

Board Information Item

Information
Packet

Board Agenda
Information

Board Agenda
Action

Board Agenda
Consent

04/27/2026

Subject: Approve Pattillo, Brown, & Hill, LLP Engagement Letter

Contact Person: Paula McBride, Director of Finance

Policy/Code: CFC(LEGAL)
Government Code 2254 – Professional Services Procurement Act

Priority and Performance Objective: Priority 4: Strong Financial Stewardship and Internal System Efficiency
Objective 4.1: Transparent Financial Stewardship

Summary: The District approved Pattillo, Brown, & Hill, LLP to perform external financial audit services in 2022 after a request for qualifications process was conducted for these services. The administration has received the attached engagement letter from Pattillo, Brown, & Hill, LLP to perform audit services for the 2025-2026 fiscal year.

Attachments: Engagement Letter & GCISD Addendum

Recommendation: The recommendation is for the Board of Trustees to approve the Pattillo, Brown & Hill, LLP engagement letter.



April 7, 2026

Grapevine-Colleyville Independent School District
3051 Ira E Woods Ave
Grapevine, Texas 76051

Board of Trustees and Management:

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the major funds, and the aggregate remaining fund information of Grapevine-Colleyville Independent School District (the "District"), as of June 30, 2026, and for the year then ended, 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 addition, we will audit the entity's compliance over major federal award programs for the period ended June 30, 2026. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements 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 auditor's report that includes our opinion. 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 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 of America, and the Texas Education Agency audit requirements included in the *Financial Accountability System Resource Guide* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and other postemployment benefit related information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis.
- Budgetary Schedules.
- Schedule of District's Proportionate Share of Net Pension Liability and Net Other Postemployment Benefits (OPEB) Liability, and Related Ratios.
- Schedule of District Pension and OPEB Contributions.

Supplementary information other than RSI will accompany the District's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining Statements.
- Required Texas Education Agency Schedules.
- Schedule of Required Responses to Selected School First Indicators.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Introductory Section.
- Statistical Section.

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Texas Education Agency audit requirements included in the *Financial Accountability System Resource Guide*.

As part of an audit of financial statements in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and the Texas Education Agency audit requirements included in the *Financial Accountability System Resource Guide* we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Although we are currently in the planning stage of our audit, we have identified the following significant risks during our audit to date that require special audit consideration:

- Improper revenue recognition is considered an inherent risk according to GAAS.
- Management override of controls is considered an inherent risk according to GAAS.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and the Texas Education Agency audit requirements included in the *Financial Accountability System Resource Guide*. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the District's basic financial statements. Our report will be addressed to Board of Trustees of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the District's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements 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 entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and the Texas Education Agency audit requirements included in the *Financial Accountability System Resource Guide*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you 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 have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. 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.
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received.
4. For maintaining records that adequately identify the source and application of funds for federally funded activities.
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance.

6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards.
7. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs.
8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award.
9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented.
10. For taking prompt action when instances of noncompliance are identified.
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings.
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings.
13. For submitting the reporting package and data collection form to the appropriate parties.
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance.
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters.
 - b. Additional information that we may request from management for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report, if one is issued. This document would include more than an annual comprehensive financial report (ACFR) or annual financial report (AFR).
 - e. If applicable, a final version of the annual report, (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s)

under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole.

17. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work.
18. For maintaining adequate records, selecting, and applying accounting principles, and safeguarding assets.
19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance.
20. For the accuracy and completeness of all information provided.
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information.
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Non-attest Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the District in conformity with U.S. generally accepted accounting principles and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. These services are limited to preparing the financial statements, schedule of expenditures of federal awards, and related notes of the District as previously outlined.

We will not assume management responsibilities on behalf of the District. However, we will provide advice and recommendations to assist management of the District in performing its responsibilities.

The District's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

Our responsibilities and limitations of the engagement is limited to our preparation of the financial statements and related note disclosures and the schedule of expenditures of federal awards previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise with regard to financial reporting, but the District must make all decisions with regard to those matters.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Engagement Administration, Fees, and Timing

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	July 2026
Mail confirmations	July 2026
Perform year-end audit procedures	August-September 2026
Issue audit reports	November 2026

John K. Manning is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Pattillo, Brown & Hill, LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for these services will be at our standard hourly rates plus out-of-pocket cost (such as reports reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$53,900. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or email, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications. In addition to fax and email, our firm also exchanges data over the internet using other methods (such as portals) or store electronic data via software applications hosted remotely through a third-party vendor's secured portal and/or cloud.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

You authorize us to disclose any and all information you furnish to us in connection with the services provided under this engagement, including audit procedures, to third-party service providers who assist us in fulfilling our professional responsibilities. These service providers may be located within or outside the United States. Such disclosures may include, but are not limited to, confidential financial or investment information necessary to complete assessments or verify valuations. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information, and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. With your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

