

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



LUFKIN INDEPENDENT SCHOOL DISTRICT

**A FINANCIAL MANAGEMENT REPORT
FOR THE YEAR ENDED AUGUST 31, 2019**

TABLE OF CONTENTS

	Page
School FIRST Introduction and Cover Letter.....	1
Notice of Public Meeting.....	2-3
TEA Administrator Addressed Letter.....	4-5
2019-2020 District FIRST Report and Indicators based on school year 2018-2019 data.....	6-25
Texas Administrative Code.....	26-30
Management Report Contact Information.....	31



LUFKIN INDEPENDENT SCHOOL DISTRICT

P.O. BOX 1407

LUFKIN, TEXAS 75902

936/634-6696

Fax: 936/634-3611

December 17, 2020

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

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

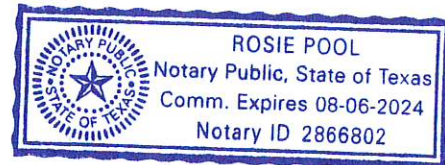
DECEMBER 4th 2020


Jackie Zimmerman, Publisher

SUBSCRIBED AND SWORN TO BEFORE ME THIS
THE 4th DAY OF DECEMBER 2020



Rosie Pool, Notary Public
State of Texas



Account Name & Number: LUFKIN I.S.D. Public meeting
821026

UNFURNISHED HOUSES

3BR on 1/2 Acre in Etoile
\$650 mo + Deposit
936-897-3431

3BR 2BA Brick
Call for Details
936-676-7492

HOUSE FOR RENT
Rural Diboll, 3BR/2BA
Appliances CH&A
Water Included
\$1,000 per month
\$700 deposit
936-674-7882

OFFICE SPACE

PINEHOLLOW BUSINESS PARK
Prime location on loop (across from Southern Chrysler).
*2,000 sf executive office, will finish to suit.
*Red carpet suites 385 sf and 688 sf with all bills paid with excellent finishes.
On-site maintenance.
Call
(936) 639-9753.

LEGAL NOTICES**CITATION BY PUBLICATION**

THE STATE OF TEXAS

TO: The Unknown Heirs of Issac Jacob Tucker, Deceased:

On November 19, 2020, Applicant, Stephanie Denise Tucker, in cause number 201-20-PR, styled in the Estate of Issac Jacob Tucker, Deceased filed an Application to Determine Heirship in the County Court at Law No. 2 of Angelina County, Texas. Said Application may be heard and acted upon by said court after 10 o'clock a.m. on the first Monday next after the expiration of ten (10) days from the date of publication of this citation. All unknown heirs in said estate are hereby cited to appear before said county by filing written answer stating their interest in said estate should they desire to do so. Given under my hand and seal of office in Angelina County, Texas

LEGAL NOTICES

Lufkin Independent School District will be holding a public meeting at 6:00 p.m. on December 17, 2020 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 2018-2019 School FIRST (Financial Integrity System of Texas).

NOTICE TO CREDITORS

Notice is hereby given that original Letters Testamentary for the Estate of CAROLYN LOUISE HATHORN, Deceased, were issued on November 19, 2020, in Cause No. 167-20-PR, pending in the County Court of Angelina County, Texas, to: Sally Jo Parise. All persons having claims against this Estate which is currently being administered are required to present them to the undersigned within the time and in the manner prescribed by law:

c/o: Sally Jo Parise
1108 N. Lakeshore Drive
Rockwall, Texas 75087

c/o Robert L. Flournoy
Law Office of Robert L. Flournoy
118 S. Second Street
Lufkin, Texas 75901

DATED the 23rd day of November, 2020.

