DUNCANVILLE INDEPENDENT SCHOOL DISTRICT

SINGLE AUDIT REPORT

For the Year Ended
June 30, 2025

DUNCANVILLE INDEPENDENT SCHOOL DISTRICT
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CERTIFICATE OF BOARD

Duncanville Independent School District	**Dallas**	**057-907**
Name of School District	County	Co. - Dist. No.

We, the undersigned, certify that the attached single audit reports of the above named school district were reviewed and ___X___ **approved/** _____ **disapproved** for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on December 15, 2025.

Jacqueline Culton
Signature of Board President

Janet Veracruz
Signature of Board Vice President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving is/are (attach list if necessary)

whitleypenn

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH FEDERAL 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
Duncanville Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Duncanville 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 (*Government Auditing Standards*); 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, *Government Auditing Standards*, 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, *Government Auditing Standards*, 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.

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, 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 December 15, 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. The information has been subjected to the auditing procedures applied in the audit of 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

Dallas, Texas
December 15, 2025

DUNCANVILLE 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 deficiencies 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 deficiencies 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 Number (ALN)
U.S. Department of Education	
COVID-19 ARP Homeless II	84.425W
Cycle 4 ADSY PEP Operations Grant	84.425U
COVID-19 ARP Esser III	84.425U
ESEA Title I, Part A - Improving Basic Programs	84.010A
2023-2025 Title I 1003 ESF Focused Support Grant	84.010A
Title II Part A-Supporting Effective Instruction	84.367A
Special Education Cluster (IDEA B)	84.027A, 84.173A
Dollar Threshold Considered Between Type A and Type B Federal Programs	$750,000
Auditee qualified as low risk auditee?	Yes

II. Financial Statement Findings

None Reported

III. Federal Awards Findings and Questioned Costs

None Reported

DUNCANVILLE INDEPENDENT SCHOOL DISTRICT ***Exhibit K-1***

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS ***Page 1 of 2***

For the Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal ALN	Pass Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed Through Texas Education Agency:			
Cash Assistance:			
School Breakfast Program	10.553	71402501	$ 906,271
School Breakfast Program - SSO	10.553	71402501	10,917
National School Lunch Program	10.555	71302501	4,578,266
National School Lunch Program - SSO	10.555	71302501	51,179
Passed Through Texas Department of Agriculture:			
Non Cash Assistance (Commodities):			
USDA Commodities	10.555	NT4XL1YGLGC5	474,470
Total Child Nutrition Cluster (ALN 10.555, 10.553)			6,021,103
Passed Through Texas Department of Agriculture:			
Cash Assistance:			
Local Food for Schools Cooperative	10.185	NT4XL1YGLGC5	157,731
State Administrative Expense (SAE) Funds	10.560	NT4XL1YGLGC5	18,890
Total U.S. Department of Agriculture			**6,197,724**
U.S. Department of Education			
Passed Through Texas Education Agency:			
ESEA Title I, Part A - Improving Basic Programs	84.010A	25610101057907	3,951,082
ESEA Title I, Part A - Improving Basic Programs	84.010A	24610101057907	369,195
2023-2025 Title I 1003 ESF Focused Support Grant	84.010A	24610101057907	605,892
Total ALN 84.010			4,926,169
IDEA - Part B, Formula	84.027A	256600010579076600	2,492,752
IDEA - Part B, Formula	84.027A	246600010579076600	64,573
IDEA - Part B, Preschool	84.173A	256610010579076610	3,789
IDEA - Part B, Preschool	84.173A	246610010579076610	38,259
Total Special Education Cluster (ALN 84.027, 84.173)			2,599,373
Career and Technical - Basic Grant	84.048A	25420006057907	188,936
Career and Technical - Basic Grant	84.048A	24420006057907	19,347
Total ALN 84.048			208,283
Title II, Part A-Supporting Effective Instruction	84.367A	25694501057907	1,011,823
Title II, Part A-Supporting Effective Instruction	84.367A	24694501057907	99,145
Total ALN 84.367			1,110,968
ESEA, Title III, Part A - English Language Acquisition	84.365A	25671001057907	268,043
ESEA, Title III, Part A - English Language Acquisition	84.365A	24671001057907	99,067
Total ALN 84.365			367,110
Title IV, Part A - Student Support and Academic Enrichment	84.424A	25680101057907	438,181
Title IV, Part A - Student Support and Academic Enrichment	84.424A	24680101057907	8,776
Total ALN 84.424			446,957
LEP Summer School	84.369A	69552302	1,079
Total ALN 84.369			1,079
COVID-19 ARP Homeless II	84.425W	21533002057907	12,091
Cycle 4 ADSY PEP Operations Grant	84.425U	215280917110003	49,444
COVID-19 ARP Esser III	84.425U	21528001057907	1,351,446
Total ALN 84.425			1,412,981
Total U.S. Department of Education			**11,072,920**

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal ALN	(2A) Pass Through Entity Identifying Number	(3) Federal Expenditures
U.S. Department of Health and Human Services			
Passed Through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming (MAC) Program	93.778	529-07-0157-00167	$ 47,429
Total Medicaid Cluster (ALN 93.778)			47,429
Total U.S. Department of Health and Human Services			**47,429**
Total Expenditures of Federal Awards			**$ 17,318,073**

Note 1 - Basis of Accounting

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*. These programs are accounted for using a current financial resources measurement focus. 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 net current assets.

The modified accrual basis of accounting is used for these funds. 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 liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

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 unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 - 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 Uniform Guidance. Because the schedule presents on 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 3 - Reconciliation to Basic Financial Statements

The following is a reconciliation of the federal program revenues reported in the District's Annual Financial Report and total expenditures per the Schedule of Expenditures of Federal Awards:

Total Expenditures of Federal Awards per Exhibit K-1	$	17,318,073
Medicaid SHARS		919,085
Total Federal Revenues per Exhibit C-2	$	18,237,158

Note 4 – General Fund Expenditures

Program or Source	Amount
SHARS	$ 919,085
ESSA Title I Part A - Improving Basic Programs	236,094
2023-2025 Title I 1003 ESF Focused Support Grant	31,690
IDEA-B Formula	3,633
IDEA-B Preschool	2,153
Title II Part A-Supporting Effective Instruction	62,501
Title III Part A-ELA	33,051
Career and Technical - Basic Grant	8,312
COVID-19 ARP Homeless II	1,793
Cycle 4 ADSY PEP Operations Grant	7,157
COVID-19 ARP Esser III	200,388
Title IV Part A - Student Support and Academic Enrichment	15,962
Medicaid Administrative Claiming (MAC) Program	47,429
	$ 1,569,248

DUNCANVILLE 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

Finding 2024-001: **Internal Control Over Financial Reporting: Financial Close and Reporting Processes**

Finding Type: Significant Deficiency

Finding Summary: Proper controls over financial reporting include a system designed to provide for the preparation of the financial statements and accompanying notes to the financial statements that are materially correct and in accordance with accounting principles generally accepted in the United States of America. Monthly and annual reconciliations are necessary to ensure that accounts are properly stated. Numerous accounts were not properly reconciled during the year or at the end of the year. As a result, significant adjusting journal entries were identified during the audit of the financial statements that were not previously identified or corrected in a timely manner by the District.

Current Status: Corrected in fiscal year 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