne Otto	Communication Instructor (Full-time, LTE)

RETIREMENTS / RESIGNATIONS

Derek Kruempel (Resignation 1/6/2017)	TAACCCT 4 Grant Coordinator
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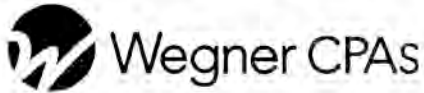
Recommendation: Approve the Consent Agenda.

Other Items Requiring Board Action

A. FY2016 Financial Audit Update

Wegner CPAs, Madison, WI, will present the audit report. The management representation letter and draft audit report are available electronically below.

Recommendation: Approve the 2015-16 Financial Audit as presented.



December 19, 2016

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

We have audited the financial statements of Southwest Wisconsin Technical College for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 16, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Southwest Wisconsin Technical College are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by Southwest Wisconsin Technical College during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the other post employment benefits (OPEB) liability is based on the unit credit actuarial cost method. We evaluated the key factors and assumptions used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension asset is based on the unit credit actuarial cost method as determined by Wisconsin Retirement System (WRS). We evaluated the key factors and assumptions used to develop the net pension asset in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Janesville Office:
101 E. Milwaukee Street
Suite 425
Janesville, WI 53545
P: (608) 756-4020

Baraboo Office:
123 Second Street
P.O. Box 150
Baraboo, WI 53913
P: (608) 356-3966
F: (608) 356-2966

Milwaukee Office:
W229N1433 Westwood Drive
Suite 105
Waukesha, WI 53186
P: (262) 522-7555
F: (262) 522-7550

Madison Office:
2110 Luann Lane
Madison, WI 53713
P: (608) 274-4020
F: (608) 274-0775

www.wegnercpas.com
info@wegnercpas.com
(888) 204-7665

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 19, 2016. Attached is a copy of management's written representations.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Southwest Wisconsin Technical College's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Southwest Wisconsin Technical College's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the schedule of net pension assets, schedule of funding progress for post employment benefit plans other than pension, schedule of net pension assets, and schedule of employer contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

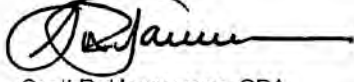
We were engaged to report on other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of board of directors and management of Southwest Wisconsin Technical College and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Wegner CPAs, LLP

A handwritten signature in black ink, appearing to read "S. Haumersen", with a long horizontal line extending to the right.

Scott R. Haumersen, CPA
Partner

Southwest Wisconsin Technical College
 Summary of Audit Differences
 Year Ended December 31, 2016

Description (Nature) of Audit Difference	Factual, Judgmental, or Projected	Cause	Financial Statement Effect—Amount of Over (Under) Statement of:				Change in Fund Balance/Net Assets	
			Total Assets	Total Liabilities	Fund Balance/Net Assets	Revenues		Expenses
Over recorded student AR as compared to student tuition software.	Factual	Financial software and student and tuition software do not match.	\$ 73,927	\$ -	\$ (73,297)	\$ -	\$ 73,297	\$ (73,297)
Effect of unadjusted audit differences—prior years								
Combined current and prior year audit differences			\$ 73,927	\$ -	\$ (73,297)	\$ -	\$ 73,297	\$ (73,297)
Financial statement caption totals			\$62,663,869	\$37,387,923	\$29,709,869	\$34,953,942	\$32,892,877	\$ 2,061,066
Current and prior year audit differences as % of financial statement captions			0.12%	0.00%	-0.25%	0.00%	0.22%	-3.56%

December 15, 2016

To Wegner CPAs, LLP

This representation letter is provided in connection with your audit of the financial statements of Southwest Wisconsin Technical College as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 15, 2016, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 25, 2016, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which Southwest Tech is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within Southwest Tech from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects Southwest Tech and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud Southwest Tech's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.

18. We have disclosed to you the identity of Southwest Tech's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
21. Southwest Tech has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
23. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
24. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
25. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
26. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
27. As part of your audit, you assisted with preparation of the financial statements, related notes, and schedule of expenditures of federal and state awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, and schedule of expenditures of federal and state awards.
28. Except as made known to you, Southwest Tech has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
29. Southwest Tech has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
30. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

31. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
32. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
33. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
34. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
35. Provisions for uncollectible receivables have been properly identified and recorded.
36. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
37. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
38. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
39. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
40. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
41. We have appropriately disclosed Southwest Tech's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
42. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
43. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
44. With respect to the supplementary information on which an in-relation-to opinion is issued,
 - a. We acknowledge our responsibility for presenting the combining and individual fund financial schedules in accordance with U.S. GAAP, and we believe the combining and individual fund financial schedules, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the combining and individual fund financial schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b. If the combining and individual fund financial schedules is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
45. With respect to federal and state award programs:
- a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* (the *Guidelines*), including requirements relating to preparation of the schedule of expenditures of federal and state awards.
 - b. We acknowledge our responsibility for presenting the schedule of expenditures of federal and state awards (SEFSA) and related notes in accordance with the requirements of the Uniform Guidance and the *Guidelines*, and we believe the SEFSA, including its form and content, is fairly presented in accordance with the Uniform Guidance and the *Guidelines*. The methods of measurement or presentation of the SEFSA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFSA.
 - c. If the SEFSA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFSA no later than the date we issue the SEFSA and the auditor's report thereon.
 - d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and the *Guidelines* compliance audit, and have included in the SEFSA, expenditures made during the audit period for all awards provided by federal and state agencies in the form of federal and state awards, federal and state cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
 - e. We are responsible for understanding and complying with, and have complied with, the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal and state programs and have identified and disclosed to you the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major federal and major state program.
 - f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provides reasonable assurance that we are managing our federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
 - g. We have made available to you all federal and state awards (including amendments, if any) and any other correspondence with federal and state agencies or pass-through entities relevant to federal and state programs and related activities.
 - h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
 - i. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the *OMB Compliance Supplement* and the appendices to the

Guidelines, relating to federal and state awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal and state awards.

- j. We have disclosed any communications from federal and state awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal or state agency or pass-through entity, as applicable.
- t. We have charged costs to federal and state awards in accordance with applicable cost principles.
- u. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and the *Guidelines*, and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- v. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- w. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

We have carefully read this letter before signing it and understand, while you have provided the language of this letter to us, we are making these representations to you. We understand our obligation to carefully consider the possibility that any of the representations are not accurate. We have inquired of other members of management or employees of Southwest Wisconsin Technical College to the extent necessary to obtain a high degree of assurance that these representations are true. We know that you will be relying on them in the issuance of your report.

Caleb J. White

Caleb White
Vice President for Administrative Services

Kelly Kelly

Kelly Kelly
Controller – Fiscal Services

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
Fennimore, Wisconsin

AUDITED FINANCIAL STATEMENTS

June 30, 2016 and 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Southwest Wisconsin Technical College, as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise Southwest Wisconsin Technical College'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.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Southwest Wisconsin Technical College'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 Southwest Wisconsin Technical College'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 opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Southwest Wisconsin Technical College, as of June 30, 2016 and 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress and employer contributions on pages 4-11 and 39-41 required to be presented to supplement the basic financial statements and related notes. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Southwest Wisconsin Technical College's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, and schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2016 on our consideration of Southwest Wisconsin Technical College'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 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 Southwest Wisconsin Technical College's internal control over financial reporting and compliance.

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
December 19, 2016

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

The discussion and analysis of the financial performance of Southwest Wisconsin Technical College (Southwest Tech) provides an overview of its financial activities, identifies changes in its financial position, and assists the reader of these financial statements in focusing on noteworthy financial issues for the fiscal year ended June 30, 2016.

Southwest Tech provides lifelong learning opportunities with an individualized focus for students and communities.

The analysis focuses on Southwest Tech's financial performance as a whole. It should be read in conjunction with Southwest Tech's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Southwest Tech's government-wide financial statements reflect the following:

- Received and managed 52 federal, state or local grants totaling \$2.81 million
- Updated official statement for borrowing and maintained Southwest Tech's rating of Aa2 through Moody's.
- Borrowed \$2.5 million at 1.35 percent interest rate.
- Continued participation in Districts Mutual Insurance (DMI), the insurance company formed by the colleges in the Wisconsin Technical College System to provide property and casualty coverage.
- Participated in the formation of Wisconsin Technical Colleges Employee Benefits Consortium (WTCEBC) with five other Wisconsin technical colleges to provide employee benefits. Initial service includes employee health coverage.
- Increase purchase card activity to over 7,200 annual transactions. As a result, the number of accounts payable checks being issued continues to decrease, saving time and money for Southwest Tech and increasing vendor satisfaction with payment timing.
- Disbursed student financial aid totaling \$3,180,572 in grants, \$3,175,634 in loans, and \$63,221 in college work study earnings.

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 performed by Southwest Tech are classified as either operating or non-operating activities. Because Southwest Tech receives the majority of its revenue from the taxpayers and other state and local governments, Southwest Tech will always report an operating deficit or loss.

The utilization of capital assets is reflected in the financial statements as depreciation, which expenses the cost of an asset over its expected useful life.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

The following summary shows a condensed version of the Statement of Revenues, Expenses, and Changes in Net Position:

Table 1
Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2016	2015	Change	% Change
OPERATING REVENUE				
Student fees	\$ 5,240,160	\$ 5,169,864	\$ 70,296	1.36
Federal grants	4,497,752	4,271,924	225,828	5.29
State grants	2,703,022	2,221,074	481,948	21.70
Contract revenues	2,137,306	2,393,146	(255,840)	(10.69)
Auxiliary revenues	2,213,087	1,813,337	399,750	22.04
Total operating revenues	16,791,327	15,869,345	921,982	5.81
OPERATING EXPENSES				
Instruction	15,483,174	14,958,528	524,646	3.51
Instructional resources	349,695	359,823	(10,128)	(2.81)
Student services	2,156,682	2,585,141	(428,459)	(16.57)
General institutional	3,673,642	3,447,868	225,774	6.55
Physical plant	1,928,771	1,933,290	(4,519)	(0.23)
Auxiliary enterprise services	2,258,952	1,870,994	387,958	20.74
Depreciation	2,504,915	2,583,745	(78,830)	(3.05)
Student aid	3,198,708	2,742,620	456,088	16.63
Total operating expenses	31,554,539	30,482,009	1,072,530	3.52
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	9,585,952	9,353,372	232,580	2.49
State appropriations	8,550,495	8,818,033	(267,538)	(3.03)
Investment income	26,168	24,848	1,320	5.31
Loss on disposal of capital assets	(10,576)	(5,116)	(5,460)	-
Interest expense	(1,327,762)	(1,990,859)	663,097	(33.31)
Total non-operating revenues	16,824,277	16,200,278	623,999	3.85
Increase in net assets	2,061,065	1,587,614	<u>\$ 473,451</u>	
Net assets - beginning of year	<u>27,648,804</u>	<u>26,061,190</u>		
Net assets - end of year	<u>\$ 29,709,869</u>	<u>\$ 27,648,804</u>		

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

Operating revenues are the charges for services offered by Southwest Tech. Total operating revenues increased \$921,982 or 5.81% for fiscal year 2016. These increases are primarily due to the following:

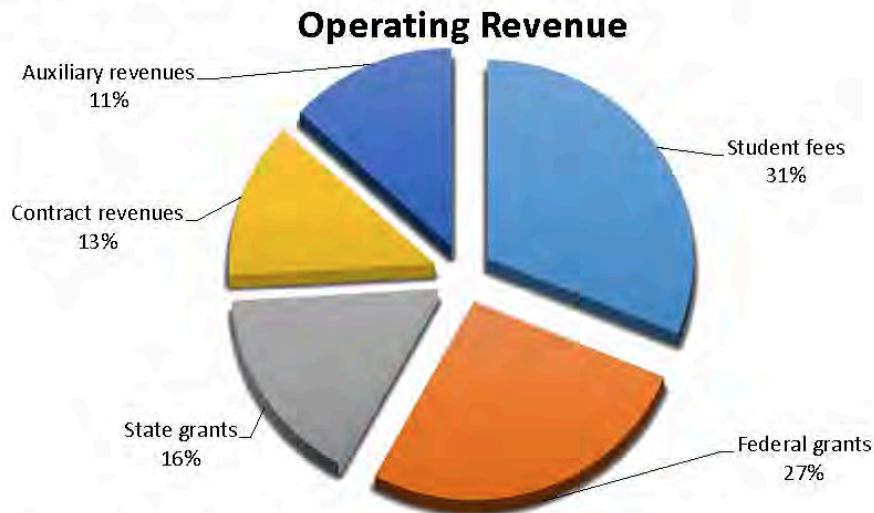
- During 2016 Southwest Tech generated \$5,240,160 for tuition and fees charged to students compared to \$5,169,864 in 2015. This was an increase of \$70,296 or 1.36%.
- The state increased tuition rates 2.0% and 3.0% in 2016 and 2015.
- Southwest Tech receives funding from the federal and state governments for specific purposes, including financial aid payments to students. Southwest Tech received \$7,200,775 for the federal and state governments for 2016 compared to \$6,492,998 for 2015. This figure is indicative of the continued efforts of Southwest Tech to seek out new sources of revenue.
 - ✓ For a second year in a row State revenue increased \$481,949 or 21.70% in 2016 compared to 2015. State funding levels fluctuate between years based on the specific grants available each year as well as the amount of funding the state provides for financial aid.
 - ✓ Federal funding increased \$225,828 or 5.29% in 2016 compared to 2015. The level of enrollment impacts the amount of federal financial aid that is awarded each year. Federal funding levels fluctuate between years based on the specific grants available each year as well as the amount of funding the state provides for financial aid.
- Revenue from industrial and technical assistance contracts with business and industry, local school districts, UW Platteville and the Department of Corrections was \$2,137,306 in 2016 and \$2,682,670 in 2015.
- Southwest Tech operates auxiliary enterprise operation such as the book store, food service, and childcare center. Southwest Tech had sales of \$2,213,087 for 2016 compared to \$1,813,337 for these activities.

Operating expenses are costs incurred for providing education, training and services. Total operating expenses increased \$1,072,530 or 2.43% compared to 2015. The majority of the Southwest Tech's expenses, 49%, are for instructional related costs. Student financial aid and general institutional accounts for an additional 22%, while auxiliary services and other expenses account for the remaining 29% of total operating expenses.

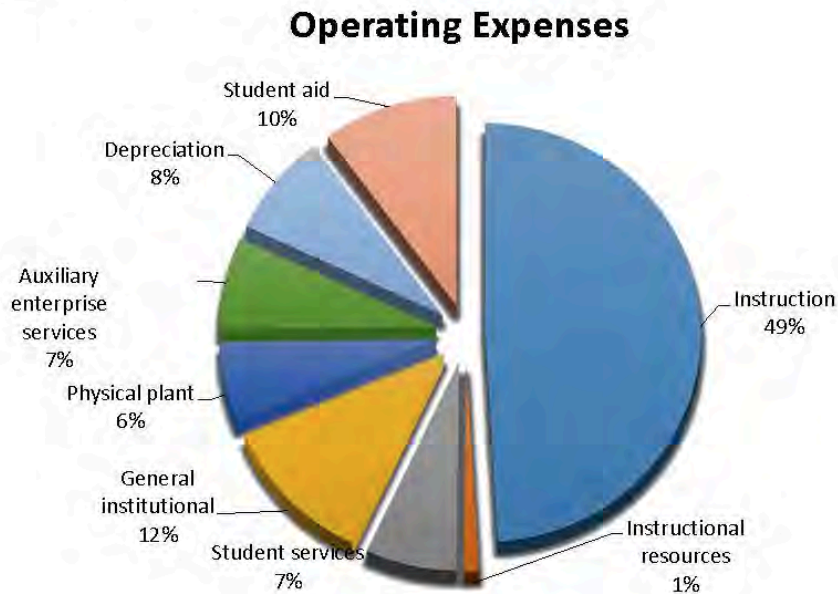
SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

The graph below depicts Southwest Tech's operating revenues by source:



The graph below categorizes operating expenses by function.



SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)

Non-operating revenues (expenses) are revenue and expense items not related directly to providing instruction. Net non-operating revenues decreased \$623,999 or 3.85% in 2016.

- State operating appropriations decreased \$268,458 or 3.03% in 2016. Final state aid payments are not received until November following the fiscal year end. State aid is determined by a formula that takes into consideration actual expenditures, student FTE's, and equalized property valuations of each of the sixteen technical colleges in Wisconsin.
- Property tax revenue increased \$232,580 or 2.49% in 2016 compared to 2015. Property taxes are the biggest source of funding for Southwest Tech.

STATEMENT OF NET POSITION

The Statement of Net Position includes all assets, (items that Southwest Tech owns and amounts that are owed to Southwest Tech by others) and liabilities (amounts Southwest Tech owes to others and what has been collected from others prior to providing the services). This statement is prepared using 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 Southwest Tech, regardless of when cash is exchanged.

Net position increased \$2,061,065 or 7.45% in 2016 compared to an increase of \$1,587,614 or 6.09% in 2015. Southwest Tech ended its fiscal year with net position of \$29,709,869 in 2016 of which \$15,722,773 was net investment in capital assets, \$299,472 was restricted for student financial aid, \$608,030 was restricted for capital projects, \$1,255,978 was restricted for debt service assistance, and \$11,823,616 was unrestricted net position. Unrestricted net position represents the amount of discretionary resources that can be used to fund general Southwest Tech operations.

Total assets decreased \$1,500,203 or 2.34% in 2016 and \$2,553,302 or 4.14% in 2015. Other assets decreased \$2,059,936 or 25.93%. Net capital assets decreased \$325,443 or 0.72% in 2016 compared to an increase of \$408,075 or 0.9% in 2015.

