

2019 F.I.R.S.T. REPORT



LUFKIN INDEPENDENT SCHOOL DISTRICT

A FINANCIAL MANAGEMENT REPORT
FOR THE YEAR ENDED AUGUST 31, 2018

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LUFKIN INDEPENDENT SCHOOL DISTRICT

P. O. BOX 1407
LUFKIN, TEXAS 75902
936/634-6696
Fax: 936/634-3611

October 17, 2019

To The Citizens of Lufkin Independent School District:

We are pleased to present to you the FIRST report and rating as required by Title 19, Texas Administrative Code, Section 109. FIRST is an acronym meaning "Financial Integrity Rating System of Texas". This rating system is designed to encourage Texas public schools to better manage their financial resources to provide the maximum allocation possible for direct instructional purposes. This will result in student success and the Business Office is committed to supporting the instructional and operational goals of the District to result in student success.

The District is required to hold a public hearing to distribute a financial management report that explains the rating received. This rating is based upon student, staff and financial data provided to TEA through several different sources. In addition to the FIRST report, the District is required to also provide supplementary disclosures and those are attached at the end of the report.

Lufkin ISD received a Superior rating for 2017-2018 with a score of 100, which is the highest rating that can be achieved. A district can be assigned one of four ratings: A = Superior, B = Above Standard, C = Meets Standard and F = Substandard Achievement. The District received a Superior rating for the previous year, which was a perfect score also. We are pleased with this rating and we will strive to continue to provide financial excellence to the school district.

Sincerely,

Charlotte Bynum

Charlotte Bynum, M.S., RTSBA
Chief Financial Officer
Lufkin Independent School District

THE LUFKIN DAILY NEWS

Keven Todd, *Publisher*
PO Box 1089, Lufkin, Texas 75902-1089
936-632-6631 • Fax 936-632-6655

THE STATE OF TEXAS
COUNTY OF ANGELINA

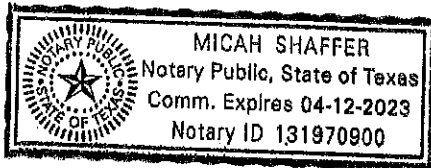
BEFORE ME, the undersigned, a Notary Public, this day personally came **Keven Todd**, who was sworn according to law that he is the Publisher for **THE LUFKIN DAILY NEWS**.


THE PUBLISHER of **THE LUFKIN DAILY NEWS**, a daily newspaper published in Lufkin, Texas, in said County and State, attests that the attached printed material was published in said newspaper

October 2nd 2019 and October 9th 2019


Keven Todd, Publisher

SUBSCRIBED AND SWORN TO BEFORE ME THIS
THE 9th DAY OF October 2019




Micah Shaffer, Notary Public
State of Texas

Account Name & Number: Lufkin I.S.D. + public meeting
Tim Hobbs

call for appt.
936-462-3679

OFFICE SPACE

3201 S. Medford 100-
7000 soft-Front Dr. Park
\$200 936-414-0424

LEGAL NOTICES

Lufkin Independent School District will be holding a public meeting at 6:00 p.m. on October 17, 2019 in the Administration Building Board Room, 101 Cotton Square, Lufkin, TX 75904. The purpose of this meeting is to discuss Lufkin Independent School District's rating on the 2017-2018 School FIRST (Financial Integrity Rating System of Texas).

NOTICE TO CREDITORS

Notice is hereby given that original Letters Testamentary for the Estate of Weldon E. Rudd, Deceased, were issued on September 25, 2019, in Cause No. 162-19-PR, pending in the County Court at Law No. 2 of Angellina County, Texas, to Cinda Rudd Taylor, Independent Executor. The address to which claims should be submitted is as follows:

Cinda Rudd Taylor,
Independent Executor
c/o Almee C. Slusher
Skelton Slusher
Barnhill Watkins
Wells PLLC
1616 S. Chestnut St.
Lufkin, TX 75901

All persons having claims against this Estate, which is currently being administered, are hereby notified to present them within the time and in the manner prescribed by law.

