STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STEVENS POINT, WISCONSIN

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2025



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INDEPENDENT AUDITORS' REPORT

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stevens Point Area Public School District, Stevens Point, Wisconsin (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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Emphasis of Matter

As discussed in Note 1.F. to the financial statements, effective July 1, 2024, the District has implemented GASB Statement No. 101, *Compensated Absences*. The implementation of this standard has resulted in changes to the recognition and measurement guidance for compensated absences and associated salary-related payments, including a restatement of beginning net position, and amended certain previously required disclosures. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules relating to pensions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor governmental fund financial statements, the schedule of charter school authorizer operating costs, and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining nonmajor governmental fund financial statements, the schedule of charter school authorizer operating costs and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Stevens Point, Wisconsin
December 11, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Prepare Each Student To Be Successful
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STEVENS POINT AREA PUBLIC SCHOOL DISTRICT

Management's Discussion and Analysis
June 30, 2025

As management of the Stevens Point Area Public School District, we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources as of June 30, 2025 by $77,740,132 (net position).

- As of June 30, 2025, the District's governmental funds reported combined ending fund balances of $30,244,448, a decrease of $235,762 in comparison with the prior year. Approximately 61% of this total amount, $18,359,473, is available for spending at the District's discretion (unassigned fund balance).

- The District's total general obligation debt decreased $3,880,000 during the fiscal year ended June 30, 2025.

Overview of the Basic Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-Wide Financial Statements. The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave.)

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include the District's basic services, such as regular and special education and various support services.

The district-wide financial statements can be found on pages 14–15 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Long-Term Capital Improvements Fund. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all its governmental funds. As part of the required supplementary information, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 16–20 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found on pages 21–47 of this report.

Other Information. Required supplementary information and the combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. These statements and schedules can be found on pages 49–57.

District-Wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $77,740,132 at the close of 2025.

Stevens Point Area Public School District
(in thousands of dollars)

	Governmental Activities	
	2025	2024
Current and Other Assets	$ 47,500	$ 44,763
Capital Assets	117,570	120,675
Total Assets	165,070	165,438
Deferred Outflows of Resources	24,018	34,871
Long-Term Liabilities Outstanding	81,088	83,473
Other Liabilities	17,550	14,611
Total Liabilities	98,638	98,084
Deferred Inflows of Resources	12,710	21,760
Net Position:		
Net Investment in Capital Assets	41,973	41,399
Restricted	11,336	12,295
Unrestricted	24,431	26,771
Total Net Position	$ 77,740	$ 80,465

The largest portion of the District's net position (54%) reflects its investment in capital assets (e.g., land, buildings, and machinery and equipment, etc.); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (15%) represents resources that are subject to external restrictions on how they may be used.

Change in Net Position. Governmental activities decreased the District's net position by $1,296,335 from current year activities. A summary of the statement of activities follows:

Stevens Point Area Public School District (In thousands of dollars)		
	Governmental Activities	
	2025	2024
Revenues:		
Program Revenues:		
Charges for Services	$ 4,662	$ 4,145
Operating Grants and Contributions	22,352	22,565
General Revenues:		
Property Taxes	43,031	42,647
Other Taxes	83	68
Grants and Contributions not Restricted to Specific Programs	57,771	52,493
Other	2,104	2,410
Total Revenues	130,003	124,328
Expenses:		
General Instruction	72,804	67,469
Support Services	46,584	43,516
Interest and Fiscal Charges	2,220	2,544
Community Service	494	348
Nonprogram	9,197	8,685
Total Expenses	131,299	122,562
Change in Net Position	(1,296)	1,766
Net Position - Beginning of Year, As Originally Reported	80,465	78,699
Cumulative Effect of Change in Accounting Principle	(1,429)	-
Net Position - Beginning of Year, As Restated	79,036	78,699
Net Position - End of Year	$ 77,740	$ 80,465

Key elements of the increase in net position for the District are as follows:

- Revenue Limit per pupil increase of $325.
- Wisconsin Employment Relations Commission (WERC) wage settlement of 4.12%
- Decrease in enrollment FTE by 40 students
- Higher costs on goods and services

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of June 30, 2025, the District's governmental funds reported combined ending fund balances of $30,244,448, a decrease of $235,762 in comparison with the prior year. Approximately 61% of this amount, $18,359,473 constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of combined fund balance is nonspendable, restricted, committed, or assigned for specific purposes, so is not available for new spending.

The general fund is the main operating fund of the District. At the end of the current year, unassigned fund balance of the general fund was $18,359,473. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 16% of total general fund expenditures.

The fund balance of the District's general fund increased $1,339,339 during the current year.

General Fund Budgetary Highlights

Generally, the original budget is rarely modified. Changes in budgeted revenues and expenditures can be briefly summarized as follows:

Revenues	$ 385,198
Expenditures	(385,198)
Total	$ -

During the year, actual revenues were under budgeted revenues by $224,524 primarily in other local sources and federal sources. Actual expenditures were under budgeted expenditures by $531,408 with instruction functions under budget by $568,248, support service functions under budget by $163,835, debt service under budget by $62,492, and non-program expenditures over budget by $263,167

Capital Asset and Debt Administration

Capital Assets. The District's investment in capital and right to use assets for its governmental activities as of June 30, 2025 amounts to $117,569,840 (net of accumulated depreciation and amortization). This investment in capital assets includes land, land improvements, buildings, and machinery and equipment. The net decrease in the District's investment in capital and right-to-use lease assets for the current year was $3,105,679.

Major capital assets acquired or constructed during the year include:

Building Renovations/Additions - completed work	$ 1,669,549
11 buses (72 passengers)	1,480,551
Total	$ 3,150,100

Stevens Point Area Public School District (net of accumulated depreciation and amortization)		
	Governmental Activities	
	2025	2024
Capital Assets, net:		
Land	$ 2,187,617	$ 2,187,617
Construction in Progress	721,916	-
Land Improvements	3,675,473	3,895,588
Buildings	102,139,289	105,199,697
Machinery and Equipment	8,504,380	8,912,994
Capital Assets Net of Accumulated Depreciation	117,228,675	120,195,896
Right to Use Lease Assets, net:		
Machinery and Equipment	154,357	241,867
Subscription Based Information Technology Arrangement Assets, net:		
Subscription Based Information Technology Arrangement Assets	186,808	237,756
Total Capital and Right to Use Assets, Net of Accumulated Depreciation and Amortization	$ 117,569,840	$ 120,675,519

Long-Term Debt. At the end of the current fiscal year, the District had total general obligation debt outstanding of $70,255,000.

Stevens Point Area Public School District General Obligation Debt		
	Governmental Activities	
	2025	2024
General Obligation Debt:		
Bonds	$ 70,255,000	$ 74,135,000
Total General Obligation Debt	$ 70,255,000	$ 74,135,000

The District's total general obligation debt decreased by $3,880,000 during the current fiscal year.

State statutes limit the amount of general obligation debt the District may issue to 10% of its total equalized valuation. The current debt limitation for the District is $737,166,117 which is significantly in excess of the District's $70,255,000 in outstanding general obligation debt.

Factors Bearing on the District's Future

The district passed a $14 million dollar recurring operational referendum on April 2, 2024. The referendum will increase the revenue limit by $8.75 million for the 2024-25 school year and an additional $5.25 million for the 2025-26 school year. The increase of $14 million to the revenue limit will remain a part of the district's revenue limit going forward.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Business Services, Stevens Point Area Public School District, 1900 Polk Street, Stevens Point, Wisconsin or by calling (715) 345-5432.

