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Northwestern Michigan College

Presentation to the Board of Trustees
June 30, 2023 Audit Results and Report



Northwestern Michigan College Presentation to the Board of Trustees

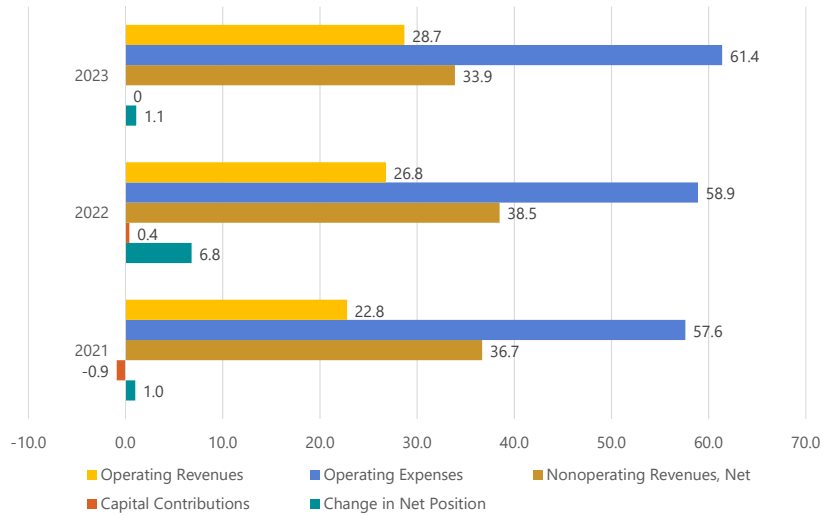
Summary of Presentation to Board of Trustees:

- ✓ Audited Financial Statements
 - Audits required for accreditation by the Higher Learning Commission and to receive federal grants and aid for students
 - Clean, unmodified opinion for the College – highest level of assurance
 - Key Financial Highlights on following pages
- ✓ Required Communications
- ✓ Federal Programs (Single Audit Report)



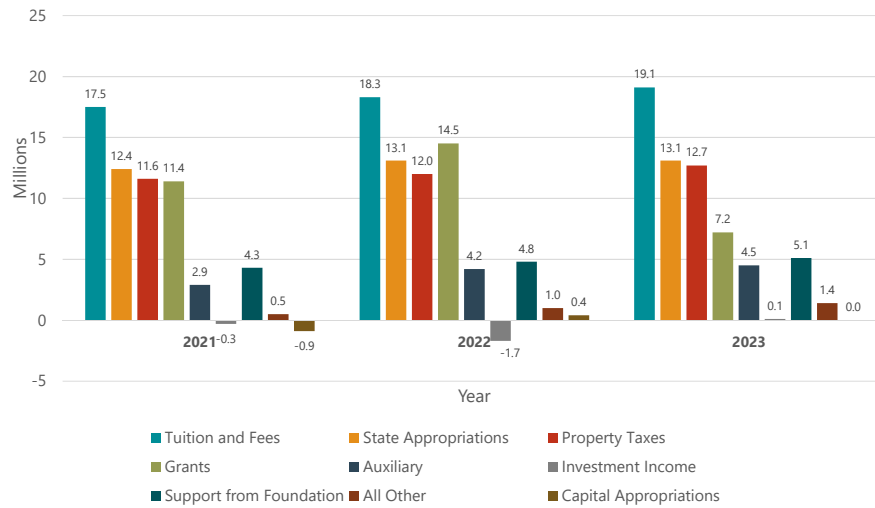
Northwestern Michigan College

Revenues, Expenses and Changes in Net Position (all funds) (in millions)



Northwestern Michigan College

Revenues and Support (all funds)