Southwest tech's current liabilities decreased \$555,117 or 7.55% in 2016 compared to an increase of 37,117 or .51% in 2015.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

STATEMENT OF NET POSITION (continued)

The components of the statement of net position are summarized in Table 2:

Table 2
Condensed Statements of Net Position

	2016	2015	Change	% Change
ASSETS				
Cash and cash equivalents	\$ 12,151,260	\$ 11,266,084	\$ 885,176	7.86
Net pension asset	-	2,128,893	(2,128,893)	(100.00)
Net capital assets	44,627,773	44,953,216	(325,443)	(0.72)
Other assets	5,884,836	5,815,879	68,957	1.19
Total assets	62,663,869	64,164,072	(1,500,203)	(2.34)
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension	7,422,364	1,754,913	5,667,451	322.95
LIABILITIES				
Current liabilities	6,794,053	7,349,170	(555,117)	(7.55)
Net pension liability	1,414,636	-	1,414,636	100.00
Long-term liabilities	29,179,234	30,921,011	(1,741,777)	(5.63)
Total liabilities	37,387,923	38,270,181	(882,258)	(2.31)
DEFERRED INFLOWS OF RESOURCES				
Related to pension	2,988,441	-	2,988,441	100.00
NET POSITION				
Net invested in capital assets	15,722,773	14,668,216	1,054,557	7.19
Restricted for student financial aid	299,472	250,662	48,810	19.47
Restricted for capital projects	608,030	371,793	236,237	63.54
Restricted for debt service	1,255,978	1,257,720	(1,742)	(0.14)
Unrestricted	11,823,616	11,100,413	723,203	6.52
Total net position	\$ 29,709,869	\$ 27,648,804	\$ 2,061,065	7.45

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2016, Southwest Tech had \$74,707,264 in capital assets, including land, land improvements, buildings and improvements, and moveable equipment. Total accumulated depreciation on these assets was \$30,078,491. Asset acquisitions totaled \$2,190,048. Southwest Tech recognized depreciation expense of \$2,504,915. Detailed information about capital assets can be found in Note 3 to the financial statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Long-term Debt

As of June 30, 2016, Southwest Tech had \$28,905,000 in general obligation debt outstanding compared to \$30,285,000 in 2015. Southwest Tech maintained its Aa2 rating from Moody's Investor service on its current and outstanding long-term debt. Debt service requirements of Southwest Tech are current and are secured by a tax levy adopted by the District Board. Wisconsin statutes require that the first property tax receipts be segregated for annual debt service payments. All general obligation debt for equipment is repaid in five years, while debt related to building and major remodeling is repaid in 10-20 years. The current debt adequately replaces and expands the equipment and facility needs of Southwest Tech. Detailed information about Southwest Tech's long-term debt is presented in Note 4 to the financial statements.

FINANCIAL POSITION

Southwest Tech continues to maintain a strong financial position. Its major revenue sources are property taxes, state aids, student tuition and fees, federal and state grants and contracts with business and industry.

Moody's "Aa2" rating reflects Southwest Tech's:

- Very diverse and large property tax base
- Good economic indicators as measured by medial household effective buying income (EBI)
- Very strong reserves supported by additional liquidity in enterprise funds
- Low overall net debt burden

"...stable outlook reflects our anticipation that management will continue to make budget and program adjustments that will minimize enrollment losses and further state changes to technical college district funding. We believe that the district's maintenance of very strong reserves and conservative budgeting provide wit with flexibility..."

ECONOMIC FACTORS

The current state's economy coupled with the state's continuing budget challenges causes considerable concern for future funding levels. Southwest Tech's strengths in countering an economic downturn are summarized in the following statements:

- Southwest Tech has articulation agreements with other institutions of higher learning that provide options for students to fulfill program requirements locally and finish with minimal time elsewhere
- Unique programs such as Golf Course Management, Midwifery and online programs/courses draw students from outside of the district and state

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

ECONOMIC FACTORS (continued)

- Southwest Tech is 1 of 2 colleges in the state technical college system that provide student housing on campus. This benefits students that decide not to commute or reside further than reasonable daily travel distances.
- The level of our fund balances affords us time and flexibility to adjust to changing conditions.
- Capital financing through debt service allows us to keep pace with current technology.
- A higher than average percentage of revenue is gained through grant opportunities.

Southwest Wisconsin Technical College faces challenges among which are:

- Historically below the state average in equalized valuation growth.
- Declining K-12 population equating to a smaller future customer base from high school graduates.
- Cost of operations continues to increase (wages, benefits, insurance, utilities, etc.)

These challenges make the execution of the budget a continuous work in progress as adjustments need to occur when revenue sources change. Southwest Tech has effectively survived previous difficult times and is a stronger institution as a result of it. The current financial position of the Southwest Tech allows us the flexibility to adjust to change and maintain this positive status in the future.

CONTACTING SOUTHWEST WISCONSIN TECHNICAL COLLEGE'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of Southwest Tech's finances for all those with an interest in Southwest Tech's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Caleb White, Vice President for Administrative Services, 1800 Bronson Boulevard, Fennimore, WI 53809.

Additional information about Southwest Wisconsin Technical College and its services can also be found at <http://www.swtc.edu>.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF NET POSITION
June 30, 2016 and 2015

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and investments	\$ 12,151,260	\$ 11,266,084
Taxes receivable	3,218,878	3,130,320
Accounts receivable, net	1,446,081	1,394,930
Student accounts receivable	554,369	542,479
Due from other governments	80,217	53,225
Inventories	483,333	539,308
Prepaid expenses	101,958	155,617
Total current assets	<u>18,036,096</u>	<u>17,081,963</u>
NONCURRENT ASSETS		
Net pension asset	-	2,128,893
Capital assets not being depreciated	813,962	813,962
Capital assets being depreciated, net	43,813,811	44,139,254
Total noncurrent assets	<u>44,627,773</u>	<u>47,082,109</u>
Total assets	<u>62,663,869</u>	<u>64,164,072</u>
DEFERRED OUTFLOWS OF RESOURCES		
Related to pension	7,422,364	1,754,913
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and other current liabilities	866,112	1,177,729
Accrued salaries and benefits	821,576	1,043,108
Accrued interest	77,922	81,001
Accrued self-insurance	282,779	431,000
Compensated absences	816,314	791,762
Unearned revenue	479,350	444,570
Current portion of long-term debt	3,450,000	3,380,000
Total current liabilities	<u>6,794,053</u>	<u>7,349,170</u>
NONCURRENT LIABILITIES		
Net pension liability	1,414,636	-
Long-term debt, net of current portion	25,455,000	26,905,000
Post-employment benefits	3,724,234	4,016,011
Total noncurrent liabilities	<u>30,593,870</u>	<u>30,921,011</u>
Total liabilities	<u>37,387,923</u>	<u>38,270,181</u>
DEFERRED INFLOWS OF RESOURCES		
Related to pension	2,988,441	-
NET POSITION		
Net investment in capital assets	15,722,773	14,668,216
Restricted		
Student financial assistance	299,472	250,662
Capital projects	608,030	371,793
Debt service	1,255,978	1,257,720
Unrestricted	<u>11,823,616</u>	<u>11,100,413</u>
Total net position	<u>\$ 29,709,869</u>	<u>\$ 27,648,804</u>

See accompanying notes to the financial statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2016 and 2015

	2016	2015
OPERATING REVENUES		
Tuition and fees		
Program fees (net of \$115,396 and \$169,056 scholarship allowances, respectively)	\$ 4,185,348	\$ 4,137,230
Material fees (net of \$6,924 and \$13,575 scholarship allowances, respectively)	339,803	332,211
Other student fees (net of \$16,155 and \$28,621 scholarship allowances, respectively)	715,009	700,423
Federal grants and contracts	4,497,752	4,271,924
State grants and contracts	2,703,022	2,221,074
Non-governmental grants and contracts	2,137,306	2,393,146
Auxiliary enterprise services	2,213,087	1,813,337
Total operating revenues	<u>16,791,327</u>	<u>15,869,345</u>
OPERATING EXPENSES		
Instruction	15,483,174	14,958,528
Instructional resources	349,695	359,823
Student services	2,156,682	2,585,141
General institution	3,673,642	3,447,868
Physical plant	1,928,771	1,933,290
Auxiliary enterprise services	2,258,952	1,870,994
Depreciation	2,504,915	2,583,745
Student aid	3,198,708	2,742,620
Total operating expenses	<u>31,554,539</u>	<u>30,482,009</u>
Operating loss	<u>(14,763,212)</u>	<u>(14,612,664)</u>
NONOPERATING REVENUES (EXPENSES)		
State appropriations	8,550,495	8,818,033
Local property taxes	9,585,952	9,353,372
Loss on disposal of capital assets	(10,576)	(5,116)
Investment income	26,168	24,848
Interest on capital asset-related debt	(1,327,762)	(1,990,859)
Total non-operating revenues (expenses)	<u>16,824,277</u>	<u>16,200,278</u>
Change in net position	2,061,065	1,587,614
Net position - beginning of year	<u>27,648,804</u>	<u>26,061,190</u>
Net position - end of year	<u>\$ 29,709,869</u>	<u>\$ 27,648,804</u>

See accompanying notes to the financial statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities		
Tuition and fees received	\$ 5,263,050	\$ 5,103,047
Federal and state grants received	7,173,782	6,505,523
Business, industry and school district contract revenues received	2,086,155	2,114,852
Payments to employees, including related benefits	(22,918,756)	(22,442,673)
Payments to suppliers	(6,105,310)	(5,759,560)
Auxiliary enterprise revenues received	2,213,087	1,813,337
Net Cash Flows from Operating Activities	<u>(12,287,992)</u>	<u>(12,665,474)</u>
Cash flows from non-capital financing activities		
Local property taxes received	9,497,394	11,735,950
State appropriations received	8,550,495	8,818,033
Net Cash Flows from Non-Capital Financing Activities	<u>18,047,889</u>	<u>20,553,983</u>
Cash flows from capital and related financing activities		
Purchases of capital assets	(2,190,048)	(2,996,935)
Proceeds from issuance of capital debt	2,500,000	7,715,000
Principal paid on capital debt	(3,880,000)	(8,490,000)
Interest paid on capital debt	(1,330,841)	(1,999,073)
Net Cash Flows from Capital and Related Financing Activities	<u>(4,900,889)</u>	<u>(5,771,008)</u>
Cash flows from capital and related financing activities		
Investment income received	26,168	24,848
Net Increase in Cash and Cash Equivalents	885,176	2,142,349
Cash and Cash Equivalents - Beginning of Year	11,266,084	9,123,735
Cash and Cash Equivalents - End of Year	<u>\$ 12,151,260</u>	<u>\$ 11,266,084</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$(14,763,212)	\$(14,612,664)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	2,504,915	2,583,745
Changes in assets and liabilities		
Accounts receivable, net	(51,151)	(278,294)
Student accounts receivable	(11,890)	(67,691)
Due from other governments	(26,992)	12,525
Inventories	55,975	109,047
Prepaid expenses	53,659	(32,150)
Net pension asset	864,519	(32,504)
Accounts payable and other current liabilities	(311,617)	(9,780)
Accrued salaries and benefits	(221,532)	(119,404)
Accrued self-insurance	(148,221)	-
Compensated absences	24,552	(46,360)
Unearned revenue	34,780	874
Post-employment benefits	(291,777)	(172,818)
Net cash used in operating activities	<u>\$(12,287,992)</u>	<u>\$(12,665,474)</u>

See accompanying notes to the financial statements.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Southwest Wisconsin Technical College (Southwest Tech), is comprised of five full Southwest Wisconsin counties and portions of four others, became operational on July 1, 1967, pursuant to Chapter 292, Laws of Wisconsin of 1965. The geographic area of the Southwest Tech is comprised of most of Crawford, Grant, Iowa, Lafayette, and Richland counties and part of Dane, Green, Sauk, and Vernon counties covering 3,800 square miles. There are 30 public K-12 school districts within Southwest Tech boundaries.

Southwest Tech is governed by a nine-member District Board elected by the 30 school districts boards comprising Southwest Tech. Pursuant to Wisconsin Statute, the District Board consists of two employer members, two employee members, three additional members, one elected official member who holds a state or local office, and one school district administrator. Board members serve staggered three-year terms. The District Board powers are established under the provisions of Chapter 38 of the Wisconsin Statutes and include:

- Authority to borrow money and levy taxes;
- Budgetary authority; and
- Authority over other fiscal and general management of Southwest Tech, 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 policies and directives.

The financial statements of Southwest Tech have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles.

Reporting Entity

The reporting entity of Southwest Tech is based upon criteria set forth by GASB Statement No. 61 *The Financial Reporting Entity: Omnibus an Amendment* to GASB Statements No. 14 and No. 34. The reporting entity for Southwest Tech consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. If a primary government appoints a voting majority of an organization's officials or if the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable for those organizations. An organization has a financial benefit or burden relationship with the primary government if, for example, any one of these conditions exists. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The report does not contain any component units.

Southwest Tech is affiliated with SWTC Foundation, Inc. (Foundation), a not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests exclusively for the maintenance and benefit of Southwest Tech. The Foundation is managed by an independent board of directors. Southwest Tech provides office space, certain equipment and furnishings, most related utility services and some insurance

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

coverage to the Foundation without charge. The financial resources of the Foundation are not significant to Southwest Tech as a whole and accordingly, financial information related to the Foundation is not included in these financial statements.

Basis of Accounting and Financial Statement Presentation

For financial reporting purposes, Southwest Tech is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements of Southwest Tech have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the years for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant inter-governmental transactions have been eliminated.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires Southwest Tech to make estimates and assumptions that affect the reported amounts of assets, deferred inflows and outflows of revenues and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

Cash and Cash Equivalents

Southwest Tech's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in the Local Government Investment Pool, and short-term investments with original maturities less than ninety days from date of acquisition.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. The SIF is not rated. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, 2016 and 2015, the fair value of Southwest Tech's share of the LGIP's assets was substantially equal to the amount reported in these statements.

Inventories

Inventories of books and supplies are stated at the lower of cost or market; cost is determined using the first-in, first-out method. Instructional and administrative inventories are expensed as incurred.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets are reported at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value at the time of receipt. Interest costs incurred during construction are not capitalized and are not considered material.

The costs of maintenance and repairs are charged to operations as incurred. Equipment assets having a cost of \$500 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on buildings and equipment is provided in amounts sufficient to relate the cost of depreciable assets to operations on the straight-line basis over the estimated useful life of the asset, which range from four to ten years for equipment and fifty years for buildings and remodeling.

Property Tax and Taxes Receivable

The District Board, under Section 38.16 of the Wisconsin Statutes, may levy a tax not to exceed 1.5 mills on the full value of taxable property within the area served by Southwest Tech for the purposes of operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation debt issued by Southwest Tech that is used for capital improvements and equipment additions.

Southwest Tech's operational mill rate was .61542 and .61744 mills for fiscal years ending 2016 and 2015. The debt service mill rate for the fiscal years ending 2016 and 2015 was .63559 and .63003 respectively.

Southwest Tech communicates its property tax levy to city, village and town treasurers or clerks in October of the fiscal year for which the taxes are levied.

The following dates are pertinent to Southwest Tech's tax calendar:

Levy date	Month of October
Tax bills are mailed	Month of October
Payments	
Taxes paid in one installment	January 31
Taxes paid in two installments:	
First installment due	January 31
Second installment due	July 31

Historically, Southwest Tech has received the majority of its property tax levy from municipalities in the fiscal year for which the taxes were levied. However, in most fiscal years, a portion of such revenues has been receivable at year-end because the second installment of real estate taxes and delinquent taxes is not required to be collected by the county treasurer until the month of August following Southwest Tech's year-end.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Southwest Tech employees are granted vacation, and sick leave benefits in varying amounts in accordance with Southwest Tech policies. In the event of retirement, death or resignation of an employee, Southwest Tech is obligated to pay for all unused vacation days. All vacation is accrued when incurred as accrued compensated absences in the statement of net position.

Pensions

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

Post-Employment Benefits

For employees hired prior to July 1, 2006, Southwest Tech's employee fringe benefit program includes a provision which allows academic, administrative, and support staff to be carried with the group insurance plan or plans at their own expense after retirement or layoff. However, the Board will continue to pay health insurance premiums based on type of employee and years of service or number of accumulated hours of sick leave.

For employees, any academic staff, administrative staff, or support staff with less than thirteen years of service to Southwest Tech that retire under the Wisconsin Retirement System or are laid off, one-half of their unused accumulated sick leave at full pay will be used to continue the payment of health insurance premiums at the time of retirement or layoff.

At time of separation, support staff with thirteen or more years of service to Southwest Tech will have one years' worth of health insurance premiums banked to pay future post separation premiums. Those with fifteen or more years of service to Southwest Tech will have two years' worth of health insurance premiums banked to pay future post separation premiums. Those with seventeen or more years of service will have three years' worth of health insurance premiums banked to pay future separation premiums.

Academic and administrative staff with thirteen or more years of service to Southwest Tech will have three years' worth of health insurance premiums banked to pay future separation premiums. Those with fifteen or more years of service will have four years' worth of health insurance premiums banked to pay future post separation premiums. Those with seventeen or more years of service will have five years' worth of health insurance premiums banked to pay future post separation premiums.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Southwest Tech has three items that meet this criterion, expected vs. actual experience of the pension plan, expected vs. actual investment income of the pension plan, and contributions after measurement date. All deferred outflows relate to the pension activity.

Fees and Tuition

Fees and tuition 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. Southwest Tech's student fee receivable is stated at amounts due from students, net of an allowance for doubtful accounts. Amounts outstanding longer than the agreed upon payment terms are considered past due. Southwest Tech determines its allowance for doubtful accounts by considering a number of factors including length of time amounts are past due, Southwest Tech's previous loss history and the student's ability to pay his or her obligation. Southwest Tech writes off receivables when they become uncollectible, and payments subsequently collected on such receivables are credited to the allowance for doubtful accounts.

State and Federal Revenues

Southwest Tech receives funding from various federal and state contracts and grants. These revenues are earned as expenses are incurred. Such expenses may be incurred during the grantor's fiscal period, which may be different than that of Southwest Tech.

Southwest Tech participates in federally funded Pell Grants, SEOG Grants, Federal Work Study and Federal Direct Student Loan Programs. Federal and State programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*.

Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the following method: All aid is reflected in the basic financial statements as operating expenses or scholarship allowances, which reduce revenues. Southwest Tech receives and disburses cash and, as a result, must record all federal and state loan funds as federal and state grants, and the crediting of the funds to the student's account as student aid expense. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Revenue and Expense

Southwest Tech has classified its revenue and expenses as either operating or non-operating according to the following criteria:

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

Non-operating revenues/expenses – Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions. Non-operating revenues as defined by GASB Statement No.9, *Reporting Cash Flows 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 gifts and contributions, and other revenue sources.

Self-Insurance

Southwest Tech is self-insured for health and dental coverage. Southwest Tech accounts for its medical self-insurance program in an internal service fund. The purpose of this fund is to pay medical insurance claims of Southwest Tech employees and their covered dependents and to minimize the total costs of annual insurance to Southwest Tech. The accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred, but not yet reported. The amounts not reported to Southwest Tech were determined by the Plan administrator.

Net Position

Net position is classified according to restrictions on availability of assets for satisfaction of Southwest Tech's obligations.