BASIC FINANCIAL STATEMENTS

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 35,249,312
Receivables:	
Taxes	10,456,637
Accounts	47,866
Due from Other Governments	1,596,219
Inventories and Prepaid Items	150,192
Capital Assets:	
Capital Assets Not Being Depreciated	2,909,533
Capital Assets, Net of Depreciation and Amortization	114,660,307
Total Assets	165,070,066
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Amounts	24,018,299
LIABILITIES	
Accounts Payable	709,935
Accrued and Other Current Liabilities	13,265,595
Accrued Interest Payable	294,972
Unearned Revenues	26,766
Deposits Payable	3,210,419
Dental Claims Payable	43,063
Long-Term Obligations:	
Due in One Year	4,923,409
Due in More than One Year	71,809,152
Net Pension Liability	4,355,251
Total Liabilities	98,638,562
DEFERRED INFLOWS OF RESOURCES	
Pension Related Amounts	12,709,671
NET POSITION	
Net Investment in Capital Assets	41,973,114
Restricted for:	
Donations	666,100
Food Service	2,053,365
Community Service	715,899
Common School Library Fund	13,177
Mental Health Grant	242,239
Debt Service	1,399,751
Long-Term Capital Improvement Plan Projects	5,329,969
Student Activities	915,201
Unrestricted	24,431,317
Total Net Position	$ 77,740,132

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes In Net Position
Governmental Activities:					
Instruction	$ 72,803,523	$ 3,071,782	$ 15,300,646	$ -	$ (54,431,095)
Support Services	46,583,827	1,426,352	6,545,283	-	(38,612,192)
Community Services	494,573	163,620	-	-	(330,953)
Nonprogram	9,196,689	-	505,994	-	(8,690,695)
Interest and Fiscal Charges	2,219,912	-	-	-	(2,219,912)
Total Governmental Activities	$ 131,298,524	$ 4,661,754	$ 22,351,923	$ -	(104,284,847)
	GENERAL REVENUES				
	Property Taxes				43,030,626
	Other Taxes				83,188
	State and Federal Aids Not Restricted to Specific Functions				57,770,989
	Interest and Investment Earnings				1,160,829
	Gain on Disposal of Capital Assets				523,135
	Miscellaneous				419,745
	Total General Revenues				102,988,512
	CHANGE IN NET POSITION				(1,296,335)
	Net Position - Beginning of Year, As Originally Reported				80,465,223
	Cumulative Effect of Change in Accounting Principle				(1,428,756)
	Net Position - Beginning of Year, as Restated				79,036,467
	NET POSITION - END OF YEAR				$ 77,740,132

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Long-Term Capital Improvements	Other Governmental Funds	Total
ASSETS				
Cash and Investments	$ 24,002,491	$ 5,329,969	$ 5,916,852	$ 35,249,312
Receivables:				
Taxes	10,456,637	-	-	10,456,637
Accounts	16,250	-	31,616	47,866
Due from Other Governments	1,336,044	-	260,175	1,596,219
Inventories and Prepaid Items	150,192	-	-	150,192
Total Assets	$ 35,961,614	$ 5,329,969	$ 6,208,643	$ 47,500,226
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 181,046	$ 418,954	$ 109,935	$ 709,935
Accrued and Other Current Liabilities	13,212,175	-	53,420	13,265,595
Unearned Revenues	26,766	-	-	26,766
Deposits Payable	3,210,419	-	-	3,210,419
Dental Claims Payable	43,063	-	-	43,063
Total Liabilities	16,673,469	418,954	163,355	17,255,778
FUND BALANCES				
Nonspendable	150,192	-	-	150,192
Restricted	255,416	4,911,015	6,045,288	11,211,719
Committed	523,064	-	-	523,064
Unassigned	18,359,473	-	-	18,359,473
Total Fund Balances	19,288,145	4,911,015	6,045,288	30,244,448
Total Liabilities and Fund Balances	$ 35,961,614	$ 5,329,969	$ 6,208,643	$ 47,500,226

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
RECONCILIATION TO THE STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

Total Fund Balances as Shown on Previous Page	$ 30,244,448
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	117,569,840
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	24,018,299
Deferred Inflows Related to Pensions	(12,709,671)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and Notes Payable	(70,255,000)
Premium on Debt	(2,595,712)
Leases Payable	(166,768)
Financed Purchases Payable	(2,160,292)
Compensated Absences	(1,554,789)
Net Pension Liability	(4,355,251)
Accrued Interest on Long-Term Obligations	(294,972)
Net Position of Governmental Activities as Reported on the Statement of Net Position	$ 77,740,132

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General	Long-Term Capital Improvements	Other Governmental Funds	Total
REVENUES				
Property Taxes	$ 36,081,393	$ -	$ 6,949,233	$ 43,030,626
Other Local Sources	2,372,964	339,884	3,794,022	6,506,870
Interdistrict Sources	1,774,741	-	-	1,774,741
Intermediate Sources	22,992	-	-	22,992
State Sources	69,837,290	-	99,600	69,936,890
Federal Sources	5,181,119	-	2,606,513	7,787,632
Other Sources	419,267	-	36	419,303
Total Revenues	115,689,766	339,884	13,449,404	129,479,054
EXPENDITURES				
Instruction:				
Regular Instruction	42,760,828	-	961,681	43,722,509
Vocational Instruction	2,807,941	-	-	2,807,941
Special Education Instruction	15,565,524	-	-	15,565,524
Other Instruction	3,739,155	-	807,510	4,546,665
Total Instruction	64,873,448	-	1,769,191	66,642,639
Support Services:				
Pupil Services	5,377,356	-	-	5,377,356
Instructional Staff Services	4,517,434	-	85,007	4,602,441
General Administration Services	2,905,401	-	156	2,905,557
School Administration Services	5,325,036	-	499	5,325,535
Business Services	878,785	-	2,268	881,053
Operations and Maintenance of Plant	10,605,402	2,151,630	234,177	12,991,209
Pupil Transportation Services	6,090,018	-	15,531	6,105,549
Food Services	-	-	4,772,092	4,772,092
Central Services	386,018	-	204	386,222
Insurance	906,635	-	-	906,635
Other Support Services	3,306,092	-	-	3,306,092
Total Support Services	40,298,177	2,151,630	5,109,934	47,559,741
Debt Service:				
Principal	928,660	-	3,880,934	4,809,594
Interest and Fiscal Charges	85,138	-	2,555,931	2,641,069
Total Debt Service	1,013,798	-	6,436,865	7,450,663
Community Service	-	-	485,989	485,989

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2025

	General	Long-Term Capital Improvements	Other Governmental Funds	Total
EXPENDITURES (CONTINUED)				
Nonprogram:				
General Tuition Payments	$ 4,905,288	$ -	$ -	$ 4,905,288
Special Education Tuition Payments	832,994	-	-	832,994
Adjustments and Refunds	2,969	-	-	2,969
Voucher Payments	3,318,101	-	-	3,318,101
Charter School Payments	129,019	-	-	129,019
Revenue Transits to Others	8,318	-	-	8,318
Total Nonprogram	9,196,689	-	-	9,196,689
Total Expenditures	115,382,112	2,151,630	13,801,979	131,335,721
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	307,654	(1,811,746)	(352,575)	(1,856,667)
OTHER FINANCING SOURCES (USES)				
Proceeds from Financed Purchases	1,097,770	-	-	1,097,770
Proceeds from Sale of Capital Assets	518,635	-	4,500	523,135
Transfers In	-	584,720	-	584,720
Transfers Out	(584,720)	-	-	(584,720)
Total Other Financing Sources (Uses)	1,031,685	584,720	4,500	1,620,905
NET CHANGE IN FUND BALANCES	1,339,339	(1,227,026)	(348,075)	(235,762)
Fund Balances - Beginning of Year	17,948,806	6,138,041	6,393,363	30,480,210
FUND BALANCES - END OF YEAR	$ 19,288,145	$ 4,911,015	$ 6,045,288	$ 30,244,448

See accompanying Notes to Basic Financial Statements.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
RECONCILIATION TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances as Shown on Previous Page	$ (235,762)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.	
Expenditures for Capital Assets	4,376,310
Current Year Depreciation and Amortization	(7,481,989)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Finance Purchases Payable Issued	(1,097,770)
Principal Paid on Long-Term Obligations	3,880,000
Principal Paid on Leases Payable	88,045
Principal Paid on Financed Purchases Payable	841,549
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:	
Accrued Interest on Long-Term Debt	33,778
Amortization of Premiums	387,379
Compensated Absences	(3,182)
Net Pension Liability	(282,382)
Deferred Outflows of Resources Related to Pensions	(10,852,158)
Deferred Inflows of Resources Related to Pensions	9,049,847
Change in Net Position of Governmental Activities as Reported In the Statement of Activities	$ (1,296,335)

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Stevens Point Area Public School District, Stevens Point, Wisconsin (the District), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

The District is organized as a unified school district. The District, governed by an elected nine-member board, operates grades 4K through 12 and is comprised of all or parts of eighteen taxing districts. In accordance with U.S. GAAP, the basic financial statements are required to include the District and any separate component units that have a significant operational or financial relationship with the District. The District has not identified any component units that are required to be included in the basic financial statements.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are primarily supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Governmental funds include general, special revenue, debt service and capital projects funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. District-Wide and Fund Financial Statements (Continued)

Long-Term Capital Improvements Fund – This fund accounts for funds set aside for future capital improvements.

