

2020-2021 F.I.R.S.T. REPORT



LUFKIN INDEPENDENT SCHOOL DISTRICT

**A FINANCIAL MANAGEMENT REPORT
FOR THE YEAR ENDED AUGUST 31, 2020**

TABLE OF CONTENTS

	Page
School FIRST Introduction and Cover Letter.....	1
Notice of Public Meeting.....	2-3
TEA Administrator Addressed Letter.....	4-5
2020-2021 District FIRST Report and Indicators based on school year 2019-2020 data.....	6-27
Texas Administrative Code.....	28-31
Management Report Contact Information.....	32



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

November 18, 2021

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 an A rating. A district can be assigned one of four ratings: A = Superior, B = Above Standard, C = Meets Standard and F = Substandard Achievement. The District also received an A rating for the previous year. 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

Jackie Zimmerman, *Publisher*
P.O. 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 Jackie Zimmerman, who was sworn according to law that she is the Publisher for THE LUFKIN DAILY NEWS.

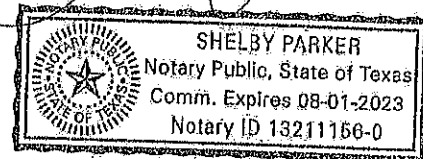
THE PUBLISHER of THE LUFKIN DAILY NEWS, a daily newspaper published in Lufkin, Texas, in said County and State, attests that the attached printed material was published in said newspaper

NOVEMBER 3RD and 7th 2021


Jackie Zimmerman, Publisher

SUBSCRIBED AND SWORN TO BEFORE ME THIS
THE 8th DAY OF NOVEMBER 2021


Shelby Parker, Notary Public
State of Texas



Account Name & Number:

Lufkin ISD

10085 RFP

THE LUFKIN DAILY NEWS

Classifieds

936-637-7355 | ADS ALSO APPEAR ONLINE AT LUFKINDAILYNEWS.COM/CLASSIFIEDS/

GARAGE SALES Starting at \$23	Merchandise Starting at \$28
AUTO-BODY-PAINT Starting at \$35	SERVICE DIRECTORY \$5/Day

[illegible]

Help Wanted

Dock Help

30 hours per week

Nights - 11 p.m. - 4 a.m.

Must Have:

Reliable Transportation, Current Drivers License,
Proof of Insurance

THE LUFKIN DAILY NEWS

Apply in person at
The Lufkin Daily News
300 Ellis, Lufkin, Texas

Or send resume to

vitto.kleinschmidt@lufkindailynews.com


RAKE
IN GREAT
FINDS IN THE
CLASSIFIEDS

Our extensive, organized listings make it easy to find what you're looking for, so you can start raking in the good stuff.

517-581.1

90.9
kswp
Christian Music for Your Family
kavx.O
A Voice For Christ **91.9**

Full & Part-Time Openings at
Christian Radio stations.
Applications available at
kswp.org/job or kavx.org/job
- EOE Employer

SUPPORT
FOR

LOCAL
Needs & Relationships

Double
your IMPACT
with Print
& Online
ADVERTISING!

A RATED ANGE'S LIST CERTIFIED VENDOR

WILLIAMS CONTRACTING

PAINT & REMODELING SPECIALISTS OF EAST TEXAS

FULLY INSURED \ CALL US AT \ FREE ESTIMATES

936.615.5873 • 903.512.1323

williamscontracting.us

• Foundation Repair
 • Pler and Beam
 • House Leveling
 • and much more...

Find us on FB
 @Ss6Optimum



Call and schedule
 a FREE estimate
 (936) 205-6813

ARE BATS DRIVING YOU BATTY?

Commercial Bat Control has been based in Texas since 1987

- * Chemical free bat exclusion
- * Five year written warranty
- * Bat guano removal and odor control offered

Call us today at 214-837-9294

**Call for
Free
Estimates!**

**Painting • Remodeling • Drywall • Demolition
• Property Management**

936-635-2563
huhhomeservices.com

DATE:	August 6, 2021
SUBJECT:	Preliminary 2020–2021 School FIRST Ratings
CATEGORY:	Accreditation Information
NEXT STEPS:	Share with appropriate staff

Your school district's preliminary 2020–2021 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 by using this link <https://tea.texas.gov/>;
- click the Finance and Grants webpage tab link <https://tea.texas.gov/finance-and-grants>;
- click the Financial Compliance link <https://tea.texas.gov/finance-and-grants/financial-compliance>;
- click the [Financial Integrity Rating System of Texas](#) 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 2020 (the fiscal period ended June 30, 2020, or August 31, 2020, 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\(e\)\(5\)](#).

Please carefully review your district's preliminary School FIRST rating and the data associated with each of the 20 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, it must be received by **September 8, 2021**. Send your appeal and supporting documentation to the following email address: FinancialAccountability@tea.texas.gov.

Please note, all appeal requests, including supporting documentation, must be submitted via email to FinancialAccountability@tea.texas.gov on or before September 8, 2021. Appeals and supporting documentation that are not submitted to the Financial Accountability email address by the required deadline will not be considered or processed.

