Year Ended
June 30, 2025

FEDERAL SINGLE AUDIT REPORT

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
ODESSA, TEXAS

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ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT

FEDERAL SINGLE AUDIT REPORT

For the Year Ended June 30, 2025

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
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CERTIFICATE OF BOARD

Ector County Independent School District	Ector	068901
Name of School District	County	Co. - Dist. No.

We, the undersigned, certify that the attached federal single audit report of the above-named school district was reviewed and approved for the fiscal year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on December 16, 2025.

Board Secretary

Board President

whitleypenn

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

To the Board of Trustees
Ector County Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Ector County Independent School District's (the "District") compliance with the types of compliance requirements described 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 November 18, 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

Odessa, Texas
December 16, 2025

ECTOR COUNTY 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)**
US Department of Education	
Special Education Cluster:	
IDEA-B FORMULA	84.027A
IDEA-B PRESCHOOL	84.173A
IDEA-B IDEA-B DISCRETIONARY DEAF	84.027A
ESEA Title II, Part A; Supporting Effective Instruction	84.367A
2022-2023 Principal Residency Cycle	84.367A
2023-2024 Principal Residency Cycle	84.367A
Teacher & School Leader Incentive	84.374
Dollar Threshold Considered Between Type A and Type B Federal Programs	$1,412,373
Auditee qualified as low risk auditee?	Yes

II. Financial Statement Findings

No current findings were noted.

III. Federal Award Findings and Questioned Costs

There are no federal awards findings during the current fiscal year.

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal Assistance Listing Number	(2A) Pass Through Entity Identifying Number	(3) Federal Expenditures and Indirect Costs
U. S. Department of Agriculture			
Passed Through the Texas Education Agency:			
School Breakfast Program	10.553	71402401	$ 6,119,349
School Breakfast Program - SSO	10.553	71402401	37,309
National School Lunch Program	10.555	71302401	12,106,503
National School Lunch Program - SSO	10.555	71302401	120,982
Passed Through the Texas Department of Agriculture:			
USDA Commodities	10.555	NT4XL1YGLGC5	1,454,551
Supply Chain Grant	10.555	256TX400N8903	2,230,729
Total Child Nutrition Cluster (ALN 10.553, 10.555)			22,069,423
Child & Adult Care Food Program - Non-Cash Assistance	10.558	NT4XL1YGLGC5	266,607
Total U. S. Department of Agriculture			**22,336,030**
U. S. Department of Education			
Passed Through Texas Education Agency:			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	23610101068901	1,121,605
ESEA, Title I, Part A - Improving Basic Programs	84.010A	24610101068901	9,341,478
ESEA, Title I, Part D	84.010A	23610103068901	3,827
ESEA, Title I, Part D	84.010A	24610103068901	47,031
TTL I 1003 School Improvement	84.010A	24610141068901	27,764
School Action Fund Continuation	84.010A	226101517110010	340,879
Total ALN Number 84.010			10,882,584
IDEA-B FORMULA	84.027A	236600010689016600	32,926
IDEA-B FORMULA	84.027A	246600010689016600	7,021,849
IDEA-B PRESCHOOL	84.173A	246610010689016610	84,115
IDEA-B IDEA-B DISCRETIONARY DEAF	84.027A	236600110689016673	2,115
IDEA-B IDEA-B DISCRETIONARY DEAF	84.027A	246600110689016673	55,522
Total Special Education Cluster (IDEA) (ALN 84.027, 84.173)			7,196,527

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal Assistance Listing Number	(2A) Pass Through Entity Identifying Number	(3) Federal Expenditures and Indirect Costs
U. S. Department of Education (continued)			
Passed Through Texas Education Agency: (continued)			
Carl D. Perkins Basic Formula	84.048A	24420006068901	499,964
IDEA- C, Early Childhood Intervention	84.181A	253911010689013911	13
Texas Education for Homeless Children and Youth	84.196A	234600057110023	14,102
Texas Education for Homeless Children and Youth	84.196A	244600057110023	89,110
Total ALN Number 84.196			103,212
Title III, Part A- English Language Acquisition	84.365A	24671001068901	797,599
Title III, Part A- English Language Acquisition	84.365A	24671003068901	78,510
Total ALN Number 84.365			876,109
ESEA Title II, Part A: Supporting Effective Instruction	84.367A	23694501068901	122,969
ESEA Title II, Part A: Supporting Effective Instruction	84.367A	24694501068901	1,153,422
2022-2023 Principal Residency Cycle	84.367A	226945677110012	352,411
2023-2024 Principal Residency Cycle	84.367A	246945677110001	822
Total ALN Number 84.367			1,629,624
LEP Summer School	84.369A	69552302	17,726
Teacher & School Leader Incentive	84.374A	5374A230021-24	1,915,447
Title IV, Part A, Subpart 1	84.424A	24680101068901	752,715
COVID - 19 - ARP Homeless I - TECHY Supplemental	84.425W	215330017110023	6,285
Total U. S. Department of Education			**23,880,206**
U. S. Department of Health and Human Services			
Passed Through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming Program	93.778	HHS000537900265	95,409
Total Medicaid Cluster (ALN 93.778)			95,409
Total U. S. Department of Health and Human Services			**95,409**
U. S. Department of Justice			
School Violence Prevention Program	16.071	15JCOPS-24-GG-03722-	767,467
Total U. S. Department of Justice			**767,467**
Total Expenditures of Federal Awards			**$ 47,079,112**

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.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. If balances have not been expended by the end of the project period, determination is made to record as unearned revenue, fund balance, or return the funds if the grantors stipulate that the District must refund all or part of the unused amount. The District has elected not to use the 10 percent de minimis indirect cost rate 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 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 3 - Reconciliation to 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 of the audited financial statements:

Total Expenditures of Federal Awards on Exhibit K-1	$ 47,079,112
Medicaid SHARS	213,437
WTO Child Care Tuition	44,014
Junior Reserve Officer's Training Corps (JROTC)	40,670
E-Rate Revenue	667,519
Total Federal Revenue - Exhibit C-2	$ 48,044,752

Note 4 - General Fund Expenditures

Federal Awards reported in the general fund for the year-ended June 30, 2025 are summarized as follows:

Federal Revenue Reported in the General Fund		
Medicaid SHARS	$	213,437
WTO Child Care Tuition		44,014
Junior Reserve Officer's Training Corps (JROTC)		40,670
E-Rate Revenue		667,519
Indirect Costs:		
National School Lunch Program		861,272
ESEA, Title I, Part A		575,384
IDEA-B Formula		365,692
ESEA Title II, Part A: Supporting Effective Instruction		66,163
Title III, Part A- English Language Acquisition		45,414
Title IV Part A Subpart 1		39,018
Carl D. Perkins Basic Formula		25,916
ARP Homeless I - TECHY Supplemental		557
IDEA-B Preschool		4,360
SSA - IDEA - Part B, Discretionary		2,988
Medicaid Administrative Claiming Program		9,894
2022-2023 Principal Residency Cycle		18,311
Texas Education for Homeless Children and Youth		5,350
Total Federal Revenue Reported in the General Fund	$	2,985,959

ECTOR COUNTY 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 Year Findings

Not Applicable

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

For the Year Ended June 30, 2025

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

I. Corrective Action Plan

Not Applicable



2025 Federal Single Audit Report