The audit documentation for this engagement is the property of Pattillo, Brown & Hill, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Texas Education Agency, federal agencies, and the U.S. Government

Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Pattillo, Brown & Hill's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and Board of Trustees the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices.
- Significant difficulties, if any, encountered during the audit.
- Uncorrected misstatements, other than those we believe are trivial, if any.
- Disagreements with management, if any.
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process.
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.
- Representations we requested from management.
- Management consultations with other accountants, if any.
- Significant issues, if any, arise from the audit that were discussed, or the subject of correspondence with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

We acknowledge that we have reviewed and agreed to the terms and conditions of the GCISD General and Mandated Terms Addendum ("Addendum"), which is incorporated herein.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,
Pattillo, Brown & Hill, L.L.P.



John K. Manning, CPA
Waco, Texas

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Grapevine-Colleyville ISD by:

Name: _____

Title: _____

Date: _____

ADDENDUM TO AGREEMENT BETWEEN PATTILLO, BROWN & HILL, L.L.P. AND
GRAPEVINE-COLLEYVILLE ISD

This Addendum (the "Addendum") is between Pattillo, Brown & Hill, L.L.P (the "Vendor") and the Grapevine-Colleyville Independent School District (the "District") and is executed contemporaneously with Vendor's Audit Engagement Letter dated April 7, 2026, and includes any other documents and/or policies, additional agreements, terms, and conditions referenced and/or incorporated therein (collectively the "Agreement") between GCISD and the Vendor. The District and Vendor will be collectively referred to as the "Parties" and individually as "Party."

The Parties agree that the Agreement also includes, without limitation, all additional agreements, documents, terms, policies, and conditions referenced or described in the Vendor's Agreements. If there is a conflict between the terms of this Addendum and the Vendor's Agreement or any other document, the Parties agree that this Addendum controls. Both Parties' authorized officers have approved the terms of this Addendum.

Texas Mandated Provisions

1. Not a Terrorist Organization. As required by Subchapter F, Chapter 2252, Texas Government Code, "Prohibition on Contracts with Certain Companies", Vendor verifies by its acceptance of this Addendum that it is not a foreign terrorist organization identified on the lists prepared and maintained by the Texas Comptroller of Public Accounts. If Vendor has misrepresented its inclusion in the Comptroller's list, such omission or misrepresentation voids the Agreement.
2. Non-Abortion Provider. Pursuant to Texas Government Code Chapter 2273, Vendor verifies by its signature below that it is not an abortion provider or an affiliate of an abortion provider whereby the provider or affiliate receives something of value derived from state or local tax revenue. Any contract entered by the District is void if the Vendor has such a prohibited affiliation or contractual relationship.
3. Non-Boycott of Israel. Pursuant to Texas Government Code, Chapter 2271, as amended, if Vendor is a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations (specifically excluding a sole proprietorships and individuals) that exists to make a profit which has ten (10) or more full-time employees and the value of the Agreement with the Vendor is \$100,000 or more, Vendor represents and warrants to the District that Vendor does not boycott Israel and will not boycott Israel during the term of the Agreement.

4. Non-Discrimination Against Firearm Entity or Trade. Pursuant to Texas Government Code Chapter 2274, if the Agreement has a value of \$100,000 or more and Vendor is a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit (specifically excluding a sole proprietorship), Vendor certifies that Vendor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, as defined by Texas Government Code Chapter 2274, and will not during the term of the Agreement, unless excepted from that law.
5. Non-Boycott Energy Companies. Pursuant to Texas Government Code Chapter 2274, if the Agreement has a value of \$100,000 or more, Vendor is a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations (specifically excluding a sole proprietorship), and Vendor has ten (10) or more full-time employees, Vendor certifies that Vendor does not boycott energy companies and will not during the term of the Agreement, unless excepted by that law.

Texas and Federal Law

6. Venue and Jurisdiction. The Parties agree that the Agreement shall be construed and interpreted and its validity shall be determined in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. All actions, suits, or legal proceedings arising out of or related to the Agreement shall be brought only in the State District Courts of Tarrant County, Texas or, if federal, in the United States District Courts of the Northern District of Texas, Fort Worth Division and the Parties consent to the exclusive jurisdiction of such courts.
7. Government Immunity. Nothing in Vendor's Agreement(s) should be construed to abrogate any rights or affirmative defenses available to District under doctrines of sovereign and official immunity.
8. Tax Exemption. District is a tax-exempt governmental body under the laws of the State of Texas and shall not be responsible for any sales, use, income, or other type of tax on Vendor's services.
9. Open Government. District is subject to the Texas Open Meetings Act, Chapter 551, Texas Government Code ("TOMA") and the Texas Public Information Act, Chapter 552, Texas

Government Code (“TPIA”). Any duty of confidentiality that District has under the Agreement shall be subject to the legal requirements of the TOMA and the TPIA.

