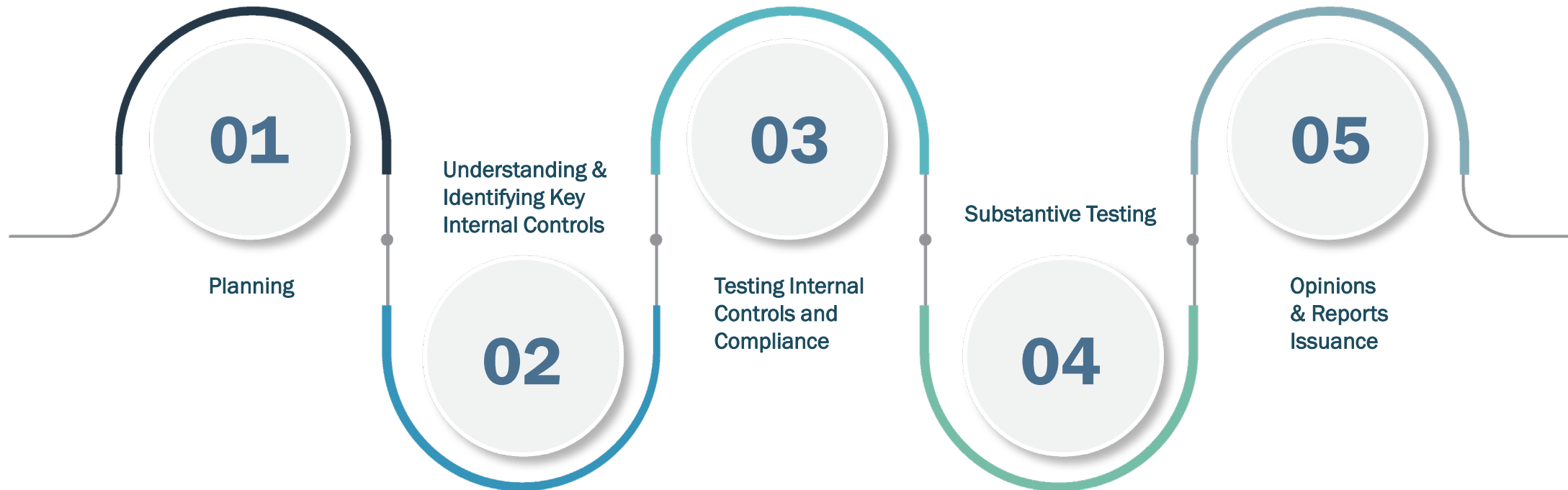


Financial Statement Audit and Federal Single Audit

MANSFIELD INDEPENDENT SCHOOL DISTRICT
FISCAL YEAR 2025



THE AUDIT PROCESS



PURPOSE OF THE AUDIT – THE OPINION ON THE REPORT



AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Clean Report



- Unmodified or “Clean” Opinion
- Financial statements are presented fairly, in all material respects, in accordance with GAAP
- Audit conducted in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*

AUDITOR'S REPORT ON INTERNAL CONTROL AND COMPLIANCE

Clean Report



- Internal control over financial reporting
 - No material weakness identified
 - No significant deficiencies reported
- No instances of noncompliance material to the financial statements were noted

FEDERAL SINGLE AUDIT REPORT

Clean Report



- Major Federal Program:
 - Child Nutrition Cluster
- Unmodified opinion on compliance over each major federal program
- No internal control findings related to each major program
- No instances of noncompliance or questioned costs were noted

