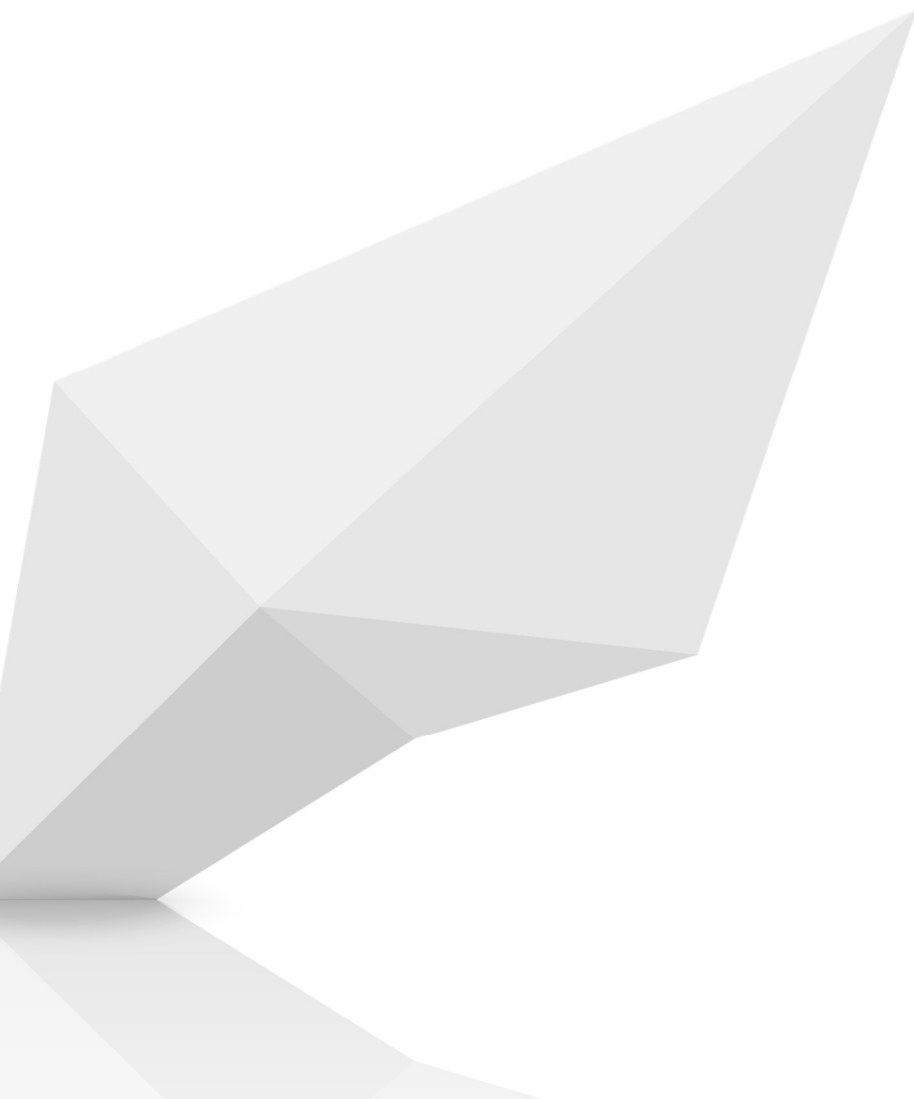


Blackhawk Technical College District

Federal and State Single Audit Reports

Year Ended June 30, 2021



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Blackhawk Technical College District

Federal and State Single Audit Reports

Year Ended June 30, 2021

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

District Board
Blackhawk Technical College District
Janesville, Wisconsin

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Blackhawk Technical College District (the “College”), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated November 19, 2021. We conducted our audits in accordance with auditing standards generally accepted in the United States 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 Blackhawk Technical College Foundation, Inc. (the “Foundation”), a discretely presented component unit, were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College’s internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 the attention of those charged with governance.

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

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

November 19, 2021
Eau Claire, Wisconsin

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

District Board
Blackhawk Technical College District
Janesville, Wisconsin

Report on Compliance for Each Major Federal and State Program

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

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 the College's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. The financial statements of the Blackhawk Technical College Foundation, Inc., were not audited in accordance with *Government Auditing Standards*.

