

JUDSON INDEPENDENT SCHOOL DISTRICT

SINGLE AUDIT REPORT

**For the Year Ended
June 30, 2025**

JUDSON INDEPENDENT SCHOOL DISTRICT

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CERTIFICATE OF BOARD

Judson Independent School District

Name of School District

Bexar

County

015-916

Co. - Dist. No.

We, the undersigned, certify that the attached annual compliance report of the above named school district were reviewed and approved for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on December 18, 2025.

President of the Board

Secretary of the Board

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Judson Independent School District

Report on Compliance for Each Major Federal Program

Opinion On Each Major Program

We have audited Judson Independent School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion On Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, GAS, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, GAS, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

To the Board of Trustees
Judson Independent School District

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 20, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Whitley Penn LLP

San Antonio, Texas
December 18, 2025

JUDSON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

I. Summary of Auditors' Results

Financial Statements	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No
Federal Awards	
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
Name of Federal Program or Cluster	Assistance Listing Numbers
U.S. Department of Education	
<i>ESEA Title I Part A - Improving Basic Programs</i>	84.010
<i>Title II, Part A-Teacher/Principal Training & Recruiting</i>	84.367
Dollar Threshold Considered Between Type A and Type B Federal Programs:	\$1,094,773
Auditee qualified as low-risk auditee?	Yes

JUDSON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended June 30, 2025

II. Financial Statement Findings

None Reported

III. Federal Awards Findings and Questioned Costs

None reported

JUDSON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Exhibit K-1

(2A) Pass-Through Entity Identifying Number	(1) Federal Grantor/Pass-Through Grantor/Program Title	(2) ALN	(3) Federal Expenditures
	U.S. Department of Agriculture		
	Passed Through Texas Education Agency:		
71402501	School Breakfast Program	10.553	\$ 4,715,153
71402501	School Breakfast Program - SSO	10.553	28,107
71302501	Seamless Summer Option (SSO)	10.555	100,852
	Passed Through Texas Department of Agriculture:		
NT4XL1YGLGC5	National School Lunch Program	10.555	10,647,703
	Total Child Nutrition Cluster (ALN 10.553, 10.555)		15,491,815
NT4XL1YGLGC5	Child and Adult Food Care Program	10.558	441,929
NT4XL1YGLGC5	CN Commodity Deliver Fee Reimbursement Grant	10.560	2,966
NT4XL1YGLGC5	Commodity Supplemental Food Program (CSFP)	10.565	1,292,706
	Total Food Distribution Cluster (ALN 10.565)		1,292,706
	Total U.S. Department of Agriculture		17,229,416
	U.S. Department of Treasury		
	Direct Program:		
SLFRP1970	Counseling American Rescue Plan Act Grant	21.027	253,318
	Total U.S. Department of Treasury		253,318
	U.S. Department of Education		
	Passed Through Texas Education Agency:		
24610101015916	ESEA Title I Part A - Improving Basic Programs	84.010A	1,204,384
25610101015916	ESEA Title I Part A - Improving Basic Programs	84.010A	7,216,794
25610103015916	ESEA Title I Part D - Delinquent Programs	84.010A	16,269
256101107110004	School Action Fund-Continuation	84.010A	1,470,035
	Total ALN 84.010		9,907,482
246600010159166600	IDEA - Part B, Formula	84.027A	993,973
256600010159166600	IDEA - Part B, Formula	84.027A	5,122,664
66002006	High Cost Fund	84.027A	6,797
246610010159166610	IDEA - Part B, Preschool	84.173A	56,532
256610010159166610	IDEA - Part B, Preschool	84.173A	90,127
	Total Special Education Cluster - IDEA (ALN 84.027, 84.173)		6,270,093
24420006015916	Carl D Perkins, Basic Grant Formula for CATE	84.048A	23,075
25420006015916	Carl D Perkins, Basic Grant Formula for CATE	84.048A	160,257
	Total ALN 84.048		183,332
24671001015916	TITLE III, PART A-LEP	84.365A	36,540
25671001015916	TITLE III, PART A-LEP	84.365A	163,940
	Total ALN 84.365		200,480
24694501015916	Title II, Part A-Teacher/Principal Training & Recruiting	84.367A	305,630
25694501015916	Title II, Part A-Teacher/Principal Training & Recruiting	84.367A	1,336,508
	Total ALN 84.367		1,642,138
69551702	SUMMER SCHOOL LEP	84.369A	9,544
24680101015916	TITLE IV	84.424A	13,668
25680101015916	TITLE IV	84.424A	508,282
	Total ALN Number 84.424A		521,950
215330017110044	ARP Homeless I-TEHCY Supplemental (COVID-19)	84.425W	26,650
21528001015916	ARP ESSER III (COVID-19)	84.425U	72,056
215330017110044	ARP Homeless II (COVID-19)	84.425W	43,385
	Total ALN Number 84.425		142,091
	Passed Through Education Service Center Region 20:		
244600057110051	SSA - ESEA Title III Subtitle B - Education for the Homeless Children and Youth	84.196A	1,135
	Total U.S. Department of Education		18,878,245
	U.S. Department of Health and Human Services		
	Passed Through Texas Health and Human Services Commission:		
HHS000537900022	Medicaid Administrative Claiming (MAC)	93.778	131,438
	Total Medicaid Cluster (ALN 93.778)		131,438
	Total U.S. Department of Health and Human Services		131,438
	Total Expenditures of Federal Awards		\$ 36,492,417