Please see [19 TAC §109.1001\(n\)](#) for the rules regarding the filing of an appeal. As stated in that section, only an appeal that would result in a change to your district's rating will be considered. **If no appeal is submitted by your district, your district's preliminary rating becomes final on the 31st day after the preliminary ratings are released (September 9, 2021).**

Final School FIRST Rating and Required Reporting

Final ratings will be issued to school districts after all of the appeals submitted by the deadline have been reviewed. Final 2020–2021 School FIRST ratings are anticipated to be released in November 2021.

Within two months of the release of your school district's 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.

A 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 regularly scheduled meeting of the board of trustees.

For full requirements related to the financial management report and public 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.

To access additional rules concerning financial accountability ratings, please see [19 TAC §109.1001](#).

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 Rita Bunton at (512) 936-3712 or by email at Rita.Bunton@tea.texas.gov.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 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:	6/8/2021 3:01:17 PM

FORMULA

Field	Value
Date Received	2021/01/27
\leq Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2021/02/28

RESULT DETERMINATION REFERENCE

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



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 2

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:	6/8/2021 3:01:18 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.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 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:	6/8/2021 3:01:18 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.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)
Status	Passed
Ceiling	Passed
Last Updated:	7/1/2021 8:56:52 AM

FORMULA

Field	Value
Timely Payments to Government Agencies	true

CEILING FORMULA

Field	Value
Warrant Hold Issued	false

RESULT DETERMINATION REFERENCE

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

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the district was not issued a warrant hold.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 6

Name:	LUFKIN ISD (003903)
Indicator:	Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)
Ceiling	Passed
Last Updated:	6/28/2021 10:59:46 AM

FORMULA

Field	Value
(
(
(
2017-2018 Assigned and Unassigned Fund Balances	23,779,421
- 2016-2017 Assigned and Unassigned Fund Balances	25,515,560
)	
/ 2016-2017 Assigned and Unassigned Fund Balances	25,515,560
)	
+	
(
(
2018-2019 Assigned and Unassigned Fund Balances	23,218,956
- 2017-2018 Assigned and Unassigned Fund Balances	23,779,421
)	
/ 2017-2018 Assigned and Unassigned Fund Balances	23,779,421
)	
+	
(
(
2019-2020 Assigned and Unassigned Fund Balances	28,063,290
- 2018-2019 Assigned and Unassigned Fund Balances	23,218,956
)	
/ 2018-2019 Assigned and Unassigned Fund Balances	23,218,956
)	
)	
/ 3	
< Threshold for Three-Year Percent Change in Fund Balances	0.25
Or	
2019-2020 Assigned and Unassigned Fund Balances	28,063,290
>	
(

(2

2019-2020 Total Expenditures

73,897,458

- 2019-2020 Capital Outlay

101,410

)

/ 365

* 75

)

Mathematical Breakdown: $0.039 < 0.25$ Or $28,063,290 > 15,163,571.5068$

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the average change in fund balances over 3 years had less than a 25 percent decrease or the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 7

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 in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:18 PM

FORMULA

Field	Value
(
(
Cash and Equivalents	28,579,986
+ Current Investments	0
)	
/	
(
Total Expenditures	73,897,458
- Facilities Acquisition and Construction	101,410
)	
)	
* 365	
Mathematical Breakdown: 141.3584	

RESULT DETERMINATION REFERENCE

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



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 8

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 in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:18 PM

FORMULA

Field	Value
Current Assets	94,681,835
/ Current Liabilities	12,596,045
Mathematical Breakdown: 7.5168	

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



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 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? See ranges below in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:18 PM

FORMULA

Field	Value
(
Total Revenue	78,430,743
/	
(
Total Expenditures	73,897,458
-	
Facilities Acquisition and Construction	101,410
)	
-	1
)	
>=	0
Or	
(
(
Cash and Equivalents	28,579,986
+	
Current Investments	0
)	
/	
(
Total Expenditures	73,897,458
-	
Facilities Acquisition and Construction	101,410
)	
)	
*	365
>=	Acceptable Days Cash on Hand
	60
Mathematical Breakdown: 0.0628 >= 0 Or 141.3584 >= 60	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10

0

$\geq 0\%$

$< 0\%$



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 10

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?
Result/Points	10
Last Updated:	7/2/2021 12:54:17 PM

FORMULA

Field	Value
(
(
(
2017-2018 Actual Revenues	66,903,200
- 2017-2018 Budgeted Revenues	67,169,669
)	
/ 2017-2018 Budgeted Revenues	67,169,669
)	
+	
(
(
2018-2019 Actual Revenues	68,335,026
- 2018-2019 Budgeted Revenues	67,966,690
)	
/ 2018-2019 Budgeted Revenues	67,966,690
)	
+	
(
(
2019-2020 Actual Revenues	77,085,425
- 2019-2020 Budgeted Revenues	79,058,845
)	
/ 2019-2020 Budgeted Revenues	79,058,845
)	
)	
/ 3	
< Acceptable Level of Variance	0.1
Mathematical Breakdown: $-0.0078 < 0.1$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	0
<10%	>=10%



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 11

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 increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:20 PM

