



THREE WAY INDEPENDENT SCHOOL DISTRICT

247 CR 207, Stephenville, TX 76401 | 254.965.6496

Teddy Ott,
Superintendent

AGENDA TWISD Regular School Board Meeting

March 5, 2024 HS Commons 5:00 PM

I. **Call to order**

II. **Roll Call - Verify Quorum**

Tracie Hankins, Senaida Huerta, Duanea Armes, Lloyd Lietz, Cody Howle

III. **Citizen Comments**

IV. **Staff Reports**

1. Financial Update
2. Principal's Report(s)
3. Superintendent

V. **Consent Agenda**

1. Consider approval or other action on minutes for February 13, 2024 Regular Meeting.
2. Consider approval or other action regarding accounts payable report for payments made for the month of February 2024.
3. Consider approval or other action regarding approval of Snow Garrett Williams CPA Service Proposal for Three Way ISD for the year ending August 31, 2024.
4. Consider approval or other action regarding modification of the 23/24 School Year Calendar, adding April 12th, 2024 from 7:45am - 3:15pm from makeup day due to school closures.

VI. **Action Items**

1. Closed Session

In accordance with Texas Open Meetings Law, Texas Government Code Section 551, Annotated in accordance with:

Section 551.074 - to deliberate the appointment, employment, evaluation,

reassignment, duties, discipline, or dismissal of a public officer or employee: Positions and Contracts

2. Discussion, consideration, and possible action regarding school staff positions and contracts.

VII. Topics for future discussion

VIII. Adjourn

With no further business before the Board, this meeting is adjourned at _____ pm.

Closed Session Notice

Three Way Independent School District may convene into Closed Session on any matter related to any of the above agenda items for a purpose, such a closed session is allowed under Chapter 551, Texas Government Code. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meetings. Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either: (a) In the open meeting covered by the Notice upon the reconvening of the public meeting; or (b) At a subsequent public meeting of the School Board upon notice thereof; as the Board shall determine.

ADA Notice

In accordance with the Americans with Disabilities Act, persons who need accommodation to attend or participate in the meeting should contact Stephanie Ritchie at (254)965-6496 x 200 at least 48 hours prior to the meeting to request such assistance.

Certification

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted in accordance with the regulations of the Texas Open Meetings Act on the front door of the Three Way Administration Building and the front door of the Three Way High School, a place convenient and readily accessible to the general public, as well as to school's website at www.twisd.us and said notice was posted at or before , and remained posted for at least two hours after said meeting was convened.

Dr. Teddy Ott, Superintendent

Board Report Summary

2023-2024

FEBRUARY

REVENUE	Est. Revenue	Rev. Realized To Date	Revenue Balance	% Realized
Taxes	741,004.00	-639,236.15	101,767.85	86.27%
Other Rev. Local	0.00	-92,804.96	-92,804.96	0.00
Total REVENUE - Local and Intermediate	741,004.00	-732,041.11	8,962.89	98.79%
Total State Program Revenues	2,189,819.11	-1,589,526.00	600,293.11	72.59%
TOTAL Revenue - LOCAL-STATE-FEDERAL	2,930,823.11	-2,321,567.11	609,256.00	79.21%

Fund 199

	Budget	Expenditure YTD	Balance	% Realized
Function 11 INSTRUCTION				
6100 - Payroll Costs	-1,457,935.81	767,109.14	-690,826.67	52.62%
6200 - Professional and Constructed SVS	-6,800.00	15,369.87	8,569.87	226.03%
6300 - Supplies and Materials	-20,750.00	20,054.13	-695.87	96.65%
6400 - Other Operating Costs	-3,000.00	6,445.57	3,445.57	214.85%
6600 - Capital Outlay Land Building & Equipment	-13,000.00	0.00	-13,000.00	0.00%
Total Function 11 INSTRUCTION	-1,501,485.81	808,978.71	-692,507.10	53.88%
Function 12 INSTRUCTIONAL RESOURCES/MEDIA				
6100 - Payroll Costs	-6,154.55	3,090.86	-3,063.69	50.22%
6200 - Professional & Contracted SVS	0.00	1,298.00	1,298.00	0.00%
6300 - Supplies and Materials	0.00	0.00	0.00	0.00%
Total Function 12 INSTRUCTIONAL RESOURCES/MEDIA	-6,154.55	4,388.86	-1,765.69	71.31%
Function 13 CURRICULUM & STAFF DEV				
6400 - Travel & Subsistence	-3,500.00	558.99	-2,941.01	15.97%
Total Function 13 CURRICULUM & STAFF DEV	-3,500.00	558.99	-2,941.01	15.97%
Function 23 SCHOOL LEADERSHIP				
6100 - Payroll Costs	-174,165.41	74,775.10	-99,390.31	42.93%
6400 - Travel & Subsistence	-1,500.00	3,709.10	2,209.10	247.27%
Total Function 23 SCHOOL LEADERSHIP	-175,665.41	78,484.20	-97,181.21	44.68%
Function 31 GUIDANCE AND COUNSELING SVS				
6100 - Payroll Costs	-121,390.85	63,511.57	-57,879.28	52.32%
6300 - Supplies and Materials	-500.00	12.77	-487.23	2.55%
6400 - Other Operating Costs	-500.00	607.97	107.97	121.59%
Total Function 31 GUIDANCE AND COUNSELING	-122,390.85	64,132.31	-58,258.54	52.40%
Function 33 HEALTH SERVICES				
6100 Health Services	-61,947.99	30,288.53	-31,659.46	48.89%
6300 - Supplies and Materials	-500.00	140.30	-359.70	28.06%
6400 - Other Operating Costs	-250.00	641.62	391.62	256.65%
Total Function 33 HEALTH SERVICES	-62,697.99	31,070.45	-31,627.54	49.56%
Function 34 STUDENT TRANSPORTATION				
6100 - Payroll Costs	-18,022.64	10,800.69	-7,221.95	59.93%
6200 - Professional & Constructed SVS	-15,000.00	1,193.36	-13,806.64	7.96%
6300 - Supplies and Materials	-18,000.00	12,058.25	-5,941.75	66.99%
6400 - Other Operating Costs	-3,500.00	5,474.00	1,974.00	156.40%
6600 - Capital Outlay Land Bldg & Equip	-50,000.00	0.00	-50,000.00	0.00%
Total Function 34 STUDENT TRANSPORTATION	-104,522.64	29,526.30	-74,996.34	28.25%