DATED the 26th day of September, 2019.
Respectfully submitted,
Skelton Slusher
Barnhill Watkins Wells
plc
1616 South Chestnut
Lufkin, Texas 75901
Phone (936) 632-2300
Fax (936) 632-6545

By: Almee C. Slusher
State Bar No. 00791678
Attorneys for Applicant

...call for appt. 936-462-3679
...edgeable candidate to help us grow. CAB Incorporated, 2306-Rayburn Dr, Nacogdoches. \$25-\$35/hour medical/dental/401k. Drug test and background check; Email to machrist@cabin.com No phone calls please

PROFESSIONAL SERVICES

Bee Importers LLC needs 4 temporary Beekeepers in Crockett, TX to work from 11/15/19 - 06/15/20, 2 mths. Experience as beekeeper required; 40 hours per week @ \$12.23 per hour plus free housing. Tools/equipment provided. Transportation and subsistence expenses to work site provided at completion of 50% of work contract plus return transportation at completion of contract. 3/4 work period guaranteed. Apply for this job at the Workforce Solutions in Austin, TX at 512-475-2571 and refer to job order number: TX13829558.

Tools, supplies and equipment provided at no cost. Housing provided at no cost if outside commuting area. If applicable, transportation and subsistence expense to the job will be paid upon completion of 50% of the employment period, or earlier. Apply for this job by reporting to the nearest SWA in the state in which this ad appeared or contact the Avoyelles Career Solutions Center, 150 Goldenrod St., Suite 1, Marksville, LA 71351, (318) 240-8820, JO# LA922416.

For EXPERT ADVICE

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Must complete attached Personal Information Form for this position found on City of Diboll website.

DISQUALIFIERS FOR EMPLOYMENT

- Conviction or Admission of a Felony
- Conviction of any Class A or B Misdemeanor
- Conviction or Admission of any other Illegal Drug Infringement
- Conviction of Family Violence
- Dishonorable Discharge from the Military

Apply online at www.cityofdiboll.com

POSITION REQUIREMENTS

- High School Diploma/GED
- 21 Years of Age or older
- Must Currently Reside within 30 miles of Diboll, TX
- Valid Texas Driver's License
- TCOLE Licensed Peace Officer
- Must Pass Oral Interview board
- Must Pass Physical Agility Test:
 - 1) 1-mile run - 12 min. 4 seconds
 - 2) 300-meter sprint - 75 seconds
 - 3) Bench Press - 136 lbs. or 6 reps
 - 4) Vertical Jump - 13.5 inches
- Must Pass Firearm Qualification
- Submit Completed Application and Statement of Interest
- If not exempt, must pass physical testing

FULL-TIME/PART-TIME

Full-Time

SALARY RANGE

- Salary Depends on Experience
- Entry level - No experience to 10 years
- Current top pay after all increases
- Eligible for Certificate and Longevity

POSITION

Police Patrol Officer

EXEMPTION/EXEMPT

Non-Exempt

OPEN DATE

New thru Oct 13, 2019

Application available at www.cityofdiboll.com

The City of Diboll is an Equal Opportunity Employer

JOIN OUR TEAM.
MAKE A REAL DIFFERENCE IN THE LIVES OF OTHERS.
EXCELLENT BENEFITS | COMPETITIVE PAY | EQUAL OPPORTUNITY EMPLOYER

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Labo
REG
\$5K
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DATE:	August 8, 2019
SUBJECT:	Preliminary School FIRST Ratings 2018-2019
CATEGORY:	Accreditation Information
NEXT STEPS:	Share with appropriate staff

Your school district's preliminary 2018–2019 School Financial Integrity Rating System of Texas (FIRST) rating is now available online. To access your district's School FIRST rating:

- access the Texas Education Agency (TEA) website: <http://tea.texas.gov/>;
- click the Finance and Grants webpage tab link: [http://tea.texas.gov/Finance and Grants/](http://tea.texas.gov/Finance_and_Grants/);
- click the Financial Accountability link;
- click the School FIRST link; and
- click the School District FIRST Ratings link.

