

BTOP Public Computer Center and Sustainable Broadband Detailed Budget

Please complete the Detailed Budget, breaking out individual line items under each category heading (add rows to each section as necessary to accommodate your line items). Please ensure line item total columns in the "General" and "Detail" sections are equal for each line item (a cell with a yellow highlight indicates an inconsistency). Also, you may utilize the provided space for additional notes, if desired (there is also a Budget Narrative question in the application in which you will provide narrative detail on this budget).

Specifics needed for each cost category line item:

Personnel: For each position, list the number of positions, the location or geography of position, the job/task responsibilities for the position, the annual salary, and the percent of time a person filling the position will spend working on the proposed BTOP project. For lines with more than one position, the Quarters Employed field should represent number of quarters per person (*e.g.*, for two employees each working for one year, Quarters Employed should be 4 rather than 8).

Fringe: For each position, note the number of positions, the annual salary, the percent of time a person filling this position will spend working on the proposed BTOP project, and the fringe rate applicable to the position. For lines with more than one position, the Quarters Employed field should represent number of quarters per person (*e.g.* for two employees each working for one year, Quarters Employed should be 4 rather than 8).

Equipment: List all equipment units required for the project and provide program purpose. For each line item, note the number of units and the unit cost. The multiple of these two factors will yield the total for that line item. For example, an Applicant planning to buy 100 laptops at \$500/laptop will have a total line item cost of \$50,000. Again, although unit costs may include cents, once multiplied by the number of units, the result must be rounded to the nearest whole dollar. Clearly separate Applicant equipment and user equipment, as indicated in the detailed budget template. When providing the unit cost indicate whether the unit cost has been impacted by a discount and for software equipment list specific package names.

Travel: For each trip list the program purpose of the trip, destination city and the number of people traveling. For each line item (*e.g.*, trip), note the number of trips and the cost per trip. The multiple of these two factors will yield the total for that line item. For example, if the Applicant was accounting for 10 trips at \$25 per trip, the total cost would be \$250. The cost per trip should be justified on its own, *not* derived by dividing the line item total by the number of trips. Such a calculation will prompt further inquiry from the reviewers about justification for the trip cost. Rather, the *total* trip cost should be derived from the number of trips *times* the justifiable cost per trip.

Supplies: Separate supplies by item type, describing the program purpose or use. For each line item, note the number of units and the unit costs. The multiple of these two factors will yield the total for that line item. For example, an Applicant planning to buy 20 boxes of printer paper at \$30/box would have a total line item cost of \$600. Again, although unit costs may include cents, once multiplied by the number of units, the result must be rounded to the nearest whole dollar.

Other: Separate item types; for awareness program cost items, such as ads, separate ad types (radio, newspaper, etc) and include geography in which they will run.

Contractual: For each line item, identify the contractor and note the number of contracted hours of service.

and hourly rate, if applicable. For example, an Applicant planning to hire a technology consultant for 100 hours at a rate of \$40/hour would have a total line item cost of \$4,000.

Indirect: Provide the indirect rate and basis used. In the space provided at the bottom of the page, briefly explain the calculation used to derive the indirect costs (including the indirect rate and basis included in the basis). If a negotiated indirect cost rate agreement exists and is being used, please identify the cognizant agency.

The category subtotals for this Detailed Budget should correspond to the data provided in your SF-424A, and both the SF-424 budget and this Detailed Budget should match the Federal Grant Request and Total Match Amount provided on the Project Budget page of the application. Please review both budget uploads, the budget narrative in the application, and the Project Budget page for consistency before submitting the application. If you are submitting a PCC project with a SF-424C instead of an SF-424A, the sections of this Detailed Budget will not align directly with the categories of the SF-424C, but you should complete this Detailed Budget, allocating costs to the appropriate cost categories.

The data provided via this template will be subject to automated processing. Applicants are therefore required to provide this upload as an Excel file, and not to convert it to a PDF prior to upload. Additionally, applicants should not modify the format of this file.

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**BTOP Public Computer Center and Sustainable Broadband Adoption
Detailed Budget Template**

Easy Grants ID:
Applicant:
Project Title:

SF-424A Object Class Category	General	Detail								
		Position	Federal Support	Matching Support	Total	# of Positions	Salary	% Time Spent on Project	Quarters Employed	Total
a. Personnel - List position, number of staff, annual salaries, % time spent on project										
Ron Jurgens	Project Investigator (PI) Vice-President of Planning and Operations		\$42,019.80	\$42,019.80	1	\$70,033.00	20%	12.00	\$42,019.80	
Chad-Waukechon	Co-PI Dean of Continuing Education		\$34,507.20	\$34,507.20	1	\$57,512.00	20%	12.00	\$34,507.20	
Joel Kroenke	Campus Planner		\$13,260.00	\$13,260.00	1	\$53,040.00	25%	4.00	\$13,260.00	
Renita Wilber	IT Director		\$15,103.92	\$15,103.92	1	\$50,346.40	10%	12.00	\$15,103.92	
TBD	Community Technology Center Director	\$104,000.00	\$13,000.00	\$117,000.00	1	\$52,000.00	100%	9.00	\$117,000.00	
TBD	Community Technology Instructor	\$100,000.00	\$12,500.00	\$112,500.00	1	\$50,000.00	100%	9.00	\$112,500.00	
TBD	Technology Coordinators	\$166,400.00	\$20,800.00	\$187,200.00	2	\$41,600.00	100%	9.00	\$187,200.00	
TBD	Student Workers	\$145,600.00	\$20,800.00	\$166,400.00	8	\$10,400.00	100%	8.00	\$166,400.00	
Subtotal		\$516,000.00	\$171,990.92	\$687,990.92						

b. Fringe Benefits - Include salaries and fringe rate.	Position	Federal Support	Matching Support	Total	# of Positions	Salary	% Time Spent on Project	Quarters Employed	Fringe Rate	Total
Ron Jurgens	Project Investigator (PI) Vice-President of Planning and Operations		\$18,908.91	\$18,908.91	1	\$70,033.00	20%	12.00	45.00%	\$18,908.91
Chad-Waukechon	Co-PI Dean of Continuing Education		\$15,528.24	\$15,528.24	1	\$57,512.00	20%	12.00	45.00%	\$15,528.24
Joel Kroenke	Campus Planner		\$5,967.00	\$5,967.00	1	\$53,040.00	25%	4.00	45.00%	\$5,967.00
Renita Wilber	IT Director		\$6,796.76	\$6,796.76	1	\$50,346.40	10%	12.00	45.00%	\$6,796.76
TBD	Community Technology Center Director	\$46,800.00	\$5,850.00	\$52,650.00	1	\$52,000.00	100%	9.00	45.00%	\$52,650.00
TBD	Community Technology Instructor	\$45,000.00	\$5,625.00	\$50,625.00	1	\$50,000.00	100%	9.00	45.00%	\$50,625.00
TBD	Technology Coordinators	\$74,880.00	\$9,360.00	\$84,240.00	2	\$41,600.00	100%	9.00	45.00%	\$84,240.00
				\$0.00						\$0.00
Subtotal		\$166,680.00	\$68,035.91	\$234,715.91						

c. Travel - For significant costs, include details such as number and purpose of trips, destinations.	Purpose of Trip	Federal Support	Matching Support	Total	# of Trips	Cost per Trip	Total
1 to 2 trips per year for 2 staff	Professional development and training	\$12,500.00		\$12,500.00	5	\$2,500.00	\$12,500.00
				\$0.00			\$0.00
				\$0.00			\$0.00
				\$0.00			\$0.00
Subtotal		\$12,500.00	\$0.00	\$12,500.00			

d. Equipment Costs - List equipment with # of units and unit costs. Distinguish between equipment intended for applicant use versus equipment for the end user.	Equipment Description	Federal Support	Matching Support	Total	#Units	Unit Cost	Total
Applicant Equipment							
CCTC Network Equipment	Servers	\$10,122.02		\$10,122.02	2	\$5,061.01	\$10,122.02
CCTC Network Equipment	Fibre SAN	\$12,671.40		\$12,671.40	1	\$12,671.40	\$12,671.40
CCTC Network Equipment	Virtualization Software	\$3,116.27		\$3,116.27	2	\$1,558.14	\$3,116.27
CCTC Network Equipment	Rack	\$455.60		\$455.60	1	\$455.60	\$455.60
CCTC Network Equipment	Fiber Tray	\$183.75		\$183.75	1	\$183.75	\$183.75
CCTC Network Equipment	CCH Patch Panel	\$52.50		\$52.50	1	\$52.50	\$52.50
CCTC Network Equipment	SC MM Connector	\$67.20		\$67.20	4	\$16.80	\$67.20