Function 36 CO-CURRICULAR ACTIVITIES				
6100 - Payroll Costs	-128,891.74	66,537.35	-62,354.39	51.62%
6200 - Professional & Constructed SVS	-7,500.00	6,860.27	-639.73	91.47%
6300 - Supplies and Materials	-29,500.00	27,448.68	-2,051.32	93.05%
6400 - Other Operating Costs	-4,500.00	4,631.60	131.60	102.92%
Total Function 36 CO-CURRICULAR ACTIVITIES	-170,391.74	105,477.90	-64,913.84	61.90%
Function 41 General Administration				
6100 - Payroll Costs	-135,636.40	66,115.84	-69,520.56	48.74%
6200 - Professional & Constructed SVS	-45,350.00	56,894.66	11,544.66	125.46%
6300 - Supplies and Materials	-2,000.00	1,288.80	-711.20	64.44%
6400 - Other Operating Costs	-12,500.00	14,672.96	2,172.96	117.38%
Total Function 41 GENERAL ADMINISTRATION	-195,486.40	138,972.26	-56,514.14	71.09%
Function 51 Plant Maintenance & Operations				
6100 - Payroll Costs	-155,777.72	64,280.99	-91,496.73	41.26%
6200 - Professional & Constructed SVS	-179,000.00	187,816.01	8,816.01	104.93%
6300 - Supplies and Materials	-30,000.00	19,357.94	-10,642.06	64.53%
6400 - Other Operating Costs	-25,500.00	33,648.00	8,148.00	131.95%
6600 - Capital Outlay	0.00	49,404.00	49,404.00	0.00%
Total Function 51 PLANT MAINTENANCE & OPERATIONS	-390,277.72	354,506.94	-35,770.78	90.83%
Function 52 Security & Monitoring				
6200 - Professional & Constructed SVS	0	19099.96	19099.96	0
6300 - Supplies and Materials	0	82	82	0
Total Function 52 DATA PROCESSING	0.00	19,181.96	19,181.96	0.00%
Function 53 Data Processing				
6100 - Payroll Costs	0.00	3,363.58	3363.58	0.00%
6200 - Professional & Constructed SVS	-30,250.00	18,957.15	-11,292.85	55.73%
6300 - Supplies and Materials	-5,000.00	1,787.43	-3,212.57	35.75%
Total Function 53 DATA PROCESSING	-35,250.00	24,108.16	-11,141.84	68.39%
Function 71 Debt Service				
6500 - Long Term Debt/Interest	-105,000.00	86,994.35	-18,005.65	82.85%
Total Function 71 DEBT SERVICE	-105,000.00	86,994.35	-18,005.65	82.85%
Function 81 Facilities Acq & Construction				
6600 - Bldg Purchase, Construction	0.00	-	0.00	0.00%
Total Function 81 FACILITIES ACQ & CONST	0.00	-	0.00	0.00%
Function 93 Payments-Shared				
6200 - Professional & Constructed SVS	-40,000.00	9,676.77	-30,323.23	24.19%
Total Function 93 PAYMENST-SHARED	-40,000.00	9,676.77	-30,323.23	24.19%
Function 99 Tax Appraisal & Collection				
6200 - Professional & Constructed SVS	-18,000.00	9,528.87	-8,471.13	52.94%
Total Function 99 TAX APPRAISAL & COLLECTION	-18,000.00	9,528.87	-8,471.13	52.94%
Total Function 00 OTHER USES	0.00	0.00	0.00	0.00%
TOTAL EXPENDITURES	-2,930,823.11	1,765,587.03	-1,165,236.08	60.24%

