whitleypenn

Spring Branch Independent School District



FY 2026 Audit Results

Financial Statement Audit

whitleypenn

1 Purpose

- Gives users of the financial statements **reasonable assurance** that they can rely on them to make informed decisions.

2 What the Audit Covers

- Evaluates the **reliability** of the District's financial statements, **not** its economic well-being.
- Covers the year ended June 30, 2026. It does not comment on future financial forecasts.

3 The Auditor's Goal

- **Reasonable assurance**, not absolute certainty, that the statements are fairly presented.
- Statements are free from **material** misstatements: errors big enough to matter to users.

The Audit Process

whitleypenn



1

Planning

Risk Assessment

2

Internal Controls

Determine if we can rely on controls and reduce risk of material misstatement

3

Substantive Testing

Sufficient audit evidence

4

Opinion

Unmodified, Modified, Disclaimer

Opinions

whitleypenn



Unmodified



Modified



Disclaimer

Focus Areas

Areas where we test controls

01
Information Technology

02
PEIMS

03
Non-Payroll

04
Payroll

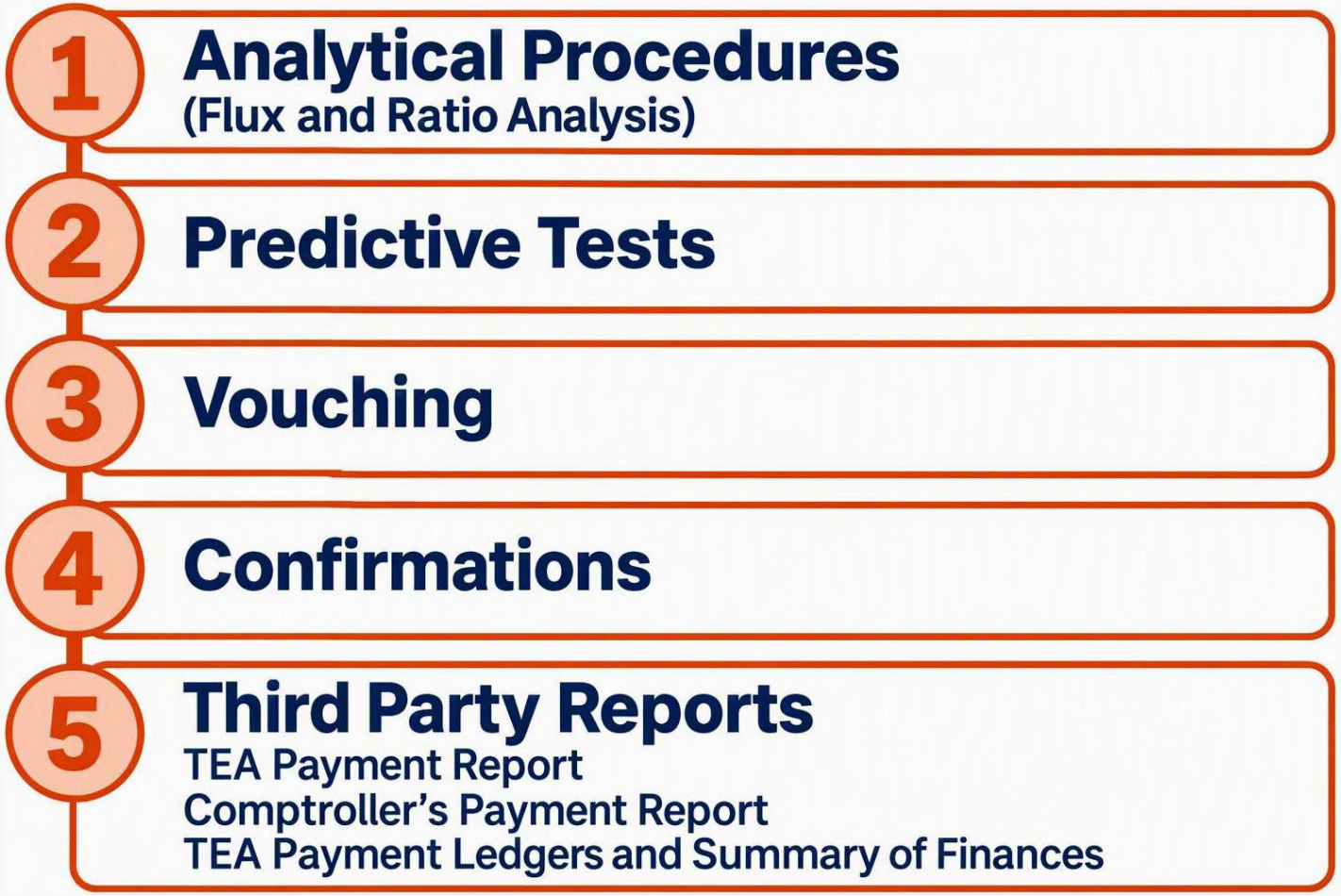
05
Property Tax Office and Other Revenues