C. Measurement Focus and Basis of Accounting

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to lease liabilities, compensated absences, and claims and judgments, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied. Tuition, grants, fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

2. Property Taxes

The aggregate District tax levy is apportioned and certified in November of the current fiscal year for collection to comprising municipalities based on the immediate past October 1 full or "equalized" taxable property values. As permitted by a collecting municipality's ordinance, taxes must be paid in full or in two or more installments with the first installment payable the subsequent January 31 and a final payment no later than the following July 31. On or before January 15, and by the 20th of each subsequent month thereafter, the District is paid by the collecting municipalities its proportionate share of tax collections received through the last day of the preceding month. On or before August 20, the county treasurer makes full settlement to the District for any remaining balance.

Property taxes are recognized as revenue in the fiscal year levied as they are considered due as of January 1, the date from which interest and penalties accrue for nonpayment of a scheduled installment, and full receipt of the entire levy is assured within 60 days of fiscal year-end, meeting the availability criteria necessary for property tax revenue recognition by accounting principles generally accepted in the United States of America.

3. Accounts Receivable

Accounts receivables are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

5. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, and first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

6. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are recorded as expenditures in the periods benefited.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

7. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, and equipment assets, and are reported in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of $5,000 or higher and an estimated useful life in excess of a year.

Capital assets are capitalized and reported at cost or estimated historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materiality extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, and equipment of the governmental activities are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities
Land Improvements	20 to 25 Years
Buildings and Improvements	40 Years
Machinery and Equipment	5 to 15 Years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

7. Capital Assets (Continued)

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received form the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

8. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. The liability for compensated absences reported in the government-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

9. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

10. Long-Term Obligations

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

10. Long-Term Obligations (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Pensions

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for the purposes of measuring the following:

- Net Pension Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
- Pension Expense (Revenue)

Information about the fiduciary net position of the WRS and additions to/deductions from the WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

12. Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance**. Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- **Restricted Fund Balance**. Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Fund Balance (Continued)

- **Committed Fund Balance**. Amounts that are constrained for specific purposes by action of the School Board. These constraints can only be removed or changed by the School Board using the same action that was used to create them.

- **Assigned Fund Balance**. Amounts that are constrained for specific purposes by action of District management. The School Board has authorized the Director of Business Services to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

- **Unassigned Fund Balance**. Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The District has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

13. Net Position

Equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets**. Amount of capital assets, net of accumulated depreciation and amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

- **Restricted Net Position**. Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- **Unrestricted Net Position**. Net position that is neither classified as restricted nor as net investment in capital assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

F. Change in Accounting Principle

Effective July 1, 2024, the District implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of July 1, 2024, was understated by $1,428,756 in the governmental activities. The effect of the implementation of this standard on net position is shown in the table below.

	June 30, 2024, As Previously Reported	Change In Accounting Principle	June 30, 2024, As Adjusted or Restated
Government-Wide:			
Governmental Activities	$ 80,465,223	$ (1,428,756)	$ 79,036,467

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2025 as follows:

FUNDS	Excess Expenditures
General:	
Instruction:	
Vocational Instruction	$ 6,785
Other Instruction	110,978
Support Services:	
Operations and Maintenance of Plant	96,332
Pupil Transportation Services	423,391
Other Support Services	152,062
Nonprogram:	
General Tuition Payments	302,282
Special Education:	
Nonprogram:	
Special Education Tuition Payments	192,994

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The debt service funds account for their transactions through separate and distinct bank and investment accounts as required by State Statutes. In addition, the long-term capital improvement fund use separate and distinct accounts. All other funds share in common bank and investment accounts.

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

> Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the private-purpose and employee benefit trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

The carrying amount of the District's cash and investments totaled $35,249,312 on June 30, 2025 as summarized below:

Petty Cash	$ 2,175
Deposits with Financial Institutions	3,752,492
Investments:	
Wisconsin Investment Series Cooperative	31,494,645
Total	$ 35,249,312
Government-Wide Statement of Net Position:	
Cash and Investments	$ 35,249,312

Fair Value Measurements

The District uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements (Continued)

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions.

The District has no investments measured at fair value as of June 30, 2025.

Deposits and investments of the District are subject to various risks. Presented below is a discussion of the District's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin Statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for the combined amount of all time and savings deposits and $250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of $250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of $250,000 per credit union member.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of $1,000,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of June 30, 2025, $1,101,032 of the District's deposits with financial institutions were within the federal and state depository insurance limits. $1,101,032 was collateralized by bonds held by the pledging institution but not in the institution's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	AA	A	Not Rated
Wisconsin Investment Series Cooperative:						
Investment Series	$ 29,484,442	$ -	$ 29,484,442	$ -	$ -	$ -
Cash Management Series	10,203	-	10,203	-	-	-
Term Series	2,000,000	-	2,000,000	-	-	-
Total	$ 31,494,645	$ -	$ 31,494,645	$ -	$ -	$ -

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. There were no investments in any one issuer (other than U.S. treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Amount	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Wisconsin Investment Series Cooperative:					
Investment Series	$ 29,484,442	$ 29,484,442	$ -	$ -	$ -
Cash Management Series	10,203	10,203	-	-	-
Term Series	2,000,000	2,000,000	-	-	-
Total	$ 31,494,645	$ 31,494,645	$ -	$ -	$ -

Investment in Wisconsin Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of $31,494,645 at year-end consisting of $29,484,442 invested in the Investment Series, $10,203 invested in the Cash Management Series, and $2,000,000 in the Term Series. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. The Term Series is a pooled investment offering fixed rate of return and a fixed maturity date.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin Intergovernmental Cooperate Statute, Wisconsin Statute, Section 66.031. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 2,187,617	$ -	$ -	$ 2,187,617
Construction in Progress	-	721,916	-	721,916
Total Capital Assets, Not Being Depreciated	2,187,617	721,916	-	2,909,533
Capital Assets, Being Depreciated				
Land Improvements	7,807,147	-	-	7,807,147
Buildings	160,352,389	1,777,571	-	162,129,960
Machinery and Equipment	33,023,685	1,876,823	705,381	34,195,127
Subtotal	201,183,221	3,654,394	705,381	204,132,234
Less Accumulated Depreciation for:				
Land Improvements	3,911,559	220,115	-	4,131,674
Buildings and Improvements	55,152,692	4,837,979	-	59,990,671
Machinery and Equipment	24,110,691	2,285,437	705,381	25,690,747
Subtotal	83,174,942	7,343,531	705,381	89,813,092
Total Capital Assets, Being Depreciated and Amortized, Net	118,008,279	(3,689,137)	-	114,319,142
Right-to-Use Lease Assets:				
Machinery and Equipment	1,035,850	-	596,475	439,375
Less Accumulated Amortization for:				
Machinery and Equipment	793,983	87,510	596,475	285,018
Total Right-to-Use Lease Assets, Net	241,867	(87,510)	-	154,357
Subscription Based Information Technology Arrangement Assets:				
Subscription-Based Information Technology Arrangements	254,739	-	-	254,739
Less Accumulated Amortization:				
Subscription-Based Information Technology Arrangements	16,983	50,948	-	67,931
Total Subscription Based Information Technology Arrangement Assets, Net	237,756	(50,948)	-	186,808
Governmental Activities Capital Assets, Net	$ 120,675,519	$ (3,105,679)	$ -	117,569,840
Less: Capital Related Debt (Net of Unspent Bond Proceeds)				72,582,060
Less: Capital Related Debt Premium				2,595,712
Less: Capital Related Accounts Payable				418,954
Net Investment in Capital Assets				$ 41,973,114

Depreciation and amortization expense was charged to functions of the District as follows:

Governmental Activities:	
Instruction	$ 4,740,781
Support Services	2,741,208
Total Depreciation and Amortization Expense - Governmental Activities	$ 7,481,989

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Transfers

Interfund transfers for the year ended June 30, 2025 were as follows:

Fund	Transfer In	Transfer Out
General	$ -	$ 584,720
Long-Term Capital Improvement	584,720	-
Total	$ 584,720	$ 584,720

Interfund transfers were made for the following purposes:

To Fund Long-Term Capital Improvement Plan Projects	$ 584,720

D. Short-Term Debt

The District issued tax and revenue anticipation promissory notes in advance of property tax collections. The notes are needed because District expenses for the year begin in July whereas tax collections are not received until January and therefore the borrowing is used for cash flow purposes. The note was issued on November 11, 2024 and allows the District to borrow from time to time a total not to exceed $3,000,000 at an interest rate of 7%. The District did not draw on this note during the year ended June 30, 2025.