10. Confidentiality. Notwithstanding any contrary provisions of the Agreement, as and to the extent applicable to the Services provided under the Agreement, Vendor agrees that it will comply with the provisions of the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232(g), 34 C.F.R. Part 99; and the Children’s Online Privacy Protection Act (COPPA), 15 U.S.C. § 6501 *et seq*, and 16 C.F.R. Part 312, in regard to any personally identifiable information regarding students of the District and their educational records obtained by Vendor in its provision of services to the District during the term of the Agreement. Vendor’s failure to comply with FERPA or COPPA shall constitute good cause for District’s termination of the Agreement.
11. Payments. Notwithstanding any contrary provisions of the Agreement, and in accordance with Texas Government Code Subchapter B, Chapter 2251, Subchapter B, amounts owed to Vendor shall not accrue interest until the forty-sixth (46th) day following the receipt of the invoice by the District at the per annum rate authorized by said Chapter 2251, Subchapter B, Texas Government Code.
12. Non-Appropriations. If, prior to any fiscal year of the District (currently July 1 through June 30), the Board of Trustees for any reason fails to appropriate funds for these goods or services, the District will notify the Vendor immediately and will no longer be obligated under the Agreement for that upcoming fiscal year.
13. No District Indemnification & Hold Harmless. Vendor recognizes that District is a political subdivision of the State of Texas and the Texas Constitution prohibits District from giving indemnities. Notwithstanding any contrary provisions of the Agreement, the Parties agree that the District cannot legally indemnify Vendor or any other entity and that the District does not agree to do so. Any provisions requiring the District to indemnify Vendor or others are void and of no effect. The District and its employees can neither agree to hold the Vendor harmless nor agree to indemnify the Vendor, and any provisions in the Agreement to the contrary are void.
14. Pre-Service Affidavit. In accordance with Texas Education Code Section 22A.055, any person who provides services to the District, including contractors or subcontractors, **must submit a pre-service affidavit** using the form promulgated by the Texas Education Agency. This affidavit must disclose whether the person has ever been:
 - Investigated for, charged with, or convicted of certain offenses or instances of misconduct relating to inappropriate conduct towards a student;
 - Subject to license or certificate sanctions for certain offenses or instances of misconduct related to inappropriate conduct towards a student;

- Included in the Texas Education Agency registry of persons not eligible for employment in public schools;
- Employed or is currently employed by or has acted or is currently acting as a service provider for a public or private school; or
- Terminated or discharged or has resigned, in lieu of being terminated or discharged, from a public or private school.

A determination that any person providing services to the District failed to disclose information required to be disclosed by the affidavit is grounds for termination of employment or service.

Other Provisions

15. No Arbitration. The parties agree that arbitration **shall not** be mandated for any dispute between the Parties arising out of or related to this Agreement.
16. Assignment. Vendor will remain fully liable for the performance of its obligations under the Agreement despite Vendor's assignment of the Agreement.
17. Term. The term of this Addendum shall be the same as the term of the Agreement and any renewal or extension thereof.
18. Notices. Any notice to the District shall be given in writing and delivered personally or delivered by reputable overnight courier service or United States mail, postage prepaid, to the address set forth in this Agreement and to the attention of the Superintendent. Grapevine-Colleyville ISD, Attention: Superintendent, 3051 Ira E. Woods Avenue, Grapevine, Texas 76051. A copy of any notice to the District shall also be delivered to the attention of the District's Chief Operations Officer at the same address as specified herein.
19. Counterparts. This Addendum and any amendments hereto may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The Parties may execute this Addendum and any amendment hereto in the form of an electronic record utilizing electronic signatures, as such terms are defined in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001, et. seq.). Electronic signatures, or signatures transmitted electronically via PDF or similar file delivery method, are legal, valid and binding upon execution and delivery for all purposes and each shall have the same effect as an original signature.
20. Integration Clause. This Addendum constitutes the entire agreement between the Parties regarding its subject matter. Any modifications or waiver under this Addendum will be effective only if they are in writing and signed by the Parties to be bound.

IN WITNESS WHEREOF, the Parties have caused these Terms to be executed by their duly authorized representatives as of the Effective Date. This Addendum and the Agreement are effective as of the date they are executed by both parties.

Vendor

John Manning
Signature

John Manning
Printed Name

Partner
Title

April 17, 2026
Date

Grapevine-Colleyville ISD (District)

Signature

Printed Name

Title

Date

Report on the Firm's System of Quality Control

December 12, 2025

To the Partners of Pattillo, Brown & Hill, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including compliance audits under the Single Audit Act; an audit of an employee benefit plan; and an audit performed under FDICIA.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP in effect for the year ended May 31, 2025, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Pattillo, Brown & Hill, LLP has received a peer review rating of *pass*.

Ericksen Krentel, LLP

Certified Public Accountants