

**SCHOOL BOARD OF THE
CITY OF NEWPORT NEWS, VIRGINIA**

COMPLIANCE REPORTS

As of and for the Year Ended June 30, 2025

And Reports of Independent Auditor

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
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COMPLIANCE REPORTS

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**Report of Independent Auditor 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**

To the Honorable Members
School Board of the City of Newport News, Virginia
Newport News, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns* (the “Specifications”) issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board of the City of Newport News, Virginia (the “School Board”), a component unit of the City of Newport News, Virginia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School Board’s basic financial statements, and have issued our report thereon dated November 10, 2025. Our report includes a reference to other auditors who audited the financial statements of the School Activity Funds, a special revenue fund of the School Board, as described in our report on the School Board’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the School Activity Fund were not audited in accordance with the Specifications.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board’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 the School Board’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board’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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board'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* or the Specifications.

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 School Board'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 School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Tysons Corner, Virginia
November 10, 2025

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Members
School Board of the City of Newport News, Virginia
Newport News, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the School Board of the City of Newport News, Virginia's (the "School Board") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2025. The School Board's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Board'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated November 10, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Cherry Bekaert LLP

Tysons Corner, Virginia
January 16, 2026

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/Program Title	AL Number	Federal Expenditures
U.S. Department of Agriculture		
Passed Through the Commonwealth of Virginia:		
Virginia Department of Agriculture:		
School Lunch Program - Food Commodities	10.555	\$ 1,872,131
School Lunch Program - Rebates	10.555	<u>25,820</u>
Total School Lunch Program		<u>1,897,951</u>
Virginia Department of Education:		
School Breakfast Program (10.553/2019, 10.553/2020)	10.553	6,650,029
National School Lunch Program (10.555/2019, 10.555/2020)	10.555	13,947,983
Summer Food Service Program (10.559/2019)	10.559	332,224
Fresh Fruit and Vegetable Program	10.582	<u>378,654</u>
Total Child Nutrition Cluster		<u>23,206,841</u>
Virginia Department of Health:		
Child and Adult Care Food Program (10.558/2019, 10.558/2020)	10.558	<u>700,819</u>
Total Child and Adult Care Food Program		<u>700,819</u>
Virginia Department of Defense:		
Competitive Grants: Promoting k-12 Student Achievement at Military Connected Schools (HE1254-18-1-0025)	12.556	316,480
World Language	12.556	205,468
Military Local Connected (HE125424R5000)	12.556	158,674
ROTC Language and Culture Training Grants	12.357	<u>389,403</u>
Total Virginia Department of Defense		<u>1,070,025</u>
Total U.S. Department of Agriculture		<u>24,977,685</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/Program Title	AL Number	Federal Expenditures
U.S. Department of Justice		
Direct Payments:		
Preventing School Violence (2020-YS-BX-0065)	16.839	\$ 142,833
Total U.S. Department of Justice		<u>142,833</u>
U.S. Department of Treasury		
Passed Through the Commonwealth of Virginia:		
Virginia Department of Education:		
ARP State & Local Recovery	21.027	69,738
Total U.S. Department of Treasury		<u>69,738</u>
U.S. Environmental Protection Agency		
Direct Payments:		
Clean School Bus Rebate Program	66.045	775,000
Total U.S. Environmental Protection Agency		<u>775,000</u>
U.S. Department of Education		
Direct Payments:		
Impact Aid	84.041	1,660,227
Passed Through the Commonwealth of Virginia:		
Virginia Department of Education:		
'Adult Education - Basic Grants (V002A180047, V002A190047)	84.002	791,645
Total Adult Education		<u>791,645</u>
Title I Part A Grants to Local Educational Agencies (S010A180046,S010A190046)	84.010	12,913,456
IDEA Part B Section 611 Special Education (H027A180107)	84.027	7,442,417
IDEA Part B Section 611 - Excellence in Co-Teaching (H027A230107)	84.027	9,994
IDEA Part B Section 611 - Interpreter Training (H027A170107, H027A180107)	84.027	18,802
IDEA Part B Section 619 Special Education Preschool (H173A170112, H173A180112)	84.173	180,394
Total Special Education Cluster (IDEA)		<u>7,651,607</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/Program Title	AL Number	Federal Expenditures
Vocational Education - Perkins Secondary (V048A180046, V048A190046)	84.048	\$ 709,500
Title X McKinney-Vento Homeless	84.196	24,714
Mental Health Staff	84.184	1,312,414
Title I Part D Neglected and Delinquent	84.013	20,062
Title III Part A Language Acquisition Immigrant and Youth (S365A170046, S365A180046)	84.365	210,693
Title III Part A Language Acquisition State Grant (S365A170046)	84.365	1,600
Total English Language Acquisition Grant		<u>212,293</u>
Title II Part A Improving Teacher Quality (S367A170044, S367A180044)	84.367	1,573,997
Title IV Part A-Student Support and Academic Enrichment (S424A170048, S424A180048)	84.424A	929,290
Title IV Part A-Bipartisan Communities	84.424A	95,382
		<u>2,598,669</u>
COVID-19 CARES Act		
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) III LEA Activities (S425U210008)	84.425U	4,324,699
American Rescue Plan (ESSER) - Unfinished Learning (S425U210008)	84.425U	777,299
American Rescue Plan (ESSER) - Educator Recruitment and Retention (S425U210008)	84.425U	24,922
American Rescue Plan (ESSER) - Homeless Children & Youth (S425W210004)	84.425W	156,396
American Rescue Plan (ESSER III) - Apprenticeship Implementation Grant	84.425	(230)
American Rescue Plan (ESSER III) - Grow Your Own	84.425	2,611
Total COVID-19 State Set-Aside		<u>5,285,697</u>
Total U.S. Department of Education		<u>33,250,022</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/Program Title	AL Number	Federal Expenditures
U.S. Department of Health and Human Services		
Passed Through the Commonwealth of Virginia:		
Virginia Department of Social Services:		
Medicaid Assistance Program	93.778	1,068,531
Passed Through City of Newport News:		
Temporary Assistance for Needy Families	93.558	<u>433,732</u>
Total U.S. Department of Health and Human Services		<u>1,502,263</u>
Total Expenditures of Federal Awards		<u><u>\$ 60,647,803</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2025