Basis for School FIRST Rating

Your district's rating is based on an analysis of the district's financial data for fiscal year 2018 (the fiscal period ended June 30, 2018, or August 31, 2018, depending on the ending date of your district's fiscal year). We determined your district's rating using the financial indicators specified in [19 Texas Administrative Code \(TAC\) §109.1001\(e\)](#).

Please carefully review your district's preliminary School FIRST rating and the data associated with each of the 15 indicators.

Opportunity for Appeal

If your district wishes to appeal an adverse issue it identifies in the preliminary rating, your district may submit a written appeal with supporting evidence to the TEA Financial Compliance Division. For the appeal to be considered, we must receive it by **September 9, 2019**. Send any appeal to the following address:

Texas Education Agency
 Financial Compliance Division
 1701 North Congress Avenue
 Austin, TX 78701

Please see 19 TAC §109.1001(n) for the rules regarding the filing of an appeal. As stated in that section, we will consider only an appeal that would result in a change to your district's rating. **If no appeal is submitted by your district, the preliminary rating becomes final on the 31st day after the preliminary ratings are released (September 10, 2019).**

Final School FIRST Rating and Required Reporting

We will issue final ratings to school districts after we have reviewed any submitted appeals. Final 2018–2019 School FIRST ratings are anticipated to be released in October 2019.

Within two months of the release of its final School FIRST rating, your district must announce and hold a public meeting to distribute a financial management report that explains the district's

rating and its performance under each indicator for the current and previous year's ratings. The report also must provide the financial information described in [19 TAC §109.1001\(q\)\(3\)](#). We encourage your district to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the district's performance under one or more of the indicators.

The required newspaper notice to inform taxpayers of the meeting must be published no more than 30 days and no fewer than 10 days before the public meeting. Your district may combine the meeting with a scheduled regular meeting of the board of trustees.

For full requirements related to the report and meeting, see [19 TAC §109.1001\(q\)](#). For a template that your district can use in developing its financial management report, see the TEA [School FIRST](#) web page.

Accreditation Status

Please note that the TEA considers a district's School FIRST rating when assigning an accreditation status, as required by the accreditation status rules in [19 TAC §97.1055](#).

Contact for Further Information

If you have questions about your district's School FIRST rating, please contact Robin Aldridge at (512) 463-3940 or by email at Robin.Aldridge@tea.texas.gov.



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON SCHOOL YEAR 2017-2018 DATA - DISTRICT STATUS DETAIL

Name: LUFKIN ISD(003903)	Publication Level 1: 8/7/2019 3:33:27 PM
Status: Passed	Publication Level 2: 8/8/2019 2:06:12 PM
Rating: A = Superior	Last Updated: 8/8/2019 2:06:12 PM
District Score: 100	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	8/6/2019 12:23:48 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	8/6/2019 12:23:48 PM	Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance (s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	8/6/2019 12:23:48 PM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	8/5/2019 10:38:03 PM	Yes
4			Yes

	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	8/5/2019 10:38:03 PM	
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	8/5/2019 10:38:03 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	8/5/2019 10:38:03 PM	10
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	8/5/2019 10:38:04 PM	10
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?</u>	8/5/2019 10:38:04 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/7/2019 12:18:32 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	8/5/2019 10:38:06 PM	10
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	8/5/2019 10:38:07 PM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	8/5/2019 10:38:07 PM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	8/5/2019 10:38:07 PM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	8/5/2019 10:38:08 PM	10
			100 Weighted Sum

	1 Multiplier Sum
	100 Score

DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points. (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	60-79
	F = Substandard Achievement	<60
<p>No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.</p>		



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 1

Name:	LUFKIN ISD (003903)
Indicator:	Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?
Status	Passed
Last Updated:	8/6/2019 12:23:48 PM

FORMULA

Field	Value
Date Received	2019/01/24
<= Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2019/02/28

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the audit report was on time or filed within 30 days of the deadline.

