

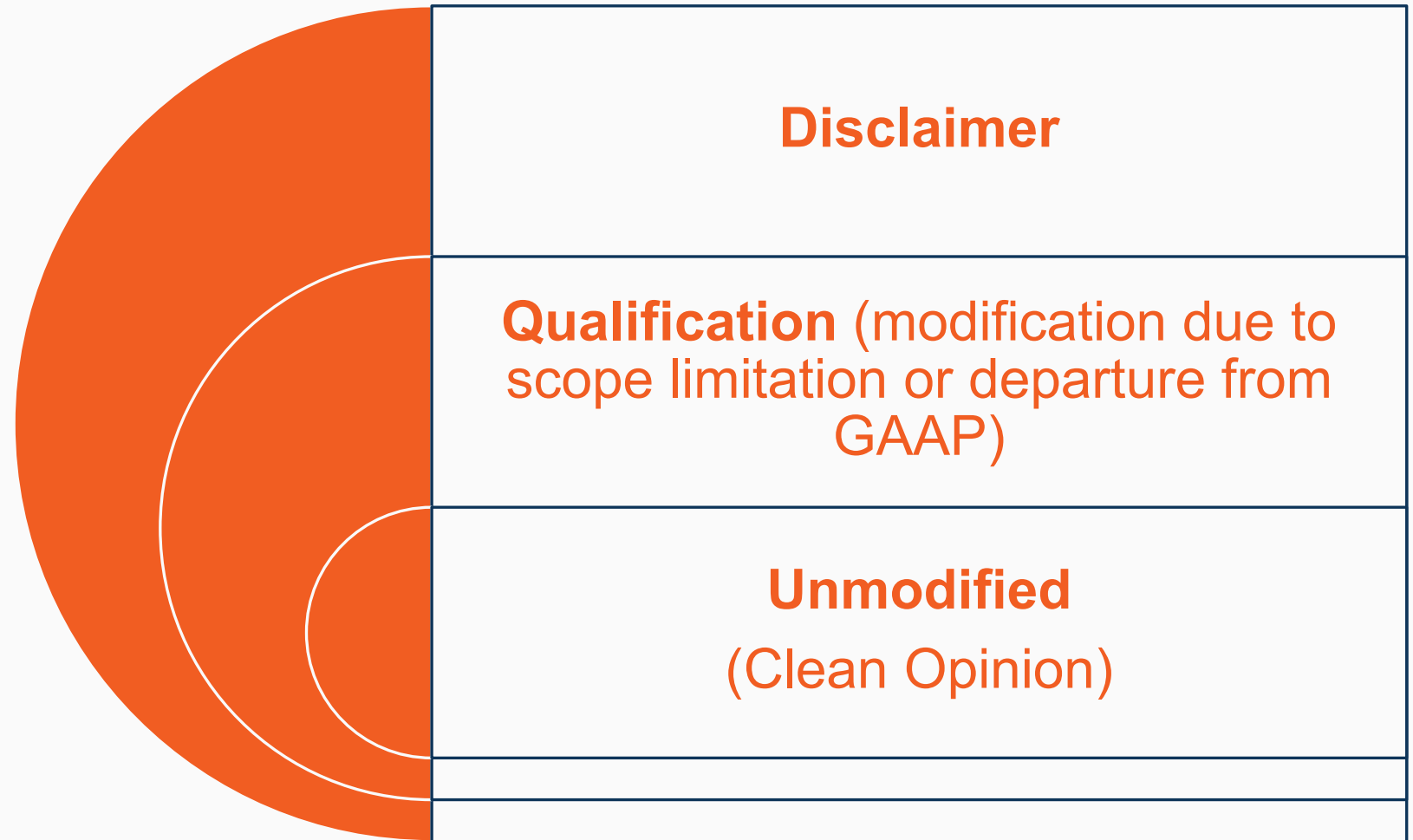
Ector County ISD

FISCAL YEAR 2025 FINANCIAL STATEMENT
AND DRAFT OF THE FEDERAL SINGLE AUDIT



PURPOSE OF THE AUDIT

THE OPINION ON THE REPORT



THE AUDIT PROCESS



Planning

1



**Internal
Controls**

2



**Understanding
&
Identifying
Key
Controls &
Testing
Controls**

3



**Substantive
Testing**

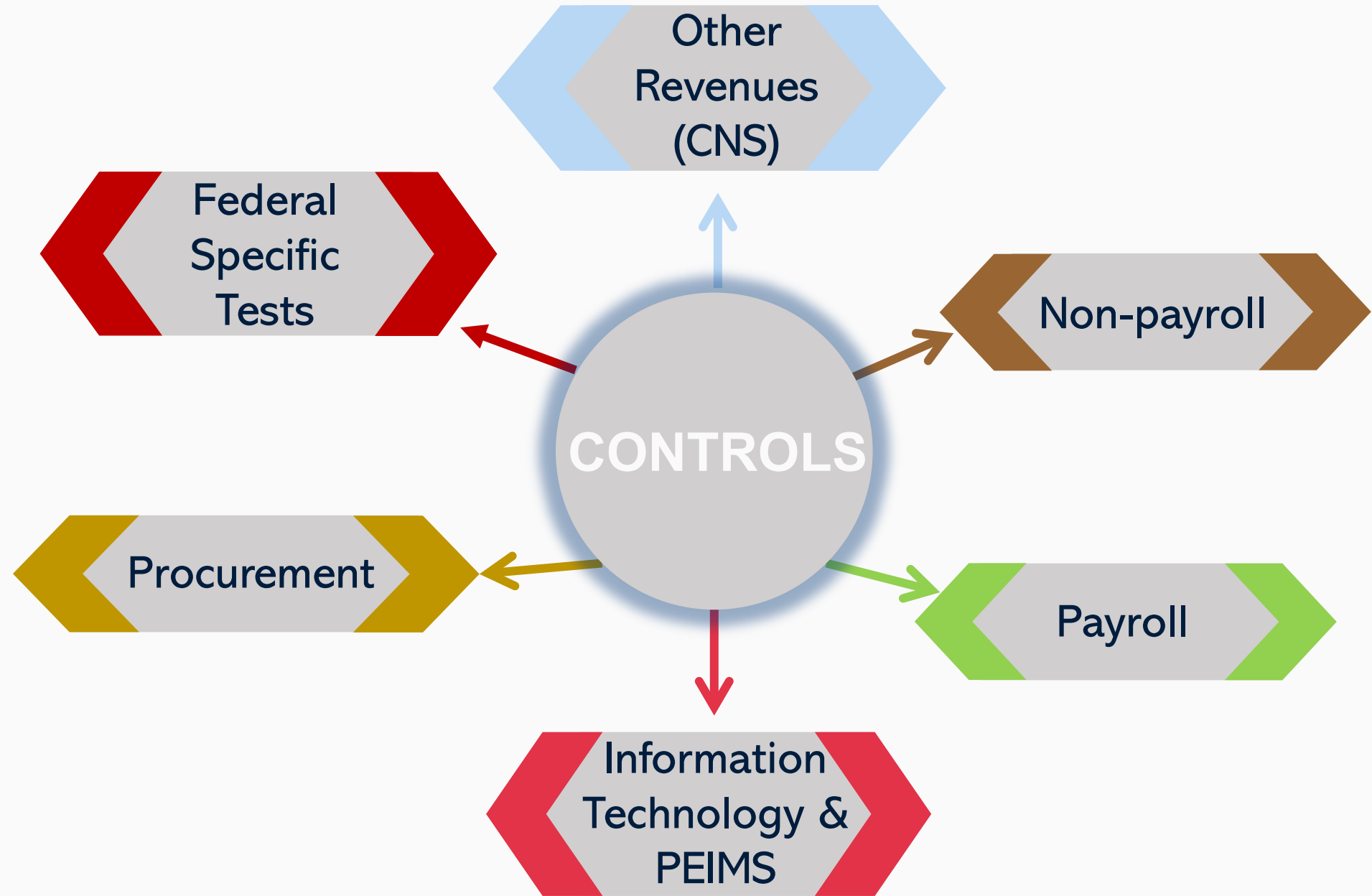
4



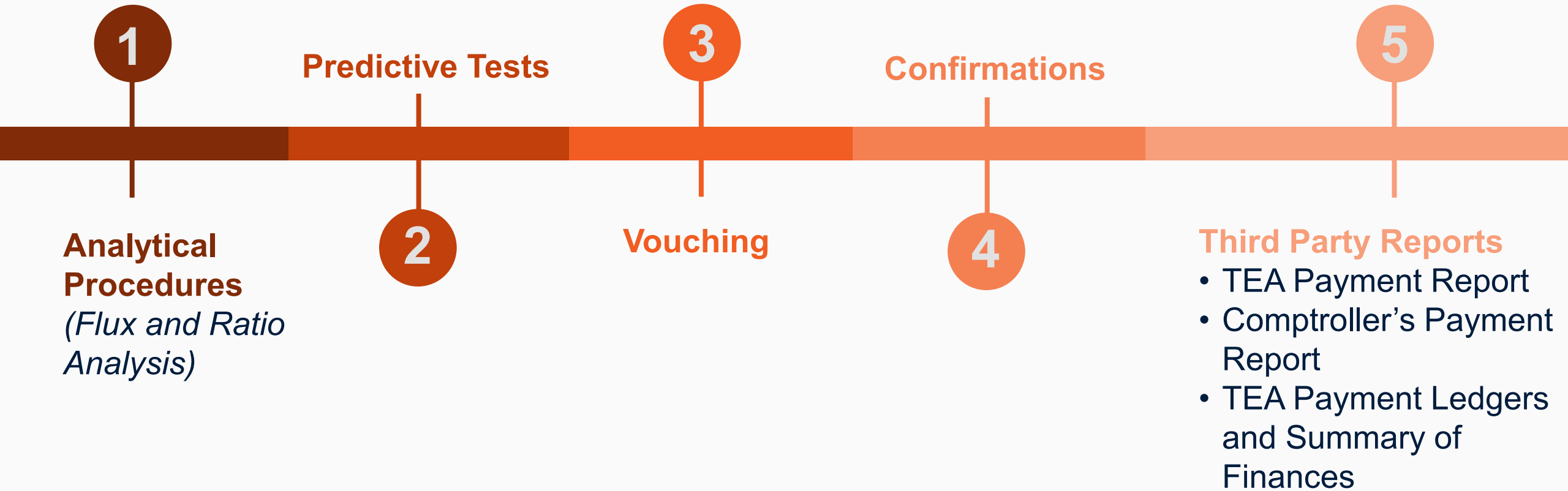
**Opinion &
Report
Issuance**
Nov. 18, 2025

5

INTERNAL CONTROLS



SUBSTANTIVE PROCEDURES



RESULTS

**Audit in accordance with
GAAS and GAGAS (Yellow
Book)**

**Unmodified Opinion over
financial statements**

**No internal control findings
related to financial reporting**

**No findings related to
compliance**



OPINION ON FEDERAL PROGRAMS - Draft

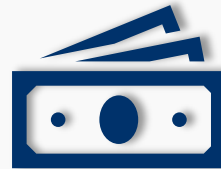
(Pending Release of 2025 Compliance Supplement)