Net investment in capital assets: The value of capital assets (land, buildings and equipment) less the debt incurred to acquire or construct the assets plus the borrowed resources not yet expended, but restricted for capital purchases.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted net position: Restricted net position includes resources in which Southwest Tech is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

- 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.
- Restricted net position for student financial assistance can only be used for student financial assistance activities.
- Restricted net position for capital projects results from unspent from general obligation debt issued specifically for capital projects.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services provided by educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of Southwest Tech and may be used at the discretion of the governing board to meet current expenses. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, Southwest Tech's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

NOTE 2—CASH AND CASH EQUIVALENTS

Southwest Tech cash and cash equivalents consist of the following at June 30:

	2016	2015	Risk
Cash and cash equivalents:			
Cash on hand	\$ 3,000	\$ 1,600	
Deposit accounts	10,983,763	10,103,151	Custodial
Local Government Investment Pool	1,164,497	1,161,333	Credit and interest
Total cash and cash equivalents	\$ 12,151,260	\$ 11,266,084	

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 2—CASH AND CASH EQUIVALENTS (continued)

Southwest Tech voluntarily invests excess funds in the Wisconsin Local Government Investment Pool (LGIP), an external investment pool. The LGIP is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. The SIF is not rated. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At June 30, the fair value of the Southwest Tech's share of the LGIP's assets was substantially equal to the amounts reported above.

Southwest Tech is limited to investments authorized by Wisconsin State Statute 66.0603 including the following:

1. Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association which is authorized to transact business in the state if the time deposits mature in not more than three years.
2. Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board, or other instrumentality of the federal government.
3. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state, as well as bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, the University of Wisconsin Hospitals and Clinics Authority, a local cultural arts district, or the Wisconsin Aerospace Authority.
4. Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's corporation, Moody's investors service, or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
5. Securities of an open-end management investment company or investment trust, with certain limitations:
 - a. Bonds or securities issued under the authority of the municipality;
 - b. The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes; the state of Wisconsin local government investment fund (LGIP)
 - c. Agreements in which a public depository agrees to repay funds advanced to it by Southwest Tech, plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
 - d. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
 - e. Repurchase agreements with public depositories, with certain conditions.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 2—CASH AND CASH EQUIVALENTS (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, Southwest Tech would 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 bank balances were \$11,354,897 and \$10,085,849 at June 30, 2016 and 2015. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations. As of June 30, 2016, \$250,000 of Southwest Tech's deposits was covered by the FDIC, and \$11,104,897 was secured by pledged securities.

For investments, custodial credit risk is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to the transaction, Southwest Tech will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Southwest Tech's investment policy minimizes credit risk by limiting investments to the safest type of securities and diversifying the investment portfolio. Individual securities may not exceed 5% of the market value of the portfolio at the time of purchase with the exception of U.S. Government issues fully guaranteed as to both principal and interest by the U.S. government or agencies thereof, shares of open-ended investment companies, the LGIP, or the Wisconsin Investment Series Cooperative (WISC). The LGIP and WISC do not carry a credit quality rating.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, Southwest Tech's investment policy limits the maturity of any security to no more than five years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is less. The policy indicates that the investment portfolio should be structured so that securities mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The policy sets a maximum duration range of two years with a target duration of one year. As of June 30, 2016, Wisconsin Local Government Investment Pool (LGIP) investments have a maturity of 12 months or less.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 3—CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2016:

	Balance 7/1/2015	Additions	(Deletions)	Balance 6/30/2016
Capital assets not being depreciated				
Land	\$ 813,445	\$ -	\$ -	\$ 813,445
Construction in progress	517	-	-	517
Total capital assets not being depreciated	813,962	-	-	813,962
Capital assets being depreciated				
Land improvements	1,067,977	641,015	-	1,708,992
Buildings & improvements	46,374,063	-	-	46,374,063
Equipment	24,306,093	1,549,033	(44,879)	25,810,247
Total capital assets being depreciated	71,748,133	2,190,048	(44,879)	73,893,302
Less accumulated depreciation for				
Land improvements	529,842	44,674	-	574,516
Buildings & improvements	9,381,397	1,164,578	-	10,545,975
Equipment	17,697,640	1,295,663	(34,303)	18,959,000
Total accumulated depreciation	27,608,879	2,504,915	(34,303)	30,079,491
Total capital assets being depreciated-net	44,139,254	(314,867)	(10,576)	43,813,811
Net capital assets	44,953,216	<u>\$ (314,867)</u>	<u>\$ (10,576)</u>	44,627,773
Less general obligation debt	<u>(30,285,000)</u>			<u>(28,905,000)</u>
Total net investment in capital assets	\$ 14,668,216			\$ 15,722,773

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 3—CAPITAL ASSETS (continued)

The following is a summary of changes in capital assets for the year ended June 30, 2015:

	Balance 7/1/2014	Additions	(Deletions)	Balance 6/30/2015
Capital assets not being depreciated				
Land	\$ 813,445	\$ -	\$ -	\$ 813,445
Constructions in progress	656,980	-	(656,463)	517
Total capital assets not being depreciated	1,470,425	-	(656,463)	813,962
Capital assets being depreciated				
Land improvements	1,046,567	21,410	-	1,067,977
Buildings & improvements	44,116,275	2,257,788	-	46,374,063
Equipment	23,032,312	1,374,200	(100,419)	24,306,093
Total capital assets being depreciated	68,195,154	3,653,398	(100,419)	71,748,133
Less accumulated depreciation for				
Land improvements	485,703	44,139	-	529,842
Buildings & improvements	8,233,898	1,147,499	-	9,381,397
Equipment	16,400,837	1,392,107	(95,304)	17,697,640
Total accumulated depreciation	25,120,438	2,583,745	(95,304)	27,608,879
Total capital assets being depreciated-net	43,074,716	1,069,653	(5,115)	44,139,254
Net capital assets	44,545,141	<u>\$ 1,069,653</u>	<u>\$ (661,578)</u>	44,953,216
Less general obligation debt	(31,060,000)			(30,285,000)
Total net investment in capital assets	<u>\$ 13,485,141</u>			<u>\$ 14,668,216</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 4—LONG-TERM OBLIGATIONS

Long-term obligations of Southwest Tech consist of general obligation bonds, general obligation promissory notes and compensated absences for vacation and sick pay benefits.

Changes in long-term obligations for the years ended June 30, 2016 and 2015 was as follows:

	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Due Within One Year
Notes and bonds payable	\$ 30,285,000	\$ 2,500,000	\$ 3,880,000	\$ 28,905,000	\$ 3,450,000
Accrued compensated absences	791,762	586,373	564,495	813,640	813,460
Total long-term liabilities	<u>\$ 31,076,762</u>	<u>\$ 3,086,373</u>	<u>\$ 4,444,495</u>	<u>\$ 29,718,640</u>	<u>\$ 4,263,460</u>

	Balance 7/1/2014	Additions	Reductions	Balance 6/30/2015	Due Within One Year
Notes and bonds payable	\$ 31,060,000	\$ 7,715,000	\$ 8,490,000	\$ 30,285,000	\$ 3,380,000
Accrued compensated absences	838,122	373,672	420,032	791,762	791,762
Total long-term liabilities	<u>\$ 31,898,122</u>	<u>\$ 8,088,672</u>	<u>\$ 8,910,032</u>	<u>\$ 31,076,762</u>	<u>\$ 4,171,762</u>

All general obligation debt is secured by the full faith and credit and taxing powers of Southwest Tech. Long-term debt will be retired by future property tax levies and resources accumulated in the debt service fund.

Wisconsin State Statute 67.03 (1) limits total general obligation debt of Southwest Tech to 5% of the equalized value of taxable property located within the district. Wisconsin State Statute 67.03 (9) limits bonded indebtedness of Southwest Tech to 2% of the equalized value of taxable property, including tax incremental districts. The legal debt limit and the margin of indebtedness, as of June 30, 2016 is as follows:

	Bonds	Aggregate
Debt limit (2% for bonds, 5% for aggregate)	\$ 153,642,612	\$ 384,106,531
Debt outstanding at June 30, 2016 net of resources available to pay principle	<u>23,905,000</u>	<u>28,905,000</u>
Margin of indebtedness:	<u>\$ 129,737,612</u>	<u>\$ 355,201,531</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 4—LONG-TERM OBLIGATIONS (continued)

General obligation debt at June 30, 2016 and 2015 are as follows:

	<u>Buyer</u>	<u>2016</u>	<u>2015</u>
2008 \$8,000,000 general obligation school improvement bonds payable with annual principle payments of \$150,000 - \$585,000 through June 1, 2028, interest at 4.00%-4.75%, payable semi-annually in June 1 and December 1. Proceeds used to finance construction and remodeling.	Sterne, Agee & Leach, Inc.	\$ 725,000	\$ 1,065,000
2009 \$23,900,000 taxable general obligation Build America Bonds payable, authorized by the American Recovery and Reinvestment Act, with annual principle payments of \$600,000 - \$1,745,000 through June 1, 2029, interest at 1.65%-6.125%, payable semi-annually in June 1 and December 1. Interest payments are reduced by a 35% federal subsidy. Proceeds used to finance new construction and remodeling.	Robert W. Baird	18,050,000	19,035,000
2011 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2016, interest at 1.0%-2.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Robert W. Baird	-	500,000
2012 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2017, interest at 0.40%-1.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	UMB Bank, N.A	500,000	1,000,000
2013 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2018, interest at 1.75%-2%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Robert W. Baird	1,000,000	1,500,000

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 4—LONG-TERM OBLIGATIONS (continued)

	<u>Buyer</u>	<u>2016</u>	<u>2015</u>
2014 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2019, interest at 0.5-2.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Robert W. Baird	1,500,000	2,000,000
2014 \$5,215,000 general obligation refunding bonds payable with annual principle payments of \$30,000-\$575,000 through June 1, 2028, interest at 2.0-3.0%, payable semi-annually June 1 and December 1.	Robert W. Baird	5,130,000	5,185,000
2015 \$2,500,000 promissory notes payable with annual principle payments of \$500,000 through June 1, 2020, interest at 2.0%, payable semi-annually in June 1 and December 1. Proceeds used to finance remodeling, facility improvements, and equipment purchases.	Robert W. Baird	2,000,000	-
Total General Obligation Debt		<u>\$ 28,905,000</u>	<u>\$ 30,285,000</u>

Future debt service requirements as of June 30, 2016 are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,450,000	\$ 926,807	\$ 4,376,807
2018	3,025,000	846,129	3,871,129
2019	2,600,000	758,203	3,358,203
2020	2,170,000	691,765	2,861,765
2021	1,750,000	631,529	2,381,529
2022-2026	9,745,000	2,194,339	11,939,339
2027-2031	6,165,000	457,223	6,622,223
	<u>\$ 28,905,000</u>	<u>\$ 6,505,995</u>	<u>\$ 35,410,995</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 5—EMPLOYEE'S RETIREMENT SYSTEM

General Information about the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits. The WRS also provides death and disability benefits for employees.

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

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. During the current and prior reporting periods, the WRS recognized \$837,279 and \$850,618 in contributions from the employer.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016 and 2015, Southwest Tech reported a liability (asset) of \$1,414,636 and (\$2,128,894) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2014 rolled forward to December 31, 2015. Southwest Tech reported \$ 989,741 of deferred outflows for changes in assumptions between the actuarial valuation date and the measurement date. Southwest Tech's proportion of the net pension liability (asset) was based on Southwest Tech's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2015 and 2014, Southwest Tech's proportion was 0.08705556% and 0.08667168% %.

For the years ended June 30, 2016 and 2015, Southwest Tech recognized pension expense of \$1,692,285 and \$834,129.

At June 30, 2016, Southwest Tech reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 238,261	\$ (2,977,077)
Changes in assumptions	989,741	-
Net differences between projected and actual earnings on pension plan investments	5,788,498	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(11,364)
Employer contributions subsequent to the measurement date	<u>405,864</u>	<u>-</u>
Total	<u>\$ 7,422,364</u>	<u>\$ (2,988,441)</u>

At June 30, 2016, Southwest Tech reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 308,623	\$ -
Net differences between projected and actual earnings on pension plan investments	1,030,913	-
Employer contributions subsequent to the measurement date	<u>415,377</u>	<u>-</u>
Total	<u>\$ 1,754,913</u>	<u>\$ -</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

At June 30, 2016 and 2015, \$405,864 and \$415,377 were reported as deferred outflows related to pension resulting from Southwest Tech's contributions subsequent to the measurement date. Deferred outflows will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 1,821,467	\$ (723,442)
2017	1,821,467	(723,442)
2018	1,821,467	(723,442)
2019	1,520,434	(722,648)
2020	31,665	(95,467)
	<u>\$ 7,016,500</u>	<u>\$ (2,988,441)</u>

Actuarial assumptions. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2014
Measurement Date of Net Pension Liability (Asset)	December 31, 2015
Actuarial Cost Method:	Entry age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2015 is based upon a roll-forward of the liability calculated from the December 31, 2014 actuarial valuation.

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities	27%	23%	7.6%	4.7%
International equities	24.5	22	8.5	5.6
Fixed income	27.5	37	4.4	1.6
Inflation sensitive assets	10	20	4.2	1.4
Real estate	7	7	6.5	3.6
Private equity/debt	7	7	9.4	6.5
Multi-asset	4	4	6.7	3.8
Total core fund	107%	120%	7.4%	4.5%
<u>Variable Fund Asset Class</u>				
U.S. equities	70%	70%	7.6%	4.7%
International equities	30	30	8.5	5.6
Total variable fund	100%	100%	7.9%	5.0%

Single Discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.57%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Southwest Tech's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents Southwest Tech's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what Southwest Tech's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	<u>1% Decrease to Discount Rate (6.2%)</u>	<u>Current Discount Rate (7.2%)</u>	<u>1% Increase to Discount Rate (8.2%)</u>
Southwest Tech's proportionate share of net pension liability (asset) - 2015	\$ 9,922,284	\$ 1,414,636	\$ (5,229,989)
Southwest Tech's proportionate share of net pension liability (asset) - 2014	\$ 6,005,975	\$ (2,128,894)	\$ (8,553,484)

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 5 – EMPLOYEE'S RETIREMENT SYSTEM (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://legis.wisconsin.gov/lab/>.

NOTE 6—OTHER POST-EMPLOYMENT BENEFITS

Southwest Tech provides other post-employment benefits (OPEB) for its employees through a single-employer retiree benefit plan that provides postemployment health and dental insurance benefits to eligible employees and their spouses in accordance with employee contracts. There are approximately 181 active and 68 retired members in the plan as of June 30, 2016. Benefits and eligibility are established and amended by the governing body.

Funding Policy. Southwest Tech has no invested plan assets accumulated for payment of future benefits. The employer makes all contributions. Southwest Tech's funding policy is to provide annual contributions on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. Southwest Tech's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of Southwest Tech's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in Southwest Tech's net OPEB obligation:

Annual required contribution	\$	368,605
Interest on net OPEB obligation		55,237
Adjustment to annual required contribution		<u>(60,145)</u>
Annual OPEB cost (expense)		363,697
OPEB payments made		<u>(655,474)</u>
Increase in net OPEB obligation		(291,777)
Net OPEB obligation - beginning of year		<u>1,380,935</u>
Net OPEB obligation - end of year	\$	<u>1,089,158</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Southwest Tech's annual OPEB costs, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for June 30, 2016 and the preceding two years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2016	\$ 363,697	180.23%	\$ 1,089,158
6/30/2015	\$ 363,496	172.64%	\$ 1,380,935
6/30/2014	\$ 362,554	173.09%	\$ 1,437,471

Funded Status and Funding Progress. As of July 1, 2013, the most recent actuarial valuation date, Southwest Tech's actuarial accrued liability (AAL) for benefits was \$5,919,556 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability (UAAL) of \$5,919,556. The annual payroll for active employees covered by the plan in the actuarial valuation for the fiscal year was \$5,795,408 for a ratio of the UAAL to covered payroll of 102.14%.

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, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013, actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return and an initial annual healthcare cost trend rate of 7.50%, reduced by decrements to an ultimate rate of 5%. Both rates include a 3% inflation assumption. The UAAL is being amortized on a level dollar basis. The remaining amortization period on July 1, 2013 was 27 years.

NOTE 7—COMMITMENTS AND CONTINGENCIES

Southwest Tech has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 7—COMMITMENTS AND CONTINGENCIES (continued)

From time to time Southwest Tech is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and Southwest Tech's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Southwest Tech's financial position.

Operating Leases

Southwest Tech leases various facilities as outreach center to off Adult Basic Education, GED/HSED and other course options. Current facilities are located in Richland Center, Fennimore, Platteville and Darlington. Future minimum lease payments for the years ending June 30, 2017, 2018, and 2019 are \$128,185, \$72,584, and \$30,122. Rent expenses under all operating leases for the years ended June 30, 2016 and 2015 \$52,601 and \$48,281.

NOTE 8—RISK MANAGEMENT

Districts Mutual Insurance Company (DMI)

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company 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. Southwest Tech's exposure to its layer of insurance is limited to its deductible amounts, which vary by coverage from \$2,500 to \$100,000 per occurrence. DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

Each member college is assessed an annual premium. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company. Since DMI is fully capitalized, member districts have not been assessed a capitalization amount for fiscal years 2016 and 2015.

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

Supplemental Insurance

In July 1997, 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. Member entities include all sixteen Wisconsin Technical College System districts.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE 8 – RISK MANAGEMENT (continued)

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

- *Foreign travel liability:* \$2,000,000 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, \$15,000 deductible for employee dishonesty, forgery, and fraud.
- *Business Travel Accident:* Coverage for Local Board of Trustee Members \$1,000,000 aggregate general; \$100,000 for scheduled losses, assistance services medical evacuation and repatriation.

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

Health Insurance

As of July 1, 2015, Southwest Tech joined together with other colleges in the State to form the Wisconsin Technical College Employee Benefits Consortium (WTCEBC). WTCEBC is a public entity risk pool that Southwest Tech participates in to provide health insurance coverage to its employees. The main purpose of WTCEBC is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Southwest Tech pays WTCEBC a monthly premium based on the number of participants and the type of coverage that has been elected. Individual claims below \$100,000 are self-funded by Southwest Tech. Any individual claim exceeding \$100,000 but less than \$250,000 is shared in a pooled layer among all of the colleges participating in the consortium. Individual claims exceeding \$250,000 and aggregate claims exceeding \$1,000,000 are subject to reinsurance.