CASH FLOW vs EXPENDITURES

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Totals	Est. Revenue
CASH INFLOWS														
GENERAL FUND 199														
Foundation School Fund	-\$392,678.00	-\$263,096.00	-\$267,614.00	-\$262,662.00	-\$265,621.00	-\$137,855.00							-\$1,589,526.00	-\$1,915,492.00 82.98%
Available School Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							\$0.00	-\$135,312.00 0.00%
TRS On-Behalf	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							\$0.00	-\$120,887.31 0.00%
M&O Taxes	\$0.00	-\$27,198.10	-\$59,272.62	-\$108,334.16	-\$224,684.54	-\$218,711.58							-\$638,201.00	-\$727,400.00 87.74%
Other Local Revenue	-\$379,044.28	-\$3,274.65	-\$30,971.68	-\$602.35	-\$175,111.62	-\$282,810.54							-\$871,815.12	-\$5,000.00 #####
Interest	-\$531.09	-\$498.34	-\$745.74	-\$1,059.65	-\$1,035.15	-\$880.23							-\$4,750.20	\$0.00 -\$4,750.20
SPECIAL REVENUE 211,255,270,289,410,427,461														
State/Federal Money	\$0.00	-\$27,709.68	-\$115,356.23	-\$43,373.40	-\$18,060.00	-\$141,881.72							-\$346,381.03	-\$225,207.19 153.81%
FOOD SERVICE 240														
Lunchroom	\$0.00	-\$25,066.63	-\$13,797.11	-	-\$17,620.51	-\$13,136.38							-\$69,620.63	-\$155,327.47 44.82%
Total Revenues	-\$772,253.37	-\$346,843.40	-\$487,757.38	-\$416,031.56	-\$702,132.82	-\$795,275.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$3,520,293.98	-\$3,284,625.97 107.17%
Budget														
EXPENDITURES														
Expenditures 199	\$391,947.26	\$370,092.49	\$352,981.67	\$254,148.88	\$251,282.34	\$145,134.39							\$1,765,587.03	\$2,484,870.18 71.05%
Expenditures 211,255,270,289,410,427,461	\$59,082.64	\$53,016.13	\$122,406.91	\$5,068.37	\$7,178.97	\$148,452.23							\$395,205.25	\$225,207.19 175.49%
Expenditures 240	\$15,547.66	\$18,012.08	\$19,208.00	\$11,278.01	\$15,498.34	\$14,491.41							\$94,035.50	\$155,327.47 60.54%
Total Expenditures	\$466,577.56	\$441,120.70	\$494,596.58	\$270,495.26	\$273,959.65	\$308,078.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,254,827.78	\$2,865,404.84 78.69%
Total Cash	-\$305,675.81	\$94,277.30	\$6,839.20	-\$145,536.30	-\$428,173.17	-\$1,103,353.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Fund Balance														
General Fund - First Financial	-\$127,564.39	-\$338,065.44	-\$265,377.76	-\$481,290.84	-\$251,035.15	-\$250,880.23								
TexPool Transfers (Payroll/Bills)	-\$375,000.00	-\$250,000.00	-\$200,000.00	-\$100,000.00	-\$80,000.00	\$0.00								
TexPool Investment Pool	-\$1,425,001.25	-\$1,180,649.52	-\$1,185,619.90	-\$1,090,717.81	-\$1,176,009.41	-\$1,180,984.93								
TexPool Transfers (Payroll/Bills)	\$375,000.00	\$250,000.00	\$200,000.00	\$100,000.00	\$80,000.00	\$0.00								
Total Fund Balance	-\$1,552,565.64	-\$1,518,714.96	-\$1,450,997.66	-\$1,572,008.65	-\$1,427,044.56	-\$1,431,865.16	\$0.00	\$0.00	\$0.00	0.00	\$0.00	\$0.00		



THREE WAY INDEPENDENT SCHOOL DISTRICT

247 CR 207, Stephenville, TX 76401 | 254.965.6496

Regular School Board Meeting Minutes February 13, 2024

I. **Call to order** – Meeting was called to order at 5:09 pm.

II. **Roll Call - Verify Quorum**

Tracie Hankins, Senaida Huerta, Lloyd Lietz, and Cody Howle were in attendance.
Duanea Armes was absent.

Other staff in attendance included Superintendent, Dr. Teddy Ott; Elementary Principal, Crystal Rucas; Secondary Principal, Jake Bell; Business Manager, Jennifer Bailey; and Administrative Assistant, Stephanie Ritchie

III. **Citizen Comments** –

Tasha Davis, Kristen Markham and Sonia Rosenbalm were in attendance.

There were no citizen comments.

IV. **School Board Appreciation**

In recognition of School Board Appreciation, the students and teachers put together cards, trinkets, plants and homemade goodies to present to the School Board. Dinner was also served.

V. **Staff Reports**

1. Financial Update – presented by Jennifer Bailey
2. Principal's Report(s) –presented by Crystal Rucas and Dr. Jake Bell.
3. Superintendent – presented by Dr. Teddy Ott.