E. Long-Term Obligations

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2025:

	Beginning Balance (1)	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	$ 74,135,000	$ -	$ 3,880,000	$ 70,255,000	$ 4,050,000
Debt Premium	2,983,091	-	387,379	2,595,712	-
Financed Purchases	1,904,071	1,097,770	841,549	2,160,292	673,841
Leases Payable	254,813	-	88,045	166,768	92,688
Compensated Absences *	1,551,607	3,182	-	1,554,789	106,880
Governmental Activities Long-Term Obligations	$ 80,828,582	$ 1,100,952	$ 5,196,973	$ 76,732,561	$ 4,923,409

* The change in the compensated absences liability is presented as a net change.

(1) The beginning balance was restated due to the implementation of GASB Statement 101. See Note 1.F

Total interest paid during the year on long-term debt totaled $2,641,073.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/25
General Obligation Bonds	12/29/17	4/1/37	2.00 - 5.00%	$ 25,600,000	$ 20,480,000
General Obligation Bonds	4/1/19	4/1/39	3.125% - 5.00%	60,000,000	35,325,000
General Obligation Bonds	10/13/20	4/1/40	2.00% - 4.00%	15,900,000	14,450,000
Total Outstanding General Obligation Debt					$ 70,255,000

Annual principal and interest maturities of the outstanding general obligation debt of $70,255,000 on June 30, 2025 are detailed below:

	Governmental Activities		
Year Ended June 30,	Principal	Interest	Total
2026	$ 4,050,000	$ 2,392,544	$ 6,442,544
2027	4,250,000	2,208,194	6,458,194
2028	4,445,000	2,000,444	6,445,444
2029	4,625,000	1,822,644	6,447,644
2030	4,815,000	1,637,644	6,452,644
2031-2035	26,800,000	5,449,644	32,249,644
2036-2039	21,270,000	1,451,056	22,721,056
Total	$ 70,255,000	$ 16,962,170	$ 87,217,170

For governmental activities, the other long-term liabilities are generally funded by the General Fund.

Defeased Debt

In previous years, the District defeased $9,930,000 of general obligation bonds by placing existing district resources into irrevocable trust accounts to provide for future debt service payments. As a result, the liability has been removed from the financial statements. At June 30, 2025, $9,930,000 of outstanding general obligation bonds are considered defeased.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Legal Margin for New Debt

The District's legal margin for creation of additional general obligation debt on June 30, 2025 was $666,911,177 as follows:

Equalized Valuation of the District	$ 7,371,661,769
Statutory Limitation Percentage	(x) 10%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	737,166,177
Total Outstanding General Obligation Debt Applicable to Debt Limitation	70,255,000
Legal Margin for New Debt	$ 666,911,177

Leases Payable

The District leases printers, copiers, and other office equipment for various terms under long-term, non-cancelable lease agreements. The District is required to make various monthly principal and interest payments. The leases expire at various dates through 2027. The District used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement. The future minimum lease payments for these agreements are as follows:

	Governmental Activities		
Year Ending June 30,	Principal	Interest	Total
2026	$ 92,688	$ 5,998	$ 98,686
2027	74,080	1,304	75,384
Total	$ 166,768	$ 7,302	$ 174,070

Right-to-use assets acquired through outstanding leases are shown in Note 2.B.

Financed Purchases of Capital Assets

The District is obligated under six financed purchase lease agreements as lessee for financing the acquisition of machinery and equipment for use by the District. These lease agreements qualify as a financed purchase for accounting purposes, and therefore, have been recorded at the present value of their future minimum lease payments as of date of their inception. The assets acquired through financed purchase leases at June 30, 2025 are as follows:

	Governmental Activities
Financed Purchase Assets:	
Machinery And Equipment	$ 7,777,441
Less: Accumulated Depreciation	4,824,994
Total	$ 2,952,447

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Financed Purchases of Capital Assets (Continued)

The District is required to make various monthly principal and interest payments. The future minimum lease payments under lease agreements at June 30, 2025 are as follows:

	Governmental Activities		
Year Ending June 30,	Principal	Interest	Total
2026	$ 673,841	$ 98,185	$ 772,026
2027	518,275	72,973	591,248
2028	439,349	49,477	488,826
2029	328,866	27,187	356,053
2030	199,961	8,752	208,713
Total	$ 2,160,292	$ 256,574	$ 2,416,866

F. Pension Plan

Plan Description

The WRS is a cost-sharing, multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a

ETF issues a standalone Annual Comprehensive Financial Report, which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements. Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Benefits Provided (Continued)

Final average earnings are the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Postretirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement.

The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%
2020	1.7%	21.0%
2021	5.1%	13.0%
2022	7.4%	15.0%
2023	1.6%	-21.0%
2024	3.6%	15.0%

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, executives, and elected officials. Starting on January 1, 2016, the executives and elected officials category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period ending June 30, 2025, the WRS recognized $3,823,739 in contributions from the District.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (Including Teachers, Executives, and Elected Officials)	6.95%	6.95%

Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a liability of $4,355,251 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the District's proportion was 0.26505253%, which was a decrease of 0.00888161% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $5,910,594.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 13,525,440	$ 12,709,671
Net Differences Between Projected And Actual Earnings on Pension Plan Investments	6,618,035	-
Changes in Assumptions	1,292,288	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	136,725	-
Employer Contributions Subsequent to the Measurement Date	2,445,811	-
Total	$ 24,018,299	$ 12,709,671

The $2,445,811 reported as deferred outflows related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Expense
2026	$ 2,683,855
2027	9,072,948
2028	(2,209,281)
2029	(684,705)
Total	$ 8,862,817

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability:	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from the prior year, including seniority (merit) and separation rates. The total pension liability for December 31, 2024, is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions (Continued)

Long-Term Expected Return on Plan Assets – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Public Equity	38.0 %	7.0%	4.3%
Public Fixed Income	27.0	6.1%	3.4%
Private Equity/Debt	20.0	9.5%	6.7%
Inflation Sensitive	19.0	4.8%	2.1%
Real Estate	8.0	6.5%	3.8%
Leverage	(12.0)	3.7%	1.1%
Total Core Fund	100.0 %	7.5%	4.8%
Variable Fund Asset Class:			
U.S. Equities	70.0 %	6.5%	3.8%
International Equities	30.0	7.4%	4.7%
Total Variable Fund	100.0 %	6.9%	4.2%

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.6%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions (Continued)

Single Discount Rate – A single discount rate of 6.80% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.08%. (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.) Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.70% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the expected long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.80%) or one-percentage-point higher (7.80%) than the current rate:

	Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	Increase to Discount Rate (7.80%)
District's Proportionate Share of the Net Pension Liability (Asset)	$ 40,857,948	$ 4,355,251	$ (21,578,867)

Payable to the Pension Plan

The District reported a payable of $1,124,871 for the outstanding amount of contributions to the pension plan for the year ended June 30, 2025.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Wisconsin Deferred Compensation Plan (the Plan), available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to this Plan are entirely from employee voluntary contributions. Employees can elect to contribute to the Plan by selecting a specific percentage of their salary or selecting a dollar amount. Annual amounts to be contributed by the employee may not exceed IRS limits. The District makes no employer contributions to this Plan. Wisconsin Department of Employee Trust Funds is the administrator of the Wisconsin Deferred Compensation Plan. The deferred compensation Plan assets are placed in trust for the sole benefit of employees and beneficiaries participating in the Plan and, therefore, are not recorded on these financial statements.

H. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At June 30, 2025, nonspendable fund balance was as follows:

	General
Nonspendable:	
Inventories and Prepaid Items	$ 150,192

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Equity (Continued)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At June 30, 2025, restricted fund balance was as follows:

General Fund:	
Restricted for:	
Common School Library Fund	$ 13,177
Mental Health Grant	242,239
Total General Fund Restricted Fund Balance	255,416
Special Revenue Funds:	
Restricted for:	
Donations	666,100
Student Activities	915,201
Food Service	2,053,365
Community Service	715,899
Total Special Revenue Funds Restricted Fund Balance	4,350,565
Debt Service Funds:	
Restricted for:	
Debt Service	1,694,723
Capital Projects Funds:	
Restricted for:	
Long-Term Capital Improvement	4,911,015
Total Restricted Fund Balance	$ 11,211,719

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by District Board action. At June 30, 2025, fund balance was committed as follows:

General Fund:	
Committed for:	
Playground PTO Grant Program	$ 523,064

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Equity (Continued)

Minimum General Fund Balance Policy

The District has also adopted a minimum fund balance policy of 20% of subsequent year budgeted expenditures for the General Fund (both Fund 10 General Fund and Fund 27 Special Education Fund). The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2026 General Fund Expenditures	$ 137,549,069
Minimum Fund Balance %	20%
Minimum Fund Balance Amount	$ 27,509,814

The District's unassigned General Fund balance of $18,359,473 is below the minimum fund balance amount. The entire unassigned general fund balance is expected to be utilized for cash flow needs.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District completes an annual review of its insurance coverage to ensure adequate coverage. A description of the District's risk management programs is presented below:

Property and Liability Insurance

The District purchases commercial insurance policies for various property and other liability risks. Payments of premiums for these policies are also recorded as expenditures in the General Fund. Settled claims have not exceeded commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from coverage in the prior year.

Self-Funded Insurance Program

On July 1, 2014, the District established a self-funded dental benefit plan for its employees. The Plan Administrator, Delta Dental, is responsible for the approval, processing and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The plan reports on a fiscal year ended June 30, 2025.

Accounting and budgeting requirements for the Plan are established by the Wisconsin Department of Public Instruction. Currently, the Plan is accounted for in the General Fund of the District.

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

Self-Funded Insurance Program (Continued)

The District has no stop-loss coverage for dental care coverage of the plan.

At June 30, 2025, the District has reported a liability of $43,063 which represents reported and unreported claims which were incurred on or before June 30, 2025, but were not paid by the District as of that date. The amounts not reported to the District were determined by the Plan administrator. Changes in the claims liability for the years ended June 30, 2024 and June 30, 2025 are as follows:

Year	Liability July 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability June 30
2024	$ 52,297	$ 751,090	$ 751,799	$ 51,588
2025	51,588	757,834	766,359	43,063

B. Contingencies

The District participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

From time to time, the District is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

C. Limitation on School District Revenues

Wisconsin Statutes limit the amount of revenues a school district may derive from general school aids and property taxes unless a higher amount is approved by a referendum.

This limitation does not apply to revenue needed for payment of any general obligation debt service (including refinanced debt) authorized by either of the following:

- A resolution of the school board or by referendum prior to August 12, 1993.
- A referendum on or after August 12, 1993.

REQUIRED SUPPLEMENTARY INFORMATION

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property Taxes	$ 36,081,393	$ 36,081,393	$ 36,081,393	$ -
Other Local Sources	2,467,586	2,482,820	2,372,964	(109,856)
Interdistrict Sources	1,848,816	1,848,816	1,774,741	(74,075)
Intermediate Sources	15,124	17,524	17,524	-
State Sources	64,366,377	64,366,377	64,416,453	50,076
Federal Sources	2,916,659	3,284,223	3,086,157	(198,066)
Other Sources	305,000	305,000	412,397	107,397
Total Revenues	108,000,955	108,386,153	108,161,629	(224,524)
EXPENDITURES				
Instruction:				
Regular Instruction	43,384,359	43,446,839	42,760,828	686,011
Vocational Instruction	2,799,455	2,801,156	2,807,941	(6,785)
Other Instruction	3,600,628	3,628,177	3,739,155	(110,978)
Total Instruction	49,784,442	49,876,172	49,307,924	568,248
Support Services:				
Pupil Services	2,705,793	2,985,136	2,966,620	18,516
Instructional Staff Services	4,347,068	4,216,496	3,884,614	331,882
General Administration Services	2,990,544	3,054,262	2,905,401	148,861
School Administration Services	5,540,690	5,539,143	5,325,036	214,107
Business Services	887,053	885,716	878,785	6,931
Operations and Maintenance of Plant	10,411,537	10,492,372	10,588,704	(96,332)
Pupil Transportation Services	5,262,607	5,276,577	5,699,968	(423,391)
Central Services	500,098	459,455	372,276	87,179
Insurance	934,779	934,779	906,635	28,144
Other Support Services	2,778,928	3,154,030	3,306,092	(152,062)
Total Support Services	36,359,097	36,997,966	36,834,131	163,835
Debt Service:				
Principal	1,262,998	972,399	917,127	55,272
Interest and Fiscal Charges	100,248	91,274	84,054	7,220
Total Debt Service	1,363,246	1,063,673	1,001,181	62,492

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
EXPENDITURES (CONTINUED)				
Nonprogram:				
General Tuition Payments	$ 4,628,334	$ 4,603,006	$ 4,905,288	$ (302,282)
Special Education Tuition Payments	20,500	-	-	-
Adjustments and Refunds	15,000	15,000	2,969	12,031
Voucher Payments	3,333,456	3,333,456	3,318,101	15,355
Charter School Payments	140,748	140,748	129,019	11,729
Revenue Transits to Others	8,318	8,318	8,318	-
Total Nonprogram	8,146,356	8,100,528	8,363,695	(263,167)
Total Expenditures	95,653,141	96,038,339	95,506,931	531,408
EXCESS OF REVENUES OVER EXPENDITURES	12,347,814	12,347,814	12,654,698	306,884
OTHER FINANCING SOURCES (USES)				
Proceeds from Financed Purchases	1,097,770	1,097,770	1,097,770	-
Proceeds from Sale of Capital Assets	388,000	388,000	508,917	120,917
Transfers Out	(13,728,624)	(13,728,624)	(12,922,046)	806,578
Total Other Financing Sources (Uses)	(12,242,854)	(12,242,854)	(11,315,359)	927,495
NET CHANGE IN FUND BALANCE	104,960	104,960	1,339,339	1,234,379
Fund Balance - Beginning of Year	17,948,806	17,948,806	17,948,806	-
FUND BALANCE - END OF YEAR	$ 18,053,766	$ 18,053,766	$ 19,288,145	$ 1,234,379

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL EDUCATION SPECIAL REVENUE FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intermediate Sources	$ -	$ -	$ 5,468	$ 5,468
State Sources	5,285,320	5,285,320	5,420,837	135,517
Federal Sources	2,491,703	2,491,703	2,094,962	(396,741)
Other Sources	-	-	6,870	6,870
Total Revenues	7,777,023	7,777,023	7,528,137	(248,886)
EXPENDITURES				
Instruction:				
Special Education Instruction	16,468,466	16,496,022	15,565,524	930,498
Other Instruction	4,832	4,832	-	4,832
Total Instruction	16,473,298	16,500,854	15,565,524	935,330
Support Services:				
Pupil Services	2,460,130	2,461,420	2,410,736	50,684
Instructional Staff Services	847,011	804,251	632,820	171,431
Operations and Maintenance of Plant	37,000	28,000	16,698	11,302
Pupil Transportation Services	451,908	457,908	390,050	67,858
Central Services	11,300	25,300	13,742	11,558
Total Support Services	3,807,349	3,776,879	3,464,046	312,833
Debt Service:				
Principal	-	11,546	11,533	13
Interest and Fiscal Charges	-	1,086	1,084	2
Total Debt Service	-	12,632	12,617	15
Nonprogram:				
Special Education Tuition Payments	640,000	640,000	832,994	(192,994)
Total Expenditures	20,920,647	20,930,365	19,875,181	1,055,184
EXCESS OF REVENUES UNDER EXPENDITURES	(13,143,624)	(13,153,342)	(12,347,044)	806,298
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	9,718	9,718	-
Transfers In	13,143,624	13,143,624	12,337,326	(806,298)
Total Other Financing Sources (Uses)	13,143,624	13,153,342	12,347,044	(806,298)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/15	0.29484910%	$ 4,791,241	$ 43,414,112	11.04%	98.20%
12/31/16	0.29572680%	2,437,495	42,381,572	5.75%	99.12%
12/31/17	0.30477494%	(9,049,129)	43,093,273	21.00%	102.93%
12/31/18	0.29893846%	10,635,293	44,380,614	23.96%	96.45%
12/31/19	0.29685106%	(9,571,833)	46,154,698	20.74%	102.96%
12/31/20	0.28711571%	(17,925,032)	47,260,546	37.93%	105.26%
12/31/21	0.28424377%	(22,910,570)	48,564,798	47.18%	106.02%
12/31/22	0.27849933%	14,754,069	49,087,392	30.06%	95.72%
12/31/23	0.27393414%	4,072,869	52,474,262	7.76%	98.85%
12/31/24	0.26505253%	4,355,251	54,347,081	8.01%	98.79%