06
Federal Specific Tests

07
Procurement

08
Human Resources

Substantive Procedures



Financial Statement Audit Results

whitleypenn

Unmodified opinion



Government Auditing Standards require us to evaluate and report on internal controls and compliance

No material weaknesses or significant deficiencies

No instances of noncompliance that are direct and material to the financial statements

Preliminary Single Audit Results

- Compliance audit in accordance with the Office of Management and Budget (OMB) Compliance Supplement and 2 CFR 200*
- A federal single audit is required when an entity spends more than $1 million in federal awards in one fiscal year.
- Total Schedule of Expenditures of Federal Awards: $44.7 million
- **Unmodified opinion on each major federal program***
- **No findings related to internal controls and compliance***
- **30-day extension granted by TEA from the release of the OMB Compliance Supplement**

**Based on the draft 2026 Compliance Supplement (CS); report subject to change upon release of the final CS.*

Federal Single Audit: Major Programs

whitleypenn

FISCAL YEAR 2025 – 2026

$44.7MM

Schedule of Expenditures of Federal Awards

MAJOR PROGRAMS

Child Nutrition Cluster
$17.5MM

Title III, Part A – English Language Acquisition
$2.0MM

Hurricane Beryl ($933.3K) and Texas Severe Storms ($986.1K)
$1.9MM

FISCAL YEAR 2024 – 2025

$42.3MM

Schedule of Expenditures of Federal Awards

MAJOR PROGRAMS

Special Education Cluster
$7.3MM

Title II, Part A – Supporting Effective Instruction
$1.7MM

Title IV, Part A
$1.0MM

FISCAL YEAR 2023 – 2024

$59.5MM

Schedule of Expenditures of Federal Awards

MAJOR PROGRAMS

Elementary and Secondary School Emergency Relief (ESSER)
$16.5MM

Title I, Part A – Improving Basic Programs
$12.1MM

Government-Wide Statement Of Net Position

whitleypenn

TOTAL ASSETS AND DEFERRED OUTFLOWS

$2.211 billion

Cash and investments

$771.9 million

Capital assets, net of depreciation/amortization

$1.316 billion

TOTAL LIABILITIES AND DEFERRED INFLOWS

$1.738 billion

Bonds payable and unamortized premiums

$1.279 billion

*Net pension liability

$131.8 million

*Net other post-employment benefits (OPEB) liability

$64.3 million

NET POSITION

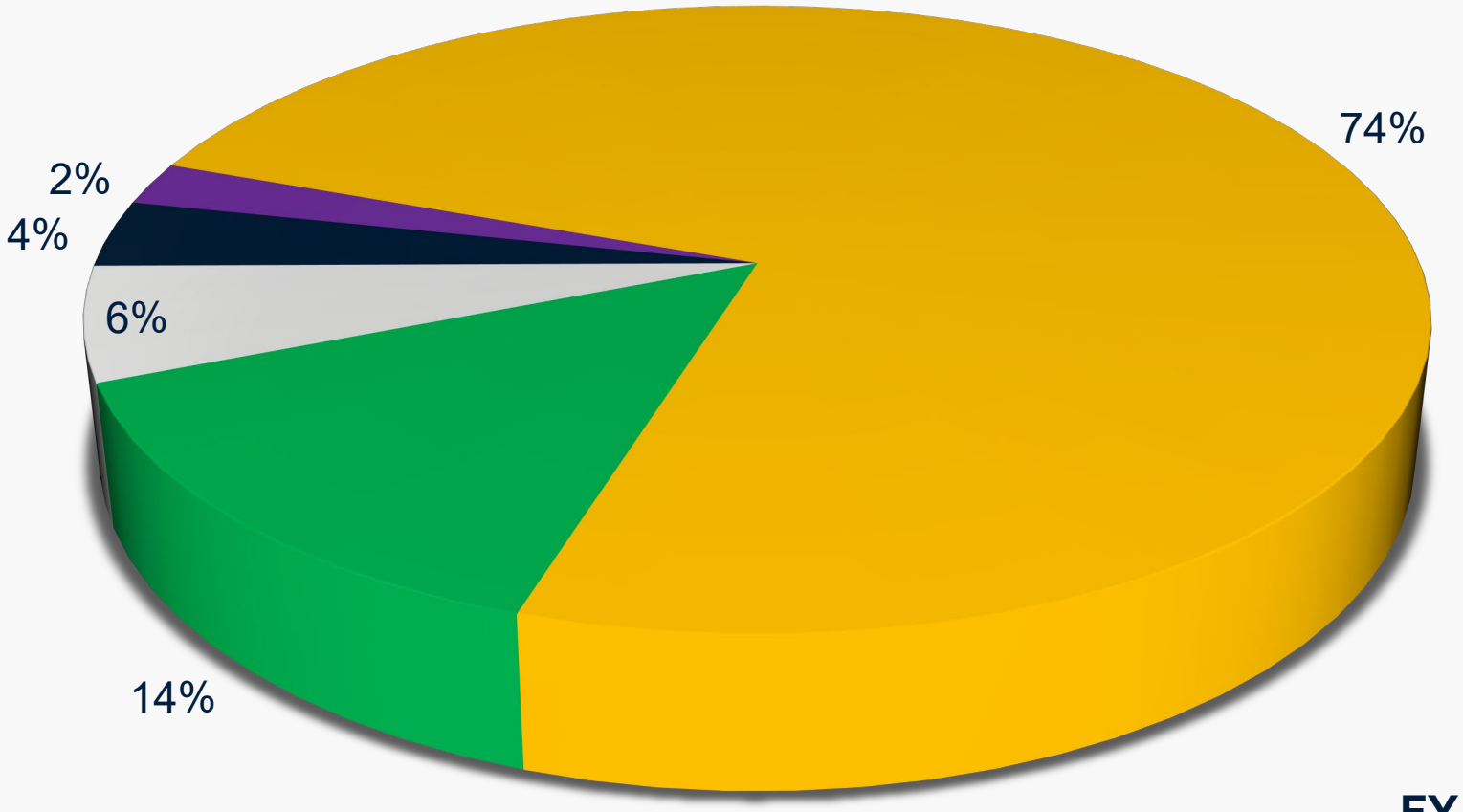
$473.0 million

$669.1 million

removing the effects of pension and OPEB

* Represents the District's proportionate share of these liabilities as determined by Teacher Retirement System of Texas.