Law Office of Robert L. Flournoy
118 S. Second Street
Lufkin, Texas 75901
Phone: (936) 639-4466
Fax: (936) 634-3190
By: Robert L. Flournoy
Attorney for the Estate
State Bar No: 07173000
E-Mail: bob@rlflournoy.com

NEW NEWS
as it happens

**LEGAL NOTICES**

THE STATE OF TEXAS
TO: **MELANIE L. HUFFMAN**
You have been sued. You may employ an attorney. If you or your attorney does not file a written answer with the clerk who issued this citation by 10 a.m. on the Monday next following the expiration of 20 days after you were served this citation and petition, a default judgement may be taken against you. The Second Amended Petition For Protection Of A Child For Conservatorship, And For Termination In Suit Affecting The Parent Child Relationship of **JENNIFER LEANN MARTIN**, Petitioner, was filed in the District Court of Angelina County, Texas, on the 13th day of March, 2019, against **MELANIE L. HUFF** and **JAMES EDWARD RICKMAN, Jr.**, Respondents, numbered CV-00513-18-08, and entitled "In The Interest Of **GRACE RUBY RICKMAN**, a minor child." The suit requests the appointment of a new conservator and termination of the parent-child relationship. The date of birth of the child, **GRACE RUBY RICKMAN**, who is the subject of the suit, is April 13, 2018. The court has authority in this suit to render an order in the child's interest that will be binding on you, including the appointment of a new conservator and termination of the parent-child relationship. ISSUED AND GIVEN UNDER MY HAND AND SEAL OF THIS COURT on the 13th day of November, 2020, at Lufkin, Angelina County, Texas.
REBA SQUYRES, CLERK OF THE DISTRICT COURT OF ANGELINA COUNTY, TEXAS

EMPLOYMENT**AUTOMOTIVE SERVICES**

NOW HIRING
Wright Chrysler Dodge Jeep is hiring for a Certified Technician.
Certified Tech pay up to \$35/hr.
Send resume to James@wrightdodge.com or apply in person at 1858 Tenaha St. Center, Texas 75935 936-598-8433

FULL-TIME EMPLOYMENT

ALABAMA-COUSHATTA TRIBE OF TEXAS is looking to hire an IT Administrator and and IT Technician.
Full Time at the Reservation outside of Livingstone.
Full benefits with vacation and sick time. For more information go to: www.alabama-coushatta.com

Help Wanted
Propane route delivery and sales. Nacogdoches County area. Health insurance benefit and 401k available. CDL with Hazmat and Propane certification required. Full time. Call (903)822-3234.

SUPPORT OUR LOCAL

Shops & Restaurants

ELDERLY CARE PROVIDERS

Part Time Sitter Needed for elderly woman 2-3 days a week 9AM-3PM duties will include lunch preparation, must have references 936-635-6239 936-674-7828 Please leave a message if no answer.

WORK WANTED

Caregiver needed for female quadriplegic. Total care for in home client, experience preferred. Light housekeeping duties, food preparation, bathing and grooming, doctors' visits, keep up with appointments and various other tasks. you will be trained with all equipment. Dependability and a heart for caring for people is a must. All shifts needed-pay starts at \$11.00. You can pick up an application at TYG finance at 1422 S. 1st Street, Lufkin or call with any questions 632-3972 leave a message.

Couple wanted to work in kennel in exchange for free rent. 936-404-4335

CLASSIFIED ATTIC

Cloth Door Blinds
17W x 64L \$75
936-205-5134

We Sell Newspaper End Rolls
• Inexpensive Packing material
• Great for Arts & Crafts
SHORT ROLL \$1 TALL ROLL \$2 TALL ROLL \$3

GARAGE SALES

Huge Estate Sale

Antiques, house-hold items, tools, and everything in between.
6507 FM 1196 San Augustine, Texas
Thurs-Sat;
December 3-5
8:00a-5:00p

IDLEWOOD GARAGE SALE AT 203 SPRING BRANCH - TABLE SAW, DVD's, CLOTHES, HOME DECOR

CARS

One Owner, 2017 Ford Fusion, 1.5 Engine, Eco-Boost, very good condition inside and out, 55K miles \$15,500 Negotiable-Lufkin, TX (409) 291-3232

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THE L

LEGAL



REQUEST FOR PROPOSAL
CLIENT-BASED LAI
Date Posted: 12
Open Proposal Dat

Burke is seeking Proposals from qualified vendors client-based services.

RFP NOTICE AND DOCUMENT may be OR at the Burke Central Administration Building beginning December 21, 2020.