VI. **Consent Agenda**

1. Consider approval or other action on minutes for January 9, 2024 Regular Meeting.

2. Consider approval or other action regarding accounts payable report for payments made for the month of January 2024.

Lloyd Lietz made a motion to approve the consent agenda as presented. Senaida Huerta seconded the motion. Motion carried 4/0.

VII. Action Items

1. Discussion, consideration, and possible action regarding approval of "Region 10 ESC Multi-Region Purchasing Cooperative, SY24-25".

Cody Howle moved to approve to Region 10 ESC Multi-Region Purchasing Cooperative, SY24-25 as presented. Lloyd Lietz seconded the motion. Motion carried 4/0.

2. Discussion, consideration, and possible action to adopt the 24/25 School Calendar.

Senaida Huerta moved to adopt the 24/25 School Calendar as presented. Lloyd Lietz seconded the motion. Motion carried 4/0.

3. Discussion, consideration, and possible action regarding passing a Resolution to approve or deny permission for a district campus to employ or accept as a volunteer a chaplain to provide support, services, and programs for students at this time.

Cody Howle moved to deny the resolution presented. Lloyd Lietz seconded the motion. Motion carried 4/0.

4. Discussion, consideration, and possible action to adopt a Resolution to Approve a Contingency Fee Engagement Letter with Leon Alcala, PLLC to serve as Bond Counsel, a law firm with substantial experience advising governmental entities in matters relating to the issuance of bonds and cannot be adequately performed by attorneys and supporting personnel of the District and that entering into a contingent fee contract for legal services is in the best interest of the District because no amount will be paid unless bonds are actually issued or the transaction actually closes; and containing other related matters.

Lloyd Lietz moved to adopt Resolution to approve Engagement Letter with Lion Alcala, PLLC as presented. Cody Howle seconded the motion. Motion carried 4/0.

5. Discussion, consideration, and possible action to adopt an Order Calling School Building Bond Election.

Rhett Gallagher with Gallagher Construction and Lorenzo Navarrete with Alliance Architects were on hand to answer any questions regarding the proposed Bond.

Cody Howle moved to adopt Order Calling School Building Bond Election as presented. Lloyd Lietz seconded the motion. Motion carried 4/0.

The School Board convened into Closed Session at 6:03 pm.

6. Closed Session

In accordance with Texas Open Meetings Law, Texas Government Code Section 551, Annotated in accordance with:

Section 551.074 - to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: Positions and Contracts

The School Board reconvened into regular session at 6:15 pm.

7. Discussion, consideration, and possible action regarding school staff positions and contracts.

Lloyd Lietz moved to approve staff positions and contacts as presented in closed session. Cody Howle seconded the motion. Motion carried 4/0.

VIII. **Topics for future discussion** - None

IX. **Adjourn**

With no further business before the Board, this meeting is adjourned at 6:26 pm.