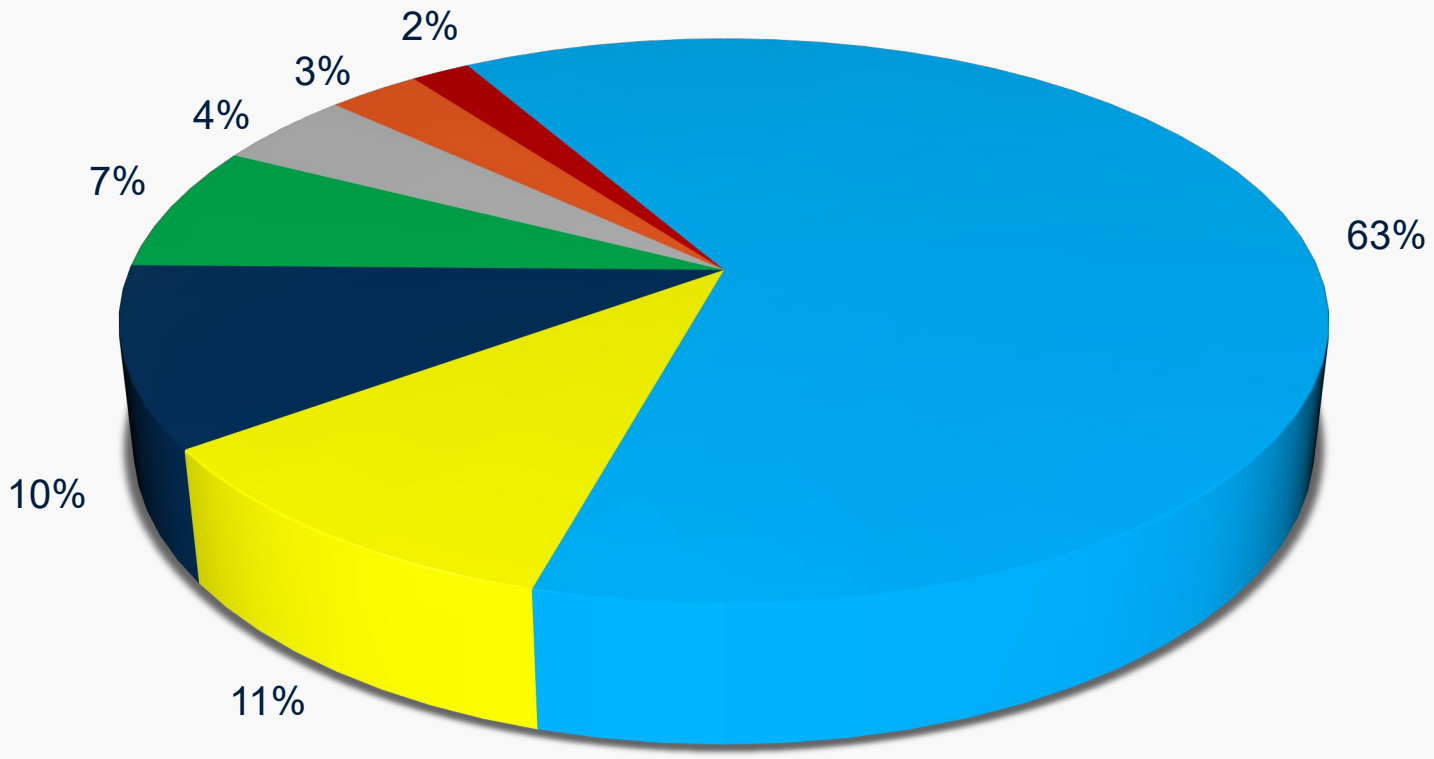
2026 General Fund Revenues ($370.5MM)



- Property Taxes ($275.3MM)
- State Aid ($52.5MM)
- Other State funding ($21.7MM)
- Other Local Funding ($12.8MM)
- Federal Funding ($8.3MM)