The initial contract period shall commence on 12/23/2020, unless renewed, extended, or terminated and upon mutual agreement. At its sole discretion two-year terms, provided the contract term, it exceed two years.

PROPOSAL CLOSING DATE, TIME and PLACE at 2003 S. Medford Drive, Lufkin, Texas 75901 proposal submission content must be submitted as specified. The official time and date submitted: received at the location. Faxed responses shall not be accepted.

Happy 15th Birthday Preston Barringer!

Love- Momma, Daddy, Ashton, Stretchie, Gretel, Lily, and Zoey



DATE:	November 6, 2020
SUBJECT:	Official Notification of the 2019–2020 Release of Final FIRST Ratings
CATEGORY:	Information Update
NEXT STEPS:	Required Reporting

Final 2019–2020 Financial Integrity Rating System of Texas (FIRST) ratings based on fiscal year 2019 are now publicly available on the Texas Education Agency (TEA) website:

- [School districts](#)
- [Open-enrollment charter schools and charter schools operated by Institutions of Higher Education \(IHE\)](#)

A previous “To the Administrator Addressed” letter dated August 6, 2020, instructed your school district or charter school (local education agency or LEA) to view its *preliminary* FIRST rating. The letter also provided information about the data the TEA analyzes to produce the rating and described the appeal process available to your LEA. This appeals process is now complete, and the FIRST ratings are final.

Required Reporting

Within two months of the release of its final FIRST rating, your LEA must announce and hold a public meeting to distribute a financial management report that explains the LEA’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 Texas Administrative Code \(TAC\) §109.1001\(q\)\(3\)](#). We encourage your LEA to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the LEA’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 LEA 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 LEA can use in developing its financial management report, see the TEA [School FIRST](#) web page for school districts or [FIRST Rating for Charter Schools](#) web page.

Special Note on Required Reporting During the COVID-19 Pandemic

A district or charter school may hold a virtual hearing and take virtual testimony in conformance with [COVID-19 resources and guidelines](#) published by the Office of the Attorney General and Texas Department of Information Resources. TEA will consider a hearing held in conformance with such resources and guidelines as compliant with the hearing location and participation requirements of 19 TAC §109.1001(q)(4). The district must, however, continue to follow all other hearing-related and notice requirements of the rule.

Accreditation Status

Please note that the TEA considers an LEA's 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 LEA's FIRST rating, please contact financialaccountability@tea.texas.gov.

David Marx, CPA
Director Financial Compliance Division
School Finance Department



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON SCHOOL YEAR 2018-2019 DATA - DISTRICT STATUS DETAIL

Name: LUFKIN ISD(003903)	Publication Level 1: 8/6/2020 9:26:37 AM
Status: Passed	Publication Level 2: 8/6/2020 11:17:34 AM
Rating: A = Superior	Last Updated: 8/6/2020 11:17:34 AM
District Score: 90	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>	3/30/2020 12:24:12 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>	3/30/2020 12:24:13 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>	3/30/2020 12:24:13 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>	3/30/2020 12:24:13 PM	Yes
4	<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>	3/30/2020 12:24:13 PM	Yes
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</u>	3/30/2020	10

	<u>school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	12:24:14 PM	
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>	3/30/2020 12:24:14 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 increase of students in membership over 5 years was 7 percent or more, then the school district passes this indicator. See ranges below.</u>	3/30/2020 12:24:15 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>	3/30/2020 12:24:15 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	3/30/2020 12:24:16 PM	0
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/30/2020 12:24:17 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>	3/30/2020 12:24:17 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>	3/30/2020 12:24:19 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>	3/30/2020 12:24:19 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>	3/30/2020 12:24:20 PM	10
			90 Weighted Sum
			1 Multiplier Sum
			90 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
------------------------------------	---------------

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.



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:12 PM

FORMULA

Field	Value
Date Received	2020/01/23
\leq Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2020/02/28

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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:13 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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:13 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.