Home Page: [Financial Accountability](#) | Send comments or suggestions to FinancialAccountability@tea.texas.gov

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FIRST 5.7.1.0



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 2.A

Name:	LUFKIN ISD (003903)
Indicator:	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)
Status	Passed
Last Updated:	8/6/2019 12:23:48 PM

FORMULA

Field	Value
Unmodified Opinion	true

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district received an unmodified opinion in the AFR.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 2.B

Name:	LUFKIN ISD (003903)
Indicator:	Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)
Status	Passed
Last Updated:	8/6/2019 12:23:48 PM

FORMULA

Field	Value
Not Weak Internal Controls	false

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the external auditor reported no material weaknesses in the audit report.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 3

Name:	LUFKIN ISD (003903)
Indicator:	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)
Status	Passed
Last Updated:	8/5/2019 10:38:03 PM

FORMULA

Field	Value
Not Default Disclosures	false

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if there were no disclosures in the annual financial report and/or other sources of information concerning default on debt agreements.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 4

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?
Status	Passed
Last Updated:	8/5/2019 10:38:03 PM

FORMULA

Field	Value
Timely Payments to Government Agencies	true

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district made timely payments to the TRS, TWC, IRS, and other government agencies.

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Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 6**

Name:	LUFKIN ISD (003903)
Indicator:	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)
Result/Points	10
Last Updated:	8/5/2019 10:38:03 PM

FORMULA

Field	Value
(
(
Cash and Equivalents	25,772,192
+ Current Investments	0
)	
/	
(
Total Expenditures	66,915,727
- Facilities Acquisition and Construction	483,587
)	
)	
* 365	
Mathematical Breakdown: 141.6009	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
>=90	<90 >=75	<74 >=60	<60 >=45	<45 >=30	<30



Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 7**

Name:	LUFKIN ISD (003903)
Indicator:	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)
Result/Points	10
Last Updated:	8/5/2019 10:38:03 PM

FORMULA

Field	Value
Current Assets	74,184,811
/ Current Liabilities	12,314,752
Mathematical Breakdown: 6.0241	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
>=3.00	<3.00 >=2.50	<2.50 >=2.00	<2.00 >=1.50	<1.50 >=1.00	<1.00

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Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 8**

Name:	LUFKIN ISD (003903)
Indicator:	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) (See ranges below.)
Result/Points	10
Last Updated:	8/5/2019 10:38:04 PM

FORMULA

Field	Value
(
Long Term Liabilities	82,436,475
/	
Total Assets	147,494,309
<= 1	
)	
Or	
(
(
2018 Total Students	7,953
- 2014 Total Students	8,383
)	
/	
2014 Total Students	8,383
>= Threshold for Five-Year Percent Change in Students	0.07
)	
Mathematical Breakdown: 0.5589 <= 1 Or -0.0513 >= 0.07	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
<=0.60	>0.60 <=0.70	>0.70 <=0.80	>0.80 <=0.90	>0.90 <=1.00	>1.00



Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 9**

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?
Result/Points	10
Last Updated:	8/5/2019 10:38:04 PM

FORMULA

Field	Value
(
Total Revenue	67,833,807
/	
(
Total Expenditures	66,915,727
- Facilities Acquisition and Construction	483,587
)	
- 1	
)	
>= 0	
Or	
(
(
Cash and Equivalents	25,772,192
+ Current Investments	0
)	
/	
(
Total Expenditures	66,915,727
- Facilities Acquisition and Construction	483,587
)	
)	
* 365	
>= Acceptable Days Cash on Hand	60

Mathematical Breakdown: 0.0211 >= 0 Or 141.6009 >= 60

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
$\geq 0\%$	$< 0\%$

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 10

Name:	LUFKIN ISD (003903)
Indicator:	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)
Result/Points	10
Last Updated:	8/7/2019 12:18:32 PM

FORMULA

Field	Value
(
Total Revenues (in the General Fund and Debt Service Fund)	75,110,676
- Total Expenditures (in the General Fund and Debt Service Fund)	71,833,540
+Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund)	5,572,290
+Fund Code 599 (Ending Debt Service fund balance)	15,629
+Function Code 81	483,587
)	
/ Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund)	5,572,290
Mathematical Breakdown: 1.6777	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
>=1.20	<1.20 >=1.15	<1.15 >=1.10	<1.10 >=1.05	<1.05 >=1.00	<1.00

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Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 11**

Name:	LUFKIN ISD (003903)
Indicator:	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)
Result/Points	10
Last Updated:	8/5/2019 10:38:06 PM