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

Opinion on Each Major Federal and State Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

Report on Schedules of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *State of Wisconsin Single Audit Guidelines*

We have audited the financial statements of Blackhawk Technical College District as of and for the year ended June 30, 2021, and have issued our report thereon dated November 19, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on these financial statements as a whole. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *State of Wisconsin Single Audit Guidelines* and are not required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

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. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

November 19, 2021
Eau Claire, Wisconsin

Blackhawk Technical College District

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Agency/Program/Grant Title	AL/Grant Number	Grant Amount	Revenue		Expenditures	Passed Through to Subrecipients
			Federal	Match		
U.S. DEPARTMENT OF TRANSPORTATION						
Passed through the Wisconsin Technical College System Board						
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	n/a	\$ 1,734	\$ -	\$ 1,734	\$ -
U.S. DEPARTMENT OF THE TREASURY						
Passed through the Wisconsin Department of Administration						
COVID-19 - Coronavirus Relief Fund	21.019	\$ 440,775	302,481	-	302,481	-
U.S. DEPARTMENT OF VETERANS AFFAIRS						
VA Educational Reporting Fee	64.027	n/a	1,168	-	1,168	-
U.S. DEPARTMENT OF EDUCATION						
Direct Programs						
Student Financial Assistance Cluster						
Federal Supplemental Educational Opportunity Grants						
SEOG 2020-21	84.007					
	E-P007A204485	n/a	121,792	-	121,792	-
Federal Work Study Program						
FWS 2020-21	84.033					
	E-P033A204485	n/a	48,551	-	48,551	-
Federal Pell Grant Program						
Pell 2020-21	84.063					
	E-P063P202672	n/a	3,616,973	-	3,616,973	-
Administrative Fee						
			12,441	-	12,441	-
Federal Direct Student Loan Program						
Direct Loan Program	84.268					
	E-P268K212672	n/a	3,503,602	-	3,503,602	-
Total Student Financial Assistance Cluster			7,303,359	-	7,303,359	-
Passed through the Wisconsin Technical College System Board						
Adult Education-Basic Grant to States						
Integrated English & Civics Education - Comprehensive	84.002					
	05-134-146-161	24,794	19,109	24,322	43,431	-
Integrated English & Civics Education - Special Focus						
	05-445-146-160	33,041	32,276	10,757	43,033	-
Comprehensive Corrections						
	05-151-146-111	5,211	1,072	1,336	2,408	-
Comprehensive						
	05-646-146-121	159,118	106,642	119,008	225,650	-
Total 84.002			159,099	155,423	314,522	-

Blackhawk Technical College District

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2021

Agency/Program/Grant Title	AL/Grant Number	Grant Amount	Revenue		Expenditures	Passed Through to Subrecipients
			Federal	Match		
U.S. DEPARTMENT OF EDUCATION (continued)						
Passed through the Wisconsin Technical College System Board (continued)						
Career and Technical Education - Basic Grants to States						
	84.048					
Career Prep	05-073-150-211	\$ 41,395	\$ 33,935	\$ -	\$ 33,935	\$ -
Capacity Building for Equity and Inclusion	05-168-150-221	28,769	4,000	-	4,000	-
Strengthening Programs	05-423-150-251	82,236	71,831	-	71,831	-
Student Support Services - Non Traditional	05-424-150-261	20,559	13,082	-	13,082	-
Student Success	05-471-150-231	308,385	282,084	221,337	503,421	-
Total 84.048			404,932	221,337	626,269	-
Direct Programs						
COVID-19 - Education Stabilization Program						
	84.425					
Institutional Costs	P425F201994	8,031,052	2,976,456	-	2,976,456	-
Emergency Financial Aid Grants to Students	P425E202285	6,020,481	1,069,044	-	1,069,044	-
Strengthening Institutions Program	P425M200623	284,787	179,190	-	179,190	-
Total 84.425			4,224,690	-	4,224,690	-
Total U.S Department of Education			12,092,080	376,760	12,468,840	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 12,397,463	\$ 376,760	\$ 12,774,223	\$ -

