NORTH EAST INDEPENDENT SCHOOL DISTRICT

Date: November 9, 2026

Presenter: Susie Lackorn
Jeff Coats, Executive Director
Finance and Accounting

Subject: Annual Comprehensive Financial Report for the Year Ended June 30, 2026

Related Page(s): Attachment

ACTION ITEM

BACKGROUND INFORMATION

The Texas Education Code (44.008) requires school districts to submit a copy of the Annual Comprehensive Financial Report (Annual Report) with accompanying management letter to the Division of School Financial Audits of TEA within 150 days following the end of the school district's fiscal year, which ended June 30, 2026.

Due to delays in the development of TEA's new reporting software and the release of the final 2026 Office of Management and Budget (OMB) Compliance Supplement, our deadline for fiscal year 2026 single audit report's submission has been extended to 30 days after the release of the final 2026 Compliance Supplement. Due to this delay, the Single Audit of our federal expenditures will be approved at a later date.

ADMINISTRATIVE CONSIDERATION

The firm ABIP, PC is engaged to audit the report and present it to the Board of Trustees for review. Under the law, the Board may either approve or disapprove the report. The decision of the Board must be certified within the Annual Report and be forwarded to the Texas Education Agency. The President and Secretary of the Board must sign the Certificate of Board.

BUDGETARY CONSIDERATION

The audit fee is included in the annual budget.

ADMINISTRATIVE RECOMMENDATION

It is recommended that the Annual Comprehensive Financial Report for the year ended June 30, 2026, be accepted, signed and filed as required under law.

BOARD ACTION REQUIRED

Approval/Disapproval