Three Way School Board President

Board Secretary

For the Month of February

Check Nbr	Check Date	Payee	PO Nbr	Invoice Nbr	Fnd-Fnc-Obj.So-Org-Prog	Reason	Amount	EFT
008854	01-31-2024	DUNCAN DISPOSAL	014311	0794-016224729	199-51-6259.00-072-499000	DISPOSAL	935.46	N
008855	01-31-2024	PARHAM GARAGE	014316	000777	199-34-6249.00-072-499000	DOT INSPECTIONS BUS 1 & 3	80.00	N
008856	01-31-2024	KIRBO'S OFFICE SYSTE	014310	475442	199-11-6269.00-072-411000	KIRBOS RENTAL COPIER USAGE	45.00	N
			014310	475441	199-11-6269.00-072-411000	KIRBOS RENTAL COPIER USAGE	58.00	N
Totals for Check 008856							103.00	
008857	01-31-2024	EDUCATION SERV. CTR.	014305	1002400740	199-13-6411.00-072-423000	CPI CERT TRAINING BRANHAM	80.00	N
			014305	1002400741	199-13-6411.00-072-423000	CPI CERT TRAINING HANEY	80.00	N
Totals for Check 008857							160.00	
008858	01-31-2024	WALMART	014302		199-11-6499.00-072-411000	STAFF LUNCH SUPPLIES	37.52	N
008859	01-31-2024	MCCOY'S BUILDING SUP	014318	859798	199-51-6319.00-072-499000	FINISH BLADE/HARDIBACKER	33.35	N
008860	01-31-2024	MAYFIELD PAPER COMP	014317	4029220	199-51-6319.00-072-499000	JANITORIAL SUPPLIES	1,359.12	N
008861	01-31-2024	LABATT FOOD SERVICE	014315	01243272	240-35-6341.00-072-499000	FOOD	753.26	N
008862	01-31-2024	AMAZON CAPITAL	014309	1GDW-X67T-	199-41-6399.00-750-499000	HS OFFICE SUPPLIES ILEY	65.48	N
008863	01-31-2024	SAGUARO TECHNOLOGI	014300	2194	199-53-6249.00-072-499000	IT SUPPORT JANUARY/NEW SWIT	2,100.00	N
008864	01-31-2024	ERATH COUNTY	014313	2023-2	199-52-6249.00-072-499000	SRO PROGRAM 2024	5,500.00	N
008865	01-31-2024	EWELL EDUCATIONAL S	014312	TX503-81426	199-11-6399.00-101-422000	AET ACCESS	390.00	N
008866	01-31-2024	JOHNNA HANEY	014303		199-13-6411.00-072-423000	CPI RESTRAINT TRAINING	71.02	N
008867	01-31-2024	LYNK AUTOMATION LLC	014308	4042	199-51-6249.00-072-499000	GYM DOOR ELECTRIC STRIKE	338.00	N
008868	01-31-2024	LISA BRANHAM	014304		199-13-6411.00-072-423000	CPI RESTRAINT TRAINING	80.40	N
008869	01-31-2024	OAK FARMS DALLAS	014314	542029168	240-35-6341.00-072-499000	MILK	223.29	N
008870	01-31-2024	CHRISTOPHER JAMES H	014301		199-52-6249.00-072-499000	NARCOTIC K9 SEARCH 11/7/23	100.00	N
008871	01-31-2024	GORMAN ISD COSMETO	014306		199-36-6399.00-072-491000	MEAL DEALS BBALL	84.00	N
008872	01-31-2024	EDWARDS & STOKES PL	014307	14177	199-41-6219.00-702-499000	EFILE 1099 DISTRICT FORMS	275.00	N
008873	01-31-2024	AMAZON CAPITAL	014319	1K6X-KPJ1-	199-36-6499.00-072-491000	BBALL GOAL FAMILY	125.28	N
008874	01-31-2024	EDUCATION SERV. CTR.	014320	1002400742	199-13-6411.01-072-411000	CPI TRAINING MANGANELLA	80.00	N
008875	01-31-2024	MAYFIELD PAPER COMP	014321	4029220X2	199-51-6319.00-072-499000	JANITORIAL SUPPLIES CONTD	86.30	N
008876	01-31-2024	TEDDY OTT	014322		199-41-6411.00-701-499000	MIDWINTER MILEAGE REIMBURS	207.43	N
008877	02-01-2024	TEDDY OTT	014323		199-41-6411.00-701-499000	REIMBURSE TRAVEL UIL REALIG	75.97	N
008878	02-01-2024	WALNUT SPRINGS ISD	014324		199-36-6399.00-072-491000	WALNUT SPRINGS TOURNAMENT	400.00	N
008879	02-05-2024	CHRISTOPHER CARLILE	014325		199-36-6399.00-072-491000	GOLD KILLER B BENCH SHIRT	162.20	N
008880	02-05-2024	JACOB BELL	014326		199-23-6411.00-072-499000	TASA MIDWINTER CONFERENCE	898.82	N
008881	02-07-2024	TEXAS CLASSROOM TE	DEDCH		199-00-2159.00-007-400000	FEB DED MISCELLANEOUS DEDU	18.00	N
008882	02-07-2024	NATIONAL BENEFIT SER	DEDCH		199-00-2159.00-003-400000	FEB DED TAX SHEL. ANNUITY	500.00	N
008883	02-07-2024	FINANCIAL BENEFIT SE	DEDCH		199-00-2153.00-005-400000	FEB DED HEALTH INSURANCE	338.50	N
			DEDCH		199-00-2153.00-009-400000	FEB DED HEALTH INSURANCE	209.23	N
			DEDCH		199-00-2153.00-010-400000	FEB DED LIFE INSURANCE	308.70	N