FY 2025 Total Revenues: $362.4MM

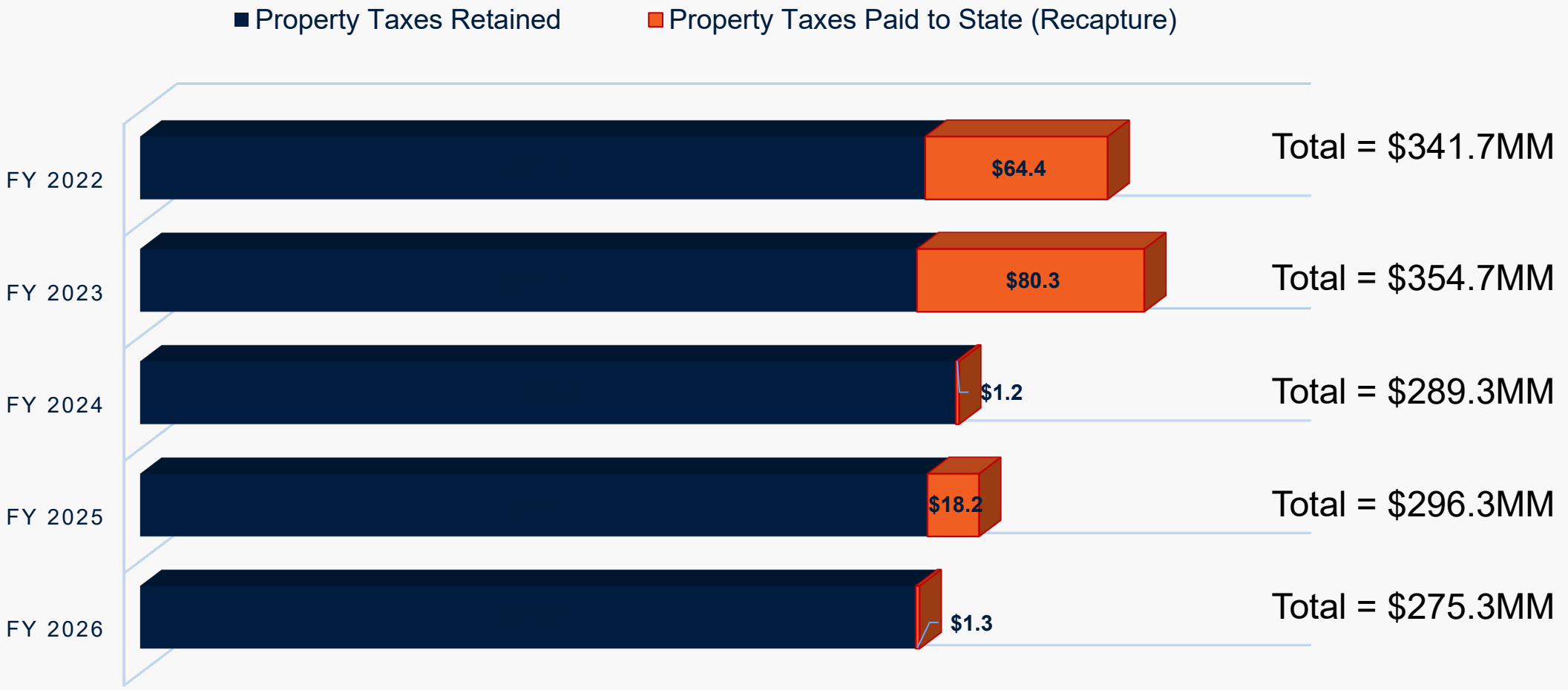
2026 General Fund Expenditures ($387.0MM)



- Instruction and Related Services ($242.4MM)
- Facilities Maintenance and Operations ($41.5MM)
- Student support services ($39.7MM)
- Instructional and School Leadership ($27.9MM)
- Security, Monitoring and Data Processing Services ($16.9MM)
- General Administration ($11.3MM)
- Other ($7.2MM)

