



Financial Integrity Rating System of Texas (FIRST)

PUBLIC HEARING

October 21, 2019



LEWISVILLE INDEPENDENT SCHOOL DISTRICT

Lewisville Independent School District Schools FIRST Rating Notice of Public Meeting

Published September 29, 2019

LEGAL NOTICE

Notice of Public Meeting to Discuss Lewisville Independent School District's (LISD) State Financial Accountability Rating

LISD will hold a public hearing at 7 p.m. on October 21, 2019, at the Lewisville ISD Administrative Center, 1565A W. Main Street, Lewisville, Texas. The purpose of this meeting is to discuss LISD's rating on the state's financial accountability system.





RATING FOR LISD

Lewisville ISD received the highest rating available:

A = Superior





Financial Integrity Rating System of Texas

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

Name: LEWISVILLE ISD (061902)		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: 96		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>	8/5/2019 11:07:33 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>	8/5/2019 11:07:33 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>	8/5/2019 11:07:34 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 11:07:34 PM	Yes

#	Indicator Description	Updated	Score
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>	8/5/2019 11:07:34 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 school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	8/5/2019 11:07:35 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 11:07:35 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 11:07:36 PM	6
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 11:07:36 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/7/2019 12:27:24 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 11:07:37 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 11:07:40 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 11:07:40 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 11:07:40 PM	10

#	Indicator Description	Updated	Score
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 11:07:41 PM	10
			96 Weighted Sum
			1 Multiplier Sum
			96 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.			



DISCLOSURE #1

Superintendent's Employment Contract

In lieu of publication of the superintendent's employment contract in the School FIRST rating report , the contract is accessible on the school district's internet site located at:

www.lisd.net/suptcontract





DISCLOSURE #2

Reimbursements Received by the Superintendent and Board Members For the Twelve-Month Period Ended August 31, 2018

Description of Reimbursements	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	Dr. Kevin Rogers	Angie Cox	Kristi Hassett	Allison Lassahn	Tracy Scott Miller	Jenny Proznik	Katherine Sells	Kronda Thimesch	Trisha Sheffield*
Meals	\$ 1,523.32	\$ 388.69	\$ 283.99	\$ 50.00	\$ 516.43	\$ 170.00	\$ 397.47	\$ 421.74	\$ 64.75
Lodging	2,186.78	-	1,980.33	221.25	764.19	1,101.15	1,101.15	886.59	-
Transportation	3,417.66	-	1,300.84	132.97	623.15	248.33	607.14	932.44	93.52
Other:									
Conference Fees	1,682.25	830.00	792.13	395.00	1,835.00	1,485.00	770.00	1,167.12	385.00
Membership Fees	-	-	-	-	-	-	-	-	-
Internet Service (Data Plan)	455.88	-	-	-	-	-	-	-	-
Cell Phone Service	621.74	-	-	-	-	-	-	-	-
Miscellaneous	24.00	-	-	-	-	24.00	-	12.00	-
Total	\$ 9,911.63	\$ 1,218.69	\$ 4,357.29	\$ 799.22	\$ 3,738.77	\$ 3,028.48	\$ 2,875.76	\$ 3,419.89	\$ 543.27

*Term expired May 2018

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

Items to be reported per category include:

Meals - Meals consumed off of the school district's premises, and in-district meals at area restaurants (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.





DISCLOSURE #3

**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)	Amount Received
None	None
Total	<u>\$ -</u>

Note: Compensation does not include business revenues generated from a family business (farming, ranching, etc) that has no relation to school district business.





DISCLOSURE #4

**Gifts Received by Executive Officers and Board Members
(and First Degree Relatives, if any)**

**For the Twelve-Month Period
Ended August 31, 2018**

Superintendent/ Board Member	Position	Gifts>\$250 aggregate value
Dr. Kevin Rogers	Superintendent	None
Angie Cox	Board Member	None
Kristi Hassett	Board Member	None
Allison Lassahn	Board Member	None
Tracy Scott Miller	Board Member	None
Jenny Proznik	Board Member	None
Katherine Sells	Board Member	None
Kronda Thimesch	Board Member	None
Trisha Sheffield	Board Member	None

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.





DISCLOSURE #5

Business Transactions Between School District and Board Members For the Twelve-Month Period Ended August 31, 2018

	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	Angie Cox	Kristi Hassett	Allison Lassahn	Tracy Scott Miller	Jenny Proznik	Katherine Sells	Kronda Thimesch	Trisha Sheffield
For Period Ended August 31, 2018	None	None	None	None	None	None	None	None
Summary Amounts:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -





DISCLOSURE #6

OTHER INFORMATION

For the Twelve-Month Period

Ended August 31, 2018

Lewisville Independent School District received the Certificate of Achievement for Excellence in Financial Reporting from:

- Government Finance Officers Association
- Association of School Business Officials International





2017-2018 Ratings for LISD

Based on School Year 2016-2017 Data

Previous year's financial accountability ratings





Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA - DISTRICT STATUS DETAIL

Name: LEWISVILLE ISD (061902)		Publication Level 1: 8/6/2018 2:48:24 PM	
Status: Passed		Publication Level 2: 8/8/2018 12:11:29 PM	
Rating: A = Superior		Last Updated: 8/8/2018 12:11:29 PM	
District Score: 94		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>	4/20/2018 8:26:58 AM	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>	4/20/2018 8:26:58 AM	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>	4/20/2018 8:26:58 AM	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>	4/20/2018 8:26:59 AM	Yes

#	Indicator Description	Updated	Score
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>	4/20/2018 8:26:59 AM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (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.)</u>	4/20/2018 8:26:59 AM	Yes
			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>	4/20/2018 8:26:59 AM	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>	4/20/2018 8:27:00 AM	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>	4/20/2018 8:27:00 AM	4
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>	4/20/2018 8:27:00 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	4/20/2018 8:27:01 AM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	4/20/2018 8:27:01 AM	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>	6/19/2018 11:08:04 AM	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>	4/20/2018 8:27:02 AM	10

#	Indicator Description	Updated	Score
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>	4/20/2018 8:27:02 AM	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>	4/20/2018 8:27:02 AM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

DETERMINATION OF RATING

A.	Did the district answer ' No ' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
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	B = Above Standard	80-89
	C = Meets Standard	60-79
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