CCTC Network Equipment	48 Port Patch Panel	\$1,680.00	\$1,680.00	4	\$420.00	\$1,680.00
CCTC Network Equipment	Cisco Firewall	\$1,199.68	\$1,199.68	1	\$1,199.68	\$1,199.68
CCTC Network Equipment	Switches	\$17,091.90	\$17,091.90	4	\$4,272.98	\$17,091.90
CCTC Network Equipment	Cisco Inet Router	\$3,682.35	\$3,682.35	1	\$3,682.35	\$3,682.35
CCTC Network Equipment	3750 Catalyst	\$7,553.70	\$7,553.70	1	\$7,553.70	\$7,553.70
CCTC Network Equipment	Transceiver B	\$1,260.00	\$1,260.00	4	\$315.00	\$1,260.00
CCTC Network Equipment	3750 Catalyst SMARTNET	\$1,268.66	\$1,268.66	1	\$1,268.66	\$1,268.66
CCTC Network Equipment	SMARTNET UPS	\$1,038.98	\$1,038.98	1	\$1,038.98	\$1,038.98
CCTC Network Equipment	APC UPS 1000VA for switch	\$584.72	\$584.72	1	\$584.72	\$584.72
CCTC Network Equipment	APC UPS 2200VA for server	\$1,342.95	\$1,342.95	1	\$1,342.95	\$1,342.95
CCTC Network Equipment	KVM Switch & Cables	\$180.55	\$180.55	1	\$180.55	\$180.55
CCTC Network Equipment	Flat screen monitor for server	\$156.45	\$156.45	1	\$156.45	\$156.45
CCTC Network Equipment	1Ft LAN cables	\$66.53	\$66.53	48	\$1.39	\$66.53
CCTC Network Equipment	7Ft LAN Cables	\$22.26	\$22.26	10	\$2.23	\$22.26
CCTC Network Equipment	Mac Pro Server	\$6,349.35	\$6,349.35	1	\$6,349.35	\$6,349.35
CCTC Network Equipment	Wireless 802.11AG	\$2,263.80	\$2,263.80	4	\$565.95	\$2,263.80
CCTC Network Equipment	Wireless Power Injector	\$148.68	\$148.68	4	\$37.17	\$148.68
CCTC Network Equipment	Antennas T24020O23620	\$236.25	\$236.25	3	\$78.75	\$236.25
CCTC Network Equipment	Antennas T24065P23602	\$177.45	\$177.45	1	\$177.45	\$177.45
CCTC Network Equipment	Outmount	\$208.95	\$208.95	1	\$208.95	\$208.95
CCTC Network Equipment	Smartnet wireless	\$126.00	\$126.00	4	\$31.50	\$126.00
CCTC Network Equipment	125 hours of Heartland engineering service	\$16,406.25	\$16,406.25	1	\$16,406.25	\$16,406.25
CCTC Network Equipment	Heartland Shipping	\$315.00	\$315.00	1	\$315.00	\$315.00
CCTC Media Equipment	DVD/VCR	\$386.40	\$386.40	4	\$96.60	\$386.40
CCTC Media Equipment	Anchor Speaker	\$592.20	\$592.20	4	\$148.05	\$592.20
CCTC Media Equipment	Boynq Speaker	\$168.00	\$168.00	4	\$42.00	\$168.00
CCTC Media Equipment	Canon RE455X Document Camera	\$5,779.20	\$5,779.20	4	\$1,444.80	\$5,779.20
CCTC Media Equipment	Epson 822 Projector	\$2,940.00	\$2,940.00	4	\$735.00	\$2,940.00
CCTC Media Equipment	Projector universal Mount Vector Proll	\$319.20	\$319.20	4	\$79.80	\$319.20
CCTC Media Equipment	Ceiling Panel with pipe	\$222.60	\$222.60	4	\$55.65	\$222.60
CCTC Media Equipment	VP-719 Kramer Switcher	\$3,465.00	\$3,465.00	4	\$866.25	\$3,465.00
CCTC Media Equipment	Hitachi Starboard	\$7,140.00	\$7,140.00	4	\$1,785.00	\$7,140.00
CCTC Media Equipment	Spectrum Instructor's Cart	\$12,616.80	\$12,616.80	4	\$3,154.20	\$12,616.80
CCTC Media Equipment	Projector Screen	\$588.00	\$588.00	4	\$147.00	\$588.00
CCTC Media Equipment	Rackmount Spectrum Cart Shelves	\$277.20	\$277.20	8	\$34.65	\$277.20
CCTC Media Equipment	9 - Outlet Rackmount	\$562.80	\$562.80	4	\$140.70	\$562.80
CCTC Media Equipment	Retractable Data Cord Reel	\$1,050.00	\$1,050.00	4	\$262.50	\$1,050.00
CCTC Media Equipment	Rapid Run Flying Lead	\$84.00	\$84.00	4	\$21.00	\$84.00
CCTC Media Equipment	25 Foot Rapid Run Cable	\$105.00	\$105.00	4	\$26.25	\$105.00
CCTC Media Equipment	Wall Plate	\$92.40	\$92.40	4	\$23.10	\$92.40
CCTC Media Equipment	Cords and surge protectors	\$546.00	\$546.00	4	\$136.50	\$546.00
CCTC Media Equipment	Cord Covers	\$230.79	\$230.79	20	\$11.54	\$230.79
CCTC Media Equipment	40 hours of preparing, installing equip	\$714.00	\$714.00	1	\$714.00	\$714.00
CCTC Phone/Computers/Software	Phones	\$5,859.00	\$5,859.00	20	\$292.95	\$5,859.00
CCTC Phone/Computer/Software	Printer Staff (Lease per month - Quantity based on 12 months)	\$8,190.00	\$8,190.00	12	\$682.50	\$8,190.00
CCTC Phone/Computer/Software	Computers Staff	\$3,465.00	\$3,465.00	3	\$1,155.00	\$3,465.00
CCTC Security and Paging	Paging Speakers (Informacast)	\$3,460.80	\$3,460.80	4	\$865.20	\$3,460.80
CCTC Security and Paging	Security Cameras (Internal) Axis model 211	\$3,591.00	\$3,591.00	6	\$598.50	\$3,591.00
CCTC Security and Paging	Security Cameras (External) Axis Model 215PTZ	\$3,962.70	\$3,962.70	4	\$990.68	\$3,962.70
CCTC Security and Paging	Outdoor Housing	\$2,376.02	\$2,376.02	4	\$594.01	\$2,376.02
CCTC Security and Paging	Axis Camera software	\$1,018.50	\$1,018.50	10	\$101.85	\$1,018.50
CCTC Security and Paging	40 hours of preparing, installing equipment	\$714.00	\$714.00	1	\$714.00	\$714.00
CCTC Broadband Transport Cost	Broadband Transport Cost	\$31,500.00	\$31,500.00	1	\$31,500.00	\$31,500.00
Furniture	Staff desks	\$8,080.00	\$8,080.00	4	\$2,020.00	\$8,080.00
Furniture	Staff chairs	\$1,712.00	\$1,712.00	4	\$428.00	\$1,712.00
Furniture	File Cabinets	\$3,488.00	\$3,488.00	4	\$872.00	\$3,488.00

f. Contractual - List contractors with purpose of contract, hourly rate or total fixed rate.	Contractor	Federal Support	Matching Support	Total	# Hours (If Applicable)	Hourly Rate (If Applicable)	Total Contract
Training and Outreach instructors	Specialized areas	\$20,000.00		\$20,000.00	400	50	\$20,000.00
				\$0.00			\$0.00
				\$0.00			\$0.00
				\$0.00			\$0.00
Subtotal		\$20,000.00	\$0.00	\$20,000.00			

g. Construction - If applicable, list construction costs	Description	Federal Support	Matching Support	Total
Design Services	Design services	\$88,200.00		\$88,200.00
Construction costs	\$150 per square foot	\$1,470,000.00		\$1,470,000.00
Contingencies	5%	\$73,500.00		\$73,500.00
				\$0.00
Subtotal		\$1,631,700.00	\$0.00	\$1,631,700.00

h. Other - List costs associated with grant subrecipients as well as other costs not listed above such as rent, technology (website hosting, internet connection), advertising (TV, radio, online), etc.	Description	Federal Support	Matching Support	Total	#Units (If Applicable)	Unit Cost (If Applicable)	Total
Marketing		\$7,500.00		\$7,500.00			\$7,500.00
postage		\$3,000.00		\$3,000.00			\$3,000.00
Printing/copying		\$15,000.00		\$15,000.00			\$15,000.00
Land Value			\$20,000.00	\$20,000.00			\$20,000.00
WTCS College System grants	grants that support the skills lab portion of the proposed project		\$1,310,553.00	\$1,310,553.00			#####
				\$0.00			#####
Subtotal		\$25,500.00	\$1,330,553.00	\$1,356,053.00			

i. Total Direct Charges (sum of a-h)	\$3,073,183.17	\$1,570,579.83	\$4,643,763.01
j. Indirect Charges	\$282,772.80	\$86,409.66	\$369,182.46
Total Eligible Project Costs	\$3,355,955.97	\$1,656,989.49	\$5,012,945.47
Match Percentage	33.1%		

Explanation of Indirect Charges

36% OF ALL DIRECT COSTS EXCLUDING EQUIPMENT AND CONSTRUCTION COSTS

Additional Budget Notes

College of the Menominee Nation

Keshena, Wisconsin

Financial Statements With Supplemental Financial Information

Year Ended June 30, 2007

College of the Menominee Nation

Financial Statements With Supplemental Financial Information

Year Ended June 30, 2007

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Independent Auditor's Report

Board of Directors
College of Menominee Nation
Keshena, Wisconsin

We have audited the accompanying financial statements of College of the Menominee Nation (the "College") as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of College of the Menominee Nation as of June 30, 2007, and the results of its operations and its cash flows for the year ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2008, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the College of the Menominee Nation. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.