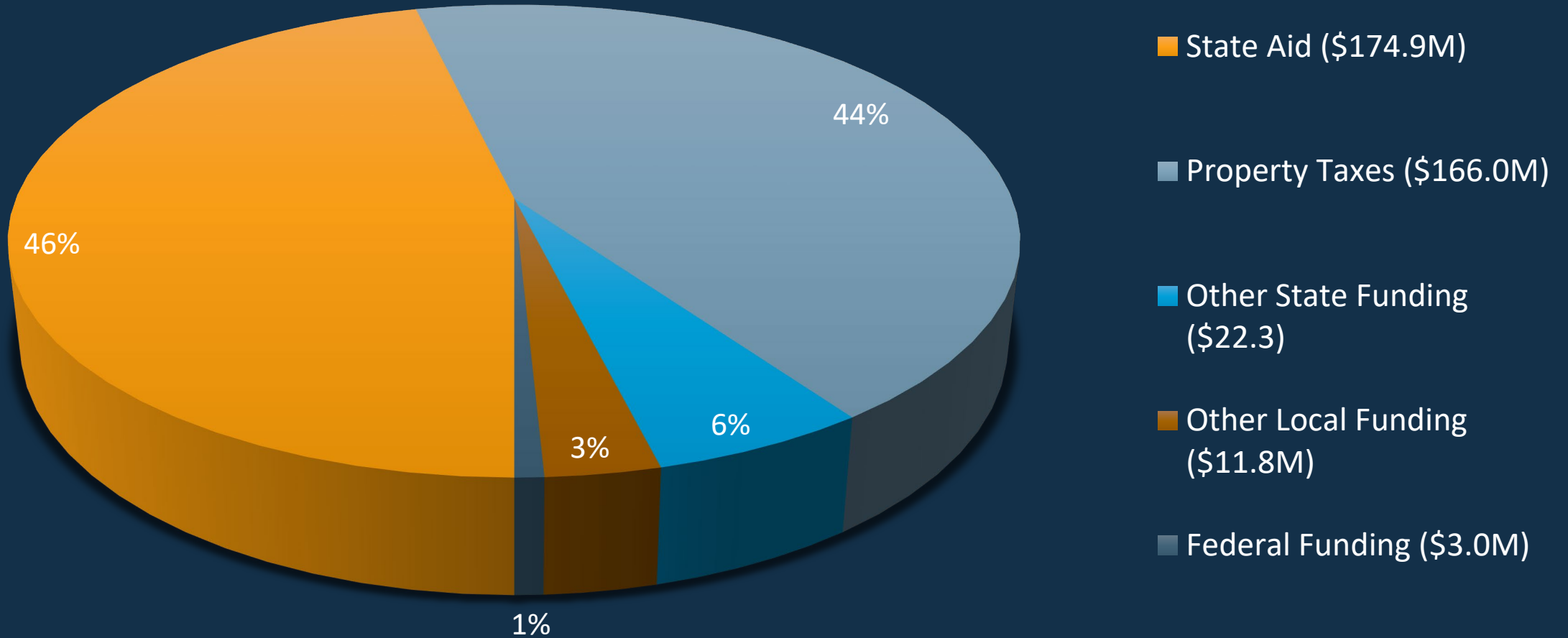
GOVERNMENT-WIDE STATEMENT OF NET POSITION

JUNE 30, 2025

- **Total Assets and Deferred Outflows: \$1,283.9 million**
 - Cash and investments: \$354.5 million
 - Capital assets, net of depreciation/amortization: \$757.2 million
- **Total Liabilities and Deferred Inflows: \$1,332.1 million**
 - Bonds payable and unamortized bond premiums: \$953.2 million
 - *Net pension liability: \$124.4 million
 - *Net other post-employment benefits (OPEB) liability: \$80.1 million
- **Net Position: \$(48.2) million**