See accompanying Notes to Required Supplementary Information.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

District Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/16	$ 2,812,735	$ 2,812,735	$ -	$ 41,997,168	6.70%
6/30/17	2,844,921	2,844,921	-	42,452,401	6.70%
6/30/18	2,816,778	2,816,778	-	41,752,198	6.75%
6/30/19	2,882,298	2,882,298	-	43,532,044	6.62%
6/30/20	3,158,126	3,158,126	-	47,468,768	6.65%
6/30/21	3,317,436	3,317,436	-	49,878,160	6.65%
6/30/22	3,262,249	3,262,249	-	49,395,318	6.60%
6/30/23	3,434,735	3,434,735	-	51,286,939	6.70%
6/30/24	3,707,440	3,707,440	-	54,014,927	6.86%
6/30/25	3,823,739	3,823,739	-	55,098,034	6.94%

See accompanying Notes to Required Supplementary Information.

NOTE 1 WISCONSIN RETIREMENT SYSTEM

Changes of Benefit Terms:

There were no changes of benefit terms for any participating employer in WRS.

Changes of Assumptions:

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transition from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2027, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.2%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transition from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING

Operating budgets are adopted each fiscal year for all governmental funds in accordance with Section 65.90 of the Wisconsin Statutes. Budgetary expenditure control is exercised at the function level. Reported budget amounts are as originally adopted or as amended by School Board resolution.

The District follows these procedures in establishing the budgetary data reflected in the basic financial statements.

- Based upon requests from District staff, District administration recommends budget proposals to the School Board.
- The School Board prepares a proposed budget including proposed expenditures and the means of financing them for the July 1 through June 30 fiscal year.
- A public notice is published containing a summary of the budget and identifying the time and place where a public hearing will be held on the proposed budget.
- Pursuant to the public budget hearing, the School Board may make alterations to the proposed budget.
- Once the School Board (following the public hearing) adopts the budget, no changes may be made in the amount of tax to be levied or in the amount of the various appropriations and the purposes of such appropriations unless authorized by a 2/3 vote of the entire School Board.
- Appropriations lapse at year-end unless authorized as a carryover by the School Board. The portion of fund balance representing carryover appropriations is reported as a committed or assigned fund balance in the fund financial statements.
- Encumbrance accounting is used by the District as an extension of formal budgetary control during the year.
- The DPI requires the District to separate special education revenues and expenditures from other General Fund amounts.

The District's did not have any material violation of legal or contractual provisions for the fiscal year ended June 30, 2025.

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented in accordance with generally accepted accounting principles, except the District adopts a budget for the special education special revenue fund in accordance with requirements from Wisconsin Department of Public Instruction. In accordance with generally accepted accounting principles, this fund is included as a part of the general fund in these financial statements. An explanation of the differences between Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on budgetary fund basis and a U.S. GAAP General Fund basis is summarized below:

	General	Special Education Fund
Revenues:		
Actual Amounts (Budgetary Basis)	$ 108,161,629	$ 7,528,137
Reclassification of Special Education	7,528,137	(7,528,137)
Total Revenues	115,689,766	-
Expenditures:		
Actual Amounts (Budgetary Basis)	95,506,931	19,875,181
Reclassification of Special Education	19,875,181	(19,875,181)
Total Expenditures	115,382,112	-
Excess of Revenues Over (Under) Expenditures:		
Actual Amounts (Budgetary Basis)	12,654,698	(12,347,044)
Reclassification of Special Education	(12,347,044)	12,347,044
Excess of Revenues Over (Under) Expenditures	307,654	-
Other Financing Sources (Uses):		
Actual Amounts (Budgetary Basis)	(11,315,359)	12,347,044
Reclassification of Special Education	12,347,044	(12,347,044)
Total Other Financing Sources (Uses)	1,031,685	-
Net Change In Fund Balance:		
Actual Amounts (Budgetary Basis)	1,339,339	-
Reclassification of Special Education	-	-
Net Change In Fund Balance	1,339,339	-
Fund Balance - July 1:		
Actual Amounts (Budgetary Basis)	17,948,806	-
Reclassification of Special Education	-	-
Fund Balance - July 1	17,948,806	-
Fund Balance - June 30:		
Actual Amounts (Budgetary Basis)	19,288,145	-
Reclassification of Special Education	-	-
Fund Balance - June 30	$ 19,288,145	$ -

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended June 30, 2025 as follows:

FUNDS	Excess Expenditures
General:	
Instruction:	
Vocational Instruction	$ 6,785
Other Instruction	110,978
Support Services:	
Operations and Maintenance of Plant	96,332
Pupil Transportation Services	423,391
Other Support Services	152,062
Nonprogram:	
General Tuition Payments	302,282
Special Education:	
Nonprogram:	
Special Education Tuition Payments	192,994

Excess expenditures were funded with positive variances in other general fund appropriation accounts.

SUPPLEMENTARY INFORMATION

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue		
	Donations	Food Service	Community Service
ASSETS			
Cash and Investments	$ 1,563,682	$ 1,818,838	$ 839,609
Receivables:			
Accounts	31,616	-	-
Due from Other Governments	-	260,175	-
Total Assets	$ 1,595,298	$ 2,079,013	$ 839,609
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ -	$ 109,935
Accrued and Other Current Liabilities	13,997	25,648	13,775
Total Liabilities	13,997	25,648	123,710
FUND BALANCES			
Restricted	1,581,301	2,053,365	715,899
Total Fund Balances	1,581,301	2,053,365	715,899
Total Liabilities and Fund Balances	$ 1,595,298	$ 2,079,013	$ 839,609

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2025

	Debt Service		
	Nonreferendum Debt Service	Referendum Debt Service	Total Nonmajor Governmental Funds
ASSETS			
Cash and Investments	$ 492,887	$ 1,201,836	$ 5,916,852
Receivables:			
Accounts	-	-	31,616
Due from Other Governments	-	-	260,175
Total Assets	$ 492,887	$ 1,201,836	$ 6,208,643
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ -	$ 109,935
Accrued and Other Current Liabilities	-	-	53,420
Total Liabilities	-	-	163,355
FUND BALANCES			
Restricted	492,887	1,201,836	6,045,288
Total Fund Balances	492,887	1,201,836	6,045,288
Total Liabilities and Fund Balances	$ 492,887	$ 1,201,836	$ 6,208,643

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue		
	Donations	Food Service	Community Service
REVENUES			
Property Taxes	$ -	$ -	$ 595,039
Other Local Sources	1,997,148	1,535,210	163,620
State Sources	-	99,600	-
Federal Sources	-	2,606,513	-
Other Sources	-	36	-
Total Revenues	1,997,148	4,241,359	758,659
EXPENDITURES			
Instruction:			
Regular Instruction	961,681	-	-
Other Instruction	807,510	-	-
Total Instruction	1,769,191	-	-
Support Services:			
Instructional Staff Services	85,007	-	-
General Administration Services	156	-	-
School Administration Services	499	-	-
Business Services	2,268	-	-
Operations and Maintenance of Plant	1,504	-	232,673
Pupil Transportation Services	15,531	-	-
Food Services	-	4,772,092	-
Central Services	-	204	-
Total Support Services	104,965	4,772,296	232,673
Debt Service:			
Principal	-	934	-
Interest and Fiscal Charges	-	88	-
Total Debt Service	-	1,022	-
Community Service	-	-	485,989
Total Expenditures	1,874,156	4,773,318	718,662
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	122,992	(531,959)	39,997
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Capital Assets	-	4,500	-
NET CHANGE IN FUND BALANCES	122,992	(527,459)	39,997
Fund Balances - Beginning of Year	1,458,309	2,580,824	675,902
FUND BALANCES - END of YEAR	$ 1,581,301	$ 2,053,365	$ 715,899