Wipfli LLP

June 27, 2008
Rhineland, Wisconsin

College of the Menominee Nation

Statement of Financial Position

Year Ended June 30, 2007

<i>Assets</i>	
Current assets:	
Investments	\$200,344
Accounts receivable - Student (net)	152,785
Grants and other receivables	744,957
Inventories	39,994
Prepaid expenses	11,390
Total current assets	1,149,470
Noncurrent assets:	
Restricted investments	1,068,965
Property and equipment	
Buildings	5,184,799
Site Improvements	503,768
Furniture and equipment	806,177
Construction in progress	418,995
Less - Accumulated depreciation	(1,703,526)
Total noncurrent assets	6,279,178
TOTAL ASSETS	\$7,428,648
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Checks issued in excess of available cash balance	\$18,514
Accounts payable	376,462
Accrued wages payable	86,966
Line of credit payable	137,196
Compensated absences	122,463
Deferred revenue	88,867
Total liabilities	830,468
Net assets:	
Unrestricted	5,529,215
Permanently restricted	1,068,965
Total net assets	6,598,180
TOTAL LIABILITIES AND NET ASSETS	\$7,428,648

See accompanying notes to financial statements.

College of the Menominee Nation

Statement of Activities

Year Ended June 30, 2007

	Unrestricted	Permanently Restricted	Total
Operating revenue:			
Student program fees	\$1,799,756	\$0	\$1,799,756
Government grants	5,261,766	16,062	5,277,828
Local grants and contracts	323,450		323,450
Auxiliary enterprise revenue	275,011		275,011
Miscellaneous	80,895		80,895
Total operating revenue	7,740,878	16,062	7,756,940
Operating expenses:			
Instruction	4,190,452		4,190,452
Academic support	821,618		821,618
Student services	915,770		915,770
General institutional	872,837		872,837
Institutes	776,403		776,403
Auxiliary enterprise services	316,303		316,303
Total operating expenses	7,893,383		7,893,383
Operating income (loss)	(152,505)	16,062	(136,443)
Non-operating revenue - Investment return	117,068		117,068
Change in net assets	(35,437)	16,062	(19,375)
Transfers	(25,035)	25,035	
Net assets at beginning of year, as restated	5,589,687	1,027,868	6,617,555
Net assets at end of year	\$5,529,215	\$1,068,965	\$6,598,180

College of the Menominee Nation

Statement of Cash Flows

Year Ended June 30, 2007

Increase (decrease) in cash and cash equivalents:	
Change in net assets	(\$19,375)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	339,801
Realized and unrealized gain on investments	(65,531)
Changes in assets and liabilities	
Accounts receivable - Student	(43,203)
Grants receivable	262,162
Inventory	12,437
Prepays	(2,390)
Accounts payable	(79,218)
Accrued wages payable	32,872
Compensated absences	43,464
Deferred revenue	87,367
Total adjustments	587,761
Net cash provided by operating activities	568,386
Cash flows from investing activities:	
Purchase of investments	(1,432,573)
Proceeds from sales and maturity of investments	1,258,087
Purchases of property and equipment	(339,551)
Net cash used in investing activities	(514,037)
Cash flows from financing activities:	
Increase in checks issued in excess of available cash balance	18,514
Net cash received (paid) on line of credit	(104,400)
Net cash used in financing activities	(85,886)
Net decrease in cash and cash equivalents	(31,537)
Cash and cash equivalents at beginning of year, restated	31,537
Cash and cash equivalents at end of year	\$0

College of the Menominee Nation

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies**

Introduction

The financial statements of the College of the Menominee Nation (the "College") have been prepared in conformity with accounting principles generally accepted in the United States as applied to private colleges and universities. The significant accounting principles and policies utilized by the College are described below.

Reporting Entity

The College of the Menominee Nation was founded as an institution of higher education in 1993. The College is chartered by the Menominee Indian Tribe of Wisconsin (the "Tribe"), a federally recognized Tribe of American Indians, and is accredited by the Higher Learning Commission of the North Central Association. The College's missions are to provide a quality educational environment which is centered in Menominee culture, to develop and pursue research and other development projects designed to improve the educational and economic lives of the College's students, and to implement a curriculum designed around the twin concepts of learning by doing and community service. Also, the College receives federal, state, and other awards from the Bureau of Indian Affairs and other agencies for its operations and programs it offers under the requirements of the Tribally Controlled Community College Assistance Act of 1978 and various public laws. The College is not considered to be a component unit of the Menominee Indian Tribe of Wisconsin.

A seven member Board of Directors manages and operates the College in accordance with the powers, obligations, and responsibilities set forth in the College's management plan and in its new charter, which was ratified by the Menominee Tribal Legislature in October 1996.

Basis of Presentation

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the College are classified and reported as follows:

- Unrestricted net assets are the part of net assets of the College that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- Permanently restricted net assets have been restricted by donors to be maintained by the College in perpetuity.

College of the Menominee Nation

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that directly affect the results of reported assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Cash, Cash Equivalents, and Investments

The College's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

All investments are stated at fair value. Fair value represents the quoted market values of the underlying investments on the last business day of the fiscal year. Investment income includes changes in fair value of investments, interest, and realized gains and losses.

Accounts Receivable

Accounts receivable include student tuition and fees receivable recorded on an accrual basis. The College uses the allowance method to estimate uncollectible student accounts receivable. The student accounts receivable balance is reported net of an allowance of \$466,000 at June 30, 2007. No allowance is considered necessary for grants receivable.

Inventories and Prepaid Expenses

Inventories of books and supplies are valued at the lower of cost, using the first-in/first-out (FIFO) method, or market. Instructional and administrative inventories are accounted for as expenses when purchased. Prepaid expenses represent payments made by the College for which benefits extend beyond June 30.

Property, Equipment, and Depreciation

Property and equipment are capitalized at historical cost, or estimated historical cost, for assets where actual historical cost is not available. Donated property and equipment are recorded at their estimated fair market value at the date of donation. The College maintains a threshold level of a unit cost of \$5,000 or more for capitalizing physical plant additions.

College of the Menominee Nation

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies** (Continued)

Property, Equipment, and Depreciation (Continued)

Property and equipment are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the College, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for site improvements and buildings and 5 to 15 years for furniture and equipment.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets useful life are not capitalized.

Major outlays for property and improvements are capitalized as the projects are constructed.

Accumulated Unpaid Vacation and Sick Pay

Vacation - College employees are granted vacation in varying amounts, based on length of service and staff classifications. Liabilities for vacation and salary-related payments, including social security taxes, are recorded when incurred.

Sick Leave - The accumulated sick leave does not vest, therefore, no liability has been accrued.

Contributions and Unconditional Promises to Give

Contributions are considered to be available for unrestricted uses unless specifically restricted by the donor.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, less an allowance for promises estimated to be uncollectible. The gifts are reported as either temporarily restricted or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor imposed time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restriction. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted revenue.

The College reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, the College reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

College of the Menominee Nation

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

State and Federal Grants

Entitlements are recognized as revenue in the entitlement year. Federal and state grants for reimbursable programs are recognized as revenue in the year related program expenses are incurred or eligibility requirements are met. Amounts received or receivable in excess of expenses incurred are recorded as deferred revenue. Grant awards that are based on a predetermined rate for services performed (exchange transactions) are recognized as revenue in the period the services are performed.

Amounts received from the United States Department of Education, United States Department of Interior, and State of Wisconsin Higher Education Aids Board for student financial aid, which are designated for the benefit of specific students, are considered agency transactions and, therefore, are not reflected as revenue and expenses of the College. The amount received for such grants for the fiscal year ended June 30, 2007, was \$2,630,813.

Tax Status

The College is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable State law. However, unrelated business income may be subject to taxation.

Note 2 Cash and Investments

The College's cash and investment balances at June 30, 2007, were as follows:

	Restricted			
	Unrestricted	Endowment	Building Maintenance	Total
Checks written in excess of available cash balance	(\$18,514)	\$0	\$0	(\$18,514)
Endowment investments in mutual funds	\$200,344	\$878,965	\$190,000	\$1,269,309

College of the Menominee Nation

Notes to Financial Statements

Note 3 Investments

Investments at June 30, 2007, consisted of various mutual funds with a cost basis of \$1,274,810 and a fair value of \$1,269,309.

Investment return, including interest on time deposits, consisted of the following:

Interest and dividend income	\$62,521
Realized and unrealized gains on investments	65,531
Investment fees	(10,984)
<hr/>	
Total investment return	\$117,068
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Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Note 4 Restricted Net Assets

In accordance with the terms of the Tribally Controlled Community College Endowment Grant received from the Bureau of Indian Affairs, the College has established a permanent endowment fund with those grant proceeds. The College is also required to deposit a matching contribution equal to half the amount of each federal contribution. Interest earned on the permanent endowment is reflected as unrestricted net assets which may be withdrawn at the discretion of the College to defray expenses associated with the operation of the College, including the expense of operations and maintenance, administration, academic and support personnel, community and student services programs, and technical assistance.

The College has also established a permanent endowment fund with proceeds received from the American Indian College Fund. Interest earned on these funds is reflected as unrestricted net assets which may be withdrawn at the discretion of the College to defray expenses associated with the maintenance of the College's buildings.