FORMULA

Field	Value
(
Long Term Liabilities	99,533,146
/	
Total Assets	176,393,777
<= 1	
)	
Or	
(
(
2020 Total Students	7,839
-	
2016 Total Students	8,243
)	
/	
2016 Total Students	8,243
>= Threshold for Five-Year Percent Increase in Students	0.07
)	
Mathematical Breakdown: 0.5643 <= 1 Or -0.049 >= 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

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 12

Name:	LUFKIN ISD (003903)
Indicator:	Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:20 PM

FORMULA

Field	Value
(Total Local and Intermediate Sources	6,266,279
/ Total Revenue	6,778,890
)	
* Long Term Liabilities	99,533,146
* 100	
/ Assessed Property Value	2,512,784,040
Mathematical Breakdown: 3.6615	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
<= 4	> 4 <= 7	> 7 <= 10	> 10 <= 11.5	> 11.5 <= 13.5	> 13.5



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 13

Name:	LUFKIN ISD (003903)
Indicator:	Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 3:01:20 PM

FORMULA

Field	Value
District Administrative Cost Ratio	0.0848
And	
ADA	6,886.815
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	> 0.1311 <= 0.1561	> 0.1561 <= 0.1811	> 0.1811 <= 0.2061	> 0.2061 <= 0.2311	> 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



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 14

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:	6/8/2021 3:01:20 PM

FORMULA

Field	Value
(
2019-2020 Total Enrollment	7,869
/	
2019-2020 Number of FTE Staff	1,310.7181
)	
/	
(
2017-2018 Total Enrollment	7,992
/	
2017-2018 Number of FTE Staff	1,274.1644
)	
- 1	
> Threshold for Three-Year Percent Change in Ratio	-0.15
Or	
2019-2020 Total Enrollment	7,869
- 2017-2018 Total Enrollment	7,992
> 0	
Mathematical Breakdown: $-0.0428 > -0.15$ Or $-123 > 0$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 15

Name:	LUFKIN ISD (003903)
Indicator:	Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section.
Result/Points	5
Last Updated:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
(Actual ADA	7,145.481
- Projected ADA	7,000
)	
/ Projected ADA	7,000
Mathematical Breakdown: 0.0208	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS		
ADA Size	5	0
10,000 and Above	<= 0.07	> 0.07
5,000 to 9,999	<= 0.10	> 0.10
1,000 to 4,999	<= 0.20	> 0.20
500 to 999	<= 0.25	> 0.25
Less than 500	<= 0.30	> 0.30
Sparse	<= 0.35	> 0.35



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 16

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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)
Ceiling	Passed
Last Updated:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
Sum of Differences	99
/ Denominator	73,897,417
< Acceptable Level of Variance	.03
Mathematical Breakdown: $0 < 0.03$	

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the comparison of PEIMS expenditure data to AFR data has a total variance of less than 3 percent.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 17

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.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)
Ceiling	Passed
Last Updated:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
Not Weak Internal Controls	false

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

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



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 18

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:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
Not Material Non-Compliance	false

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 19

Name:	LUFKIN ISD (003903)
Indicator:	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?
Result/Points	5
Last Updated:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
Required Financial Postings	true

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
5	0
Yes	No



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 20

Name:	LUFKIN ISD (003903)
Indicator:	Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)
Ceiling	Passed
Last Updated:	6/8/2021 3:01:21 PM

FORMULA

Field	Value
Board Property Value Discussion	true

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the school board discussed property values at a meeting within 120 days before the district adopted its budget.

Texas Administrative Code

TITLE 19	EDUCATION
PART 2	TEXAS EDUCATION AGENCY
CHAPTER 109	BUDGETING, ACCOUNTING, AND AUDITING
SUBCHAPTER AA	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 April 2020 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 April 2020 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 April 2020 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 April 2020 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.

[HOME](#)

[TEXAS REGISTER](#)

[TEXAS ADMINISTRATIVE CODE](#)

[OPEN MEETINGS](#)

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, 2020

Description of Reimbursements

	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	Lynn Torres	Scott Skelton	Don Muhlbach	Allyson Langston	Andra Self	Kristi Gay	George (Hall) Henderson IV	Matt Knight
Meals	\$0.00	\$0.00	\$24.00	\$0.00	\$18.25	\$0.00	\$0.00	\$0.00
Lodging	\$0.00	\$0.00	\$618.81	\$0.00	\$400.97	\$0.00	\$0.00	\$0.00
Transportation	\$0.00	\$0.00	\$260.00	\$0.00	\$260.00	\$0.00	\$0.00	\$0.00
Motor Fuel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$902.81	\$0.00	\$679.22	\$0.00	\$0.00	\$0.00

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 town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).
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 service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member 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, 2020

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, 2020

	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	Lynn Torres	Scott Skelton	Don Muhlbach	Allyson Langston	Andra Self	Kristi Gay	George (Hall) Henderson IV	Matt Knight
Total	\$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, 2020

	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	Lynn Torres	Scott Skelton	Don Muhlbach	Allyson Langston	Andra Self	Kristi Gay	George (Hall) Henderson IV	Matt Knight
Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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.