FORMULA

Field	Value
District Administrative Cost Ratio	0.0936
And ADA	7,283.016
Or Sparse	FALSE

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS						
ADA Size	10	8	6	4	2	0
10,000 and Above	<= 0.0855	> 0.0855 <= 0.1105	> 0.1105 <= 0.1355	> 0.1355 <= 0.1605	> 0.1605 <= 0.1855	> 0.1855
5,000 to 9,999	<= 0.1000	> 0.1000 <= 0.1250	> 0.1250 <= 0.1500	> 0.1500 <= 0.1750	> 0.1750 <= 0.2000	> 0.2000
1,000 to 4,999	<= 0.1151	> 0.1151 <= 0.1401	> 0.1401 <= 0.1651	> 0.1651 <= 0.1901	> 0.1901 <= 0.2151	> 0.2151
500 to 999	<= 0.1311					> 0.2311

		> 0.1311 ≤ 0.1561	> 0.1561 ≤ 0.1811	> 0.1811 ≤ 0.2061	> 0.2061 ≤ 0.2311	
Less than 500	≤ 0.2404	> 0.2404 ≤ 0.2654	> 0.2654 ≤ 0.2904	> 0.2904 ≤ 0.3154	> 0.3154 ≤ 0.3404	> 0.3404
Sparse	≤ 0.3364	> 0.3364 ≤ 0.3614	> 0.3614 ≤ 0.3864	> 0.3864 ≤ 0.4114	> 0.4114 ≤ 0.4364	> 0.4364

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FIRST 5.7.1.0



Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 12**

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)
Result/Points	10
Last Updated:	8/5/2019 10:38:07 PM

FORMULA

Field	Value
(
2017-2018 Total Enrollment	7,992
/ 2017-2018 Number of FTE Staff	1,274.1644
)	
/	
(
2015-2016 Total Enrollment	8,266
/ 2015-2016 Number of FTE Staff	1,243.505
)	
- 1	
> Threshold for Three-Year Percent Change in Ratio	-0.15
Or	
2017-2018 Total Enrollment	7,992
- 2015-2016 Total Enrollment	8,266
> 0	
Mathematical Breakdown: $-0.0564 > -0.15$ Or $-274 > 0$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No



Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 13**

Name:	LUFKIN ISD (003903)
Indicator:	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?
Result/Points	10
Last Updated:	8/5/2019 10:38:07 PM

FORMULA

Field	Value
Sum of Differences	394
/ Denominator	66,915,711
< Acceptable Level of Variance	.03
Mathematical Breakdown: $0 < 0.03$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
< 3%	>= 3%

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Financial Integrity Rating System of Texas

**2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA
INDICATOR TEST 14**

Name:	LUFKIN ISD (003903)
Indicator:	Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)
Result/Points	10
Last Updated:	8/5/2019 10:38:07 PM

FORMULA

Field	Value
Not Material Non-Compliance	false

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No

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FIRST 5.7.1.0



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 15

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?
Result/Points	10
Last Updated:	8/5/2019 10:38:08 PM

FORMULA

Field	Value
No Adjusted Repayment Schedule	true

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No

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THE TEXAS EDUCATION AGENCY
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FIRST 5.7.1.0

Texas Administrative Code

<u>TITLE 19</u>	EDUCATION
<u>PART 2</u>	TEXAS EDUCATION AGENCY
<u>CHAPTER 109</u>	BUDGETING, ACCOUNTING, AND AUDITING
<u>SUBCHAPTER AA</u>	COMMISSIONER'S RULES CONCERNING FINANCIAL ACCOUNTABILITY
RULE §109.1001	Financial Accountability Ratings

(a) The following words and terms, when used in this section, have the following meanings, unless the context clearly indicates otherwise.

(1) Annual Financial Report (AFR)--The audited annual report required by the Texas Education Code (TEC), §44.008, that is due to the Texas Education Agency (TEA) by no later than 150 days after the close of a school district's or an open-enrollment charter school's fiscal year.

(2) Ceiling indicator--An upper limit (the maximum score) at which a score from a standard limit of a specific indicator will result regardless of overall points.