Permanent endowment	\$878,965
Building maintenance endowment	190,000
<hr/>	
Total	\$1,068,965
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College of the Menominee Nation

Notes to Financial Statements

Note 5 Accounts and Other Receivables

Accounts and other receivables consisted of the following on June 30, 2007:

Governmental	\$744,957
Student	152,785
<hr/>	
Totals	<u>\$897,742</u>

Note 6 Property and Equipment

Property and equipment balances and activity were as follows for the year ended June 30, 2007:

	Beginning Balance	Increases	Decreases	Ending Balance
Assets not being depreciated - Construction in progress	\$0	\$418,995	\$0	\$418,995
Assets being depreciated:				
Site improvements	503,768			503,768
Buildings	5,159,799	25,000		5,184,799
Furniture and equipment	788,071	18,106		806,177
<hr/>				
Total assets being depreciated	6,451,638	43,106		6,494,744
<hr/>				
Total property and equipment	6,451,638	462,101		6,913,739
<hr/>				
Less accumulated depreciation for:				
Site improvements	108,025	33,585		141,610
Buildings	864,820	206,892		1,071,712
Furniture and equipment	390,881	99,323		490,204
<hr/>				
Total accumulated depreciation	1,363,726	339,800		1,703,526
<hr/>				
Net property and equipment	\$5,087,912	\$122,301	\$0	<u>\$5,210,213</u>

College of the Menominee Nation

Notes to Financial Statements

Note 7 Retirement Plan

The College sponsors a 403(b) defined contribution pension plan that covers employees who have completed a one year probationary period. Contributions to the plan are based on a matching percentage of the salary deferral by each eligible employee and are funded bi-weekly. The matching percentage is up to four percent of the annual salary and is made at the discretion of the Board of Directors. For the year ended June 30, 2007, the amount of pension expense was \$61,840.

Note 8 Line of Credit

As of June 30, 2007, the College had two floating prime rate lines of credit payable to Associated Bank with a total line of credit of \$750,000, of which \$137,196 was drawn down as of June 30, 2007. The interest rate on both lines of credit was 4.5% as of June 30, 2007. Effective on July 25, 2007, both lines were consolidated and the due date extended to July 25, 2008. The amount of interest paid on this line of credit for the year was \$33,360.

Note 9 Risk Management

The College is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. For all risks of loss other than for employee health and vision care, the College's policy is to purchase commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Tribe has retained the risk of loss for its health care program in which the College participates.

Note 10 Contingencies

From time to time the College 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 appropriate legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the College's financial position or results of operations.

College of the Menominee Nation

Notes to Financial Statements

Note 11 Restatement

Net assets as of June 30, 2006, were restated as follows:

	Unrestricted	Permanently Restricted	Total
As presented	\$5,358,722	\$1,021,940	\$6,380,662
To adjust for unrestricted revenue classified as endowment contributions	51,240	(51,240)	
To adjust for endowment contribution classified as unrestricted revenue	(23,265)	23,265	
To adjust for endowment contribution classified as unrestricted revenue	(33,903)	33,903	
Prior year adjustment to grants receivable	236,893		236,893
Net assets, restated	\$5,589,687	\$1,027,868	\$6,617,555

Note 12 Expense Classification

Operating expenses by natural classification were as follows for the year ended June 30, 2007:

Salaries and wages	\$4,079,028
Fringe benefits	1,106,280
Travel memberships and subscriptions	327,456
Supplies and minor equipment	554,914
Postage, printing, and advertising	149,509
Repairs and maintenance	42,724
Contracted services	319,627
Rentals	141,464
Insurance	21,974
Utilities	131,248
Depreciation	339,801
Other	645,998
Interest	33,360
Total operating expenses	\$7,893,383

Single Audit Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
College of the Menominee Nation
Keshena, Wisconsin

We have audited the financial statements of the College of the Menominee Nation (the "College"), as of and for the year ended June 30, 2007, and have issued our report thereon dated June 27, 2008. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College of the Menominee Nation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College of the Menominee Nation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College of the Menominee Nation's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the College of the Menominee Nation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States such that is more than a remote likelihood that a misstatement of the College of the Menominee Nation's financial statements that is more than inconsequential will not be prevented or detected by the College's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting as identified as items 2007-1 and 2007-2.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the College's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider both of the significant deficiencies described above to be material weaknesses.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the College of the Menominee Nation in a separate letter dated June 27, 2008.

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


Wipfli LLP

June 27, 2008
Rhineland, Wisconsin

College of the Menominee Nation

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2007

Administering Agency Award Description Pass-Through Agency	Federal Catalog Number	Pass-Through Agency Number	Program or Award Amount	Revenue		Total Expenditures
				Federal	Match	
<u>U.S. Department of Agriculture</u>						
Tribal Colleges Education Equity Grant	10.221					
Direct Program						
September 1, 2004 - August 31, 2007		2004-38421-46920	\$52,470	\$7,561	\$0	\$7,561
September 1, 2005 - August 31, 2007		2005-38421-56920	67,637	30,246		30,246
September 1, 2006 - August 31, 2007		2006-38421-66920	76,810	35,592		35,592
Tribal Colleges Endowment Program	10.222					
Direct Program						
July 1, 2006 - June 30, 2007		2006-38423-06920	62,006	62,006		62,006
July 1, 2007 - June 30, 2008		2007-38423-06920	62,006	6,377		6,377
Institutions Research Program	10.227					
Direct Program						
September 15, 2005 - September 14, 2007		2005-38424-15567	68,660	40,420		40,420
September 15, 2006 - September 14, 2008		2006-38424-16848	140,835	13,871		13,871
Cooperative Extension Services	10.500					
Direct Program						
September 1, 2005 - August 31, 2007		2005-47002-01628	85,000	3,990		3,990
September 1, 2006 - August 31, 2007		2006-47002-01628	85,000	62,683		62,683
Forestry Research	10.652					
Direct Program						
April 1, 2006 - March 31, 2007		05-CA-11111104-052	23,625	22,070		22,070
Cooperative Forestry Assistance	10.664					
Direct Program						
April 1, 2005 - September 30, 2008		05-CA-11111104-049	36,500	18,648		18,648
July 1, 2006 - June 30, 2007		05-CA-11111104-080	36,500	23,090		23,090
Community Facilities Loans and Grants	10.766					
Rural Development						
October 1, 2005 - September 30, 2006		None assigned	300,000	64,310		64,310
October 1, 2006 - September 30, 2007		None assigned	300,000	19,128		19,128
Total U.S. Department of Agriculture				409,992		409,992
<u>Department of Defense</u>						
Basic and Applied Scientific Research	12.300					
Direct Program						
March 1, 2007 - February 28, 2008		W911NF-07-1-0054	218,800	126,611		126,611

College of the Menominee Nation

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2007

Administering Agency Award Description Pass-Through Agency	Federal Catalog Number	Pass-Through Agency Number	Program or Award Amount	Revenue		Total Expenditures
				Federal	Match	
<u>Department of Housing and Urban Development</u>						
Tribal Colleges and Universities Program	14.519					
Direct Program						
September 8, 2004 - September 8, 2007		TCUP-WI-04-4074	\$594,340	\$55,680	\$0	\$55,680
<u>U.S. Department of Labor</u>						
Community Based Job Training	17.002					
Direct Program						
January 1, 2007 - December 31, 2009		CB156640760A55	2,000,000	30,513		30,513
<u>U.S. Department of Interior</u>						
Bureau of Indian Affairs						
Assistance to Tribally Controlled Community College	15.027					
October 1, 2006 - September 30, 2007		None assigned		1,570,250		1,570,250
Bureau of Indian Affairs						
Tribally Controlled Community College Endowments	15.028					
July 1, 2006 - June 30, 2007		None assigned		16,062	25,035	41,097
Bureau of Indian Affairs						
Higher Education Grant Program	15.114					
July 1, 2006 - June 30, 2007		None assigned		1,216,419		1,216,419
Total U.S. Department of Interior				2,802,731	25,035	2,827,766
<u>National Aeronautics and Space Administration</u>						
AIHEC Enrichment						
American Indian Higher Education Consortium	43.xxx					
May 29, 2006 - August 31, 2006		None assigned		13,964		13,964
April 16, 2007 - April 15, 2008		None assigned	60,000	1,483		1,483
Total National Aeronautics and Space Administration				15,447		15,447
<u>National Endowment for the Humanities</u>						
Teaching and Learning Resources and Curriculum Development	45.162					
April 1, 2006 - March 31, 2008		AD-50003-06	75,000	57,651		57,651
<u>National Science Foundation</u>						
Education and Human Resources	47.076					
Direct Program						
October 1, 2004 - September 30, 2005		HRD-0323742	500,000	62,479		62,479
October 1, 2005 - September 30, 2006		HRD-0323742	500,000	327,509		327,509
October 1, 2006 - September 30, 2007		HRD-0323742	500,000	190,386		190,386