For the Month of February

Check Nbr	Check Date	Payee	PO Nbr	Invoice Nbr	Fnd-Fnc-Obj.So-Org-Prog	Reason	Amount	EFT
			DEDCH		199-00-2153.00-011-400000	FEB DED LIFE INSURANCE	38.70	N
			DEDCH		199-00-2153.00-013-400000	FEB DED LIFE INSURANCE	20.52	N
			DEDCH		199-00-2153.00-015-400000	FEB DED LIFE INSURANCE	33.00	N
			DEDCH		199-00-2153.00-016-400000	FEB DED LIFE INSURANCE	63.30	N
			DEDCH		199-00-2153.00-017-400000	FEB DED LIFE INSURANCE	125.80	N
			DEDCH		199-00-2153.00-019-400000	FEB DED LIFE INSURANCE	1.40	N
			DEDCH		199-00-2153.00-021-400000	FEB DED LIFE INSURANCE	16.30	N
			DEDCH		199-00-2153.00-022-400000	FEB DED HEALTH INSURANCE	35.21	N
			DEDCH		199-00-2153.00-024-400000	FEB DED LIFE INSURANCE	32.40	N
			DEDCH		199-00-2153.00-025-400000	FEB DED LIFE INSURANCE	5.40	N
			DEDCH		199-00-2153.00-026-400000	FEB DED LIFE INSURANCE	54.25	N
			DEDCH		199-00-2153.00-027-400000	FEB DED LIFE INSURANCE	6.00	N
			DEDCH		199-00-2153.00-031-400000	FEB DED HEALTH INSURANCE	139.64	N
			DEDCH		199-00-2159.00-012-400000	FEB DED HSA	344.16	N
			DEDCH		199-00-2159.00-029-400000	FEB DED MISCELLANEOUS DEDU	22.90	N
			DEDCH		199-00-2159.00-030-400000	FEB DED MISCELLANEOUS DEDU	80.00	N
			DEDCH		199-00-2159.00-036-400000	FEB DED MISCELLANEOUS DEDU	42.00	N
			DEDCH		199-00-2159.00-037-400000	FEB DED MISCELLANEOUS DEDU	83.30	N
					Totals for Check 008883		2,000.71	
008884	02-07-2024	LEGAL SHIELD	DEDCH		199-00-2159.00-034-400000	FEB DED MISCELLANEOUS DEDU	135.60	N
008885	02-07-2024	EECU	DEDCH		199-00-2159.00-035-400000	FEB DED HSA	300.00	N
008886	02-07-2024	AFLAC	DEDCH		199-00-2159.00-040-400000	FEB DED MISCELLANEOUS DEDU	210.92	N
008887	02-13-2024	STEPHENVILLE CITY EL	014381	115067	199-51-6249.00-072-499000	WATER WELL REPLACED CAPACI	160.00	N
008888	02-13-2024	SANTO PROPANE COMP	014377	0239407	199-51-6259.00-072-499000	PROPANE	1,597.50	N
008889	02-13-2024	LOVE OIL COMPANY	014356	94161	199-34-6311.00-072-499000	DIESEL & GASOLINE	2,541.68	N
008890	02-13-2024	SMITH SUPPLY INC	014380	S1250050	199-51-6319.00-072-499000	WELL CAPACITOR/GLOVES	51.82	N
008891	02-13-2024	KIRBO'S OFFICE SYSTE	014352	477316	199-11-6269.00-072-411000	COPIER USAGE	459.69	N
008892	02-13-2024	THE DOWELL COMPANY	014376	2401-954969	199-51-6319.00-072-499000	SPRAY BOTTLE/AUTO RAINX/SA	100.97	N
008893	02-13-2024	SNOW GARRETT WILLIA	014365	86005	199-41-6212.00-701-499000	FINAL BILLING AUDIT REPORT/PR	18,340.00	N
008894	02-13-2024	TYSON FOODS, INC.	014351	32044405	240-35-6344.00-072-499000	COMMODITY CHICKEN	434.77	N
			014351	32044408	240-35-6344.00-072-499000	COMMODITY CHICKEN	233.62	N
					Totals for Check 008894		668.39	
008895	02-13-2024	MCCOY'S BUILDING SUP	014355	860629	199-51-6319.00-072-499000	TR DECOR/DNLGT LED WHT 600L	81.06	N
008896	02-13-2024	LABATT FOOD SERVICE	014357	02076093	240-35-6341.00-072-499000	FOOD	630.30	N
			014357	01314258	240-35-6341.00-072-499000	FOOD	882.96	N
					Totals for Check 008896		1,513.26	
008897	02-13-2024	RIGGS MACHINE & WEL	014367	265117	199-11-6399.00-101-422000	WELDING SUPPLIES	45.00	N
008898	02-13-2024	DALE COLLUM	014359	02-2024	199-51-6249.00-072-499000	TCEQ WATER TESTING CONTRA	500.00	N