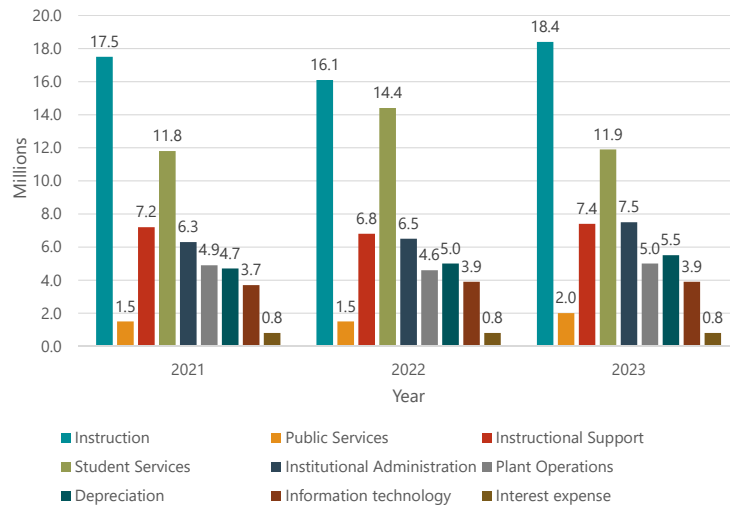


Revenues were \$59.4, \$66.6, and \$63.2 million for 2021, 2022, and 2023, respectively.



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Expenditures (all funds)



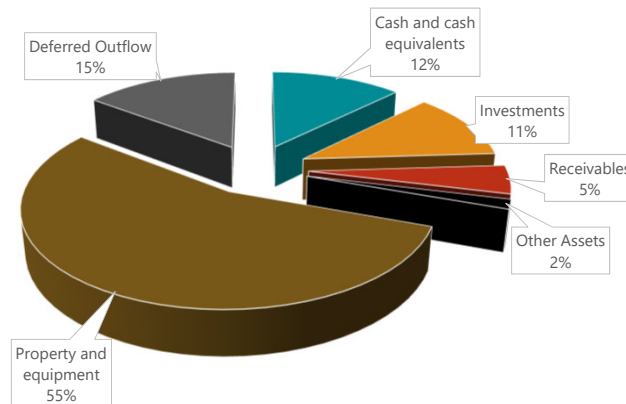
Expenditures were \$58.4, \$59.6, and \$62.4 million for 2021, 2022, and 2023, respectively.



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Assets (All Funds)

2023



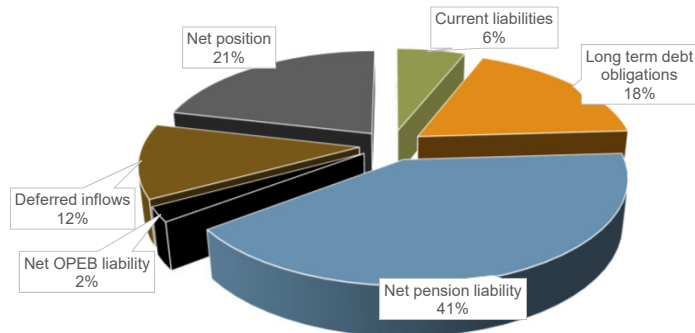
Assets = \$118,276,187
 Deferred Outflow of Resources = \$20,436,130



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Liabilities and Net Position (All Funds)

2023



Liabilities = \$93,008,345
 Deferred Inflows of Resources = \$16,128,588
 Net Position = \$29,575,384



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Required Communications

- ✓ Our Responsibility Under Generally Accepted Auditing Standards
- ✓ Qualitative Aspects of Accounting
 - Significant Estimates
 - Allowance for uncollectible accounts
 - Proportionate share of the Michigan Public School Employees Retirement System (MPERS) net pension and net OPEB liabilities
- ✓ No material adjustments required
- ✓ No Material weaknesses or significant deficiencies
- ✓ Implemented Government Auditing Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements (SBITAs)*
- ✓ Upcoming Accounting Standards:
 - GASB 101 – Compensated absences
 - Required to be recorded under three criteria including recording an obligation for the portion of nonvesting leave that is more likely than not to be paid out.



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Federal Programs (Single Audit) Results

- ✓ Audit of the Federal Programs
 - Total federal expenditures - \$11.7 million
 - Federal awards tested this year –
 - Student Financial Assistance - \$9.3 million
 - Testing is substantially completed with a few open items and levels of review to be completed
 - Issuance of single audit report to follow completion of reviews



Thank you!

We appreciate the opportunity to serve Northwestern Michigan College.

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