

NAVARRO INDEPENDENT SCHOOL DISTRICT

Subject: **Consideration and Possible Approval of the Audited Financial Statements for the Year Ended August 31, 2025**

Date: December 15, 2025

Administrator Responsible/Position: Paul Neuhoff/Chief Financial officer

A. Purpose of Agenda Item:

☐ Information Only

☒ Action Needed

☐ Receive Input

B. Authority for This Action:

☐ Local Policy

☒ Law or Rule

☐ N/A

C. Priority, Goal, or Need Addressed:

☐ Strategic Plan

☐ District/Campus
Improvement
Plan

☒ Other

Priorities

☐ **Priority 1:** Recruiting, Hiring, Coaching, and Retaining High Quality Teachers and Staff to Support Student Outcomes.

☐ **Priority 2:** Maximizing Academic Performance.

☐ **Priority 3:** Maximizing Co-Curricular and Extra-Curricular Opportunities, Performance, and Engagement.

☐ **Priority 4:** Planning, Preparing, and Maintaining Facilities and Environments for Learning.

☒ **Priority 5:** Obtaining and Maintaining Top Rated District Recognition

Board Goals for 2023-2028

☐ **Goal 1*:** The percent of 3rd grade students that score meets grade level or above on STAAR Reading will increase from 49% to 60% by June 2024, 65% for 2024-2025, 70% for 2025-2026, 75% for 2026-2027, 80% for 2027-2028. **(HB3 Required Goal)**

☐ **Goal 2*:** Increased overall student performance in mathematics to 85% Meets Standard by 2028. The percent of 3rd grade students that score meets grade level or above on STAAR Math will increase from 53% to 65% by June 2024, 70% for 2024-2025, 75% for 2025-2026, 80% for 2026-2027, 85% for 2027-2028. **(HB3 Required Goal)**

☐ **Goal 3*:** The percentage of graduates that meet the criteria for CCMR will increase from 72% to 88% by August 2024 and increase to 95% by 2028. **(HB3 Required Goal)**

D.

Summary: Annually the Board must approve the Audited Financial Statements before submission to the Texas Education Agency.

Background Information: Our external audit firm of Armstrong, Vaughan & Associates, PC

completed the audit of the district's financial statements for the year ended August 31, 2025. An annual audit of the district's financial statements and records is required under state law, and must normally be completed and submitted to TEA within 180 days of the district's fiscal year end.

However, due to delays in the release of the final 2025 Office of Management and Budget (OMB) Compliance Supplement and in the development of the new Audit 2.0 application in TEAL (Texas Education Agency Login), the FY2025 annual financial report (AFR) due date for charter schools and school districts with a fiscal year-end date of June 30 will not be November 27, 2025. The revised due date for all FY2025 annual financial reports to be completed, approved by the board, and submitted to the Texas Education Agency is February 27, 2026. This applies to charter schools, education service centers (ESCs) and independent school districts for the FY2025 AFR.

Kimberly Roach, CPA, a partner in our external audit firm of Armstrong, Vaughan & Associates, PC will present summary information on the audited financial statements for the year ended August 31, 2025.

E. Comments Received:

☐ LT

☐ DEIC

☒ Other

All agenda items are reviewed by the Superintendent's Leadership Team.

**F. Administrative
Recommendation:**

That the Board of Trustees review the audit report as presented by the firm of Armstrong, Vaughan & Associates, P.C. and approve it for submission to the Texas Education Agency.

G. Fiscal Impact and Cost:

Amount: N/A

☒ Budget

☐ Grant/Special
Funds

☐ Other

☐ Bond

**H. Exhibits: Audit highlights
Draft Audit Report
Governance Letter**

I. Action:

**“I move to approve/disapprove/postpone” the Audited Financial Statements
For The Year Ended August 31, 2025.**

Motion by: _____ second by: _____

FOR: J. Frederick, D. Gilliam, L. Gosch, D. Reinhard, M. Sartain, C. Scheib, B. Stephenson

AGAINST: J. Frederick, D. Gilliam, L. Gosch, D. Reinhard, M. Sartain, C. Scheib, B. Stephenson

ABSTAIN: J. Frederick, D. Gilliam, L. Gosch, D. Reinhard, M. Sartain, C. Scheib, B. Stephenson

MOTION CARRIED/DENIED/POSTPONED