College of the Menominee Nation

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2007

Administering Agency Award Description Pass-Through Agency	Federal Catalog Number	Pass-Through Agency Number	Program or Award Amount	Revenue		Total Expenditures
				Federal	Match	
<u>National Science Foundation (Continued)</u>						
Science of Sustainability	47.xxx					
Direct Program						
October 1, 2006 - September 30, 2007		HRD-0631340	\$50,000	\$14,004	\$0	\$14,004
Tribal Colleges and Universities	47.xxx					
Direct Program						
July 1, 2006 - May 31, 2007		HRD-0646926	95,435	85,491		85,491
April 1, 2007 - March 30, 2008		HRD-0733464	47,196	30,695		30,695
<u>Total National Science Foundation</u>				<u>710,564</u>		<u>710,564</u>
<u>U. S. Department of Education</u>						
<u>Student Financial Aid Cluster</u>						
Supplemental Education Opportunity Grants	84.007					
Direct Programs						
July 1, 2006 - June 30, 2007			15,864	15,982		15,982
Federal Work Study Program	84.033					
Direct Program						
July 1, 2006 - June 30, 2007			22,129	22,129		22,129
Pell Grant	84.063					
Direct Program						
July 1, 2006 - June 30, 2007				835,415		835,415
Academic Competitiveness Grant	84.375					
Direct Program						
July 1, 2006 - June 30, 2007				1,875		1,875
<u>Total Student Financial Aid Cluster</u>				<u>875,401</u>		<u>875,401</u>
Higher Education - Institutional Aid	84.031T					
Direct Program						
October 1, 2005 - September 30, 2006		PO31T050026	394,661	84,329		84,329
October 1, 2006 - September 30, 2007		PO31T050026	394,313	311,932		311,932
Higher Education - Institutional Aid - Construction	84.031T					
Direct Program						
October 1, 2006 - September 30, 2007		PO31T060015	1,500,000	85,057	21,072	106,129
Trio - Student Support Services	84.042A					
Direct Program						
October 1, 2005 - September 30, 2006		P042A010800	220,000	50,202		50,202
October 1, 2006 - September 30, 2007		P042A061010	220,000	194,192		194,192

College of the Menominee Nation

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2007

Administering Agency Award Description Pass-Through Agency	Federal Catalog Number	Pass-Through Agency Number	Program or Award Amount	Revenue		Total Expenditures
				Federal	Match	
<u>U.S. Department of Education (Continued)</u>						
Special Populations Student Services Northcentral Technical College July 1, 2006 - June 30, 2007	84.048	42-106-150-237	\$183,096	\$183,096	\$0	\$183,096
Program Improvement Northcentral Technical College July 1, 2006 - June 30, 2007	84.048	42-206-150-257	31,804	29,007		29,007
Vocational Education Direct Program October 1, 2005 - September 30, 2006 October 1, 2006 - September 30, 2007	84.101A	V010A010032 V010A010032	479,452 479,452	73,510 327,742		73,510 327,742
Minority Science Improvement Direct Program October 1, 2005 - September 30, 2006 October 1, 2006 - September 30, 2007	84.120	P120A050015 P120A050015	175,118 155,570	34,039 35,583		34,039 35,583
Training for Teachers Wisconsin Department of Public Instruction October 1, 2005 - September 30, 2006	84.195B	None assigned		37,709		37,709
Special Projects Demonstration Grants Direct Program October 1, 2005 - September 30, 2006 October 1, 2006 - September 30, 2007	84.299	B299B040033 B299B040033	430,293 35,840	25,726 52,026		25,726 52,026
Total U.S. Department of Education				2,399,551	21,072	2,420,623
<u>U. S. Department of Health and Human Services</u>						
Headstart Partnerships Direct Program September 30, 2005 - September 29, 2006 September 30, 2005 - September 29, 2006	93.600	90YT0019/03 90YT0019/04	147,335 147,335	39,493 86,244		39,493 86,244
Youth Empowerment Direct Program September 1, 2006- August 31, 2007	93.910	1-YEPMP060025-01	250,000	140,565		140,565
Total U.S. Department of Health and Human Services				266,302		266,302
TOTAL FEDERAL AWARDS				\$6,875,042	\$46,107	\$6,921,149

See Independent Auditor's Report.

See accompanying notes to the Schedules of Expenditures of Federal and State Awards.

College of the Menominee Nation

Schedule of Expenditures of State Awards Year Ended June 30, 2007

Administering Agency Award Description Pass-Through Agency	State I.D. Number	Pass-Through Agency Number	Program or Award Amount	Revenue		Total Expenditures
				State	Match	
<u>Wisconsin Higher Education Aids Board</u>						
Higher Education Grants July 1, 2006 - June 30, 2007	235.102		\$242,111	\$242,111	\$0	\$242,111
Minority Retention Grants July 1, 2006 - June 30, 2007	235.107		33,300	33,300		33,300
Talent Incentive Program July 1, 2006 - June 30, 2007	235.114		220,762	220,762		220,762
Indian Grant July 1, 2006 - June 30, 2007	235.132		42,820	42,820		42,820
<u>Wisconsin Technical College System</u>						
Work Based Learning Grant July 1, 2002 - June 30, 2003	292.180	52-111-180-111	300,000			
July 1, 2003 - June 30, 2004		52-111-180-114	150,000			
July 1, 2006 - June 30, 2007		98-001-180-117	300,000	300,000		300,000
TOTAL STATE AWARDS				\$838,993	\$0	\$838,993

College of the Menominee Nation

Notes to the Schedules of Expenditures of Federal and State Awards

Note 1 Basis of Presentation

The accompanying schedules of expenditures of federal and state awards represent the activity of all federal and state programs of the College of the Menominee Nation and are presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB-Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. All federal and state awards received directly from federal and state agencies as well as federal and state awards passed through other government agencies are included on the schedules.

Note 2 Direct Payments to Students

In certain instances payments of federal or state awards is made directly to the students. These payments include loans received under the Job Training Partnership Act funds from Private Industry Councils, Wisconsin Higher Education Board grants, and Bureau of Indian Affairs grants. Based on information provided by the College, these payments for the fiscal year ended June 30, 2007, were as follows:

	Unaudited June 30, 2007
<hr/>	
Wisconsin Higher Education Aids Board (used for FSEOG match):	
Tuition Grants (State ID #235.102)	\$242,111
Talent Incentive Grants (State ID #235.114)	220,762
Indian Grants (State ID #235.132)	42,820
Minority Retention Grants (State ID #235.107)	33,300
<hr/>	
Total	\$538,993
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Bureau of Indian Affairs - Higher Education Grants	\$1,216,419
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Note 3 Subrecipients

The College does not have subrecipients of its federal or state awards.



Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Federal and State Program and Internal Control Over Compliance

Board of Directors
College of the Menominee Nation
Keshena, Wisconsin

Compliance

We have audited the compliance of the College of the Menominee Nation (the "College") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that are applicable to each of its major federal and state programs for the year ended June 30, 2007. The College of the Menominee Nation'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. Compliance with the requirements of laws, regulations, contracts, and grant agreements applicable to each of its major federal and state programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Those standards and OMB Circular A-133 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. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, the College of the Menominee Nation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the College of the Menominee Nation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grant agreements applicable to federal and state programs. In planning and performing our audit, we considered the College's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in an College's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the College's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the College's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the College's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the College's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the audit committee, management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Wipfli LLP
Wipfli LLP

June 27, 2008
Rhineland, Wisconsin

College of the Menominee Nation

Schedule of Findings and Questioned Costs

Year Ended June 30, 2007

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting: Material weakness(es) identified?	Yes
Significant deficiency(ies) identified not considered to be material weakness?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs: Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness?	None reported

Type of auditor's report issued on compliance
for major programs

Unqualified

Any audit findings disclosed that are required to
be reported in accordance with OMB Circular A-133,
Section 510(a)?

No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
15.114	Indian Education - Higher Education Grant Program
84.007	Student Financial Aid Cluster - Supplemental Education Opportunity Grants
84.033	Student Financial Aid Cluster - Work-Study Program
84.063	Student Financial Aid Cluster - Pell Grant Program
84.375	Student Financial Aid Cluster - Academic Competitiveness Grant

Dollar threshold used to distinguish between
Type A and Type B programs

\$300,000

Auditee qualified as low-risk auditee?

Yes

College of the Menominee Nation

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2007

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

State Awards

Internal control over major programs:

Material weakness(es) identified?	No
Reportable condition(s) identified not considered to be material weakness?	None reported

Type of auditor's report issued on compliance
for major programs

Unqualified

Any audit findings disclosed that are required to
be reported in accordance with *Wisconsin
State Single Audit Guidelines*?

No

Identification of major state programs:

<u>State ID Number</u>	<u>Name of State of Wisconsin Program or Cluster</u>
235.102	Higher Education Grants
235.107	Minority Retention Grants
235.114	Talent Incentive Program
235.132	Indian Grant
292.180	Work-Based Learning Grant

Dollar threshold used to distinguish between
Type A and Type B programs

\$100,000

Section II - Financial Statement Findings

2007-1 - Financial Accounting and Reporting

Criteria - *Government Auditing Standards*, January 2007 revision, which applies to audits for years ended after December 15, 2006, considers the inability to report financial data reliably in accordance with accounting principles generally accepted in the United States (GAAP) to be an internal control weakness.

College of the Menominee Nation

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2007

Section II - Financial Statement Findings (Continued)

2007-1 - Financial Accounting and Reporting (Continued)

Condition - The College's internal control over financial reporting does not end at the general ledger, but extends to the financial statements and notes. As part of our professional services for the year ended June 30, 2007, we were requested to draft the financial statements and accompanying notes to the financial statements. This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations. Because the College relies on Wipfli LLP to provide the necessary understanding of current accounting and disclosure principles in the preparation of the financial statements, a material weakness exists in the College's internal controls.

Effect - As a result of not having an individual trained in the preparation of GAAP basis financial statements, the College has a material weakness in internal controls.

Recommendation - We recommend management and those charged with governance continue to evaluate whether to accept the degree of risk associated with this condition because of cost or other considerations.