The claims liability of \$282,779 and \$431,000 reported at June 30, 2016 and 2015 is based on the requirements of Governmental Accounting Standards Board 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. Changes in the fund's claims liability amount were:

	Estimated claims outstanding			
	Beginning Balance	Claims IBNR	Claim Payments	Ending Balance
2016	\$ 431,000	\$ 3,825,173	\$ 3,676,952	\$ 282,779
2015	431,000	4,258,096	4,258,096	431,000

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 9—SUBSEQUENT EVENT

On July 11, 2016, Southwest Tech issued \$2,500,000 of General Obligation Promissory Notes, the proceeds of which are to be used for the public purpose of paying building remodeling and improvement costs and acquiring movable equipment. The interest rate on these bonds is 1.01%.

REQUIRED SUPPLEMENTARY INFORMATION

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2015	2014
The District's proportion of the net pension liability	0.087056%	0.086672%
The District's proportionate share of the net pension liability	\$ 1,414,636	\$ (2,128,893)
The District's covered-employee payroll	\$ 12,311,841	\$ 12,149,964
The District's proportionate share as a percentage of covered payroll	11.49%	17.52%
Plan fiduciary net position as a percentage of the total pension liability	98.20%	102.74%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

SCHEDULE OF CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
Last 10 Fiscal Years*

	2015	2014
Contractually required contributions	\$ 837,279	\$ 850,618
Contributions in relation to the contractually required contributions	\$ 837,279	\$ 850,618
The District's covered-employee payroll	\$ 12,311,841	\$ 12,149,964
Contributions as a percentage of covered-employee payroll	6.80%	7.00%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See accompanying notes to the required supplementary information.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS
 June 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll (b-a/c)
7/1/2013	\$ -	\$ 5,919,556	\$ 5,919,556	0.00%	\$ 5,795,408	102.14%
7/1/2012	\$ -	\$ 6,699,033	\$ 6,699,033	0.00%	\$ 6,456,777	103.75%
7/1/2010	\$ -	\$ 11,936,782	\$ 11,936,782	0.00%	\$ 12,396,947	96.29%

See accompanying notes to the required supplementary information.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

NOTE 1—BUDGETS AND BUDGETARY ACCOUNTING

Southwest Tech's reporting structure used in the preparation of 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 process includes an administrative compilation and review of campus and departmental requests, public hearings, and approval by the District Board prior to June 30 of each year. Capital outlays for multi-year projects are budgeted annually in the Capital Projects Fund upon planned inception of the project.

Local property taxes are levied on a calendar year basis by various taxing municipalities located in Southwestern Wisconsin. Southwest Tech records as revenue its share of the local tax when levied.

Annual budgets are prepared on a different basis from the basic financial statements by recognizing encumbrances as expenditures and by recognizing revenues related to encumbrances.

The legal level of control for each budget is by function and within each fund. Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in expenditures (appropriations) require approval by the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes. The budget was modified during the year and also subsequent to the fiscal year end. These budget modifications reflect (1) actual property tax revenues in excess of estimates; (2) changes in expected state aid payments, both for the current year and prior year adjustments; (3) various other minor adjustments. Expenditures may not exceed appropriations. Unencumbered appropriations lapse at the end of each fiscal year. Management is authorized to transfer appropriations within functions without the approval of the Board.

NOTE 2—SCHEDULE OF CONTRIBUTIONS

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

Changes of assumptions. Southwest Tech reported a deferred outflow of \$989,741 for change in assumption for the year ended June 30, 2016.

OTHER SUPPLEMENTARY INFORMATION

The following supplementary information is provided to document Southwest Tech'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 Southwest Tech. At the end of this section is a reconciliation between the two methods.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			Variance with Final Budget	2015 Actual (Budgetary Basis)
	Original Budget	Final Budget	Actual on a Budgetary Basis		
REVENUES					
Local government - tax levy	\$ 4,700,000	\$ 4,700,000	\$ 4,745,952	\$ 45,952	\$ 4,613,372
Intergovernmental revenue					
State	10,940,000	10,940,000	10,750,750	(189,250)	10,556,155
Federal	928,000	928,000	1,404,653	476,653	1,199,187
Tuition and fees					
Statutory program fees	4,080,000	4,080,000	4,185,348	105,348	4,137,230
Materials fees	320,000	320,000	339,803	19,803	332,211
Other student fees	400,000	400,000	467,328	67,328	455,842
Institutional	2,200,000	2,200,000	1,931,787	(268,213)	2,061,555
Total revenues	<u>23,568,000</u>	<u>23,568,000</u>	<u>23,825,621</u>	<u>257,621</u>	<u>23,355,552</u>
EXPENDITURES					
Current:					
Instruction	15,960,000	15,910,000	15,438,114	471,886	15,068,728
Instructional resources	370,000	370,000	349,695	20,305	359,823
Student services	1,817,000	1,817,000	1,751,756	65,244	1,790,302
General institutional	3,630,000	3,680,000	3,673,642	6,358	3,447,868
Physical plant	2,191,000	2,191,000	1,928,771	262,229	1,933,290
Total expenditures	<u>23,968,000</u>	<u>23,968,000</u>	<u>23,141,978</u>	<u>826,022</u>	<u>22,600,011</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(400,000)</u>	<u>(400,000)</u>	<u>683,643</u>	<u>1,083,643</u>	<u>755,541</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	400,000	400,000	410,135	10,135	136,342
Transfers out	-	-	(23,625)	(23,625)	-
Total other financing sources (uses)	<u>400,000</u>	<u>400,000</u>	<u>386,510</u>	<u>(13,490)</u>	<u>136,342</u>
Net change in fund balance	-	-	1,070,153	1,070,153	891,883
Fund balance—beginning of year	6,968,268	6,968,268	7,280,152	311,884	6,388,269
Fund balance—end of year	<u>\$ 6,968,268</u>	<u>\$ 6,968,268</u>	<u>\$ 8,350,305</u>	<u>\$ 1,382,037</u>	<u>\$ 7,280,152</u>
FUND BALANCE					
Nonspendable - prepaid expenses			101,958		
Assigned for state aid fluctuations			200,000		
Assigned for post employment benefits			3,167,807		
Unassigned			<u>4,880,540</u>		
Total fund balance			<u>\$ 8,350,305</u>		

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SPECIAL REVENUE NON-AIDABLE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			Variance with Final Budget	2015 Actual (Budgetary Basis)
	Original Budget	Final Budget	Actual on a Budgetary Basis		
REVENUES					
Intergovernmental revenue					
State	\$ 500,000	\$ 500,000	\$ 485,607	\$ (14,393)	\$ 464,933
Federal	7,500,000	7,500,000	5,923,885	(1,576,115)	6,203,852
Tuition and fees					
Statutory program fees	-	-	-	-	-
Materials fees	-	-	-	-	-
Student fees	250,000	250,000	247,681	(2,319)	244,581
Institutional	250,000	250,000	264,770	14,770	245,384
Total revenues	8,500,000	8,500,000	6,921,943	(1,578,057)	7,158,750
EXPENDITURES					
Student services	8,450,000	8,450,000	6,846,758	1,603,242	7,101,243
Excess (deficiency) of revenues over (under) expenditures	50,000	50,000	75,185	25,185	57,507
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	23,625	23,625	-
Transfers out	(50,000)	(50,000)	(50,000)	-	(50,000)
Total other financing sources (uses)	(50,000)	(50,000)	(26,375)	23,625	(50,000)
Net change in fund balance	-	-	48,810	48,810	7,507
Fund balance—beginning of year	243,155	243,155	250,662	7,507	243,155
Fund balance—end of year	\$ 243,155	\$ 243,155	\$ 299,472	\$ 56,317	\$ 250,662

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			Variance with Final Budget	2015 Actual (Budgetary Basis)
	Original Budget	Final Budget	Actual on a Budgetary Basis		
REVENUES					
Institutional	\$ 30,000	\$ 30,000	\$ 30,395	\$ 395	\$ 22,809
EXPENDITURES					
Current:					
Instruction	545,000	795,000	763,897	31,103	592,133
Instructional resources	121,000	121,000	44,487	76,513	62,017
Student services	-	50,000	1,599	48,401	-
General institutional	477,000	577,000	540,105	36,895	414,948
Physical plant	1,214,000	814,000	583,935	230,065	1,791,105
Total expenditures	2,357,000	2,357,000	1,934,023	422,977	2,860,203
Excess (deficiency) of revenues over (under) expenditures	(2,327,000)	(2,327,000)	(1,903,628)	423,372	(2,837,394)
OTHER FINANCING SOURCES (USES)					
Promissory notes issued	2,500,000	2,500,000	2,500,000	-	2,500,000
Transfers in	-	-	50,000	50,000	50,000
Transfers out	(50,000)	-	(410,135)	(410,135)	(136,342)
Total other financing sources (uses)	2,450,000	2,500,000	2,139,865	(360,135)	2,413,658
Net change in fund balance	123,000	173,000	236,237	63,237	(423,736)
Fund balance—beginning of year	37,529	37,529	371,793	334,264	795,529
Fund balance—end of year	\$ 160,529	\$ 210,529	\$ 608,030	\$ 397,501	\$ 371,793

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			Variance with Final Budget	2015 Actual (Budgetary Basis)
	Original Budget	Final Budget	Actual on a Budgetary Basis		
REVENUES					
Local government - tax levy	\$ 4,840,000	\$ 4,840,000	\$ 4,840,000	\$ -	\$ 4,740,000
Intergovernmental revenue					
Federal	345,000	345,000	344,848	(152)	354,829
State	8,000	8,000	17,160	9,160	18,019
Institutional	1,000	1,000	4,012	3,012	166,086
Total revenues	5,194,000	5,194,000	5,206,020	12,020	5,278,934
EXPENDITURES					
Debt service	5,261,000	5,261,000	5,255,416	5,584	5,194,518
Excess (deficiency) of revenues over (under) expenditures	(67,000)	(67,000)	(49,396)	17,604	84,416
OTHER FINANCING SOURCES (USES)					
Refunding debt issued	-	-	-	-	5,215,000
Premium on issuance of debt	-	-	44,575	44,575	-
Payment to refunded bond escrow	-	-	-	-	(5,294,554)
Total other financing sources (uses)	-	-	44,575	44,575	(79,554)
Net change in fund balance	(67,000)	(67,000)	(4,821)	62,179	4,862
Fund balance—beginning of year	1,273,859	1,273,859	1,338,721	64,862	1,333,859
Fund balance—end of year	\$ 1,206,859	\$ 1,206,859	\$ 1,333,900	\$ 127,041	\$ 1,338,721

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
PROPRIETARY FUNDS - ENTERPRISE FUNDS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			2015 Actual (Budgetary Basis)	
	Original Budget	Final Budget	Actual on a Budgetary Basis		Variance with Final Budget
OPERATING REVENUES					
Institutional	\$ 2,132,000	\$ 2,182,000	\$ 2,213,087	\$ 31,087	\$ 1,813,337
OPERATING EXPENSES					
Auxiliary services	1,966,000	2,016,000	2,009,018	6,982	1,576,960
Excess of operating revenues over operating expenses	166,000	166,000	204,069	38,069	236,377
NON-OPERATING EXPENSES					
Transfers out	(300,000)	(300,000)	-	300,000	-
Net change in net position	(134,000)	(134,000)	204,069	338,069	236,377
Net Position—beginning of year	3,186,427	3,186,427	3,222,804	36,377	2,986,427
Net Position—end of year	\$ 3,052,427	\$ 3,052,427	\$ 3,426,873	\$ 374,446	\$ 3,222,804

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
Year Ended June 30, 2016 with Comparative Totals for Year Ended June 30, 2015

	2016			2015 Actual (Budgetary Basis)	
	Original Budget	Final Budget	Actual on a Budgetary Basis		Variance with Final Budget
OPERATING REVENUES					
Institutional	\$ 4,100,000	\$ 4,400,000	\$ 4,103,321	\$ (296,679)	\$ 3,959,020
OPERATING EXPENSES					
Auxiliary services	4,100,000	4,400,000	4,358,860	41,140	4,258,095
Net change in net position	-	-	(255,539)	(255,539)	(299,075)
Net Position—beginning of year	379,164	379,164	380,088	924	679,163
Net Position—end of year	\$ 379,164	\$ 379,164	\$ 124,549	\$ (254,615)	\$ 380,088

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL STATEMENTS
TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2016.

	Governmental Funds			Proprietary Funds		Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Position	
	General	Special Revenue	Capital Projects	Debt Service	Enterprise Funds				Internal Service
REVENUES									
Local government - tax levy	\$ 4,745,952	\$ -	\$ -	\$ 4,840,000	\$ -	\$ -	\$ 9,585,952	\$ -	\$ 9,585,952
Intragovernmental revenue									
State	10,750,750	485,607	-	17,160	-	-	11,253,517	-	11,253,517
Federal	1,404,653	5,923,895	-	344,848	-	-	7,673,396	(3,175,634)	4,497,762
Tuition and fees									
Statutory program fees	4,185,348	-	-	-	-	-	4,185,348	-	4,185,348
Materials fees	339,803	-	-	-	-	-	339,803	-	339,803
Other student fees	487,328	247,891	-	-	-	-	735,219	-	715,009
Institutional	1,831,787	264,770	30,395	4,012	2,213,087	4,103,321	6,547,372	(4,170,811)	4,376,561
Total revenues	23,825,821	6,921,943	30,395	5,206,020	2,213,087	4,103,321	42,300,387	(7,346,445)	34,953,942
EXPENDITURES									
Current:									
Instruction	14,618,238	-	-	-	-	-	14,618,238	864,936	15,483,174
Instructional resources	349,695	-	-	-	-	-	349,695	-	349,695
Student services	1,751,756	6,846,758	-	-	-	-	8,598,514	(6,441,832)	2,156,682
General institutional	3,673,642	-	-	-	-	-	3,673,642	-	3,673,642
Physical plant	1,928,771	-	568,679	-	-	-	2,497,450	(568,679)	1,928,771
Auxiliary services	-	-	-	-	2,009,018	4,358,860	6,367,878	(4,108,926)	2,258,952
Capital outlay	819,876	-	1,365,344	-	-	-	2,185,220	(2,185,220)	-
Depreciation	-	-	-	-	-	-	-	2,504,915	2,504,915
Student aid	-	-	-	-	-	-	-	3,198,708	3,198,708
Debt service:									
Principal	-	-	-	3,880,000	-	-	3,880,000	(3,880,000)	-
Interest	-	-	-	1,375,416	-	-	1,375,416	(47,654)	1,327,762
Total expenditures	23,141,878	6,846,758	1,934,023	5,255,416	2,009,018	4,358,860	43,546,053	(10,663,752)	32,882,301
Excess (deficiency) of revenues over (under) expenditures	683,943	75,185	(1,903,628)	(49,396)	204,069	(255,539)	(1,245,666)	5,317,307	2,071,641
OTHER FINANCING SOURCES (USES)									
Long-term debt issued	-	-	2,500,000	-	-	-	2,500,000	(2,500,000)	-
Premium on issuance of debt	-	-	-	44,575	-	-	44,575	(44,575)	-
Transfers in	410,135	23,625	50,000	-	-	-	483,760	(483,760)	-
Transfer out	(23,625)	(50,000)	(410,135)	-	-	-	(483,760)	483,760	-
Loss on disposal of capital assets	-	-	-	-	-	-	-	(10,578)	(10,578)
Total other financing sources (uses)	386,510	(26,375)	2,139,965	44,575	-	-	2,544,575	(2,555,151)	(10,578)
Net change in fund balance/net position	1,070,153	48,810	236,237	(4,821)	204,069	(255,539)	1,298,809	762,156	2,061,065
Fund balance/Net Position - beginning of year	7,280,152	250,662	371,793	1,338,721	3,222,804	380,088	12,844,220	14,804,584	27,648,804
Fund balance/Net Position - end of year	\$ 8,350,305	\$ 299,472	\$ 608,030	\$ 1,333,900	\$ 3,426,873	\$ 124,549	\$ 14,143,129	\$ 15,566,740	\$ 29,709,869

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL STATEMENTS
TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2016

(a) State grant revenue is presented on the basic financial statement as follows:

Operating	\$ 2,703,022
Non-operating	8,550,495
	<u>\$ 11,253,517</u>

(b) Institutional revenue is reported on the basic financial statement as follows:

Non-governmental grants and contracts	\$ 2,137,306
Auxiliary enterprises	2,213,087
Investment income	26,168
	<u>\$ 4,376,561</u>

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

Budgetary basis fund balance	\$ 14,143,129
Capital assets capitalized - at cost	74,438,998
Accumulated depreciation on capital assets	(29,840,299)
Net pension asset and deferred items	3,019,287
General obligation notes payable	(28,905,000)
Other post employment benefits and long-term portion of retiree health insurance	(3,724,234)
Accrued interest on notes payable	(77,922)
Encumbrances outstanding at year end	655,910
	<u>\$ 29,709,869</u>

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
AND OTHER AUDITORS REPORTS**

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2016

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Department of Agriculture							
Pass-through Program from University of North Dakota Farm Business Management and Benchmarking Competitive Grants Program	10.319	03-149-000-004	7/1/13-8/31/15	16,461	16,461	-	16,461
Pass-through Program from Western Technical College Farm Business Management and Benchmarking Competitive Grants Program	10.319	03-166-000-016	9/1/15-8/31/16	16,036	16,036	-	16,036
Total Farm Business Management and Benchmarking Competitive Grants Program				32,497	32,497	-	32,497
Pass-through Program from University of Wisconsin - Platteville Capacity Building for Non-Land Grant Colleges of Agriculture (NLGCA)	10.326	03-173-000-013	7/1/15-8/31/15	27,857	26,152	-	26,152
Pass-through Program from Wisconsin Department of Agriculture, Trade, and Consumer Protection Federal-State Marketing Improvement Program	10.156	03-108-000-015	7/1/15-6/30/16	43,370	14,425	-	14,425
Total Department of Agriculture				103,524	73,074	-	73,074
Department of Labor							
Pass-through Program from Northeast Iowa Community College H-1B Job Training Grants	17.268	03-156-000-012	7/1/15-4/1/16	49,542	16,417	-	16,417
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-174-000-013	7/1/15-9/30/15	71,828	71,828	-	71,828
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-174-000-013	10/1/15-6/30/16	328,147	233,823	-	233,823
Pass-through Program from Chippewa Valley Technical College Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-109-000-015	7/1/15-9/30/15	135,005	135,005	-	135,005
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-109-000-015	10/1/15-6/30/16	289,239	194,255	-	194,255
Pass-through Program from Northeast Wisconsin Technical College Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-180-000-013	7/1/15-3/31/16	78,434	78,400	-	78,400