Blackhawk Technical College District

Schedule of Expenditures of State Awards

Year Ended June 30, 2021

State Agency/Program/Title	State Catalog/Grant Number	Grant Amount	Revenue		Expenditures	Passed Through to Subrecipients
			State	Match		
Wisconsin Department of Revenue						
Personal Property Aid	835.103	n/a	\$ 40,930	\$ -	\$ 40,930	\$ -
Exempt Computer Aid	835.109	n/a	61,894	-	61,894	-
Total Wisconsin Department of Revenue			<u>102,824</u>	<u>-</u>	<u>102,824</u>	<u>-</u>
Wisconsin Higher Education Aids Board						
Wisconsin Higher Education Grants	235.102	n/a	768,712	-	768,712	-
Remission of Fees for Veterans and Dependents	235.105	n/a	15,889	-	15,889	-
Minority Retention Grant	235.107	n/a	8,045	-	8,045	-
Handicapped Student Grant	235.112	n/a	1,800	-	1,800	-
Talent Incentive Program	235.114	n/a	28,450	-	28,450	-
HEAB Nursing Student Loan Fund	235.117	n/a	9,000	-	9,000	-
Technical Excellence Scholarship	235.119	n/a	19,582	19,576	39,158	-
Total Wisconsin Higher Education Aids Board			<u>851,478</u>	<u>19,576</u>	<u>871,054</u>	<u>-</u>
Wisconsin Department of Public Instruction						
Precollege Scholarship Program	255.903					
	05-084	n/a	3,519	-	3,519	-
Wisconsin Technical College System Board						
General State Aid	292.105	n/a	2,124,700	-	2,124,700	-
Performance Based Aid	292.105	n/a	1,187,393	-	1,187,393	-
General State Aid Prior Year Adjustment	292.105	n/a	(56,600)	-	(56,600)	-
Total 292.105			<u>3,255,493</u>	<u>-</u>	<u>3,255,493</u>	<u>-</u>
Student Emergency Fund	292.104					
Emergency Fund	05-114-104-111	20,354	20,354	-	20,354	-

Blackhawk Technical College District

Schedule of Expenditures of State Awards (Continued)

Year Ended June 30, 2021

State Agency/Program/Title	State Catalog/Grant Number	Grant Amount	Revenue		Expenditures	Passed Through to Subrecipients
			State	Match		
Wisconsin Technical College System Board (Continued)						
Grants to District Boards						
	292.124					
Industrial Electrician Apprentice	05-029-124-111	\$ 13,071	\$ 12,089	\$ -	\$ 12,089	\$ -
Career Pathways	05-158-124-120	150,000	21,250	7,084	28,334	-
Core Industry	05-131-124-130	250,000	14,763	-	14,763	-
Completion	05-088-124-160	225,000	17,863	5,953	23,816	-
Completion	05-088-124-161	225,000	186,294	62,096	248,390	-
Professional Growth	05-089-124-151	51,408	51,365	25,684	77,049	-
Green County Manufacturing Consortium	05-162-124-170	63,158	5,025	-	5,025	-
NorthStar Training Program	05-163-124-170	19,152	2,271	-	2,271	-
Enhancing Leadership in Rock County	05-164-124-170	16,150	3,855	-	3,855	-
MPC	05-165-124-170	16,077	8,365	-	8,365	-
Community Action, Inc.	05-166-124-170	5,268	122	-	122	-
Developing Markets	05-170-124-141	122,918	119,575	-	119,575	-
IPM Foods	05-173-124-171	72,532	16,983	-	16,983	-
Beloit Health System	05-174-124-171	14,570	335	-	335	-
Rock County Consortium	05-175-124-171	10,894	7,154	-	7,154	-
SSI Technologies	05-176-124-171	35,411	1,627	-	1,627	-
NorthStar Training Program	05-177-124-171	14,532	11,570	-	11,570	-
Green County Manufacturing Consortium	05-178-124-171	116,622	24,922	-	24,922	-
Passed through Northeast Wisconsin Technical College						
Farm Production - Agronomy (Crop Science)	13-180-124-131	69,416	158	-	158	-
Total 292.124			505,586	100,817	606,403	-
Fire Fighter Training 2%	292.137	n/a	18,754	-	18,754	-
Property Tax Relief Aid	292.162	n/a	9,797,362	-	9,797,362	-
Total Wisconsin Technical College System Board			13,597,549	100,817	13,698,366	-