2007-2 - Material Adjustments

Criteria - *Government Auditing Standards*, January 2007 revision, considers the inability to accurately adjust account balances to be an internal control weakness.

Condition - During our audit, Wipfli LLP proposed adjusting journal entries for accounts payable, accounts receivable, cash, due from, capital projects, and grants. We deem these adjustments to be material in relation to the financial statements. Since the College's internal controls did not discover these adjustments prior to our audit, a material weakness exists in the College's controls over these areas.

Effect - As a result of not making a material adjustment to the account balances, a material weakness exists in internal controls.

Recommendation - We recommend the College implement procedures to provide sufficient internal control over account balance adjustments.

College of the Menominee Nation

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2007

Section III - Federal and State Awards 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, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with *Wisconsin State Single Audit Guidelines*:

Department of Health and Family Services	N/A
Department of Workforce Development	N/A
Department of Corrections	N/A
Wisconsin Technical College System	No

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

Name and signature of partner


Randall H. Beard, CPA

Date of report

June 27, 2008

College of the Menominee Nation

Status of Prior Year Findings and Questioned Costs

Year Ended June 30, 2007

None

**COLLEGE OF THE MENOMINEE NATION
KESHENA, WISCONSIN**

ANNUAL FINANCIAL REPORT

JUNE 30, 2008

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

June 30, 2008

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENSES OF FEDERAL AND STATE AWARDS

To the Board of Directors
College of the Menominee Nation
Keshena, Wisconsin

We have audited the accompanying statement of financial position of the College of the Menominee Nation (a not-for-profit organization) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the College of the Menominee Nation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College of the Menominee Nation as of June 30, 2008, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2009 on our consideration of the College of the Menominee Nation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the College of the Menominee Nation taken as a whole. The accompanying schedule of expenses of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
April 20, 2009



FINANCIAL STATEMENTS

COLLEGE OF THE MENOMINEE NATION
 Keshena, Wisconsin
 Statement of Financial Position
 June 30, 2008

ASSETS

Investments	\$ 1,281,490
Accounts receivable - students (net of \$516,000 allowance)	273,325
Accounts receivable - other	1,514
Grants receivable	410,866
Prepaid expenses	2,646
Inventory	11,001
Capital assets	
Buildings	5,940,856
Improvements	569,565
Equipment	853,794
Construction work in progress	1,370,767
Accumulated depreciation	<u>(2,064,080)</u>

TOTAL ASSETS \$ 8,651,744

LIABILITIES AND NET ASSETS

Liabilities	
Cash overdraft	\$ 58,945
Accounts payable	46,953
Accrued wages payable	17,539
Line of credit payable	-
Compensated absences	138,980
Deferred revenue	<u>284,687</u>
Total Liabilities	<u><u>547,104</u></u>

Net Assets

Unrestricted	6,940,136
Temporarily restricted	50,000
Permanently restricted	<u>1,114,504</u>
Total Net Assets	<u><u>8,104,640</u></u>

TOTAL LIABILITIES AND NET ASSETS \$ 8,651,744

The notes to the financial statements are an integral part of this statement.

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Statement of Activities

Year Ended June 30, 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
Revenue and Other Support				
Educational and general				
Student tuition and fees	\$ 2,173,075	\$ -	\$ -	\$ 2,173,075
Government grants and contracts	7,264,264	-	45,539	7,309,803
Local grants and contracts	274,476	-	-	274,476
Investment income	132,465	-	-	132,465
All other revenue	146,905	50,000	-	196,905
Total Revenue and Other Support	9,991,185	50,000	45,539	10,086,724
Expenses				
Educational and general				
Instruction	4,705,062	-	-	4,705,062
Academic support	691,917	-	-	691,917
Student services	736,416	-	-	736,416
Institutes	542,784	-	-	542,784
Institutional support	1,492,289	-	-	1,492,289
Auxiliary enterprises	51,243	-	-	51,243
Depreciation expense	360,553	-	-	360,553
Total Expenses	8,580,264	-	-	8,580,264
 Increase in Net Assets	 1,410,921	 50,000	 45,539	 1,506,460
 Net Assets - January 1	 5,529,215	 -	 1,068,965	 6,598,180
 Net Assets - December 31	 <u>\$ 6,940,136</u>	 <u>\$ 50,000</u>	 <u>\$ 1,114,504</u>	 <u>\$ 8,104,640</u>

The notes to the financial statements are an integral part of this statement.

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Statement of Cash Flows

Year Ended June 30, 2008

Cash Flows from Operating Activities

Increase in net assets	\$ 1,506,460
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation expense	360,553
Changes in assets and liabilities	
Accounts receivable - student (net)	(120,540)
Accounts receivable - other	(1,514)
Grants receivable	334,091
Prepaid expenses	8,744
Inventory	28,993
Accounts payable	(329,509)
Accrued wages payable	(69,427)
Compensated absences	16,517
Deferred revenue - grants	195,820
Net Cash Provided by Operating Activities	<u>1,930,188</u>

Cash Flows from Financing Activities

Increase in checks issued in excess of available cash balance	40,431
Cash received (paid) on line of credit	<u>(137,196)</u>
Net Cash Used in Financing Activities	<u>(96,765)</u>

Cash Flows Used by Investing Activities

Purchase of investments	(12,180)
Purchase of land, buildings, equipment and other acquisitions	<u>(1,821,243)</u>
Net Cash Used in Investing Activities	<u>(1,833,423)</u>

Net Increase in Cash and Cash Equivalents

-

Cash and Cash Equivalents - July 1

-

Cash and Cash Equivalents - June 30

\$ -

The notes to the financial statements are an integral part of this statement.

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COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Notes to Financial Statements

June 30, 2008

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Reporting Entity

The College of the Menominee Nation (College) was founded as an institution of higher education in 1993. The College's missions are to provide a quality educational environment which is centered in Menominee culture, to develop and pursue research and other development projects designed to improve the educational and economic lives of the College's students and to implement a curriculum designed around the twin concepts of learn by doing and community service.

A seven-member Board of Directors manages and operates the College in accordance with the powers, obligations and responsibilities set forth in the College's management plan and in its new charter, which was ratified by the Menominee Tribal Legislature in October 1996. The new charter is a result of Menominee Indian Tribe of Wisconsin's (the Tribe) power and authority as provided for in the Tribe's Constitution and Bylaws, Article VIII, Section 4. The charter is structured to limit the powers of the Menominee Tribal Legislature. The power to enact laws is retained by the Tribe.

2. Accrual Basis of Accounting

The financial statements of the College of the Menominee Nation have been prepared on the accrual basis of accounting.

3. Classification of Net Assets

In order to ensure the observance of limitations and restrictions placed on the use of resources available to the College, the net assets of the College have been classified based on the existence or absence of donor-imposed restrictions. Net assets in the financial statements are classified as follows:

Unrestricted Net Assets - Net assets of the College that are not subject to either permanent or temporary donor-imposed stipulations.

Temporarily restricted net assets - net assets that result from contributions whose use by the College is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the College pursuant to those stipulations.

Permanently Restricted Net Assets - Net assets resulting from contributions and other inflows of assets whose use by the College is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the College.

4. Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Notes to Financial Statements

June 30, 2008

NOTE A - SUMMARY OF ACCOUNTING POLICIES (Continued)

5. Allowance for Uncollectible Accounts

The College of the Menominee Nation uses the allowance method to estimate uncollectible student accounts receivable. The student accounts receivable balance on the statement of financial position is reported net of an allowance of \$516,000 at June 30, 2008.

No allowance is used for grants receivable.

6. Capital Assets

Physical plant and equipment are stated at cost at date of acquisition or fair value at date of donation in the case of gifts or at estimated cost if historical cost is not available. Depreciation on physical plant and equipment is provided for in amounts sufficient to relate the cost of depreciable assets to operations over the estimated useful lives of the assets on a straight-line basis. The estimated lives used in determining depreciation are as follows:

Buildings	25 years
Campus improvements	15 years
Furniture and equipment	5 years to 10 years
Computer software	3 years

7. Income Taxes

The College of the Menominee Nation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The College is also exempt from Wisconsin income tax.

8. Deferred Revenue

Amounts collected in advance of the period they are used are classified on the consolidated statement of financial position as deferred revenue and are recognized as revenues in the year earned.

9. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Notes to Financial Statements

June 30, 2008

NOTE B - CAPITAL ASSETS

Capital assets of the College at June 30, 2008 are detailed as follows:

	Balance 7/1/07	Additions	Deletions	Balance 6/30/08
Buildings	\$ 5,184,799	\$ 756,057	\$ -	\$ 5,940,856
Campus improvements	503,768	65,797	-	569,565
Equipment	806,177	47,617	-	853,794
Construction work in progress	418,995	1,370,767	418,995	1,370,767
Total Fixed Assets	6,913,739	2,240,238	418,995	8,734,982
Less: Accumulated depreciation	1,703,527	360,553	-	2,064,080
Total Capital Assets (Net of Depreciation)	\$ 5,210,212	\$ 1,879,685	\$ 418,995	\$ 6,670,902

NOTE C - ACCRUED COMPENSATED ABSENCES

It is the policy of the College that vacation pay accumulates and vests. The maximum that can be accumulated is 240 hours. Personal time of 80 hours must be used in the current year and does not accumulate.

The accrued liability arising from the accumulated, vested benefits is \$138,980 at June 30, 2008.