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 June 30, 2016

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Department of Labor (continued)							
Pass-through Program from Northeast Iowa Community College Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	03-152-000-012	7/1/15-9/30/15	5,851	5,851	-	5,851
Total Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants				907,504	719,162	-	719,162
Total Department of Labor				957,046	735,579	-	735,579
Department of Education							
Department of Education Direct Programs							
Student Financial Assistance Cluster							
Federal Supplemental Education Opportunity Grant	84.007		7/1/15-6/30/16	-	39,246	-	39,246
Federal College Work Study	84.033		7/1/15-6/30/16	-	63,221	-	63,221
Federal Pell Grant	84.063		7/1/15-6/30/16	-	2,645,784	-	2,645,784
Direct Student Loans							
Federal Student Stafford Loans	84.268		7/1/15-6/30/16	-	3,160,313	-	3,160,313
Federal Student Plus Loans	84.268		7/1/15-6/30/16	-	15,321	-	15,321
Total Direct Student Loans				-	3,175,634	-	3,175,634
Total Student Financial Assistance Cluster				-	5,923,885	-	5,923,885
Pass-through program from Wisconsin Technical College Systems Board Adult Education Act							
Adult Basic Education - Basic Grants to States	84.002	03-111-146-165	7/1/15-6/30/16	13,753	13,726	-	13,726
Adult Basic Education - Basic Grants to States	84.002	03-110-146-125	7/1/15-6/30/16	79,766	79,766	110,600	190,356
Total Adult Education Act				93,509	93,482	110,600	204,082

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 June 30, 2016

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Project Identification Number	Grant Period	Federal Grant Amount	Expenditures		Total Expenditures
					Federal	Match	
Department of Education (continued)							
Career and Technical Education Basic Grants to States							
Strengthening Career & Technical Program	84.048	03-193-150-256	7/1/15-6/30/16	27,935	27,935	-	27,935
NTO Connections to NTO Recruit	84.048	03-194-150-265	7/1/15-6/30/16	6,984	6,984	-	6,984
Student Success	84.048	03-198-150-236	7/1/15-6/30/16	69,837	69,837	165,400	235,237
Career Prep	84.048	03-106-150-216	7/1/15-6/30/16	39,045	39,045	-	39,045
High School to College Transition	84.048	03-137-150-246	7/1/15-6/30/16	34,918	34,918	-	34,918
Total Career and Technical Education Basic Grants to States				178,719	178,719	165,400	344,119
Total Department of Education				272,228	6,196,086	276,000	6,472,086
Department of Health & Human Services							
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	03-172-000-013	7/1/15-8/31/15	54,403	54,403	-	54,403
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	03-172-000-013	9/1/15-6/30/2015	463,312	242,005	-	242,005
Total Department of Health & Human Services				517,715	296,408	-	296,408
Department of Homeland Security							
Pass-through program from Wisconsin Technical College Systems Board Assistance to Firefighters Grant	97.044	03-113-153-116	7/1/15-6/30/16	27,391	27,391	-	27,391
Total Federal Awards				<u>\$ 1,877,904</u>	<u>\$ 7,328,538</u>	<u>\$ 276,000</u>	<u>\$ 7,604,538</u>

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 June 30, 2016

State Grantor/Program	State Identifying Number	Project Identification Number	Grant Period	Grant Amount	Expenditures		Total Expenditures
					State	Match	
Wisconsin Higher Education Board							
Wisconsin Higher Education Grant	235.102		7/1/15-6/30/16	\$ 385,905	\$ 385,905	\$ -	\$ 385,905
Remissions of Fees for Veterans and Dependents	235.105		7/1/15-6/30/16	16,461	9,932	-	9,932
Minority Undergraduate Retention Grant	235.107		7/1/15-6/30/16	1,450	1,450	-	1,450
Academic Excellence Scholarship	235.109		7/1/15-6/30/16	16,036	23,630	-	23,630
Talent Incentive Program Grant	235.114		7/1/15-6/30/16	20,650	20,650	-	20,650
Indian Student Assistance	235.132		7/1/15-6/30/16	1,100	1,100	-	1,100
Nursing	235.131		7/1/15-6/30/16	15,000	15,000	-	15,000
Wisconsin Covenant Scholars Grant Revenue	235.131		7/1/15-6/30/16	24,375	24,375	-	24,375
Wisconsin Covenant Foundation Grant Revenue	235.131		7/1/15-6/30/16	13,500	13,500	-	13,500
Total Wisconsin Higher Education Board				494,477	495,542	-	495,542
Wisconsin Department of Transportation							
Motorcycle Safety	266.7348	03-123-000-003	1/1/15-12/31/15	7,985	7,985	-	7,985
3 Wheel Safety	266.7348	03-127-000-004	1/1/15-12/31/15	652	652	-	652
Total Wisconsin Department of Transportation				8,637	8,637	-	8,637
Wisconsin Technical College Systems Board							
State Aids for Vocational Technical and Adult Education	292.105		7/1/15-6/30/16	1,955,000	1,955,000	-	1,955,000
State Aids Prior Years	292.105			8,800	8,800	-	8,800
Performance Based Aid	292.105			743,720	743,720	-	743,720
Workforce Advancement Training Grants:							
Bemis	292.124	03-134-124-176	7/1/15-6/30/16	5,144	3,848	-	3,848
Community First Bank	292.124	03-138-124-176	7/1/15-6/30/16	2,863	2,852	-	2,852
Dillman Equipment	292.124	03-142-124-176	7/1/15-6/30/16	13,936	12,198	-	12,198
Emmi Roth	292.124	03-144-124-176	7/1/15-6/30/16	18,235	7,125	-	7,125
Foremost Farms	292.124	03-133-124-176	7/1/15-6/30/16	15,985	5,220	-	5,220
Grant Regional Health Center	292.124	03-130-124-175	7/8/14-8/31/15	23,894	29,195	-	29,195
Grant County Lean	292.124	03-138-124-175	8/27/14-8/31/15	16,084	14,009	-	14,009
Grant Regional Lean	292.124	03-147-124-176	7/1/15-6/30/16	13,275	13,238	-	13,238

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2016

State Grantor/Program	State Identifying Number	Project Identification Number	Grant Period	Grant Amount	Expenditures		Total Expenditures
					State	Match	
Wisconsin Technical College Systems Board (continued)							
Workforce Advancement Training Grants (continued)							
Gro Alliance	292.124	03-132-124-145	7/1/15-6/30/16	14,846	13,197	-	13,197
Lands End	292.124	03-135-124-176	7/1/15-6/30/16	5,851	8,889	-	8,889
NuPak	292.124	03-148-124-176	7/1/15-6/30/16	4,123	3,980	-	3,980
3M	292.124	03-139-124-176	7/1/15-6/30/16	53,746	20,352	-	20,352
3M	292.124	03-165-124-175	7/1/14-8/31/15	54,699	43,708	-	43,708
S&S Cycle	292.124	03-163-124-176	7/1/15-6/30/16	5,489	5,437	-	5,437
Schreiber Foods	292.124	03-143-124-175	7/1/15-6/30/16	72,278	70,043	-	70,043
Schreiber Foods	292.124	03-150-124-176	7/1/15-6/30/16	43,132	32,982	-	32,982
Wisconsin Whey Protein	292.124	03-136-124-176	7/1/15-6/30/16	3,523	2,246	-	2,246
Faculty Development	292.124	03-161-124-156	7/1/15-6/30/16	47,387	47,387	-	47,387
Advanced Manufacturing	292.124	03-118-124-196	7/1/15-6/30/16	13,770	13,770	-	13,770
Electrical Construction Apprentice Lab Support	292.124	03-125-124-116	7/1/15-6/30/16	6,400	6,400	-	6,400
Industrial Apprentice Lab Support	292.124	03-128-124-116	7/1/15-6/30/16	6,400	6,400	-	6,400
Cancer Information Management	292.124	03-145-124-146	7/1/15-6/30/16	68,194	68,194	-	68,194
Precision Manufacturing	292.124	03-132-124-146	7/1/15-6/30/16	72,657	25,141	-	25,141
Tutoring 4 Success	292.124	03-190-124-168	7/1/15-6/30/16	113,071	111,200	-	111,200
Breaking Down the Silos	292.124	03-101-124-125	7/1/15-6/30/16	58,763	54,460	-	54,460
Breaking Down the Silos	292.124	03-104-124-126	7/1/15-6/30/16	137,076	137,076	-	137,076
Electromechanical Instrumentation	292.124	03-102-124-126	7/1/15-6/30/16	127,895	127,895	-	127,895
Mobile Welding Lab	292.124	03-121-124-188	7/1/15-6/30/16	150,000	150,000	-	150,000
Total Workforce Advancement Training Grants:				1,168,677	1,036,442	-	1,036,442
Fire Fighter Training 2%	292.137			31,075	31,075	-	31,075
Property Tax Relief Aid	292.162		7/1/15-6/30/16	6,528,192	6,528,192	-	6,528,192
Hazmat	292.372			3,984	3,984	-	3,984
Total Wisconsin Technical College Systems Board				10,439,448	10,307,213	-	10,307,213

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 June 30, 2016

State Grantor/Program	State Identifying Number	Project Identification Number	Grant Period	Grant Amount	Expenditures		Total Expenditures
					State	Match	
Wisconsin Department of Workforce Development							
Blueprint for Prosperity - HS Pupil	445.109	03-112-000-015	7/1/15-6/30/16	13,660	7,142	-	7,142
Blueprint for Prosperity - Welding	445.109	03-114-000-015	7/1/15-9/30/15	88,232	68,232	-	68,232
Blueprint for Prosperity - Welding	445.109	03-114-000-015	10/1/15-6/30/16	105,929	89,658	-	89,658
Blueprint for Prosperity - LPN	445.109	03-117-000-015	7/1/15-6/30/16	84,237	84,161	-	84,161
Blueprint for Prosperity - PTA	445.109	03-155-000-015	7/1/15-6/30/16	152,414	152,155	-	152,155
Total Wisconsin Department of Workforce Development				424,472	381,348	-	381,348
Wisconsin Department of Justice							
Sovereign Citizens Presentation	455.231		7/1/15-6/30/16	2,640	2,280	-	2,280
Wisconsin Department of Natural Resources							
DNR payment in lieu of taxes			7/1/15-6/30/16	24,584	24,584	-	24,584
Wisconsin Department of Revenue							
State Aid Computers	835.109		7/1/15-6/30/16	33,913	33,913	-	33,913
Total State Awards				\$ 11,428,171	\$ 11,253,517	\$ -	\$ 11,253,517

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

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 June 30, 2016

NOTE 1—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Specifically, debt service expenditures, as well as expenditures related to claims and judgments, and compensated absences are recorded only when payment is due. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3—RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS

Federal Revenue reported in the basic financial statements is reconciled to the Schedule of Expenditures of Federal and State Awards as follows:

Reconciliation

Federal revenues reported on the Schedule of Expenditures of Federal and State Awards	<u>\$ 7,328,538</u>
Federal Revenue reported in the Statement of Revenues, and Expenses and Changes in Net Position	\$ 4,497,752
Direct Student Loans included on the Schedule of Expenditures of Federal and State Awards	3,175,634
Federal Subsidy payment for Build America Bonds	<u>(344,848)</u>
Total Federal Revenues	<u>\$ 7,328,538</u>

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2016

NOTE 3—RECONCILIATION OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS (continued)

State Revenue reported in the basic financial statements is reconciled to the Schedule of Expenditures of Federal and State Awards as follows:

Reconciliation

State revenues reported on the Schedule of Expenditures of Federal and State Awards	<u>\$11,253,517</u>
State Revenue reported in the Statement of Revenues, and Expenses and Changes in Net Position	
Operating	\$ 2,703,022
Non-operating	<u>8,550,495</u>
Total State Revenues	<u>\$11,253,517</u>

NOTE 4—SUBRECIPIENT PAYMENTS

Southwest Tech did not pay federal and state awards to subrecipients.

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2016

There were no prior audit findings.



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

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities and the aggregate remaining fund information of Southwest Wisconsin Technical College (Southwest Tech) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Southwest Tech's basic financial statements, and have issued our report thereon dated December 19, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southwest Tech'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southwest Tech's internal control. Accordingly, we do not express an opinion on the effectiveness of Southwest Wisconsin Technical College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant* deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge 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 Southwest Tech's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
December 19, 2016



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT GUIDELINES.

To the Board of Directors
Southwest Wisconsin Technical College
Fennimore, Wisconsin

Report on Compliance for Each Major Federal and Major State Program

We have audited Southwest Wisconsin Technical College's (Southwest Tech's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of Southwest Tech's major federal programs and its major state programs for the year ended June 30, 2016. Southwest Tech's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Southwest Tech's major federal programs and its major 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, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards, the Uniform Guidance, and the 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 program occurred. An audit includes examining, on a test basis, evidence about Southwest Tech'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 major state program. However, our audit does not provide a legal determination of Southwest Tech's compliance.

Opinion on Each Major Federal and Major State Program

In our opinion, Southwest Tech 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 programs and its major state programs for the year ended June 30, 2016.

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Report on Internal Control Over Compliance

Management of Southwest Tech 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 Southwest Tech's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and its major 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 program and its major state program and to test and report on internal control over compliance in accordance with the *Uniform Guidance* and the *Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southwest Tech'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 the *Uniform Guidance* and the *Guidelines*. Accordingly, this report is not suitable for any other purpose.

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
December 19, 2016

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

Section I—Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
Student Financial Assistance Cluster	
84.007	Federal Supplemental Education Opportunity Grant
84.033	Federal College Work Study
84.063	Federal Pell Grant
84.268	Federal Student Stafford Loans
84.268	Federal Student Plus Loans

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

State Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported

SOUTHWEST WISCONSIN TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

Any audit findings disclosed that are required to be reported? No

Identification of state major programs:

State Identifying Number	Name of State Program
292.105	State Aids for Vocational Technical and Adult Education
292.162	Property Tax Relief Aid

Dollar threshold used to distinguish between type A and type B programs: \$ 250,000

Section II—Financial Statement Findings

None

Section III—Federal and State Award Findings and Questioned Costs

None

Section IV—Other Issues

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

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

Technical College System Board	No
Higher Education Board	No
Department of Public Instruction	No
Department of Workforce Development	No
Department of Justice	No

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

Name and signature of partner



Scott R. Haumersen, CPA

Date of report

December 19, 2016

B. Foundation Bylaws

According to the Memorandum of Understanding between Southwest Wisconsin Technical College, Southwest Tech Foundation, and SWTC Real Estate Foundation, bylaw changes to the Foundation must be approved by the District Board. Holly Clendenen, Executive Director of the Foundation and Real Estate Foundation, will present the Foundation bylaw modifications for approval. The Foundation bylaws follow.

Recommendation: Approve the Southwest Tech Foundation bylaw changes as presented.



**SOUTHWEST WISCONSIN TECHNICAL COLLEGE FOUNDATION, INC.
BYLAWS**

ARTICLE I. OFFICES

1.1. Principal and Business Office. The corporation may have such principal and other business offices, either within or without the state of Wisconsin, as the Board of Directors may designate or as the business of the corporation may require from time to time.

1.2. Registered Office. The registered office of the corporation required by the Wisconsin Nonstock Corporation Law to be maintained in the state of Wisconsin may be, but need not be, identical with the principal office in the state of Wisconsin, and the address of the registered office may be changed from time to time by the Board of Directors or by the registered agent. The business office of the registered agent of the corporation shall be identical to such registered office.

ARTICLE II. BOARD OF DIRECTORS

2.1. General Powers and Number. The business and affairs of the corporation shall be managed by its Board of Directors. The Board of Directors shall consist of 15-20 total directors, including: 10-15 at-large directors plus one (1) current student director and one (1) regular, full-time College faculty or staff member director. One (1) SWTC District Board Member shall be a voting member. The President of the College and the Executive Director of the Foundation shall be considered non-voting ex officio members of the Board of Directors. At-large directors shall serve three-year terms. The student and faculty/staff member directors shall serve as long as they are enrolled or employed, respectively, but not more than a three-year term. Initially upon adoption of this By-Law the terms of the Directors shall be randomly determined to be one, two or three years with approximately one-third of said directors having each initial term. Thereafter, said directors and their successors shall serve three-year terms.

Commented [HC1]: Corrected to match new at-large director range

Commented [HC2]: Change from 13-19 to 10-15

Commented [HC3]: Delete because no longer necessary as all members have terms.

Tenure and Qualifications. Except as provided in this section 2.1, directors shall be appointed to serve one three-year term. At the conclusion of the first term, directors may be renewed for one additional three-year term with the approval of the Board. Upon completion of two consecutive terms, a director must take a hiatus of one year before seeking reappointment to the Board. Candidates for Board membership or renewal of Board membership will be recommended by the Executive Committee of the Board and approved by the Board at the next regularly scheduled meeting. The Board may approve appointment of directors to fill vacancies at any Regular or Special Meeting of the Board. Directors may be removed from office after two consecutive, unexcused absences from

Regular Meetings of the Board. A director may resign at any time by filing his/her written resignation with the President of the corporation. Directors need not be residents of the State of Wisconsin. The Board of Directors may designate a director as an emeritus director by majority vote. An emeritus director shall not vote and shall not be considered in calculations to determine a quorum or the number of votes required to take any action.

2.2. Annual and Regular Meetings. The Annual Meeting of the Board of Directors shall be held without further notice, other than this Bylaw, at the first meeting of the fiscal year at the College, unless otherwise determined by the Executive Committee. Directors shall be given reasonable notice of any change in the date, time or location of the Annual Meeting. The Board of Directors may provide, by Resolution, the dates, times and places, either within or without the State of Wisconsin, for the holding of Regular Meetings of the Board without other notice than such Resolution.

2.3. Special Meetings. Special Meetings of the Board of Directors may be called by or at the request of three directors, at least two of whom must be officers. The request shall be in writing and shall state the purpose of the meeting. Within 30 days of receipt of said written request the Foundation Executive Director shall set and give reasonable notice to all Directors of the date, time, place and purpose of such Special Meeting. Special Meetings shall be held at the principal business office of the Corporation unless otherwise determined by the Executive Committee.