For the Month of February

Check Nbr	Check Date	Payee	PO Nbr	Invoice Nbr	Fnd-Fnc-Obj.So-Org-Prog	Reason	Amount	EFT
008899	02-13-2024	KOUNTRY AIR FILTERS I	014379	013559	199-51-6319.00-072-499000	AIR FILTERS	665.24	N
008900	02-13-2024	THE WATER SHOP	014373	1181	199-51-6269.00-072-499000	WATER COOLER RENTAL	100.00	N
			014373	1181	199-51-6319.00-072-499000	WATER & CUPS	324.00	N
Totals for Check 008900							424.00	
008901	02-13-2024	AMAZON CAPITAL	014364	1V6Y-YV9H-	199-11-6399.02-101-411000	UNIVERSAL REMOTE ILEY	8.98	N
			014378	1C7D-7VGW-	199-11-6399.02-101-411000	SUPPLIES HS ILEY	105.78	N
			014362	1FJ3-XFD7-RXL7	199-51-6319.00-072-499000	ENTRANCE/EXIT SIGNS	65.38	N
			014354	1M1L-JVKQ-	199-53-6399.00-072-499000	GBOLE NEW SCREEN RECPLACE	110.92	N
Totals for Check 008901							291.06	
008902	02-13-2024	ANDYS TIRE SERVICE	014385	378311	199-34-6249.00-072-499000	ROTE/BALANCE SUBURBAN TIRE	70.00	N
008903	02-13-2024	STRAWN BOOSTER CLU	014366	027761	199-36-6399.00-072-491000	MEALS ON 1/30/24 BBALL	88.00	N
008904	02-13-2024	NEXTLINK	014375		199-51-6259.00-072-499000	PHONE & FAX	1,405.27	N
008905	02-13-2024	MORGAN MILL ISD	014369	42024	199-36-6399.00-072-491000	BBALL TOURNEY MEALS	128.00	N
008906	02-13-2024	ETC LITE LLC	014360	7564727	199-41-6499.00-720-499000	1095 FORMS PRINTED/MAILED	98.51	N
008907	02-13-2024	JAMES HAILE	014384		199-36-6219.00-072-491000	BBALL REF TW VS BLUFFDALE	130.00	N
008908	02-13-2024	LEASOR CRASS PC	014361	20454	199-41-6211.00-701-499000	REVISE SUPT CONTRACT	118.00	N
008909	02-13-2024	IRONHORSE MPS LLC	014358	WO-2214	199-51-6249.00-072-499000	SERVICE CALL WELL ELEMENTA	220.78	N
008910	02-13-2024	STAPLES BUSINESS CR	014368		199-11-6399.00-072-437000	COPY PAPER	150.00	N
			014368		199-11-6399.01-072-411000	COPY PAPER	300.00	N
			014368		199-11-6399.02-101-411000	COPY PAPER	300.00	N
			014368		199-41-6399.00-701-499000	COPY PAPER	149.80	N
Totals for Check 008910							899.80	
008911	02-13-2024	LONGHORN ASSOCIATI	014363	020524A	199-36-6399.00-072-491000	CONCESSION CHARGES GORDO	77.00	N
008912	02-13-2024	JASON J LOGSDON	014383		199-36-6219.00-072-491000	BBALL REF TW VS BLUFF DALE	130.00	N
008913	02-13-2024	F3 COLDCO OWNDER LL	014386	16562	240-35-6344.00-072-499000	COMMODITY STORAGE	224.25	N
008914	02-13-2024	FIRST NATIONAL BANK	014370		199-71-6513.00-072-499000	TIME WARRANT LOAN PRINCIPAL	22,082.96	N
			014370		199-71-6523.00-072-499000	TIME WARRANT LOAN INTEREST	9,441.74	N
Totals for Check 008914							31,524.70	
008915	02-13-2024	BILLY CLAUDE COOPER	014374	2-2024	199-52-6249.00-072-499000	PROTECT SERVICES	416.66	N
008916	02-13-2024	OAK FARMS DALLAS	014353	542029504	240-35-6341.00-072-499000	MILK	410.85	N
			014372	542029340	240-35-6341.00-072-499000	MILK	393.57	N
Totals for Check 008916							804.42	
008917	02-13-2024	ASHLEY QUIROZ	014371	AQ0124	199-36-6399.02-072-491000	QUIROZ ASST SPONSOR JAN	300.00	N
			014371	AQ0224	199-36-6399.02-072-491000	QUIROZ ASST SPONSOR FEB	300.00	N
Totals for Check 008917							600.00	
008918	02-13-2024	DE LEON SCHOOL	014350		199-36-6399.00-072-491000	POWERLIFTING MEET 2024	175.00	N
008919	02-13-2024	THE UNIVERSITY OF TX	014382	71959	199-11-6399.01-072-411000	ELEM/JH UIL SUPPLY STEELE/MIL	16.00	N
			014382	73338	199-11-6399.01-072-411000	ELEM/JH UIL SUPPLY STEELE/MIL	116.00	N
Totals for Check 008919							132.00	