NOTE D - RETIREMENT PLAN

Effective October 1, 1995, the College's Board of Directors established a defined contribution retirement plan for all employees completing one year of service. The Plan allows employees to defer a percentage of their salaries up to the maximum amount allowed under Internal Revenue Code Section 403(b). At the discretion of the Board of Directors, the College may contribute a match up to 4% of compensation for those employees who participate in the Plan. During the 2008 fiscal year the College contributed \$94,355 to the employee retirement plans.

NOTE E - LINE OF CREDIT

The College maintains one line of credit with Associated Bank. At June 30, 2008, the College had not withdrawn any funding on the line of credit and had \$0 in interest payable. The interest rate charged on the line of credit at June 30, 2008 was 4%.

NOTE F - CONTINGENT LIABILITIES

The College participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under OMB Circular A-133 has been conducted but final acceptance is still pending. Accordingly, the College's compliance with applicable grant requirements will be established at some future date. The amount of expenses which may be disallowed by the granting agencies cannot be determined at this time although the College expects such amounts, if any, to be immaterial.

ADDITIONAL INDEPENDENT AUDITORS' REPORT

**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
College of the Menominee Nation
Keshena, Wisconsin

We have audited the accompanying financial statements of the College of Menominee Nation as of and for the year ended June 30, 2008, and have issued our report thereon dated April 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College of Menominee Nation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the College of Menominee Nation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College of Menominee Nation's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the College's internal control over financial reporting. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe that none of the significant deficiencies described in the accompanying schedule of findings and questioned costs are material weaknesses.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the College of Menominee Nation in a separate letter dated April 20, 2009.

This report is intended solely for the information and use of the board of directors, management, and federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
April 20, 2009

FEDERAL AND STATE FINANCIAL ASSISTANCE

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL AND STATE PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES, AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

To the Board of Directors
College of the Menominee Nation
Keshena, Wisconsin

Compliance

We have audited the compliance of the College of Menominee Nation with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *State Single Audit* Guidelines issued by the Wisconsin Department of Administration that are applicable to each of its major federal and state programs for the year ended June 30, 2008. The College of Menominee Nation's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the College of Menominee Nation's management. Our responsibility is to express an opinion on the College of Menominee Nation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, guidelines and OMB Circular A-133 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 and state program occurred. An audit includes examining, on a test basis, evidence about the College of Menominee Nation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the College of Menominee Nation's compliance with those requirements.

In our opinion, the College of Menominee Nation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the College of Menominee Nation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the College of Menominee Nation's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 of Menominee Nation's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the College of Menominee Nation's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal and state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal and state program that is more than inconsequential will not be prevented or detected by the College of Menominee Nation's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

College of Menominee Nation's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit College of Menominee Nation's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the board of directors, management, others in the organization and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
April 20, 2009

COLLEGE OF THE MENOMINEE NATION

Schedule of Expenses of Federal Awards

For the Year Ended June 30, 2008

Grantor Agency/Pass-through Agency/ Program Title and Program Year	Federal CFDA Number	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
<u>U.S. Department of Agriculture</u>						
Tribal Colleges Education Equity Grants Sustainable Development 9/1/05-8/31/07	10.221	\$ 24	\$ 1,152	\$ -	\$ 1,176	\$ 1,176
Advancing Sustainability Development 9/1/06 - 8/31/07		-	21,096	-	21,096	21,096
9/1/07 - 8/31/08		-	72,163	(1,015)	71,148	71,148
Tribal Colleges Endowment Program Funds 7/1/07-6/30/08	10.222	-	42,587	2,952	45,539	45,539
Assessing Tribal Forestland 9/15/09 - 9/14/08	10.227	-	30,979	(1,979)	29,000	29,000
TC Sustainability Indicators 9/15/07 - 9/14/09		-	-	25,019	25,019	25,019
Cooperative Extension Service 9/1/06-8/31/07	10.500	-	15,785	-	15,785	15,785
9/1/07-8/31/08		-	40,950	8,053	49,003	49,003
Community Facilities Grants RD SDH Final Addition 10/1/06-9/30/07	10.766	-	37,641	-	37,641	37,641
RD Maintenance Trades 10/01/06-9/30/07		-	305,922	(22,984)	282,938	282,938
Total U.S. Department of Agriculture		24	568,275	10,046	578,345	578,345
<u>U.S. Department of Defense - US Army</u>						
Basic and Applied Scientific Research 3/1/07-2/28/08	12.300	-	86,719	(764)	85,955	85,955

(Continued)

COLLEGE OF THE MENOMINEE NATION
Schedule of Expenses of Federal Awards (Continued)
For the Year Ended June 30, 2008

Grantor Agency/Pass-through Agency/ Program Title and Program Year	Federal CFDA Number	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
<u>U.S. Department of Interior</u>						
<u>Bureau of Indian Affairs</u>						
Tribally Controlled Community College Operations 7/1/07-6/30/08	15.027	-	1,691,470	-	1,691,470	1,691,470
Higher Education Grant Program 7/1/07-6/30/08	15.114	-	1,171,286	-	1,171,286	1,171,286
Total U.S. Department of Interior		-	2,862,756	-	2,862,756	2,862,756
<u>U.S. Department of Labor</u>						
Community Based Job Training 01/01/07-12/31/07	17.002	-	119,286	11,332	130,618	130,618
01/01/08-12/31/08		-	158,395	(9,514)	148,881	148,881
Total U.S. Department of Labor		-	277,681	1,818	279,499	279,499
<u>National Endowment for the Humanities</u>						
Teaching and Learning Resources and Curriculum 4/1/06-3/31/08	45.162	-	3,889	-	3,889	3,889
<u>National Science Foundation</u>						
Education and Human Resources 10/1/06-9/30/07	47.046	-	437,753	-	437,753	437,753
10/1/07-9/30/08		-	312,027	(9,142)	302,885	302,885
Science of Sustainability 10/1/06-9/30/07	47.xxx	-	18,001	(508)	17,493	17,493
Tribal Colleges and Universities 4/1/07-3/31/08	47.xxx	-	14,257	2,244	16,501	16,501
Total National Science Foundation		-	782,038	(7,406)	774,632	774,632

(Continued)

COLLEGE OF THE MENOMINEE NATION
Schedule of Expenses of Federal Awards (Continued)
For the Year ended June 30, 2008

Grantor Agency/Pass-through Agency/ Program Title and Program Year	Federal CFDA Number	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
<u>U.S. Department of Education</u>						
<u>Student Financial Aid Cluster</u>						
Supplemental Education Opportunity Grants	84.007	-	28,770	-	28,770	28,770
Federal Work - Study Program (1)	84.033	-	26,427	-	26,427	26,427
Federal Pell Grant	84.063	-	836,020	-	836,020	836,020
Total Student Financial Aid Cluster		-	891,217	-	891,217	891,217
Higher Education-Institutional Aid	84.031T					
10/1/06-9/30/07		27,810	36,502	-	64,312	64,312
10/1/07-9/30/08		-	242,959	16,270	259,229	259,229
Higher Education-Institutional Aid-Construction	84.031T					
10/1/06-9/30/08		-	1,339,700	-	1,339,700	1,339,700
10/1/07-9/30/09		-	45,838	-	45,838	45,838
Trio Student Support Services	84.042A					
10/1/06-9/30/07		-	25,808	-	25,808	25,808
10/1/07-9/30/08		-	170,540	2,318	172,858	172,858
Vocational Education Program	84.101A					
10/1/07-9/30/08		30,342	255,171	-	285,513	285,513
NACTEP	84.101A					
11/1/07-10/31/08		-	164,685	8,705	173,390	173,390
VR Project-Rehabilitation Services	84.250C					
10/01/07-9/30/08		-	119,235	7,044	126,279	126,279
7/1/07-6/30/08		-	1,770	-	1,770	1,770
Minority Science and Engineering Improvement	84.120A					
10/1/06-9/30/07		7,916	91,322	-	99,238	99,238
10/1/07-9/30/08		-	117,111	11,463	128,574	128,574
Special Projects Demonstration Grants	84.299B					
07/21/06-7/20/07		615	-	-	615	615

(Continued)

COLLEGE OF THE MENOMINEE NATION
Schedule of Expenses of Federal Awards (Continued)
For the Year Ended June 30, 2008

Grantor Agency/Pass-through Agency/ Program Title and Program Year	Federal CFDA Number	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
<u>U.S. Department of Education (Continued)</u>						
Passed through Wisconsin Technical College System						
Special Populations 7/1/07-6/30/08	84.048	-	49,120	52,780	101,900	101,900
Program Improvement 7/1/07-6/30/08	84.243	-	8,017	12,383	20,400	20,400
Total U.S. Department of Education		66,683	2,667,778	110,963	2,845,424	2,845,424
<u>U.S. Department of Health and Human Services</u>						
ANA Grant 9/30/07-9/29/08	93.587	-	57,677	(310)	57,367	57,367
Head Start Partnerships 10/1/06-9/30/07 10/1/07-9/30/08	93.600	-	41,774	-	41,774	41,774
Youth Empowerment 9/1/06-8/31/07 9/1/07-8/31/08	93.910	-	44,601	4,408	49,009	49,009
Total U.S. Department of Health and Human Services		-	21,326	-	21,326	21,326
		-	251,268	(1,409)	249,859	249,859
		-	416,646	2,689	419,335	419,335
National Research Council Presidents STEM Leadership 7/1/07-6/30/08						
		-	74,389	15,887	90,276	90,276
TOTAL FEDERAL FINANCIAL ASSISTANCE		\$ 66,707	\$ 8,631,388	\$ 133,233	\$ 8,831,328	\$ 8,831,328

(1) See Note C

See notes to the schedule of expenses of federal awards.