(3) Debt--An amount of money owed to a person, bank, company, or other organization.

(4) Electronic submission--The TEA electronic data feed format required for use by school districts, open-enrollment charter schools, and regional education service centers (ESCs).

(5) Financial Integrity Rating System of Texas (FIRST)--The financial accountability rating system administered by the TEA in accordance with the TEC, §39.082 and §39.085. The system provides additional transparency to public education finance and meaningful financial oversight and improvement for school districts (School FIRST) and open-enrollment charter schools and charter schools operated by a public institution of higher education under TEC, Chapter 12, Subchapters D and E (Charter FIRST).

(6) Fiscal year--The fiscal year of a school district or an open-enrollment charter school, which begins on July 1 or September 1 of each year, as determined by the board of trustees of the district or the governing body of the charter holder in accordance with the TEC, §44.0011.

(7) Foundation School Program (FSP)--The program established under the TEC, Chapters 41, 42, and 46, or any successor program of state-appropriated funding for school districts in this state.

(8) Open-enrollment charter school--A charter school authorized by the commissioner of education under TEC, Chapter 12, Subchapter D.

(9) Public institution of higher education (IHE)--A public college or university eligible to operate a school district; an open-enrollment charter school; or a TEC, Chapter 12, Subchapter E, charter school authorized by the commissioner.

(10) Summary of Finances (SOF) report--The document of record for FSP allocations. An SOF report is produced for each school district and open-enrollment charter school by the TEA division

responsible for state funding that describes the school district's or open-enrollment charter school's funding elements and FSP state aid.

(11) Texas Student Data System Public Education Information Management System (TSDS PEIMS)--The system that school districts and open-enrollment charter schools use to load, validate, and submit their data to the TEA.

(12) Warrant hold--The process by which state payments issued to payees indebted to the state, or payees with a tax delinquency, are held by the Texas Comptroller of Public Accounts until the debt is satisfied in accordance with the Texas Government Code, §403.055.

(b) The TEA will assign a financial accountability rating to each school district, open-enrollment charter school, and charter school operated by a public IHE under TEC, Chapter 12, Subchapters D and E, as required by the TEC, §39.082.

(c) The commissioner will evaluate the rating system every three years as required by the TEC, §39.082, and may modify the system in order to improve the effectiveness of the rating system. If the rating system has been modified, the TEA will communicate changes to ratings criteria and their effective dates to school districts, open-enrollment charter schools, and charter schools operated by public IHEs.

(d) The TEA will use the following sources of data in calculating the financial accountability indicators for school districts, open-enrollment charter schools, and charter schools operated by public IHEs:

(1) AFR. For each school district, open-enrollment charter school, and charter school operated by a public IHE, the TEA will use audited financial data in the district's or charter's AFR. The AFR, submitted as an electronic submission through the TEA website, must include data required in the Financial Accountability System Resource Guide (FASRG) adopted under §109.41 of this title (relating to Financial Accountability System Resource Guide);

(2) TSDS PEIMS. The TEA will use TSDS PEIMS data submitted by the school district, open-enrollment charter school, or charter school operated by a public IHE in the calculation of the financial accountability indicators.

(3) Warrant holds. The TEA will use warrant holds as reported by the Texas Comptroller of Public Accounts in the calculation of the financial accountability indicators.

(4) FSP. The TEA will use the average daily attendance (ADA) information used for FSP funding purposes for the school district, open-enrollment charter school, or charter school operated by a public IHE in the calculation of the financial accountability indicators.

(e) The TEA will base the financial accountability rating of a school district on its overall performance on the financial measurements, ratios, and other indicators established by the commissioner, as shown in the figures provided in this subsection. Financial accountability ratings for a rating year are based on the data from the immediate prior fiscal year.

(1) The financial accountability rating indicators for rating year 2014-2015 are based on fiscal year 2014 financial data and are provided in the figure in this paragraph entitled "School FIRST - Rating Worksheet Dated August 2015 for rating year 2014-2015."