Totals by Program

Pass-through Agency	Program	AL Number	Total 2025 Federal Expenditures
Virginia Department of Agriculture	School Lunch Program - Food Commodities	10.555	\$ 1,872,131
Virginia Department of Agriculture	School Lunch Program - Rebates	10.555	25,820
Virginia Department of Education	National School Lunch Program (10.555/2019, 10.555/2020)	10.555	13,947,983
	Total for National School Lunch Program (10.555)		<u>\$ 15,845,934</u>
Virginia Department of Defense	Competitive Grants: Promoting k-12 Student Achievement at Military Connected Schools (HE1254-18-1-00:	12.556	\$ 316,480
Virginia Department of Defense	World Language	12.556	205,468
Virginia Department of Defense	Virginia Department of Defense	12.556	158,674
	Total for Competitive Grants: Promoting k-12 Student Achievement at Military Connected Schools (12.556)		<u>\$ 680,622</u>
Virginia Department of Education	IDEA Part B Section 611 Special Education (H027A180107)	84.027	\$ 7,442,417
Virginia Department of Education	IDEA Part B Section 611 - Interpreter Training (H027A170107, H027A180107)	84.027	18,802
Virginia Department of Education	IDEA Part B Section 611 - Excellence in Co-Teaching (H027A230107)	84.027	9,994
	Total for Special Education Grants to States (84.027)		<u>\$ 7,471,213</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2025

Totals by Program			
Pass-through Agency	Program	AL Number	Total 2025 Federal Expenditures
Virginia Department of Education	Title III Part A Language Acquisition Immigrant and Youth (S365A170046, S365A180046)	84.365	\$ 210,693
Virginia Department of Education	Title III Part A Language Acquisition State Grant (S365A170046)	84.365	1,600
	Total for English Language Acquisition State Grants (84.365)		<u>\$ 212,293</u>
Virginia Department of Education	Title IV Part A-Student Support and Academic Enrichment (S424A170048, S424A180048)	84.424A	\$ 929,290
Virginia Department of Education	Title IV Part A-Bipartisan Communities	84.424A	95,382
	Total for Student Support and Academic Enrichment Program (84.424)		<u>\$ 1,024,672</u>
Virginia Department of Education	COVID-19 Elementary and Secondary School Emergency Relief (ESSER) III LEA Activities (S425U210008)	84.425U	4,324,699
Virginia Department of Education	American Rescue Plan (ESSER) - Unfinished Learning (S425U210008)	84.425U	777,299
Virginia Department of Education	American Rescue Plan (ESSER) - Educator Recruitment and Retention (S425U210008)	84.425U	24,922
Virginia Department of Education	American Rescue Plan (ESSER) - Homeless Children & Youth (S425W210004)	84.425W	156,396
Virginia Department of Education	American Rescue Plan (ESSER III) - Apprenticeship Implementation Grant	84.425	(233)
Virginia Department of Education	American Rescue Plan (ESSER III) - Grow Your Own	84.425	2,611
	Total for Education Stabilization Fund (84.425)		<u>\$ 5,285,694</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

Norte 1—Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards (“Schedule”) includes federal grant activity of the School Board of the City of Newport News, Virginia (the “School Board”) and is presented on the modified accrual basis of accounting. The information in this Schedule is 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”). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2—Relationship to basic financial statements

Total expenditures as shown on the Schedule of Expenditures of Federal awards:

General Fund	\$ 3,118,161
Grants Fund	33,621,981
Other Non-Major Special Revenue Funds	<u>23,907,661</u>
Total expenditures as shown on the Schedule of Federal Awards	<u>\$ 60,647,803</u>

Note 3—Indirect cost

The School Board did not use the 10% de minimis indirect cost rate.

Note 4—Sub-recipients

The School Board operates on a contractual basis with its grant partners and, therefore, does not have any sub-recipients.

SCHOOL BOARD OF THE CITY OF NEWPORT NEWS, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2025

A. Summary of Auditor's Results

1. The type of report issued on the basic financial statements: **Unmodified opinion.**
2. Significant deficiencies in internal control disclosed by the audit of the financial statements: **None reported.**
3. Material weaknesses in internal control disclosed by the audit of the financial statements: **No.**
4. Noncompliance, which is material to the financial statements: **No.**
5. Significant deficiencies in internal control over major programs: **None reported.**
6. Material weaknesses in internal control over major programs: **No.**
7. The type of report issued on compliance for major programs: **Unmodified opinion.**
8. Any audit findings which are required to be reported under the Uniform Guidance: **No.**
9. The programs tested as major programs were:

<u>Federal Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553-CL	Child Nutrition Cluster
84.424A	Student Support and Academic Enrichment Program

10. Dollar threshold used to distinguish between type A and type B programs: **\$1,819,434.**
11. Auditee qualified as a low-risk auditee under Section 530 of Uniform Guidance: **Yes.**

B. Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

None reported.

C. Findings and Questioned Costs Relating to Federal Awards

None reported.

D. Findings and Questioned Costs Relating to Compliance with Commonwealth of Virginia Laws, Regulations, Contracts, and Grants

None reported.

E. Status of Prior Year Findings

None reported.