2.4. Notice: Waiver. Notice of each meeting of the Board of Directors (unless otherwise provided in or pursuant to Section 2.03) shall be given by written notice delivered personally, mailed, transmitted by facsimile or e-mail to each director at his/her business address or other address as such director shall have designated in writing filed with the secretary, in each case not less than seven days prior to a Regular Meeting or 24 hours prior to a Special Meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed given upon confirmation of its successful transmission. If notice is given by e-mail, such notice shall be deemed given when sent. Whenever any notice whatever is required to be given to any director of the corporation under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting and objects thereto to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any Regular Meeting of the Board of Directors need to be specified in the notice or waiver of notice of such meeting.

2.5. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the Articles of Incorporation or

these Bylaws. A quorum shall be at least 50% of the membership of the Board of Directors.

2.6. Conduct of Meetings. The president, and in his/her absence, the vice-president, and in their absence, any director chosen by the directors present, shall call meetings of the Board of Directors to order and shall act as chairperson of the meeting. The secretary of the corporation shall act as secretary of all meetings of the Board of Directors; but in the absence of the secretary, the presiding officer may appoint any assistant secretary or any director or other person present to act as secretary of the meeting.

2.7. Vacancies. Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of directors, may be filled at the next regularly scheduled meeting by the affirmative vote of a majority of the directors then in office, provided that, in case of a vacancy created by the removal of a director by vote of the members, the members shall have the right to fill such vacancy at the same meeting or any adjournment thereof.

2.8. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors or a committee thereof of which he/she is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary/treasurer of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

2.9. Consent Without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken at a Board meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds of the directors then in office.

2.10. Meetings. Regular and Special Meetings may be conducted by conference call wherein all participating directors may simultaneously hear each other throughout the meeting.

ARTICLE III. BOARD STRUCTURE - OFFICERS AND COMMITTEES

3.1. Number. The principal officers of the corporation shall be a president, a vice-president, a secretary, and a treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

3.2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be recommended by the Executive Committee and

elected annually by the Board of Directors at the Annual Meeting. Each officer shall hold office until his/her successor shall have been duly elected or until his/her prior death, resignation, or removal. The President may not serve more than two consecutive terms.

3.3. Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served.

3.4. Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

3.5. President. The president shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall participate in the business and affairs of the corporation. He/she shall, when present, preside at all meetings of the Board of Directors. In general, he/she shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

3.6. Vice-president. In the absence of the president or in the event of his/her death, inability, or refusal to act, or in the event for any reason it shall be impractical for the president to act personally, the vice-president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice-president shall perform such duties and have such authority as from time to time may be delegated or assigned to him/her by the president or by the Board of Directors.

3.7. Secretary. The secretary will in general, perform all duties incident to the office of secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him/her by the president or by the Board of Directors.

3.8. Treasurer. The treasurer will, in general, perform all duties incident to the office of treasurer and have such other duties and exercise such authority as from time to time may be delegated or assigned to him/her by the president or by the Board of Directors.

3.9. Committee and Task Force Structure. The major work of the Board will be conducted by three operational committees: The Executive Committee, the Investment and Budget Committee and the Development Committee. Committee members for committees other than the Executive Committee will be appointed by the Board upon the recommendation of the Executive Committee. A task force may be appointed as a temporary work group to address a single, defined activity or project. Committee meetings will be called at the discretion of the committee chair. Task force meetings will be called at the discretion of the task force chair.

Commented [HC4]: Slight wording change and location move.

The Executive Committee will include the four Board Officers, the Investment and

Budget Committee chair, the Development Committee chair and, as ex officio committee members, the President of the College and the Executive Director of the Foundation.

The Investment and Budget Committee will include a minimum of four Foundation Directors and the Executive Director of the Foundation.

The Development Committee will include a minimum of four Foundation Directors and the Executive Director of the Foundation.

Task forces comprised of Board members and the Foundation Administrative Team will be formed to work on special projects.

3.10. Duties of Committees and Task Forces.

Executive Committee

- Nominate new Board Members and officers.
- Take action on issues that require immediate attention.
- Provide guidance to Foundation Staff and Board.
- Ensure the mission and vision of the Foundation is sustained.
- Share Foundation reports as requested with the District board.
- Monitor the Real Estate Foundation.

Investment and Budget Committee

- Review at least semi-annually the investment portfolio and report at least semi-annually to the Board.
- Review at least quarterly the financial status of the Foundation and report at least quarterly to the Board.
- Assist in development of the Foundation budget for approval by Executive Committee and Full Board.
- Develop the investment strategy for Board review and approval.
- Review the yearly earnings/loss report by brokerage firms.

Development Committee

- Review and recommend fundraising projects.
- Help identify and introduce potential donors and resources to the Foundation.
- Implement strategies to secure resources.
- Monitor activities as they relate to the scholarship program.
- Appoint workgroups to accomplish specific activities of the Development Committee

Task Force

- o Review and make recommendations to the Board on a defined activity or project.
- o Disband at conclusion of charge.

Commented [HCS]: Re-worded for clarity and added second bullet

3.11. Committee Chair. The chair of each operational committee will be a voting board member and a member of the Executive Committee.

3.12. Authority of Task Force. The task force is advisory in nature with the responsibility to make recommendations for action to the Board. The task force cannot bind the Board to any formal action.

ARTICLE IV. CONTRACT, LOANS, CHECKS AND DEPOSITS: SPECIAL CORPORATE ACTS

4.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation, provided such contract or instrument does not violate the restrictions in the purpose of the corporation as set forth in the Articles of Incorporation; and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the corporation shall be executed in the name of the corporation by the president and by the secretary.

4.2. Loans. No indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

4.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation, and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

4.4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

4.5. Gifts. Employing the Gift Acceptance Policies and Guidelines, the Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or device for general purpose or for any special purpose of the corporation. Furthermore, the Board of Directors may provide for special recognition of the donors of any such gifts, contributions or bequests to the corporation.

ARTICLE V. FISCAL PERIOD

5.1 Fiscal Year. The fiscal year of the corporation shall begin on the first day of July and end on the last day of June.

ARTICLE VI. RECORDS AND POLICIES

6.1 Books and Records. The corporation shall keep true and accurate accounting of all gifts, contributions and transactions together with all other books, records of account and minutes of the proceedings of the Board of Directors and committees, and shall keep same open for inspection by any Director, including ex officio directors, or their agents or attorneys for any proper purpose at any reasonable time.

6.2 Policies. The Foundation is a party to a Memorandum of Understanding dated May 26, 2016, and effective July 1, 2016, between the Southwest Wisconsin Technical College Foundation, Southwest Wisconsin Technical College and the Real Estate Foundation. Under the terms of that Memorandum, the corporation shall develop and maintain policies consistent with its terms.

ARTICLE VII. AMENDMENTS

7.1 By Directors. These Bylaws may be altered, amended or repealed; and new Bylaws may be adopted by the Board of Directors by affirmative vote of 50% of the total number of directors subject to the provisions of section 7.4.

7.2 Implied Actions. Any action taken or authorized by the Board of Directors that would be inconsistent with the Bylaws that are in effect but is taken or authorized by the affirmative vote of not less than the number of directors required to amend the Bylaws which would be consistent with such action, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only as far, as is necessary to permit the specific action so taken or authorized.

7.3. Implied Revocation. In the event any of the foregoing provisions or articles set forth in these Bylaws are determined to be in violation of any prohibition concerning the exempt tax status of the corporation under the Internal Revenue Code, such provision or article shall be considered null and void and repealed as of the date of approval of these Bylaws.

7.4 Approval by College. No amendment to these Bylaws shall be effective unless such amendment has previously been provided to the Southwest Wisconsin Technical College Board of Directors and consented to by that Board.

CERTIFICATION

That the undersigned secretary of the corporation known as the Southwest Wisconsin Technical College Foundation, Inc., does hereby certify that the above and foregoing Bylaws are duly adopted by the members of said corporation, as the Bylaws of said corporation, on the _____ day of _____, 2016, and will become effective as Bylaws of said corporation upon Southwest Wisconsin Technical College Board of Directors consent.

Commented [HC6]: Revised to align with 7.4 per MOU

Signature of Secretary
Southwest Wisconsin Technical College Foundation, Inc.

Printed Name of Secretary
Southwest Wisconsin Technical College Foundation, Inc.

Revision Status:

June 1986	Number of directors; gender consideration; publication
October 1987	Name adjustment formalized
March 1989	Number of directors
June 1989	Number of directors; quorum revision
July 1993	Complete revision and modification
April 14, 1998	Board members be residents served by the district
July 24, 2001	Complete revision
August 3, 2004	Date of annual meeting; delete "telegram" from Bylaws
October 13, 2009	Delete "quarterly" from Bylaws in regard to meetings; number of committees and committee structure
April 13, 2010	Remove "co" from Foundation Co-Director
June 16, 2012	Set terms of office to two consecutive three-year terms
August 18, 2012	Change at-large members to 19; "Vacancies" section, President Role
April 9, 2013	Revised and approved
December 17, 2014	Revised and approved
June 15, 2016	Support Memorandum of Understanding; added Development Committee; separated Secretary and Treasurer officer positions
December 21, 2016	Change at-large members to 10-15; Delete process to adding term limits; Task Force definition

Board Monitoring of College Effectiveness

A. Foundation Quarterly Report

Holly Clendenen, Executive Director of the Foundation and Real Estate Foundation, will present a quarterly Foundation report to the Board highlighting the activities and results of fundraising efforts and other initiatives. The report is available below.



Southwest Tech Foundation and SWTC Real Estate Foundation (REF) FY17 Second Quarter Report to District Board January 26, 2017

- **FY17 Fundraising Totals up to Dec. 31, 2016**
 - \$146,967.32 total gifts received (*FY16 total was \$331,413.35*)
 - \$7,924.00 received from retirees (*FY16 total was \$18,912.00*)
 - \$23,566.69 received from current employees, 171 employee donors including 76 ongoing payroll deductions (*FY16 total was \$29,927.35, 91 employee donors*)
 - \$13,051.45 Gift In-Kind total (*FY16 total was \$66,594.42*)
 - 1,564 total gifts (*FY16 total was 1,750*)
 - 568 total donors including 192 new donors (*FY16 total was 452 including 157 new*)
- **Gift Highlights – Thank you!**
 - \$100,000 4-year pledge from Montchevre for the Dairy Goat Management program with first \$25,000 payment to be paid in Jan 2017. This was facilitated by Farm Business and Production Management team and Derek Dachelet.
 - \$9,000 2-year pledge with \$4,500 received from Rayovac to endow their Rayovac Corp Fennimore Plant Scholarship
 - \$4,500 3-year pledge from Caterpillar Elkader Facility for Mobile Welding Lab
 - \$4,500 3-year pledge with \$1,500 received from Dillman for Mobile Welding Lab
 - \$4,500 3-year pledge from Universal Acoustic & Emission for Mobile Welding Lab
 - \$6,000 3-year pledge with \$2,000 received from Community First Bank for Charger Annual Fund
 - \$3,000 from Heartland Financial-Wisconsin Bank & Trust for Charger Annual Fund
 - \$3,000 gift in-kind (GIK) from Deb Reiner for Health, Education and Public Safety Div Development Fund
 - \$3,000 GIK from Willis Auto Body for Industry, Trades, and Ag Div Development Fund
 - \$2,500 from Taft's Mill Pottery for Innovation of the Year, Phi Theta Kappa, and Fennimore 50 for the 50th Scholarship
 - \$2,200 from Karen Jessen for Gary Jessen Memorial Scholarship and Charger Annual Fund

- \$2,100 from Dodgeville Kiwanis for Dodgeville Kiwanis scholarships
- \$2,000 from Schreiber Foods, Inc (Richland Center) for Industry, Trades and Ag Division Development Fund to purchase portable VFD trainer
- \$2,000 from Jim's Building Center for Charger Annual Fund
- \$2,000 from Boardman & Clark LLP for Charger Annual Fund
- \$2,000 from Sielaff Corporation for Charger Annual Fund
- \$2,000 from TRICOR for TRICOR scholarships
- \$2,000 from Grant Regional Health Center for Grant Regional Health Center scholarships
- \$2,000 from Badgerland Financial for Ag Development Fund for QuickBook licenses and ag student travel
- Scholarships
 - [2016-17 Scholarships](#): 275 scholarships awarded totaling \$165,945 (*FY16=290 scholarships totaling \$144,500*)
 - [2017-18 Scholarships](#): new timeline in order to better align with new admissions schedule; [online application](#) is open now, deadline is March 31; recipients will be notified in April or May 2017 for scholarships they will receive for 2017-18; high school students will have the same application timeline and application process as other new and continuing students
 - New scholarships:
 - Braudt Automotive Service Inc Scholarship – was inactive and started again this year
 - Dodgeville Kiwanis Scholarship
 - Loy Family Scholarship
 - Tracy and Mandy Henkel Scholarship
 - Catfish Bob's Fish Market Gas Scholarship
 - Thomas Garvey Memorial Scholarship
 - Fennimore 50 for the 50th Scholarship
 - Health Information Technology (HIT) Scholarship
 - Physical Therapy Assistant Scholarship
 - Miller Scholarship
 - Farm Operations and Management Program Scholarship
 - Farm Business and Production Management Scholarship
- Appeals
 - Employee Giving Campaign was a HUGE SUCCESS. 171 employees gave a gift during 50 Days of Giving. Full-time employee participation was 93%. A total of \$11,908.80 was received from employees during the campaign. 26 new payroll deductions were set up and 8 payroll deductions were increased. 11 new funds were established by employees during the campaign.
 - Fall Phonathon received \$12,154.22 with \$1,713.84 outstanding as of 12.31.16
 - Spring phonathon will begin Feb 6 and go through April 20. Focus of calling will be Community Scholarship Program (CSP) and program scholarships.
 - End-of-the-Year direct mail campaign received \$6,845 as of 12.31.16
- Events – Foundation and 50th Anniversary
 - Feb 11 Culinary Demonstration Alumni and Friends Event, campus, 5:00 pm
 - Feb 25 50th Anniversary Community Outreach Event – Pete Hoffman Bowling Tournament, Tower Junction, Montfort, 4:00 pm

- March 2 Women's Leadership Luncheon, Platteville, 12:00 pm
- March 11 50th Anniversary Community Outreach Event - Prairie du Chien St. Patrick's Day Parade, St. Feriole Island, Prairie du Chien, 9:00 am
- April 5 Retirees Reunion, campus, 8:30 am
- May 6 50th Anniversary Community Outreach Event – Babies Gone Too Soon Memorial Walk, Dodgeville, 8:00 am
- May 19 Southwest Tech Alumni and Retiree Awards and Donor Appreciation Dinner, campus, 5:30 pm
- June 3 50th Anniversary Community Outreach Event – Crawford County Dairy Breakfast, Prairie du Chien, 6:00 am
- June 3 50th Anniversary Community Outreach Event – Iowa County Dairy Breakfast, Dodgeville, 7:00 am
- June 10 50th Anniversary Community Outreach Event – Lafayette County Dairy Breakfast, TBA
- June 11 50th Anniversary Community Outreach Event – Richland County Dairy Breakfast, Richland Center, 7:00 am
- June 11 50th Anniversary Community Outreach Event – Grant County Dairy Breakfast, Lancaster, 7:00 am
- July 10 District, Foundation and REF Boards Joint Meeting, campus
- July 20 Southwest Tech Night at the Madison Mallards, Madison
- August 11 Charger Golf Classic, Prairie du Chien Country Club, 11:00 am
- August 26 50th Anniversary Corn Maze at Vesperman Farms Sneak Peek, Lancaster
- Sept 23 50th Anniversary Homecoming Reunion and Celebration Concert, campus, 12:00 pm
- Oct 26 23rd Annual Scholarship Reception, campus, 5:30 pm
- Real Estate Foundation
 - Housing
 - 4 REF board members toured housing properties before the end of the year to get a better understanding of our units and current conditions.
 - Future development and removal of current units is under discussion. Dan Imhoff provided a maintenance report to help with this discussion.
 - Short-term emergency housing will be available again spring semester. Several dates already booked by midwifery students and staff member.
 - Duplex under construction by carpentry program to add 8 more beds to student housing, to be completed by fall 2017
 - REF board approved new duplex construction project for 2017-18 pending cost estimate from Dan Imhoff and Jim Broihahn
 - Property ownership from Foundation to REF is in the works. Delayed due to rental weatherization legislation.

B. Industry, Trades & Agriculture Report

Derek Dachelet, Dean of Industry, Trades & Agriculture, will present a report on the department strengths and areas for improvement and major activities which help the College achieve its strategic directions and college health indicators. Information is available below.

BOARD ENDS

1. Provide apprenticeship, certificate, technical diploma, and associate degree programs that respond to District workforce needs and prepare students for family-sustaining jobs and career advancement.
2. Provide customized training, retraining, and technical assistance to businesses and other organizations.
3. Collaborate with schools to provide K-12 students opportunities to explore college and career options as well as to enhance their preparation for postsecondary education.
4. Provide career pathways and transfer opportunities that enable graduates to continue their education.
5. Provide continuing education opportunities to enhance the occupational knowledge and skills of District workers and residents.