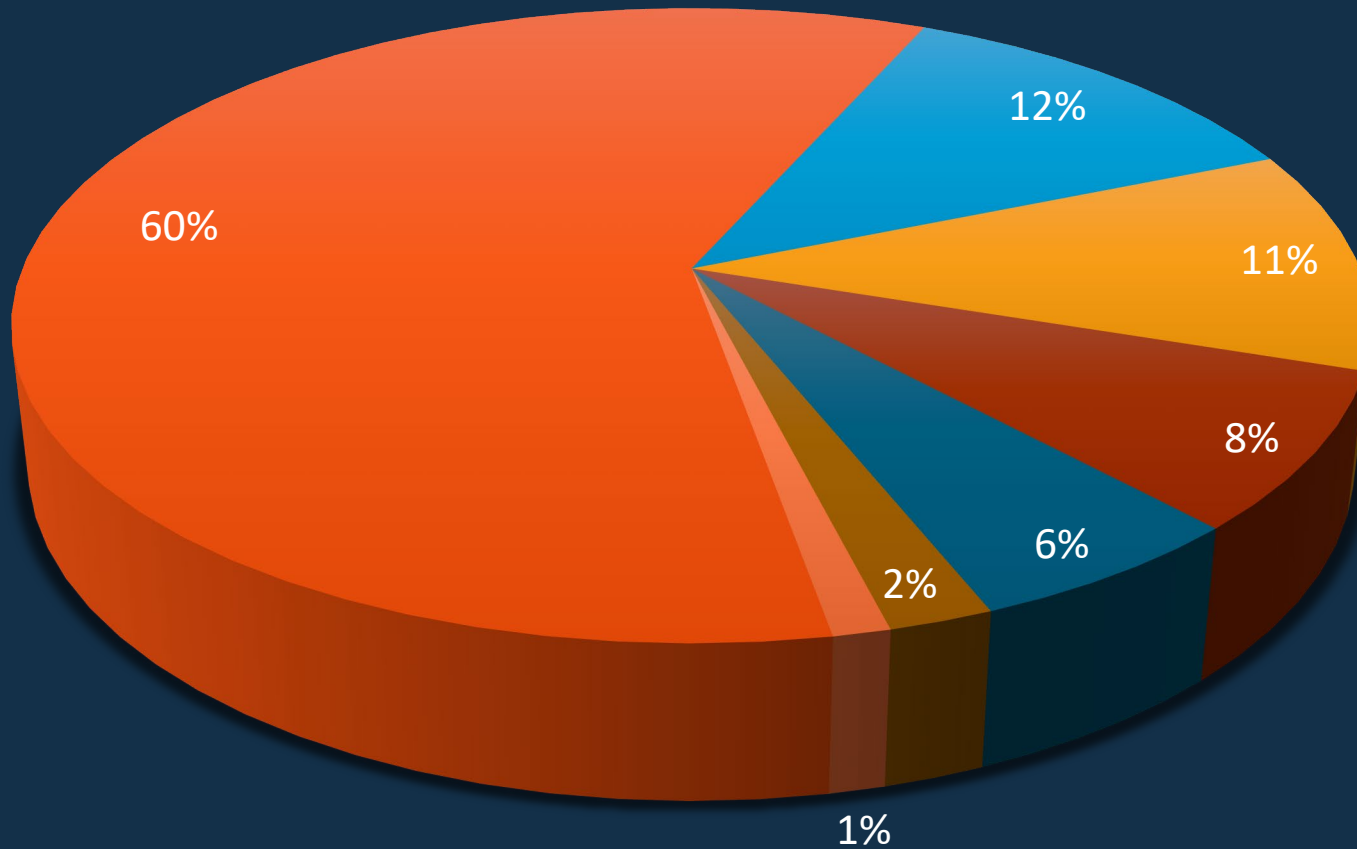
* Represents the District's proportionate share of these liabilities as determined by Teacher Retirement System of Texas.

2025 General Fund Revenue (\$M)



FY 2025 Total Revenues: \$377.9M
FY 2024 Total Revenues: \$380.6M

2025 General Fund Expenditures (\$M)



- Instruction and related services (\$238.9M)
- Student support services (\$48.8M)
- Facilities, maintenance and operations (\$45.4M)
- Instructional and school leadership (\$32.2M)
- Security, monitoring and data processing services (\$23.4M)
- General administration (\$8.5M)
- Other (\$4.7M)