FY 2025 Total Expenditures: $382.4MM

Property Taxes And Recapture – Last Five Years



FY 2026 Budget And Actual – General Fund

whitleypenn

ACTUAL REVENUES

$370.5MM

$1.5MM above final budget

ACTUAL EXPENDITURES

$387.0MM

$5.4MM below final budget

NET CHANGE IN FUND BALANCE

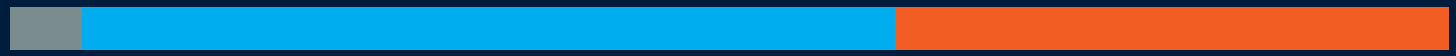
–$13.7MM

Expenditures & other uses exceeded revenues & other sources

FUND BALANCE, JUNE 30, 2026

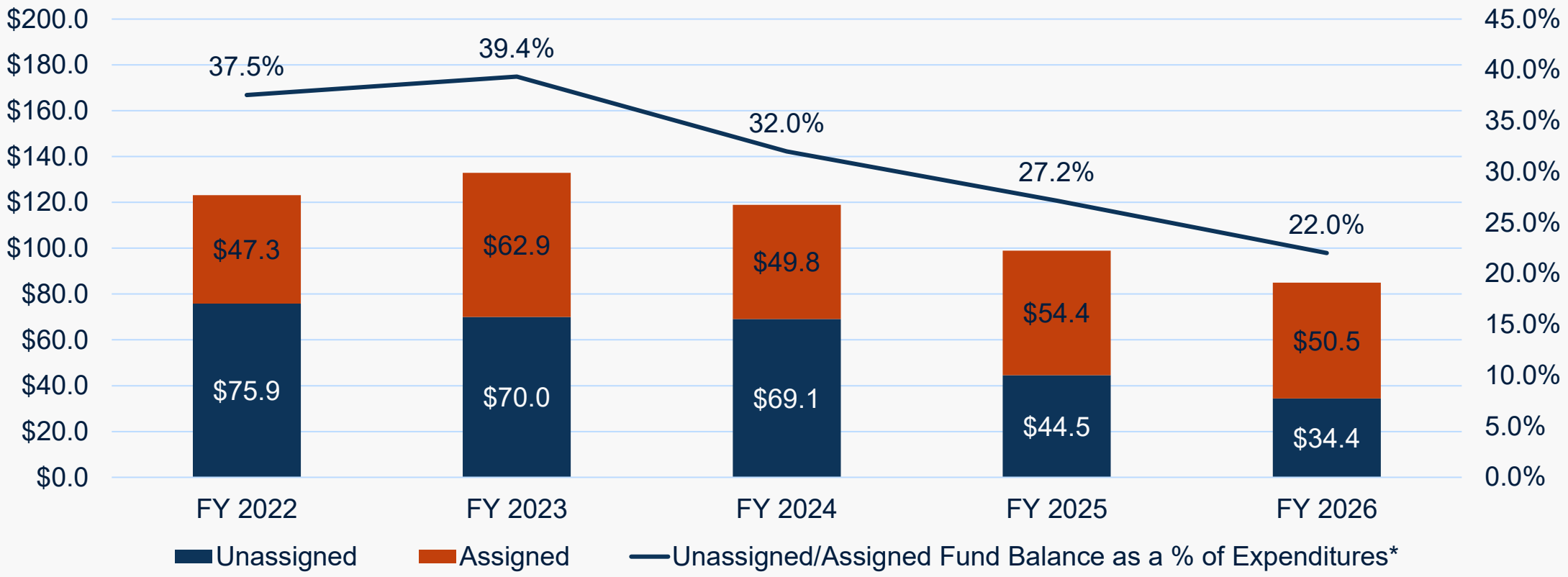
$89.5MM

Total General Fund Balance



Nonspendable	Assigned	Unassigned
$4.5MM	$50.5MM	$34.4MM

General Fund - Assigned/Unassigned Fund Balance



* Total General Fund expenditures less recapture

Debt Service Fund And Food Service Program Budget And Actual

whitleypenn

Debt Service Fund

$137.0MM	**Actual revenues** $0.4MM above final budget
$135.4MM	**Actual expenditures** $0.3MM below final budget
+$2.0MM	**Change in fund balance** Fund balance increased
$38.4MM	**Ending fund balance** As of fiscal year end

Food Service Program

$20.8MM	**Actual revenues** $0.6MM above budget
$20.1MM	**Actual expenditures** $2.4MM below budget
+$0.8MM	**Change in fund balance** Fund balance increased
$8.6MM	**Ending fund balance** As of fiscal year end

We Welcome Your Questions!

whitleypenn