COLLEGE OF THE MENOMINEE NATION'

Schedule of State Financial Assistance

Year Ended June 30, 2008

State Grantor and Program Title	State Number	Grant Period	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
<u>WISCONSIN HIGHER EDUCATION AIDS BOARD</u>							
Wisconsin Higher Education Grant	235.102	7/07-6/08	\$ -	\$ 267,410	\$ -	\$ 267,410	\$ 267,410
Talent Incentive Program Grant	235.114	7/07-6/08	-	44,300	-	44,300	44,300
Minority Retention Grant	235.107	7/07-6/08	-	18,600	-	18,600	18,600
Indian Grant	235.132	7/07-6/08	-	189,390	-	189,390	189,390
Disabled Grant		7/07-6/08	-	2,700	-	2,700	2,700
Total Wisconsin Higher Educational Aids Board			-	522,400	-	522,400	522,400
<u>WISCONSIN TECHNICAL COLLEGE SYSTEM</u>							
Work Based Learning Grant	292.180	7/07-6/08	-	169,628	130,372	300,000	300,000
<u>WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT</u>							
Passed through Wisconsin Technical College System							
Governor's Work-Based Learning Board Grant	292.180	7/07-6/08	-	32,081	1,854	33,935	33,935
<u>WISCONSIN DEPARTMENT OF TRANSPORTATION</u>							
Transportation Alliance for New Solutions	State	7/07-6/08	-	29,636	18,869	48,505	48,505
Summer Transportation Institute		7/07-6/08	-	43,677	4,314	47,991	47,991
Tribal Taskforce		7/07-6/08	-	28,438	11,106	39,544	39,544
Total Wisconsin Department of Transportation			-	101,751	34,289	136,040	136,040

(Continued)

COLLEGE OF THE MENOMINEE NATION'
 Schedule of State Financial Assistance (Continued)
 Year Ended June 30, 2008

State Grantor and Program Title	State Number	Grant Period	Accrued (Deferred) Revenue 7/1/07	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/08	Total Revenues	Total Expenditures
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION							
Passed through WI Dept of Public Instruction							
Training for all teachers		7/06-6/07	-	5,069	-	5,069	5,069
TAT Education Summit Academic Admin		7/07-6/08	-	-	25,000	25,000	25,000
Total Wisconsin Department of Public Instruction			-	5,069	25,000	30,069	30,069
TOTAL STATE FINANCIAL ASSISTANCE			\$ -	\$ 830,929	\$ 191,515	\$ 1,022,444	\$ 1,022,444

See notes to the schedule of state financial assistance.

COLLEGE OF THE MENOMINEE NATION

Keshena, Wisconsin

Notes to Schedules of Expenses of Federal Awards and State Financial Assistance

June 30, 2008

NOTE A - BASIS OF PRESENTATION

In accordance with the audit requirements issued pursuant to the Office of Management and Budget (OMB) Circular A-133, supplemental information is presented by the College of the Menominee Nation (College) in regard to federal and state award programs administered by the College.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Expenses in the Schedules are presented in accordance with the accrual basis of accounting and are in agreement with the expenses reported in the College's basic financial statements with the exception of student financial aid programs. Receipts from student financial aid programs reduce the grant recipient's accounts receivable balance with the College and are not recognized as revenues and expenses of the College.

Federal Programs: The College qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore, major programs represent those with combined expenses exceeding 25% of total federal program expenses that were also deemed major programs based on the auditors' risk assessment. All other federal programs are considered non-major programs. The schedule of findings and questioned costs identifies federal programs classified as major.

State Programs: Major programs represent state assistance programs deemed major programs based upon auditors' risk assessment. All other state programs are considered non-major programs. The schedule of findings and questioned costs identifies state programs classified as major.

NOTE C - STUDENT FINANCIAL AID PROGRAMS

All programs noted with a (1) in the Schedule of Expenses of Federal Awards are considered Student Financial Aid programs and expenses are added together to determine if they meet the major program criteria. The student financial aid programs were not considered a major program for the year ended June 30, 2008.

NOTE D - OVERSIGHT AGENCY

The U.S. Department of Education has been designated the oversight agency for the College.

COLLEGE OF THE MENOMINEE NATION
 Keshena, Wisconsin
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2008

Section 1 - Summary of Auditors' Results

Financial Statements

- | | |
|--|---------------------|
| 1. Type of audit report issued on basic financial statements? | Unqualified Opinion |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to financial statements noted? | No |

Federal and State Programs

- | | |
|---|---------------------|
| 1. Type of audit report issued on major program compliance? | Unqualified Opinion |
| 2. Was a significant deficiency disclosed? | Yes |
| 3. Was an audit finding disclosed? | No |
| 4. Major programs | |

Federal Programs	CFDA
Community Facilities Loans and Grants	10.766
Tribally Controlled Community College Operations Planning	15.027
Higher Education-Institutional Aid-Construction	47.046
	84.031T

State Program	State ID
Governors Work Based Learning Board Grant	292.180

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish Type A and Type B programs? | \$300,000 |
| 6. Did the auditee qualify as low-risk auditee? | Yes |

COLLEGE OF THE MENOMINEE NATION
 Keshena, Wisconsin
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended June 30, 2008

Financial Statement Findings

Finding No.	Control Deficiencies
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2008-01 Preparation of Year End Financial Statements

Criteria: The review of financial statements by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the financial statements or notes.

Condition: While the current staff of the Organization maintains financial records which accurately report revenues and expenditures throughout the year, preparing year end adjusting and closing entries necessary to prepare financial statements, including related notes, require additional expertise that would entail additional training and staff time to develop. The Organization contracts with Schenck and their knowledge of current accounting principles and regulatory requirements to prepare required journal entries and financial reports for the Organization in an efficient manner.

Cause: The additional costs associated with hiring staff experienced in preparing year end adjusting and closing entries and financial reports, including additional training time, outweigh the derived benefits.

Recommendation: We recommend the Organization continue reviewing the adjusting and closing entries along with the financial reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the Organization is necessary to obtain an adequate understanding of the Organization's financial report.

2008-02 Assistance with Capital Assets Records

Condition: The Organization's accounting personnel provide us with the current year asset additions and disposals, the method and rate of depreciation and the salvage value of the assets. From this information, we assist the Organization in recording the capital asset additions and disposals and calculating the annual depreciation.

Criteria: The maintenance of detailed capital assets records is an internal control intended to safeguard assets and to prevent a potential misstatement in the financial records.

Cause: Our audit engagement includes calculating depreciation and assisting the Organization in maintaining its capital asset records as the Organization does not employ staff with the expertise or experience to maintain these records in accordance with generally accepted accounting principles.

Recommendation: We recommend the accounting personnel and the Board of Directors continue to review the capital assets records of the Organization. We believe the costs of employing staff with the relevant expertise would outweigh the benefits to be received.

COLLEGE OF THE MENOMINEE NATION
 Keshena, Wisconsin
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended June 30, 2008

Audit Findings and Questioned Costs for Federal and State Awards

Finding No.	Control Deficiencies
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2008-03 Financial Reporting for Federal and State Financial Assistance

Condition: OMB Circular A-133 and the *State Single Audit Guidelines* requires the Organization to prepare appropriate financial statements including the schedules of expenditures of federal awards and state financial assistance. While the current staff of the Organization maintain financial records supporting amounts reported in the schedules of expenditures of federal awards and state financial assistance, the Organization contracts with Schenck to compile the data from these records and prepare the single audit report for the Organization.

Criteria: Having staff with expertise in federal and state financial reporting prepare the Organization's single audit report is an internal control intended to prevent, detect and correct a potential misstatement in the schedules of expenditures of federal awards and state financial assistance, or accompanying notes to the schedule.

Cause: The additional costs associated with hiring staff sufficiently experienced to prepare the Organization's single audit report, including the additional training time, outweigh the derived benefits.

Recommendation: We recommend the Organization's personnel continue reviewing the Organization's single audit report prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the Organization is necessary to ensure all federal and state financial assistance programs are properly reported in the Organization's single audit report.

COLLEGE OF THE MENOMINEE NATION
Keshena, Wisconsin
Schedule of Prior Year Audit Findings and Corrective Action Plan
June 30, 2008

Prior Year Audit Findings

The findings noted in the 2007 Schedule of Findings and Questioned Costs have been reported to the proper federal and state agencies. Management continues to believe the cost to hire additional staff to eliminate the control deficiencies identified as 2007-01 and 2007-02 outweigh the benefits to be received. Management reviews the financial report and the single audit report prepared by Schenck.

Corrective Action Plan

Finding No.	Corrective Action Plan
2008-01	Preparation of Year End Financial Statements Management believes the cost of additional staff time and training to prepare these items outweigh the benefits to be received.
2008-02	Assistance with Capital Asset Records Management believes the cost of additional staff time and training to maintain the capital asset records outweigh the benefits to be received.
2008-03	Financial Reporting for Federal and State Financial Assistance Management believes the cost of additional staff time and training to prepare these items outweigh the benefits to be received.