2nd Year Retention

2 year programs	2014	2015	2016
Agribusiness/Science Tech.	89.29%	62.50%	72.22%
Electromechanical Technology	83.33%	66.67%	88.24%
Agric. Power & Equip. Tech.	85.00%	76.92%	81.82%
Automotive Technician	77.78%	57.14%	90.91%
1 year programs	2014	2015	2016
Auto Collision Repair & Refnsh.	80.00%	58.33%	72.73%
Building Trades-Carpentry	61.54%	60.00%	72.73%
Dairy Herd Management	68.42%	83.33%	89.47%
Electrical Power Distribution	88.89%	88.00%	91.30%
Welding	68.42%	81.48%	90.00%

3rd Year Graduation

2 year programs	2013	2014	2015
Agribusiness/Science Tech.	28.00%	78.57%	45.00%
Electromechanical Technology	58.33%	73.33%	44.44%
Agric. Power & Equip. Tech.	73.08%	80.00%	69.23%
Automotive Technician	29.17%	66.67%	38.10%
1 year programs	2013	2014	2015
Auto Collision Repair & Refnsh.	64.29%	60.00%	50.00%
Building Trades-Carpentry	42.86%	61.54%	60.00%
Dairy Herd Management	83.33%	63.16%	83.33%
Electrical Power Distribution	72.73%	88.89%	88.00%
Welding	54.55%	65.79%	77.78%

Job Placement

2 year programs	2013	2014	2015
Agribusiness/Science Tech.	100.00%	100.00%	100.00%
Electromechanical Technology	100.00%	100.00%	94.12%
Agric. Power & Equip. Tech.	100.00%	100.00%	100.00%
Automotive Technician	100.00%	100.00%	100.00%
1 year programs	2013	2014	2015
Auto Collision Repair & Refnsh.	83.33%	100.00%	100.00%
Building Trades-Carpentry	100.00%	100.00%	100.00%
Dairy Herd Management	100.00%	100.00%	100.00%
Electrical Power Distribution	90.91%	100.00%	94.12%
Welding	91.67%	94.74%	90.00%

Job Placement - Related

2 year programs	2013	2014	2015
Agribusiness/Science Tech.	83.33%	100.00%	91.67%
Electromechanical Technology	100.00%	90.00%	93.75%
Agric. Power & Equip. Tech.	85.71%	100.00%	87.50%
Automotive Technician	75.00%	100.00%	80.00%
1 year programs	2013	2014	2015
Auto Collision Repair & Refnsh.	60.00%	66.67%	75.00%
Building Trades-Carpentry	80.00%	100.00%	100.00%
Dairy Herd Management	100.00%	100.00%	90.91%
Electrical Power Distribution	90.00%	81.25%	87.50%
Welding	100.00%	66.67%	83.33%

FTEs and Headcount by Program - 2017				
Program Name	Head Count	Credits	FTEs	
Agri-Business/Science Technology		34	991.00	33.0333
Agribusiness Science & Technology - Agbus Mgmt		8	202.00	6.7333
Agribusiness Science & Technology - Agronomy		14	445.00	14.8333
Agribusiness Science & Technology - Animal Science		17	422.00	14.0667
Agricultural Power & Equipment Technician		34	1,043.00	34.7667
Auto Collision Repair & Refinish Technician		17	417.00	13.9000
Automotive Technician		35	831.00	27.7000
Building Trades-Carpentry		14	386.00	12.8667
CNC Setup/Operation		2	24.00	0.8000
Dairy Herd Management		19	584.00	19.4667
Electrical Power Distribution		24	697.00	23.2333
Electricity (Construction) Apprentice		24	93.00	3.1000
Electro-Mechanical Technology		39	1,049.00	34.9667
Farm Operations & Management - Dairy		1	13.00	0.4333
Farm Operations & Management - Dairy Technician		1	12.00	0.4000
Individualized Technical Studies		9	235.00	7.8333
Industrial Electrician Apprentice		11	48.00	1.6000
Industrial Mechanic		7	174.00	5.8000
Instrumentation and Controls Technology		2	12.00	0.4000
Plumbing Apprentice		20	61.00	2.0333
Precision Machining Technology		1	31.00	1.0333
Technical Studies-Journeyworker		1	6.00	0.2000
Welding		72	1,614.00	53.8000
		406	9,390	313

YOY Comparison

Head Count +11
Credits +186
FTEs +6

NEW PROGRAMS 2017-18

Farm Operations - Livestock (2-YR TD, 1-YR TD)

Farm Operations – Crops (2-YR TD, 1-YR TD)

Farm Operations – Ag Mechanics (2-YR TD, 1-YR TD)

Farm Operations – Dairy (2-YR TD, 1-YR TD, Repo Cert)

APPRENTICESHIP ENROLLMENT



2015-16 Results

25 Contracts for Training

(A 16% increase in the number of Contracts over 14-15)

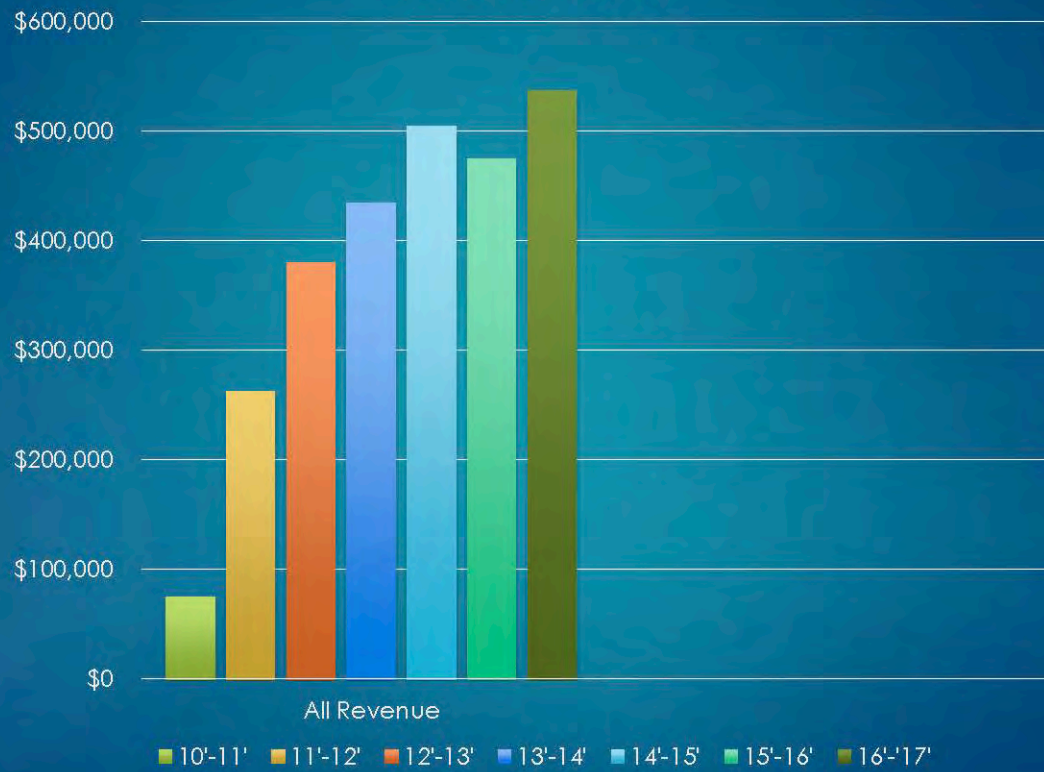
13 WAT (Workforce Advancement Training) Grants

(An Increase of 1 over 14-15)

Outreach completed through over 75 business visits and 5 public speaking engagements

Increased our Professional Development offerings to 59 by initiating an annual schedule of training

Total Revenue



2016-17 B&IS Priorities

- Continue to grow Business & Industry Services % of the annual WAT grant share, for 15'-16' SWTC share was 4.9%, 16'-17' WAT grant share is 7.5% or \$276,000 of the \$4 Million available to all 16 colleges.
- Continue the positive income trajectory for the division by growing non-grant revenues as directed by 2014 LERN assessment
- Grow Professional Development Revenue by 20% or \$10,000, by developing additional Professional Development/Continuing Education offerings across the college in new areas

Farm Business & Production Management



DEB IHM

- N. Grant Cty.
- Western Iowa Cty.



MATT LANSING

- S. Grant Cty.
- Iowa Cty.
- Lafayette Cty.



EDMUND RUFF

- Crawford Cty.
- Richland Cty.
- Southern Vernon Cty.
- Southwest Corner of Sauk Cty.

Farm Business & Production Management 2015-16

Farmers Served: 219 (20% Decrease over 2014-15)

Revenue without grants: \$91,960 (9% Decrease)

Grant Funds \$115,415 (77% Increase)

Total Revenue: \$207,375 (25% Increase)

Expenses \$384,085 (12% Increase)

Direct Net Cost \$188,020 (same as 2014-15)

2016-17 FBPM Priorities

- Increase enrollment in southern and eastern territory
- Advanced Farm Management Track
 - Livestock Management – Veterinary Feed Directive
 - Financial Management – Risk Management
 - Crop Management – Diseases & Pests
- Beginning Farm Management course
 - Add online component
 - Increase enrollment
- Finalize a Dairy Goat Herd Management Certificate (non-degree)
 - Begin online courses in Spring 2017

2016-17 FBPM Priorities

- Secure additional grant funding
 - DATCP - Nutrient Management Farmer Education
 - RDP – Financial Mgt Education for Farmers and Tuition Assistance
 - FSA – Beginning Farmer Education/Farm Succession (approval pending)
 - DATCP – Dairy Goat Certificate training (pending)
- Maximize synergy between FBPM and Farm Ops Program

Division Grants Secured

YEAR	# Grants	Total
2011-12	15	\$1,384,916
2012-13	17	\$2,064,743
2013-14	13	\$398,524
2014-15	20	\$772,539
2015-16	19	\$557,184
2016-17	7	\$662,858
		\$5,840,764

2016-17 Division Priorities

- Implementation of new programs & program changes to meet industry needs while addressing enrollment challenges (Instrumentation, Focus Programs like Auto and Precision Machining Technology)
- Implement new initiatives: Mobile Welding Trailer; AWS Accreditation; Youth Apprenticeship in Ag; Dairy Goat Training Certificate
 - Maximization of grant opportunities (FBPM, B&IS, GPR)
- Build relationships (K-12 CTE/University Transfer, Youth Apprenticeship)
 - Enhance lab safety



Board Monitoring Report – 2015-16

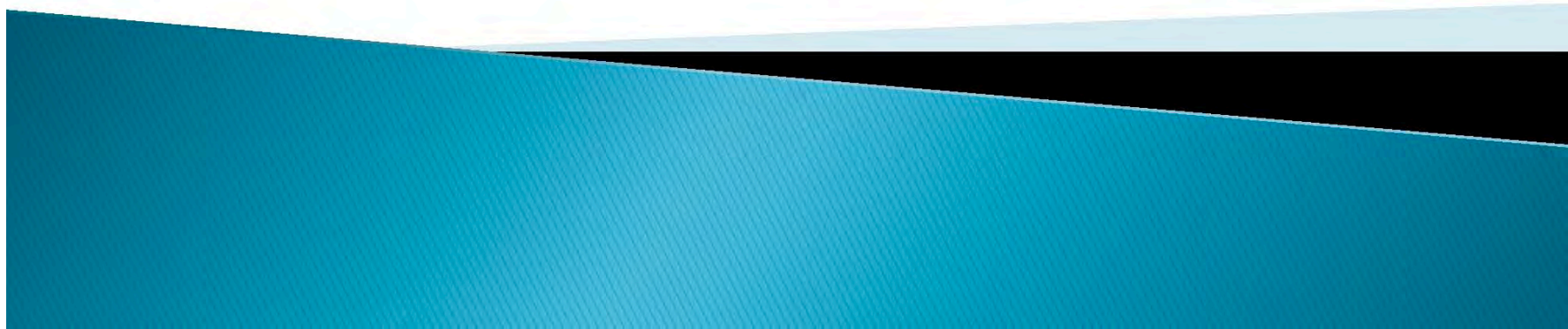
DIVISION OF INDUSTRY, TRADES, & AGRICULTURE

C. Business, Management & General Studies Report

Richard Ammon, Dean of Business, Management & General Studies, will present a report on the department strengths and areas for improvement and major activities which help the College achieve its strategic directions and college health indicators. Information is included below.

Division Update Business, Management and General Education

Report to District Board
Dr. Richard Ammon
Dean of Business, Management, and General Studies
January 2017



Goals of Presentation

- ▶ Program Review (Data)
- ▶ Year in Review (Current State)



Board Ends

- Provide apprenticeship, certificate, technical diploma, and associate degree programs that respond to District workforce needs and prepare students for family-sustaining jobs and career advancement.
- Collaborate with schools to provide K-12 students opportunities to explore college and career options as well as to enhance their preparation for postsecondary education.
- Provide career pathways and transfer opportunities that enable graduates to continue their education.



Alignment of Values

- ▶ **Learning.** We make **high-quality, affordable education accessible** to our diverse population. We help students develop the knowledge, skills, and attitudes needed for workforce success.
- ▶ **Integrity.** We **promote a cohesive culture** that is based on professionalism, fairness, trust, and respect. We work as a team to maintain a healthy environment of open communication, transparency, and dedication to the mission of Southwest Tech.
- ▶ **Accountability.** We **hold ourselves and our teams responsible** for achieving academic and fiscal College goals as established by the District Board.
- ▶ **Partnerships.** We **work together to set and attain goals that support our strategic directions.** We **collaborate internally** with students and staff and **externally** with businesses, donors, alumni, retirees, and the community to identify needs and provide services that impact lives.
- ▶ **Innovation.** We **foster creativity and student success** while exceeding industry needs. We leverage our rural perspective and progressive entrepreneurial spirit by utilizing emerging technologies that incorporate trend-setting techniques and strategies.
- ▶ **Continuous Improvement.** We **attract forward-thinking team members.** We support and promote their personal and professional development in order to produce high-quality, relevant programs and services, essential to our growth and sustainability as a college.

Retention and Graduation Rates

	2nd year retention			3rd Year Graduation Rate		
	Percentage of program students retained in year 2 and are active in the same program, where fiscal year is the year the *cohort is generated			Percent of First Time Program Students graduating from the program in three years, where fiscal year is the year the cohort is generated		
	2014	2015	2016	2013	2014	2015
2 year programs						
Accounting	63.16%	43.75%	66.67%	45.16%	42.11%	12.50%
Administrative Professional	44.44%	62.50%	45.45%	38.89%	33.33%	37.50%
Business Management	53.03%	64.58%	42.00%	40.00%	30.30%	29.17%
Culinary Arts	72.73%	55.56%	87.50%		36.36%	38.89%
Culinary Management	40.00%	42.86%	40.00%	13.33%	20.00%	14.29%
Golf Course Management	56.25%	72.22%	66.67%	35.00%	43.75%	55.56%
Graphic and Web Design	39.13%	57.69%	66.67%	29.41%	26.09%	26.92%
IT–Network Communication Specialist	50.00%	45.45%	63.33%	14.81%	25.00%	31.82%
Supply Chain Management		62.50%	50.00%			25.00%
Supervisory Management	50.00%	58.82%	83.33%		0.00%	29.41%
1 year programs						
Accounting Assistant	33.33%	66.67%	100.00%	63.64%	16.67%	60.00%
Culinary Specialist	50.00%	78.95%	37.50%	40.00%	50.00%	78.95%
IT–Computer Support Technician	66.67%	51.85%	43.75%		62.50%	53.85%
Office Support Specialist	66.67%	62.50%	71.43%	50.00%	60.00%	62.50%
Supply Chain Assistant			0.00%			na

Data source: QRP OLAP data cubes–Retention, Graduation, Job Placement

Job Placement

	Job Placement—all			Job Placement–Related		
	Percent of most recent graduates responding to the graduate follow up survey, in the labor market and reporting employment			Percent of most recent graduates responding to the graduate follow up survey, in the labor market and reporting employment related to their field of study		
	2013	2014	2015	2013	2014	2015
2 year programs						
Accounting	57.14%	83.33%	100.00%	50.00%	80.00%	66.67%
Administrative Professional	0.00%	100.00%	75.00%		83.33%	33.33%
Business Management	100.00%	92.86%	93.33%	69.23%	84.62%	57.14%
Culinary Arts			100.00%			50.00%
Culinary Management	100.00%	100.00%	100.00%	100.00%	66.67%	100.00%
Golf Course Management	75.00%	100.00%	80.00%	100.00%	100.00%	75.00%
Graphic and Web Design	100.00%	80.00%	85.71%	75.00%	75.00%	100.00%
IT–Network Communication Specialist	100.00%	100.00%	100.00%	100.00%	75.00%	100.00%
Supply Chain Management						
Supervisory Management	100.00%			100.00%		
1 year programs						
Accounting Assistant	100.00%	100.00%	100.00%	66.67%	33.33%	100.00%
Culinary Specialist	66.67%	100.00%	100.00%	100.00%	100.00%	71.43%
IT–Computer Support Technician		100.00%	100.00%		100.00%	80.00%
Office Support Specialist	100.00%	75.00%	100.00%	100.00%	33.33%	0.00%
Supply Chain Assistant						

Data source: QRP OLAP data cubes–Retention, Graduation, Job Placement

General Education Scorecard

		2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Total students achieved 2015-16
CG04 AAS Course Completion / mathematics		71.15%	68.01%	63.72%	72.62%	71.39%	237
CG05 AAS Course Completion / communications		68.79%	68.28%	71.64%	69.61%	74.10%	392
CG06 AAS Course Completion / social-behavioral		64.40%	65.79%	64.44%	67.92%	70.15%	477
CG07 AAS Course Completion / Natural sciences		73.17%	73.05%	83.52%	81.05%	77.16%	152
							1258
Math Course Completion	Percent of students that pass 100% of the math courses attempted in a year.						
Communication Course Completion	Percent of students that pass 100% of the communication courses attempted in a year.						
Social Science Course Completion	Percent of students that pass 100% of the social science courses attempted in a year.						
Natural Science Course Completion	Percent of students that pass 100% of the natural science courses attempted in a year.						

Students Enrolled in a Basic Education Course(s)

	Students	FTE's	Hours
Sum 1415	97	5.54	1558
Fall 1415	191	15.77	6395
Spr 1415	227	18.43	6741
*1415 Totals	381	39.74	14,694
Sum 1516	133	9.26	2,370
Fall 1516	258	22.64	8,100
Spr 1516	283	24.36	9,182
*1516 Totals	490	56.27	19,652
Sum 1617	134	8.73	2,079
Fall 1617	218	16.56	6,535
Spr 1617	TBD	TBD	TBD
*1617 Totals (1 / 2 Year)	298	25.32	8,619

*Totals are unduplicated

** Data Source: Client Reporting Data

Students Enrolled in a Developmental or Remedial course

	Remedial		Developmental		Total Students	Total FTE
	(Courses that address student's specific deficiencies. Examples include walk-in help to the KLC for help in Math with Business Applications)		(Courses that address students that are substantially deficient in foundation competencies Ex. Math Review, Fundamentals of Language)			
	Students	FTE's	Students	FTE's		
1415 Totals	1549	81.89	0	0	1549	81.89
1516 Totals	1008	77.07	966	37.5	1974	114.57
1617 Totals (1/2 Year)	759	38.54	295	12.52	1054	51.06

Data source: Client Reporting System

Bus., Mgt. and General Studies Initiatives

- ▶ Tech Hire Grant (\$1.25 Million+) (IT)
 - 4-year Department of Labor Grant
 - Premises Tech
 - Fiber and Copper Technician
 - Youth Apprenticeship Partnerships with CESA 3
- ▶ GPR Grant (IT)
 - Premises Tech provided to local High Schools
 - Uses training Modules at High School for lab work
- ▶ TAACCCT3 Grant (Supply Chain Mgt.)
 - Final year
 - FTE Growth

2015	2016	2017
2.63	7.20	13.60

Bus., Mgt. and General Studies Initiatives

- ▶ Perkins Grant
 - Retention Social Science Students
- ▶ University Transfer/Nicolet Agreement
- ▶ Assessment of General Education Outcomes
- ▶ Working with School Districts to increase number of high school students taking SWTC courses (i.e. BOOST, CEC –Richland Center)
- ▶ Alternative Delivery
 - Supply Chain
 - Supervisory Management

Basic Education Initiatives

- ▶ Prepare for Adult Education and Family Literacy (AEFL) Grant
- ▶ Coordinate with Tech Hire Grant to recruit students
- ▶ Expand services in Prairie Du Chien
- ▶ Basic Information Technology Skills (BITS) Training (Main campus and outreach sites)
- ▶ Relocation of Basic Education Services to Knox Learning Center
- ▶ Using Time-Trade to maximize student service contacts
- ▶ Writing Independence Initiative

Thank you

- ▶ To the faculty and of staff Business, Management, and General Education Division that serve our students, division, college and community.