[Attached Graphic](#)

(2) The financial accountability rating indicators for rating year 2015-2016 are based on fiscal year 2015 financial data and are provided in the figure in this paragraph entitled "School FIRST - Rating Worksheet Dated August 2015 for rating year 2015-2016."

[Attached Graphic](#)

(3) The financial accountability rating indicators for rating year 2016-2017 are based on fiscal year 2016 financial data and are provided in the figure in this paragraph entitled "School FIRST - Rating Worksheet Dated December 2016 for rating year 2016-2017."

[Attached Graphic](#)

(4) The financial accountability rating indicators for rating years 2017-2018, 2018-2019, and 2019-2020 are based on financial data from fiscal years 2017, 2018, and 2019, respectively, and are provided in the figure in this paragraph entitled "School FIRST - Rating Worksheet Dated June 2019 for rating years 2017-2018 through 2019-2020." The financial accountability rating indicators for rating years 2017-2018, 2018-2019, and 2019-2020 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(5) The financial accountability rating indicators for rating year 2020-2021 are based on fiscal year 2020 financial data and are provided in the figure in this paragraph entitled "School FIRST - Rating Worksheet Dated June 2019 for rating year 2020-2021." The financial accountability rating indicators for rating years after 2020-2021 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(6) The specific calculations and scoring methods used in the financial accountability rating worksheets for school districts for rating years prior to 2014-2015 remain in effect for all purposes with respect to those rating years.

(f) The TEA will base the financial accountability rating of an open-enrollment charter school on its overall performance on the financial measurements, ratios, and other indicators established by the commissioner, as shown in the figures provided in this subsection. Financial accountability ratings for a rating year are based on the data from the immediate prior fiscal year.

(1) The financial accountability rating indicators for rating year 2014-2015 are based on fiscal year 2014 financial data and are provided in the figure in this paragraph entitled "Charter FIRST - Rating Worksheet Dated August 2015 for rating year 2014-2015."

[Attached Graphic](#)

(2) The financial accountability rating indicators for rating year 2015-2016 are based on fiscal year 2015 financial data and are provided in the figure in this paragraph entitled "Charter FIRST - Rating Worksheet Dated August 2015 for rating year 2015-2016."

[Attached Graphic](#)

(3) The financial accountability rating indicators for rating year 2016-2017 are based on fiscal year 2016 financial data and are provided in the figure in this paragraph entitled "Charter FIRST - Rating Worksheet Dated August 2015 for rating year 2016-2017."

[Attached Graphic](#)

(4) The financial accountability rating indicators for rating years 2017-2018, 2018-2019, and 2019-2020 are based on financial data from fiscal years 2017, 2018, and 2019, respectively, and are provided in the figure in this paragraph entitled "Charter FIRST - Rating Worksheet Dated June 2019 for rating year 2017-2018." The financial accountability rating indicators for rating years 2017-2018, 2018-2019, and 2019-2020 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(5) The financial accountability rating indicators for rating year 2020-2021 are based on fiscal year 2020 financial data and are provided in the figure in this paragraph entitled "Charter FIRST - Rating Worksheet Dated June 2019 for rating year 2020-2021." The financial accountability rating indicators for rating years after 2020-2021 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(6) The specific calculations and scoring methods used in the financial accountability rating worksheets for open-enrollment charter schools for rating years prior to 2014-2015 remain in effect for all purposes with respect to those rating years.

(g) The TEA will base the financial accountability rating of a charter school operated by a public IHE on its overall performance on the financial measurements, ratios, and other indicators established by the commissioner, as shown in the figures provided in this subsection. Financial accountability ratings for a rating year are based on the data from the immediate prior fiscal year.

(1) The financial accountability rating indicators for rating year 2016-2017 are based on fiscal year 2016 financial data and are provided in the figure in this paragraph entitled "IHE Charter FIRST - Rating Worksheet Dated June 2019 for rating years 2016-2017 through 2019-2020." The financial accountability rating indicators for rating years 2016-2017 through 2019-2020 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(2) The financial accountability rating indicators for rating year 2020-2021 are based on fiscal year 2020 financial data and are provided in the figure in this paragraph entitled "IHE Charter FIRST - Rating Worksheet Dated June 2019 for rating year 2020-2021." The financial accountability rating indicators for rating years after 2020-2021 will use the same calculations and scoring method provided in the figure in this paragraph.