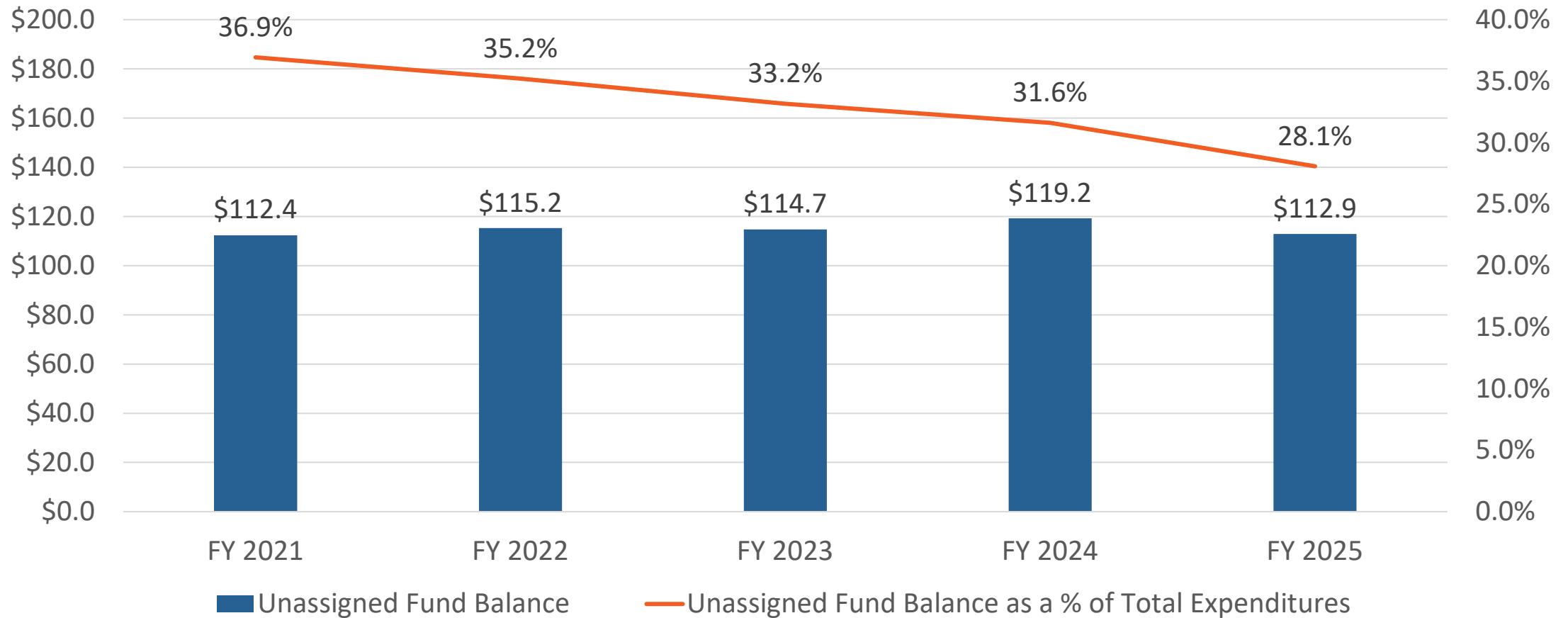
FY 2025 Total Expenditures: \$402.0M

FY 2024 Total Expenditures: \$377.1M

FY 2025 BUDGET AND ACTUAL – GENERAL FUND

- Actual revenues of \$377.9M were greater than final budgeted revenues by \$4.0M
- Actual expenditures of \$402.0M were less than final budgeted expenditures by \$4.6M
- Expenditures and other uses exceeded revenues and other sources by \$5.8M (fund balance decreased by this amount)
- Fund balance as of June 30, 2025, totaled \$115.3M
 - Nonspendable fund balance totaled \$2.4M
 - Unassigned fund balance totaled \$112.9M

General Fund Unassigned Fund Balance (\$M)



CE(LOCAL): The District shall target an annual unassigned general fund balance of a minimum of between two months (17 percent) and three months (25 percent) of total operating expenditures.

CHILD NUTRITION PROGRAM FUND AND DEBT SERVICE FUND - BUDGET AND ACTUAL

School Breakfast and National School Lunch Fund

- Actual revenues of \$21.5M were less than final budgeted revenues by \$1.7M
- Actual expenditures of \$22.7M were less than final budgeted expenditures by \$0.6M
- Fund balance decreased by \$1.2M
- Ending fund balance was \$1.5M

Debt Service Fund

- Actual revenues of \$87.0M were greater than final budgeted revenues by \$0.7M
- Actual expenditures of \$82.9M were greater than final budgeted expenditures by \$0.1M
- Fund balance increased by \$4.5M
- Ending fund balance was \$64.8M

REQUIRED COMMUNICATIONS

Significant Accounting Policies

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

Accounting Estimates

- The preparation of the financial statements requires that certain estimates and judgments be made by management. These judgments and estimates include:
 - State Aid
- We concluded that management has a reasonable basis for significant judgments and estimates that impact the financial statements.

REQUIRED COMMUNICATIONS

Significant Risks (present in every financial statement audit)

- Management override of internal controls
- Improper revenue recognition

Difficulties Encountered in Performing the Audit

- We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected or Uncorrected Misstatements

- There were no material misstatements that were identified by us that required management's correction.

Disagreements with Management

- We had no disagreements with management over the application of accounting principles or management's judgments about accounting estimates.

REQUIRED COMMUNICATIONS

Management Representations

- We have requested certain representations from management.

Consultation 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.

QUESTIONS?