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:13 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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:13 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.
--



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:14 PM

FORMULA

Field	Value
(
(
Cash and Equivalents	23,941,566
+ Current Investments	0
)	
/	
(
Total Expenditures	70,427,475
- Facilities Acquisition and Construction	641,701
)	
)	
* 365	
Mathematical Breakdown: 125.2214	

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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:14 PM

FORMULA

Field	Value
Current Assets	72,689,825
/ Current Liabilities	10,954,710
Mathematical Breakdown: 6.6355	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
≥ 3.00	$< 3.00 \geq 2.50$	$< 2.50 \geq 2.00$	$< 2.00 \geq 1.50$	$< 1.50 \geq 1.00$	< 1.00



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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 increase 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:	3/30/2020 12:24:15 PM

FORMULA

Field	Value
(
Long Term Liabilities	78,105,874
/	
Total Assets	145,626,524
<= 1	
)	
Or	
(
(
2019 Total Students	7,827
-	
2015 Total Students	8,322
)	
/	
2015 Total Students	8,322
>= Threshold for Five-Year Percent Increase in Students	0.07
)	
Mathematical Breakdown: 0.5363 <= 1 Or -0.0595 >= 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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:15 PM

FORMULA

Field	Value
(
Total Revenue	69,859,065
/	
(
Total Expenditures	70,427,475
- Facilities Acquisition and Construction	641,701
)	
- 1	
)	
>= 0	
Or	
(
(
Cash and Equivalents	23,941,566
+ Current Investments	0
)	
/	
(
Total Expenditures	70,427,475
- Facilities Acquisition and Construction	641,701
)	
)	
* 365	
>= Acceptable Days Cash on Hand	60
Mathematical Breakdown: 0.0011 >= 0 Or 125.2214 >= 60	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10

0



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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	0
Last Updated:	3/30/2020 12:24:16 PM

FORMULA

Field	Value
(
Total Revenues (in the General Fund and Debt Service Fund)	76,487,714
- Total Expenditures (in the General Fund and Debt Service Fund)	78,131,796
+ Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund)	8,654,182
+ Fund Code 599 (Ending Debt Service fund balance)	14,957
+ Function Code 81	641,701
)	
/ Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund)	8,654,182
Mathematical Breakdown: 0.8859	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
≥ 1.20	$< 1.20 \geq 1.15$	$< 1.15 \geq 1.10$	$< 1.10 \geq 1.05$	$< 1.05 \geq 1.00$	< 1.00



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:17 PM

FORMULA

Field	Value
District Administrative Cost Ratio	0.0897
And	
ADA	7,117.338
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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:17 PM

FORMULA

Field	Value
(
2018-2019 Total Enrollment	7,861
/	
2018-2019 Number of FTE Staff	1,278.6667
)	
/	
(
2016-2017 Total Enrollment	8,216
/	
2016-2017 Number of FTE Staff	1,268.224
)	
- 1	
> Threshold for Three-Year Percent Change in Ratio	-0.15
Or	
2018-2019 Total Enrollment	7,861
- 2016-2017 Total Enrollment	8,216
> 0	
Mathematical Breakdown: $-0.051 > -0.15$ Or $-355 > 0$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:19 PM

FORMULA

Field	Value
Sum of Differences	117
/ Denominator	70,427,502
< Acceptable Level of Variance	.03
Mathematical Breakdown: $0 < 0.03$	

RESULT DETERMINATION REFERENCE

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



Financial Integrity Rating System of Texas

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:19 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

2019-2020 RATINGS BASED ON 2018-2019 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:	3/30/2020 12:24:20 PM

FORMULA

Field	Value
No Adjusted Repayment Schedule	<input type="text" value="true"/>

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No

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 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.

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, 2019

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	\$86.75	\$11.53	\$30.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lodging	\$1,625.23	\$607.24	\$625.92	\$1,008.67	\$1,073.23	\$0.00	\$0.00	\$0.00
Transportation	\$1,095.12	\$532.72	\$643.82	\$243.07	\$464.34	\$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	\$2,807.10	\$1,151.49	\$1,299.84	\$1,251.74	\$1,537.57	\$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, 2019

Name(s) of Entity(ies)	Amount Received
None Reported	\$0.00
Total	\$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, 2019

	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, 2019

	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	\$520.00	\$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.