- ❖ Compliance audit in accordance with Office of Management and Budget Compliance Supplement and 2 CFR 200.
- ❖ Total Expenditures of Federal Awards during fiscal year 2025 was \$47.1M.
- ❖ **Major Federal Programs**
 - Title II, Part A (ALN-84.367)
 - Special Education Cluster – IDEA – Part B (ALN-84.027A, 84.173A)
 - Teacher & School Leader Incentive (84.374)
- ❖ **Unmodified Opinion over each major federal program.**
- ❖ **No internal control findings related to each major program.**
- ❖ **District qualified as low-risk auditee.**

REQUIRED COMMUNICATIONS



Engagement Letter – March 24, 2025



Audit Risks (applies to all audited entities)

- Management Override
- Revenue Recognition



The District's accounting policies and methods are appropriate and in accordance with industry standards.



- No disagreements or difficulties
- We are independent of the District

REQUIRED COMMUNICATIONS

Management Representation Letter

Consultations with Other Accountants - We are not aware of any situations in which management consulted with other accountants on accounting or financial reporting matters.

Major Issues Discussed with Management Prior to Retention –
We discussed the application of accounting principles and auditing standards; however, our responses were not a condition to our retention.

Estimates- State Aid

Implementation of Accounting Standards

❖ GASB Statement No. 101 – Compensated Absences

- Objective is to align the recognition and measurement guidance under a unified model and by amending certain previously required disclosures related to compensated absences.

❖ GASB Statement No. 102 – Certain Risk Disclosures

- The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.