D. Staffing Update

Krista Weber will provide an update on College staffing at the Board meeting. A summary is available below.

Staffing Update 2016-17 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
1	New Position	Software Developer	Hold	July 2016	Grade 6, Salaried Professional \$59,604 - \$80,641
2	Replacement- Patty Hartline (retirement 5/2016)	Communications Instructor	Betsy Ralph-Tollefson	8/10/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554 Hired at \$57,000
3	Replacement - Kirsten Reichmann	Academic Success Coach Lead Full-time/LTE	Melissa Klinkhammer	7/18/2016	Grade 7, Support Staff \$23.38-\$36.20 Hired at \$27.00/hour
4	Replacement- Yasmin Rioux	Communications Instructor	Snehal Shirke	8/15/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554 Hired at \$57,000
5	Replacement- Garry Kirk	Accounting Instructor	Melinda Nicely	8/11/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554 Hired at \$57,000
6	Replacement - Colleen Watters	Associate Degree Nursing Instructor	Vicky Rundle	8/8/2016	MS \$44,821-\$75,554 Hired at \$59,000
7	Replacement - Nicole Schopf	Associate Degree Nursing Instructor	Jenna Taylor	8/8/2016	MS \$44,821-\$75,554 Hired at \$58,000

Staffing Update 2016-17 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
8	Replacement - Dana O'Brien	Associate Degree Nursing Instructor	Justine Sparrgrove	8/8/2016	MS \$44,821-\$75,554 Hired at \$58,000
9	Replacement - Denise Joahanning	Nursing Assistant Instructor	Angela Starkey	8/15/2016	BS \$40,974-\$69,248 Hired at \$53,000
10	Replacement - Randy Leibfried	Evening Custodian	Michael Mann	7/12/2016	Grade 1 Support Staff \$12.07-\$15.59 Hired at \$13.50/hour
11	Replacement - Amy Poteet	Instructional Design Specialist	Joshua Krohn	9/21/2016	Grade 7, Salaried Professional \$52,190 - \$70,611 Hired at \$60,000
12	Replacement - David Wright	Academic Success Coach Part time/LTE/Grant Funded	Ed Edwards	8/17/2016	Grade 6 Support Staff \$21.05-\$27.24 Hired at \$25.00/hour
13	Replacement - Christal Foreyt	Associate Degree Nursing Instructor	Emily Vogt	12/1/2016	MS \$44,821-\$75,554 Hired at \$57,000

Staffing Update 2016-17 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
14	Replacement - Stephanie Foster	Student Success Coach	Kelsey Wagner	10/17/2016	Grade 8, Salaried Professional \$44,817 - \$60,580 Hired at \$45,000
15	New Position	Agriculture Instructor	Jamie Horsfall	11/14/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554 Hired at \$66,000
16	Replacement Barb Kennedy	Basic Education Instructor - Full-time, Limited Term	Cynthia Rasmussen	10/3/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554
17	New Position	Tech Hire Grant Case/Project Manager - Limited Term	Craig Woodhouse	10/15/2016	Grade 8, Salaried Professional \$44,817 - \$60,580
18	New Position	Academic Success Coach Part time/LTE/Grant Funded (Nursing)	Brooke Mitchell	1/9/2017	Grade 6 Support Staff \$21.05-\$27.24 Hired at \$25.00/hour
19	New Position	Academic Success Coach Part time/LTE/Grant Funded	Marlene Klein	11/2/2016	Grade 6 Support Staff \$21.05-\$27.24 Hired at \$25.00/hour

Staffing Update 2016-17 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
20	Replacement Murray Heitzer	Mathematics Instructor	Michael Madsen	1/9/2017	MS \$44,821-\$75,554 Hired at \$58.000
21	New Position	Paramedic Tech Instructor/Clinical Coordinator	Posted	Spring 2017	MS \$44,821-\$75,554
22	Replacement - Tammie Engelke	Administrative Assistant	Haylee Freymiller	12/5/2016	Grade 5 Support Staff \$17.40-22.42 Hired at \$17.75
23	Replacement - Jason Kolbe	Electromech Instructor/Contract Trainer	Posted	12/15/2016	BS \$40,974-\$69,248 MS \$44,821-\$75,554
24	Replacement - Judy Gosse	Network Administrator	Dave Friesen	11/28/2016	Grade 7 Support Staff \$23.38-\$36.20 Hired at \$29.00
25	Replacement - Lori Wiest	Financial Aid Assistant/Accounting Bursar	Posted	1/2/2016	Grade 4 Support Staff \$16.00-\$21.09


Staffing Update 2016-17 Fiscal Year

	Name	Title	Status and/or Additional Info	Effective Date	Funding Source &/or Estimated Wage Range/Hired Salary
26	Replacement - Scott Swan	Academic Success Coach, Part-time/LTE/Grant Funded	Posted	1/17/2017	Grade 6 Support Staff \$21.05-\$27.24
27	Replacement - Edwin Edwards	Academic Success Coach, Part-time/LTE/Grant Funded	Posted	1/17/2017	Grade 6 Support Staff \$21.05-\$27.24
28	Replacement - Derek Kruempel	TAACCCT 4 Grant Coordinator- Full-time LTE/Grant Funded	Posted	2/15/2017	Grade 8, Salaried Professional \$44,817 - \$60,580
29	Replacement - Richard Goss	Evening Custodian	Interviews scheduled	2/1/2017	Grade 1 Support Staff \$12.07-\$15.59
30	Replacement - Dave Friesen	Technology Support Specialist	Posting Closed	2/15/2017	Grade 7 Support Staff \$23.38-\$36.20
31	Replacement - Kurt Hampton	Maintenance Technician	Posted	2/20/2017	Grade 5 Support Staff \$17.40-\$22.42

Information and Correspondence

A. Enrollment Report

The 2016-17 Comparison FTE Report is available below.

		2015-2016 and 2016-2017 FTE Comparison					
Program Code	Program Title	01-19-16 Students	01-18-17 Students	Student Change	01-19-16 FTE	01-18-17 FTE	FTE Change
10-101-1	Accounting	33	40	7	20.60	29.17	8.57
10-106-6	Administrative Professional	15	9	(6)	12.47	7.93	(4.53)
10-006-2	Agri-Business/Science Technology (OLD)	67	34	(33)	62.00	33.03	(28.97)
10-006-7	Agribusiness Science & Technology - AgBus Mgmt (NEW)		8	8		6.73	6.73
10-006-5	Agribusiness Science & Technology - Agronomy (NEW)		14	14		14.83	14.83
10-006-6	Agribusiness Science & Technology - Animal Science (NEW)		17	17		14.07	14.07
10-102-3	Business Management	84	85	1	58.40	61.00	2.60
10-530-5	Cancer Information Management	21	36	15	12.83	21.30	8.47
10-504-X	Criminal Justice - Law Enforcement	54	52	(2)	48.60	47.57	(1.03)
10-316-1	Culinary Arts	21	14	(7)	17.20	12.03	(5.17)
10-317-1	Culinary Management	7	8	1	4.83	7.27	2.43
10-510-6	Direct Entry Midwife	54	57	3	25.47	21.83	(3.63)
10-307-1	Early Childhood Education	40	37	(3)	28.73	30.00	1.27
10-620-1	Electromechanical Technology	41	39	(2)	34.13	34.97	0.83
10-325-1	Golf Course Management	20	13	(7)	19.50	12.73	(6.77)
10-201-2	Graphic And Web Design	35	40	5	30.53	34.87	4.33
10-530-1	Health Information Technology	46	47	1	23.67	28.67	5.00
10-520-3	Human Services Associate	55	55	-	42.73	38.90	(3.83)
10-825-1	Individualized Technical Studies	6	9	3	4.30	7.83	3.53
10-620-3	Instrumentation and Controls Technology (NEW)		2	2		0.40	0.40
10-150-1	IT-Network Communications Specialist	43	39	(4)	36.47	33.27	(3.20)
10-513-1	Medical Laboratory Technician	18	19	1	16.07	13.77	(2.30)
10-543-1	Nursing - Associate Degree	214	219	5	107.20	120.43	13.23
10-531-1	Paramedic Technician (NEW)		5	5		2.03	2.03

		2015-2016 and 2016-2017 FTE Comparison					
Program Code	Program Title	01-19-16 Students	01-18-17 Students	Student Change	01-19-16 FTE	01-18-17 FTE	FTE Change
10-524-1	Physical Therapist Assistant	42	43	1	29.97	31.20	1.23
10-196-1	Supervisory Management	24	31	7	13.13	15.83	2.70
10-182-1	Supply Chain Management	13	27	14	7.27	13.60	6.33
10-499-5	Technical Studies-Journey Worker	2	1	(1)	0.60	0.20	(0.40)
	Total Associate Degree	955	1,000	45	656.70	695.47	38.77
31-101-1	Accounting Assistant	4	2	(2)	3.60	1.77	(1.83)
30-531-6	Advanced EMT	7	8	1	0.93	1.07	0.13
32-070-1	Agricultural Power & Equipment Technician	43	34	(9)	40.43	34.77	(5.67)
31-405-1	Auto Collision Repair & Refinishing Technician	19	17	(2)	14.53	13.90	(0.63)
32-404-2	Automotive Technician	36	35	(1)	32.53	27.70	(4.83)
31-475-1	Building Trades - Carpentry	11	14	3	9.97	12.87	2.90
31-307-1	Child Care Services (ETD)	20	11	(9)	15.80	7.50	(8.30)
30-420-2	CNC Setup/Operation (ETD)	4	2	(2)	2.13	0.80	(1.33)
31-502-1	Cosmetology	40	23	(17)	33.27	14.97	(18.30)
30-504-2	Criminal Justice-Law Enforcement 720 Academy (NEW)	18	19	1	9.60	8.17	(1.43)
31-317-1	Culinary Specialist (ETD)	8	2	(6)	5.60	1.87	(3.73)
31-091-1	Dairy Herd Management	20	19	(1)	19.73	19.47	(0.27)
30-508-2	Dental Assistant - Short Term	14	18	4	8.13	9.93	1.80
30-812-1	Driver and Safety Education Certification (NEW)		7	7		1.90	1.90
31-413-2	Electrical Power Distribution	24	24	-	23.30	23.23	(0.07)
50-413-2	Electricity (Construction) Apprentice	21	24	3	3.00	3.10	0.10
30-531-3	Emergency Medical Technician	15	50	35	3.20	10.03	6.83
32-080-3	Farm Operations & Management - Dairy (NEW)		1	1		0.43	0.43
31-080-3	Farm Operations & Management - Dairy Technician(ETD)(NEW)		1	1		0.40	0.40
50-413-1	Industrial Electrician Apprentice	12	11	(1)	2.07	1.60	(0.47)
31-620-1	Industrial Mechanic (ETD)	8	7	(1)	7.07	5.80	(1.27)
31-154-6	IT-Computer Support Technician	15	22	7	11.00	14.93	3.93
31-513-1	Laboratory Science Technician	4	6	2	3.20	3.43	0.23
31-509-1	Medical Assistant	42	36	(6)	31.97	30.57	(1.40)
31-530-2	Medical Coding Specialist (ETD) (NEW)	45	47	2	16.23	22.87	6.64
30-543-1	Nursing Assistant	167	175	8	20.87	22.53	1.67

		2015-2016 and 2016-2017 FTE Comparison					
Program Code	Program Title	01-19-16 Students	01-18-17 Students	Student Change	01-19-16 FTE	01-18-17 FTE	FTE Change
31-106-8	Office Support Specialist	7	6	(1)	6.03	5.73	(0.30)
50-427-5	Plumbing Apprentice	20	20	-	3.33	2.03	(1.30)
31-420-7	Precision Machining Technology (NEW)		1	1		1.03	1.03
31-182-1	Supply Chain Assistant (ETD)	1	1	-	0.50	0.43	(0.07)
31-442-1	Welding	61	72	11	47.67	53.80	6.13
	Total Technical Diploma	686	715	29	375.70	358.64	(17.06)
20-800-1	Liberal Arts - Associate of Arts	13	15	2	4.47	6.30	1.83
20-800-2	Liberal Arts - Associate of Science	10	14	4	2.53	5.33	2.80
	Undeclared Majors *	783	306	(477)	99.80	50.99	(48.81)
	Total	2,447	2,050	(397)	1,139.20	1,116.73	(22.47)
	Percent of Change						-1.97%
	Vocational Adult (Aid Codes 42-47)	3,257	2,764	(493)	62.02	52.54	(9.48)
	Community Services (Aid Code 60)	46	45	(1)	0.10	0.21	0.11
	Basic Skills (Aid Codes 73,74,75,76)	342	293	(49)	32.27	25.47	(6.80)
	Basic Skills (Aid Codes 77 & 78)	1,322	830	(492)	60.97	51.27	(9.70)
	Grand Total	7,414	5,982	(1,432)	1,294.56	1,246.22	(48.34)
	Total Percent of Change						-3.73%
	(ETD= Embedded Technical Diploma)						

Program Application Comparison 2017/18 vs. 2016/17

PROGRAM	01/20/17				01/19/16			YOY
	CAP	IP	ACCEPT	TOTAL	IP	ACCEPT	TOTAL	
Accounting			21	21	12	18	30	-9
Accounting Assistant			1	1	2	1	3	-2
Administrative Professional			3	3	2	2	4	-1
Agribusiness Science & Technology	36				17	16	33	-33
Agribusiness Science & Technology - Agbus Mgmt	20		10	10				10
Agribusiness Science & Technology - Agronomy	20		5	5				5
Agribusiness Science & Technology - Animal Science	20		14	14				14
Agricultural Power & Equipment Technician	22		24	24	9	23	32	-8
Auto Collision Repair & Refinish Technician	22		4	4	4	5	9	-5
Automotive Technician	22		17	17	15	7	22	-5
Building Trades-Carpentry	20		12	12	8	4	12	0
Business Management			10	10	16	4	20	-10
Cancer Information Management			28	28	4	5	9	19
Child Care Services	13		5	5	5	8	13	-8
CNC Setup/Operation	5		5	5	1	0	1	4
Cosmetology	24		17	17	9	4	13	4
Criminal Justice Studies	48		49	49	22	6	28	21
Culinary Arts			16	16	1	7	8	8
Culinary Management			1	1	0	1	1	0
Culinary Specialist			0	0	1	0	1	-1
Dairy Herd Management	24				9	13	22	-22
Dental Assistant	18		19	19	6	15	21	-2
Early Childhood Education	28		17	17	4	11	15	2
Electrical Power Distribution	24		60	60	14	24	38	22
Electro-Mechanical Technology	24		11	11	11	8	19	-8
Farm Operations & Management - Ag Mechanics	20		2	2				2
Farm Operations & Management - Crops Operations	20		1	1				1
Farm Operations & Management - Crops	20		1	1				1
Farm Operations & Management - Dairy	20		8	8				8
Farm Operations & Management - Dairy Technician	20		2	2				2
Farm Operations & Management-Farm Ag Maint.	20		1	1				1
Farm Operations & Management - Livestock	20		2	2				2
Farm Operations & Management - Livestock Tech	20		2	2				2
Golf Course Management			5	5	3	3	6	-1
Graphic and Web Design	25		20	20	12	9	21	-1
Health Information Technology	22		23	23	7	23	30	-7
Human Services Associate	31		19	19	8	11	19	0
Industrial Mechanic	6		3	3	2	0	2	1
Instrumentation and Controls Technology	6		1	1	0	0	0	1

PROGRAM	CAP	01/20/17			01/19/16			YOY
		IP	ACCEPT	TOTAL	IP	ACCEPT	TOTAL	
Laboratory Science Technician	15		3	3	0	1	1	2
Liberal Arts - Associate of Arts		10	0	10	9	0	9	1
Liberal Arts - Associate of Science		15	0	15	14	0	14	1
Medical Assistant	32		28	28	13	24	37	-9
Medical Coding Specialist	23		41	41	14	31	45	-4
Medical Laboratory Technician	16	3	4	7	11	1	12	-5
Nursing-Associate Degree	54	97	62	159	103	50	153	6
Nursing-Associate Degree-Part-time	28	0	16	16	0	18	18	-2
Office Support Specialist			0	0	1	2	3	-3
Paramedic Technician			6	6	0	0	0	6
Pharmacy Tech			0	0	0	0	0	0
Physical Therapist Assistant	18	23	11	34	33	10	43	-9
Precision Machining Technology	15		3	3	2	2	4	-1
Security Operations			1	1				1
Supervisory Management			1	1	2	1	3	-2
Supply Chain Assistant			0	0	1	0	1	-1
Supply Chain Management			3	3	2	0	2	1
Undecided		26	0	26	40	0	40	-14
Welding	40		37	37	17	9	26	11
TOTAL		174	670	844	478	384	862	-18
January New Starts - PROGRAM	CAP	ACCEPT	REG		ACCEPT	REG		YOY
Business Management		27	18		14	13		5
Direct Entry Midwife	32	30	29		34	30		-1
Liberal Arts - Associate of Arts		3	3		1	1		2
Liberal Arts - Associate of Science		5	4		2	2		2
Supervisory Management		6	3		5	4		-1
Supply Chain Assistant		2	1		0	0		1
Supply Chain Management		12	10		6	5		5
Welding	20	15	15		18	15		0
TOTAL		100	83		80	70		13

B. Chairperson's Report

C. College President's Report

1. Employee Giving Campaign
2. College Happenings

D. Other Information Items

Establish Board Agenda Items for Next Meeting

A. Agenda for Next Board Meeting

1. Board Retreat
2. Budget Assumptions & Parameters
3. Administrative Services Report including Borrowing Forecast/Debt Reduction
4. Human Resources Trends Report

B. Time and Place

1. Friday, February 24, 2017, at 12:30 p.m. in Platteville, WI, and Saturday, February 25, 2017 in Platteville, WI

Adjournment