Blackhawk Technical College District

Notes to the Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2021

Note 1 Basis of Presentation

The accompanying schedules of expenditures of federal and state awards include the federal and state award activity of Blackhawk Technical College District under programs of the federal and state government for the year ended June 30, 2021. The information in these schedules 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 and State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Because the schedules present only a selected portion of the operations of Blackhawk Technical College District, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of Blackhawk Technical College District.

Note 2 Summary of Significant Accounting Policies

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

Note 3 Federal Direct Student Loans (FDL)

The FDL (Federal CFDA Number 84.268) is comprised of the following Loan types:

Subsidized Stafford loans	\$ 1,832,618
Unsubsidized Stafford loans	<u>1,670,984</u>
Total FDL	<u>\$ 3,503,602</u>

Blackhawk Technical College District

Notes to the Schedules of Expenditures of Federal and State Awards

Year Ended June 30, 2021

Note 4 Pass-Through Funds to Subrecipients

During the fiscal year ended June 30, 2021, there were no funds passed through to a subrecipient.

Note 5 Reconciliation of Revenues to the Basic Financial Statements

The following is a reconciliation of federal awards per the Schedule of Expenditures of Federal Awards to the federal revenues per the College's basic financial statements

Revenues per Schedule of Expenditures of Federal Awards	\$ 12,397,463
Financial aid not recognized as revenue	<u>(3,503,602)</u>
Revenues per basic financial statements	<u>\$ 8,893,861</u>

The following is a reconciliation of state awards per the Schedule of Expenditures of State Awards to the state revenues per the College's basic financial statements.

Revenues per Schedule of Expenditures of State Awards	\$ 14,730,456
Financial aid not recognized as revenue	<u>(835,589)</u>
State revenue per basic financial statements	<u>\$ 13,894,867</u>

State revenues per basic financial statements:

Non-operating revenue	\$ 13,190,322
Operating revenue	<u>704,545</u>
Total	<u>\$ 13,894,867</u>

Blackhawk Technical College District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting in accordance with GAGAS:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Noncompliance material to the financial statements?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	No
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 federal programs:

CFDA Number	Name of Federal Program or Cluster
21.019	COVID-19 - Coronavirus Relief Fund
84.425	COVID-19 - Education Stabilization Program

Dollar threshold used to distinguish between Type A and Type B Programs	\$750,000
Auditee qualified as a low-risk auditee?	Yes

Blackhawk Technical College District

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2021

Section I - Summary of Auditor's Results (Continued)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified not considered to be material weakness(es)? 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 the *State of Wisconsin Single Audit Guidelines*? No

Identification of major state programs:

	CFDA Number	Name of State Program or Cluster
✔	292.105	State Aid for Technical Colleges
✔	292.162	Property Tax Relief Aid
✔	292.124	Grants to District Boards

Section II - Financial Statement Findings

There were no findings required to be reported in accordance with Generally Accepted Government Auditing Standards.

Section III - Federal and State Financial Assistance Findings and Questioned Costs

None reported.

Blackhawk Technical College District

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2021

Section IV – Prior Year Findings and Questioned Costs

None reported.

Section V – 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 noncompliance, nonmaterial noncompliance, 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 *State of Wisconsin Single Audit Guidelines*:

Wisconsin Department of Revenue	No
Wisconsin Department of Administration	No
Wisconsin Higher Education Aids Board	No
Wisconsin Technical College System Board	No
Wisconsin Department of Corrections	No
Wisconsin Department of Workforce Development	No
Wisconsin Department of Public Instruction	No

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

Name and Signature of Partner



Dan Walker, CPA

Date of Report

November 19, 2021