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Debt Service		
	Nonreferendum Debt Service	Referendum Debt Service	Total Nonmajor Governmental Funds
REVENUES			
Property Taxes	$ 2,072,025	$ 4,282,169	$ 6,949,233
Other Local Sources	29,655	68,389	3,794,022
State Sources	-	-	99,600
Federal Sources	-	-	2,606,513
Other Sources	-	-	36
Total Revenues	2,101,680	4,350,558	13,449,404
EXPENDITURES			
Instruction:			
Regular Instruction	-	-	961,681
Other Instruction	-	-	807,510
Total Instruction	-	-	1,769,191
Support Services:			
Instructional Staff Services	-	-	85,007
General Administration Services	-	-	156
School Administration Services	-	-	499
Business Services	-	-	2,268
Operations and Maintenance of Plant	-	-	234,177
Pupil Transportation Services	-	-	15,531
Food Services	-	-	4,772,092
Central Services	-	-	204
Total Support Services	-	-	5,109,934
Debt Service:			
Principal	1,315,000	2,565,000	3,880,934
Interest and Fiscal Charges	776,750	1,779,093	2,555,931
Total Debt Service	2,091,750	4,344,093	6,436,865
Community Service	-	-	485,989
Total Expenditures	2,091,750	4,344,093	13,801,979
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	9,930	6,465	(352,575)
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Capital Assets	-	-	4,500
NET CHANGE IN FUND BALANCES	9,930	6,465	(348,075)
Fund Balances - Beginning of Year	482,957	1,195,371	6,393,363
FUND BALANCES - END of YEAR	$ 492,887	$ 1,201,836	$ 6,045,288

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOL AUTHORIZER OPERATING COSTS
YEAR ENDED JUNE 30, 2025

	Object	Point of Discovery School
OPERATING ACTIVITY		
Employee Salaries	100	$ 6,250
Employee Benefits	200	2,493
Purchased Services	300	-
Noncapital Objects	400	-
Capital Objects	500	-
Short-Term Debt	600	-
Insurance and Judgments	700	-
Other	900	-
Total		$ 8,743

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stevens Point Area Public School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Stevens Point Area Public School District's basic financial statements, and have issued our report thereon dated December 11, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Stevens Point Area Public School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Stevens Point Area Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Stevens Point Area Public School District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Stevens Point Area Public School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Stevens Point Area Public School District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Stevens Point Area Public School District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Stevens Point Area Public School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Stevens Point, Wisconsin
December 11, 2025

FEDERAL AND STATE AWARDS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

School Board
Stevens Point Area Public School District
Stevens Point, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Stevens Point Area Public School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Stevens Point Area Public School District's major federal and state programs for the year ended June 30, 2025. Stevens Point Area Public School District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Stevens Point Area Public School District 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 and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State 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; 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) and the *State Single Audit Guidelines*. Our responsibilities under those standards, the Uniform Guidance, and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Stevens Point Area Public School 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 and state program. Our audit does not provide a legal determination of Stevens Point Area Public School District's compliance with the compliance requirements referred to above.

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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 Stevens Point Area Public School District's federal and state programs.

Auditors' 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 Stevens Point Area Public School 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*, the Uniform Guidance, and the *State Single Audit Guidelines* 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 Stevens Point Area Public School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines* 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 Stevens Point Area Public School 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 Stevens Point Area Public School 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 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of Stevens Point Area Public School 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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 or state 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 or state 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 or state 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-002, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response

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 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Stevens Point, Wisconsin
December 11, 2025

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/24	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/25	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF AGRICULTURE								
Child Nutrition Cluster:								
School Breakfast Program	10.553	WI DPI	2025-495607-DPI-SB-546	$ -	$ 212,052	$ 31,751	$ 243,803	$ -
School Breakfast Program	10.553	WI DPI	2025-495607-DPI-SB-SEVERE-546	-	199,252	33,229	232,481	-
Total School Breakfast Program				-	411,304	64,980	476,284	-
National School Lunch Program	10.555	WI DPI	2025-495607-DPI-NSL-547	-	1,258,959	195,186	1,454,145	-
National School Lunch Program - Donated Commodities	10.555	WI DPI	Unknown	-	377,797	-	377,797	-
Total National School Lunch Program				-	1,636,756	195,186	1,831,942	-
Summer Food Service Program for Children	10.559	WI DPI	2025-495607-DPI-SFSP-586	-	167,000	-	167,000	-
Total Child Nutrition Cluster				-	2,215,060	260,166	2,475,226	-
Child and Adult Care Food Program	10.558	WI DPI	2025-495607-DPI-AR-551	-	130,321	-	130,321	-
Total U.S. Department of Agriculture				-	2,345,381	260,166	2,605,547	-
U.S. DEPARTMENT OF EDUCATION								
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2025-495607-DPI-TI-A-141	-	859,002	286,373	1,145,375	-
Title I Grants to Local Educational Agencies	84.010A	WI DPI	2024-495607-DPI-TI-A-141	(271,830)	271,830	-	-	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2025-495607-DPI-TID-144	-	34,023	5,592	39,615	-
Title I Grants to Local Educational Agencies	84.010	WI DPI	2024-495607-DPI-TID-144	(6,100)	6,100	-	-	-
Total Title I Grants to Local Educational Agencies				(277,930)	1,170,955	291,965	1,184,990	-
Migrant Education State Grant Program	84.011	WI DPI	2025-495607-DPI-T1C-142	-	14,006	-	14,006	-
Special Education Cluster (IDEA):								
Special Education Grants to States	84.027A	WI DPI	2025-495607-DPI-FLOW-341	-	1,329,668	342,393	1,672,061	-
Special Education Grants to States	84.027A	WI DPI	2024-495607-DPI-FLOW-341	(338,803)	338,803	-	-	-
Special Education Grants to States	84.027A	WI DPI	2024-495607-DPI-UDLSUP-342	(1,776)	1,776	-	-	-
Total Special Education Grants to States				(340,579)	1,670,247	342,393	1,672,061	-
Special Education Preschool Grants	84.173A	WI DPI	2025-495607-DPI-PRESCH-347	-	25,146	2,201	27,347	-
Special Education Preschool Grants	84.173A	WI DPI	2024-495607-DPI-PRESCH-347	(8,320)	8,320	-	-	-
Total Special Education Preschool Grants				(8,320)	33,466	2,201	27,347	-
Total Special Education Cluster (IDEA)				(348,899)	1,703,713	344,594	1,699,408	-

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 7/1/24	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/25	Total Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF EDUCATION (CONTINUED)								
Career and Technical Education - Basic Grants to States	84.048	WI DPI	2025-495607-CTE-400	$ -	$ 67,829	$ -	$ 67,829	$ -
English Language Acquisition State Grants	84.365A	WI DPI	2025-495607-DPI-TIIIA-391	-	39,965	-	39,965	-
English Language Acquisition State Grants	84.365A	WI DPI	2024-495607-DPI-TIIIA-391	(1,781)	1,781	-	-	-
Total English Language Acquisition State Grants				(1,781)	41,746	-	39,965	-
Supporting Effective Instruction State Grants	84.367A	WI DPI	2025-495607-DPI-TIIA-365	-	178,181	51,461	229,642	-
Supporting Effective Instruction State Grants	84.367A	WI DPI	2024-4956073DPI-TIIA-365	(22,690)	22,690	-	-	-
Total Supporting Effective Instruction State Grants				(22,690)	200,871	51,461	229,642	-
Student Support and Academic Enrichment Program	84.424A	WI DPI	2025-495607-DPI-TIV-A-381	-	48,263	34,972	83,235	-
Twenty-First Century Community Learning Centers	84.287	WI DPI	2025-495607-DPI-TIVB-367	-	251,916	63,282	315,198	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425U	WI DPI	2023-495607-DPI-ESF Af-Sch-165	(108,136)	194,750	-	86,614	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425U	WI DPI	2023-495607-DPI-ESF Summer-165	-	353,913	-	353,913	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425W	WI DPI	2022-495607-DPI-ARPHCYI-168	(4,242)	4,242	-	-	-
COVID-19 Elementary and Secondary School Emergency Relief	84.425W	WI DPI	2022-495607-DPI-ARPHCYII-173	(491)	491	-	-	-
Total Elementary and Secondary School Emergency Relief				(112,869)	553,396	-	440,527	-
Total U.S. Department of Education				(764,169)	4,052,695	786,274	4,074,800	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Medicaid Cluster:								
Medical Assistance Program	93.778	WI DHS	4421590	-	1,106,319	-	1,106,319	-
Total Expenditures of Federal Awards				$ (764,169)	$ 7,504,395	$ 1,046,440	$ 7,786,666	$ -