[Attached Graphic](#)

(h) The types of financial accountability ratings that school districts or open-enrollment charter schools may receive for the rating year 2014-2015 are as follows.

(1) P for pass. This rating applies only to the financial accountability rating for rating year 2014-2015 based on fiscal year 2014 financial data. In accordance with the procedures established in this section, a school district or an open-enrollment charter school will receive a P rating if it scores within the applicable range established by the commissioner for a P rating.

(2) F for substandard achievement. This rating applies to the financial accountability rating for rating year 2014-2015 based on fiscal year 2014 financial data. In accordance with the procedures established in this section, a school district or an open-enrollment charter school will receive an F rating if it scores within the applicable range established by the commissioner for an F rating.

(i) The types of financial accountability ratings that school districts or open-enrollment charter schools may receive for the rating year 2015-2016 and all subsequent rating years are as follows.

(1) A for superior achievement. Beginning with the financial accountability rating for rating year 2015-2016 and all subsequent rating years, in accordance with the procedures established in this section, a school district or an open-enrollment charter school will receive an A rating if it scores within the applicable range established by the commissioner for an A rating.

(2) B for above standard achievement. Beginning with the financial accountability rating for rating year 2015-2016 and all subsequent rating years, in accordance with the procedures established in this section, a school district or an open-enrollment charter school will receive a B rating if it scores within the applicable range established by the commissioner for a B rating.

School FIRST Annual Financial Management Report



Superintendent's Current Employment Contract

The Superintendent's current contract is posted on the LISD website and will remain accessible for 12 months.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended August 31, 2018

Description of Reimbursements	Superintendent Lynn Torres	Superintendent Dr. LaTonya Goffney	Board Member Andro Branch	Board Member Allyson Langston	Board Member Don Muhlbach	Board Member Andra Self	Board Member Scott Skelton	Board Member Kristi Gay	Board Member George (Hall) Henderson IV	Board Member Matt Knight
Meals	\$58.00	\$282.85	\$0.00	\$0.00	\$42.08	\$35.60	\$0.00	\$0.00	\$0.00	\$0.00
Lodging	\$346.24	\$6,438.89	\$340.24	\$434.38	\$1,301.03	\$1,555.78	\$0.00	\$217.19	\$0.00	\$663.75
Transportation	\$207.10	\$2,823.55	\$213.29	\$244.68	\$512.95	\$2,085.50	\$0.00	\$0.00	\$0.00	\$312.20
Other	\$0.00	\$243.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Motor Fuel										
Total	\$611.34	\$9,788.73	\$553.53	\$679.06	\$1,856.06	\$3,676.88	\$0.00	\$217.19	\$0.00	\$975.95

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported.

Items to be reported per category include:

Meals – Meals consumed out of

Lodging – Hotel charges.

Transportation – Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).

Motor fuel – Gasoline.

Other: Registration fees, telephone/cell phone, internet/fax services and any other reimbursements not defined above.

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services

For the Twelve-Month Period
Ended August 31, 2018

Name(s) of Entity(ies)

None reported

Total

Amount Received

\$0.00

\$0.00

Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any) (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)

For the Twelve-Month Period
Ended August 31, 2018

	Superintendent Lynn Torres	Superintendent Dr. Latonya Goffney	Board Member Andro Branch	Board Member Allyson Langston	Board Member Don Muhlbach	Board Member Andra Self	Board Member Scott Skelton	Board Member Kristi Gay	Board Member George (Hall) Henderson IV	Board Member Matt Knight
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

Business Transactions Between School District and Board Members

For the Twelve-Month Period
Ended August 31, 2018

	Superintendent Lynn Torres	Superintendent Dr. Latonya Goffney	Board Member Andro Branch	Board Member Kristi Gay	Board Member Allyson Langston	Board Member Don Muhlbach	Board Member Andra Self	Board Member Scott Skelton	Board Member George (Hall) Henderson IV
Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$377.80	\$0.00	\$0.00	\$0.00

Note – The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.