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

Note 2 - Summary of Significant Accounting Policies

The District utilizes the fund types specified in the Texas Education Agency Resource Guide.

Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types and agency funds are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the special revenue funds, a component of the governmental fund type. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balances.

The modified accrual basis of accounting is used for the governmental fund types. This basis of accounting recognizes revenues in the accounting period, in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

Non-Cash USDA Donated Commodities received like-kind goods and no grant revenue received was reported on the schedule for the monetary value of these goods. The monetary value of these goods was \$1,292,706 for the year ended June 30, 2025.

The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds or any money received may be required and the collectability of any related receivable at June 30, 2025, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 2 - Summary of Significant Accounting Policies (continued)

The United States Department of Education has given the Texas Education Agency (TEA) authority to issue indirect cost rates for Texas School Districts and Charter Schools. To recover any indirect costs, the District must request and receive new indirect cost rates for every school year allowed by the Uniform Guidance Part 200.57. The District has not elected to use the 15% de minimis indirect cost rate.

There were no awards passed through to subrecipients.

Note 3 - Reconciliation to the Basic Financial Statements

The following is a reconciliation of expenditures of federal awards program per Exhibit K-1 and expenditures reported on Exhibit C-2:

Total Shown on Schedule of Expenditures of Federal Awards	\$ 36,492,417
Other Federal Revenue Accounted for in Governmental Funds:	
Medicaid SHARS	1,284,198
E-Rate	1,470,533
JROTC	29,499
	<u>2,784,230</u>
Total Federal Revenue - Exhibit C-2	<u>\$ 39,276,647</u>

Note 4 - General Fund Expenditures

During the year, federal revenue recorded in the general fund consisted of the following:

Federal Revenues Reported in General Fund:	
JROTC	\$ 29,499
School Health and Related Services (SHARS)	1,284,198
E-Rate	1,470,533
Indirect Cost from Federal Programs:	
ESEA Title X, Part C, Education for Homeless Children & Youth	51
ESEA Title I, Part A, Improving Basic Programs	378,974
ESEA Title I, Part D, Delinquent Programs	736
IDEA-B, Formula	176,148
IDEA-B, Preschool	6,631
Title II, Part A - Training and Recruiting	66,554
Title III, Part A - Limited English Proficiency	9,065
ARP Homeless Children and Youth	1,205
School Action Fund	65,343
Title IV, Part A	<u>19,508</u>
Total Federal Revenues Reported in General Fund:	<u>\$ 3,508,445</u>

JUDSON INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2025

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

Not applicable

JUDSON INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

For the Year Ended June 30, 2025

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

I. Corrective Action Plan

Not Applicable