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2025

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 7/1/24	Cash Received (Refunded)	Accrued (Deferred) Revenue 6/30/25	Total Expenditures	Subrecipient Payments
WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION								
Special Education and School Age Parents	255.101	Direct Program	495607-100	$ -	$ 5,180,438	$ -	$ 5,180,438	$ -
Special Education and School Age Parents	255.101	CESA 5	Unknown	-	5,468	-	5,468	-
State School Lunch Aid	255.102	Direct Program	495607-107	-	36,129	-	36,129	-
Common School Fund (School Library) Aid	255.103	Direct Program	495607-104	-	631,748	-	631,748	-
Bilingual Bicultural Aid Lea	255.106	Direct Program	495607-111	-	140,824	-	140,824	-
General Transportation Aid	255.107	Direct Program	495607-102	-	298,527	-	298,527	-
WI School Day Milk Program	255.115	Direct Program	495607-109	-	37,949	-	37,949	-
Equalization Aids	255.201	Direct Program	495607-116	-	56,173,326	-	56,173,326	-
High Cost Special Education Aid	255.210	Direct Program	495607-119	-	140,970	-	140,970	-
Aid for School Mental Health Programs	255.227	Direct Program	495607-176	-	125,038	-	125,038	-
Special Education Transition Readiness Grant	255.257	Direct Program	495607-174	-	39,188	25,179	64,367	-
School Based Mental Health Services	255.297	Direct Program	495607-177	714	220,988	-	221,702	-
Peer Review and Mentoring	255.301	Direct Program	495607-141	-	-	24,188	24,188	-
State School Breakfast Aid	255.344	Direct Program	495607-108	-	25,522	-	25,522	-
Tuition Payments by State	255.401	Direct Program	495607-157	-	114,796	-	114,796	-
Early College Credit Program	255.445	Direct Program	495607-178	-	2,476	-	2,476	-
Educator Effective Evaluation System	255.940	Direct Program	495607-154	-	45,772	-	45,772	-
Per Pupil Aid	255.945	Direct Program	495607-113	-	5,263,006	-	5,263,006	-
Career and Technical Education Incentive Grants	255.950	Direct Program	495607-152	-	40,593	-	40,593	-
Aid for Special Ed Transition Grant BBL	255.960	Direct Program	495607-168	-	35,062	-	35,062	-
Total Wisconsin Department of Public Instruction				714	68,557,820	49,367	68,607,901	-
State of Wisconsin Higher Educational Aids Board								
Dual Enrollment Credential Grant Award	235.150	Direct Program	unknown	-	5,132	-	5,132	-
WISCONSIN DEPARTMENT OF WORKFORCE DEVELOPMENT								
Youth Apprenticeship	445.107	MSTC	Unknown	-	16,124	-	16,124	-
Total State Programs				$ 714	$ 68,579,076	$ 49,367	$ 68,629,157	$ -

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
JUNE 30, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards for the Stevens Point Area Public School District are presented in accordance with the 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) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The schedules of expenditures of federal and state awards include all federal and state awards of the District. Because the schedules present 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 SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the District's 2025 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and *State Single Audit Guidelines,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the District in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded District expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The District has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3 FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule of expenditures of federal awards at the fair market value of the commodities received and disbursed.

NOTE 4 OVERSIGHT AGENCIES

The federal and state oversight agencies for the District are as follows:

Federal – U.S. Department of Education
State – Wisconsin Department of Public Instruction

NOTE 5 PASS-THROUGH ENTITIES

Federal and state awards have been passed through the following entities:

WI DHS – Wisconsin Department of Health Services
WI DPI – Wisconsin Department of Public Instruction
CESA 5 – Cooperative Educational Service Agency No. #5
MSTC – Mid-State Technical College

STEVENS POINT AREA PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

Section I – Summary of the Auditors' Results

Basic Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? _____ yes _____x_____ no
   - Significant deficiency(ies) identified? _____x_____ yes _____ none reported

3. Noncompliance material to basic financial statements noted? _____ yes _____x_____ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? _____ yes _____x_____ no
   - Significant deficiency(ies) identified? _____x_____ yes _____ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____x_____ yes _____ no

Identification of Major Federal Programs

Assistance Listing Numbers	**Name of Federal Program or Cluster**
	Special Education Cluster (IDEA)
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? _____x_____ yes _____ no

Section I – Summary of the Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state programs:

   - Material weakness(es) identified? _____ yes _____x_____ no

   - Significant deficiency(ies) identified? _____ Yes _____x_____ none reported

2. Type of auditors' report issued on compliance for major state programs — Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? _____Yes _____x_____ no

Identification of Major State Programs

State ID Number	Name of State Program
255.201	Equalization Aids

Audit threshold used to determine between Type A and Type B programs:
State Awards $ 1,000,000

Section II – Financial Statement Findings

2025-001 Preparation of Annual Financial Report

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: Current District staff maintains accounting records which reflect the District's financial transactions; however, preparing the District's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The District contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of the District's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the District had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

Criteria or Specific Requirement: The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports.

Effect: The District may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Cause: District management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Repeat Finding: The finding is a repeat of a finding in the immediately prior year. Prior year finding number was 2024-001.

Recommendation: We recommend the District continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the District's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the District is necessary to obtain a complete and adequate understanding of the District's annual financial report.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding. Management continues to rely on the audit firm to prepare its financial statements. Management reviews and approves the financial statements prior to issuance.

Section III – Federal and State Award Findings and Questioned Costs

2025 – 002 Suspension & Debarment

Federal Agency: U.S. Department of Education
Federal Program Name: Special Education Cluster (Special Education – Grants to States and Special Education – Preschool Grants)
Assistance Listing Number: 84.027 and 84.173
Federal Award Identification Number and Year: H027A240064 and H173A240070
Pass- through Agency: Wisconsin Department of Public Instruction
Pass-through Numbers: 2025 - 495607 - DPI - FLOW – 341 and 2025 - 495607 - DPI - PRESCH - 347
Award Period: July 1, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance

Compliance Requirement: Procurement, Suspension & Debarment

Criteria: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000 or meet certain other criteria as specified in 2 CFR section 180.220.

Condition: The District entered into procurement transactions that exceeded the covered threshold and while the District did perform a review of suspension and debarment status using sam.gov, it did not document that the review was completed prior to entering the contract or approving the procurement transaction in accordance with 2 CFR section 180.220.

Questioned Costs: None

Context: The District did not document the date of the suspension and debarment review for the three transactions that exceeded the covered threshold during the year.

Cause: The District did not have procedures in place to help ensure that the date of review was documented.

Effect: Certain vendors could be used that are considered suspended or debarred by the federal government resulting in noncompliance.

Repeat Finding: No

Recommendation: We recommend the District revise its policies and procedures to ensure that documentation as to the date of the review of suspension and debarment status is maintained with the procurement history of each transaction that requires such a search.

Views of Responsible Officials: There is no disagreement with the finding.

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? — No

2. Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

   a. Department of Health Services — No
   b. Department of Public Instruction — Yes

3. Was a management letter or other document conveying audit comments issued as a result of this audit? — Yes

4. Name and signature of principal — Amber Danielski, CPA CMA

5. Date of report — December 11, 2025



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