For the Month of February

Check Nbr	Check Date	Payee	PO Nbr	Invoice Nbr	Fnd-Fnc-Obj.So-Org-Prog	Reason	Amount	EFT
008920	02-13-2024	HICO ISD	014387		199-36-6399.00-072-491000	HICO TRACK MEET	330.00	N
008921	02-13-2024	HICO ISD	014388		199-36-6399.00-072-491000	LATE ENTRY HICO TRACK MEET	15.00	N
008922	02-13-2024	DOWELL WATER WELL	014389	2402-503423	199-51-6249.00-072-499000	WORK ON WELL ELEM	714.76	N
008923	02-13-2024	SHEYLA LOPEZ	014390		199-51-6249.00-072-499000	MAINT HOURS FROM 1/24/24	200.00	N
008924	02-14-2024	UNITED COOPERATIVE	014391		199-51-6259.00-072-499000	ELECTRIC	6,975.22	N
008925	02-21-2024	STRAWN BOOSTER CLU	014393		199-36-6399.00-072-491000	STRAWN POWERLIFTING MEET	250.00	N
			014393		199-36-6399.00-072-491000	WRONG AMT ATHLETE BACKED	-250.00	N
						Totals for Check 008925	.00	
008926	02-21-2024	HICO ISD	014392		199-36-6399.00-072-491000	HICO HS TRACK MEET	195.00	N
008927	02-21-2024	SQUAW VALLEY GOLF C	014394		199-36-6399.00-072-491000	GOLF TOURNAMENT	165.00	N
008928	02-21-2024	STRAWN BOOSTER CLU	014395		199-36-6399.00-072-491000	STRAWN POWERLIFTING MEET	200.00	N
			014395		199-36-6399.00-072-491000	WRONG VENDOR	-200.00	N
						Totals for Check 008928	.00	
008929	02-21-2024	STRAWN ISD	014396		199-36-6399.00-072-491000	POWERLIFTING MEET	200.00	N
008930	02-22-2024	LESLIE MANGANELLA	014397		199-11-6399.01-072-411000	REIMBURSE RAFFLE TICKETS CL	7.95	N
010790	02-08-2024	BENCH DADDY LLC	014431		199-36-6399.00-072-491000	POWERLIFTING SHIRTS	337.83	N
013911	02-16-2024	GRUMPS	014436		199-36-6411.00-072-491000	COACHES LUNCH/DIST MEETING	49.72	N
017766	02-14-2024	COLLEGE BOARD	014433		199-11-6399.02-101-411000	ONLINE TESTING MATERIALS	210.00	N
020544	02-23-2024	LEARNING A-Z	014439		199-11-6399.01-072-411000	SNEAD PHONICS LEARNING TOO	264.00	N
030771	02-15-2024	CHICK FIL A	014435		199-41-6499.00-702-499000	BOARD APPREC DINNER/MEETIN	171.90	N
064851	02-01-2024	COURTYARD BY MARRI	014427		199-41-6411.00-701-499000	SUPT ACADEMY OTT	942.58	N
175239	02-05-2024	EFTPS	014429		199-00-2151.00-000-400000	WH TAXES	7,868.75	N
			014429		199-00-2152.01-000-400000	EMPLOYER FICA	88.05	N
			014429		199-00-2152.01-000-400000	MEDICARE	2,410.92	N
			014429		199-00-2152.02-000-400000	EMPLOYEE FICA	88.05	N
			014429		199-00-2152.02-000-400000	MEDICARE DIST MATCH	2,410.92	N
						Totals for Check 175239	12,866.69	
240131	02-01-2024	TEACHER RETIREMENT	014428		199-00-2153.00-002-400000	TRS ACTIVE CARE	14,126.00	N
			014428		199-00-2155.00-000-400000	MEMBER CONT	13,302.52	N
			014428		199-00-2155.00-000-400000	MEMBER TRS CARE	1,048.09	N
			014428		199-00-2155.01-000-400000	RE FED FUND/PRIV GRANT	719.22	N
			014428		199-00-2155.02-000-400000	STATE MIN	2,053.26	N
			014428		199-00-2155.03-000-400000	RE FED FUND TRS CARE	108.99	N
			014428		199-00-2155.04-000-400000	TRS CARE	1,209.33	N
			014428		199-00-2155.08-000-400000	PUB EDUC	2,590.78	N
			014428		199-00-2155.09-000-400000	PENSION SURCHARGE	776.87	N
			014428		199-00-2155.10-000-400000	TRS CARE SURCHARGE	535.00	N
						Totals for Check 240131	36,470.06	

For the Month of February

Check Nbr	Check Date	Payee	PO Nbr	Invoice Nbr	Fnd-Fnc-Obj.So-Org-Prog	Reason	Amount	EFT
340220	02-21-2024	TEACHER RETIREMENT	014438		199-00-2153.00-002-400000	ANDERSON TRS INS PAYMENT	461.00	N
370222	02-06-2024	WALMART	014441		199-11-6499.00-072-411000	HS COFFEE MAKER	84.33	N
861709	02-14-2024	WALMART	014434		199-11-6399.01-072-411000	JH UIL	10.72	N
999999	02-20-2024	CLAIMS ADMINISTRATIV	014426		199-11-6143.00-072-411000	WORK COMP POOL BATCH	27.00	N
999999	02-06-2024	FIRST FINANCIAL BANK	014430		199-00-1101.00-000-400000	INTRAFI TRANSFER	121,698.35	N
	02-13-2024	FIRST FINANCIAL BANK	014432		199-00-1101.00-000-400000	INTRAFI TRANSFER	110,675.07	N
	02-20-2024	FIRST FINANCIAL BANK	014437		199-00-1101.00-000-400000	INTRAFI TRANSFER	139,718.43	N
	02-23-2024	FIRST FINANCIAL BANK	014440		199-00-1101.00-000-400000	INTRAFI TRANSFER	136,991.00	N
Totals for Check 999999							509,082.85	
Total Checks							652,353.80	

End of Report



SNOW GARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

February 6, 2024

Three Way Independent School District
247 CR 207
Stephenville, Texas 76401

Dear Board of Trustees and Management:

We are pleased to confirm our understanding of the services we are to provide Three Way Independent School District for the year ended August 31, 2024.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, if any, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Three Way Independent School District as of and for the year ended August 31, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Three Way Independent School District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Budgetary Comparison Schedules.
3. Schedule of the District's Proportionate Share of the Net Pension Liability- Teacher Retirement System of Texas.
4. Schedule of the District's Pension Contributions- Teacher Retirement System of Texas.
5. Schedule of the District's Proportionate Share of the Net OPEB Liability - Teacher Retirement System of Texas.
6. Schedule of the District's OPEB Contributions - Teacher Retirement System of Texas.

We have also been engaged to report on supplementary information other than RSI that accompanies Three Way Independent School District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1. Schedule of Delinquent Taxes Receivable.
2. Budgetary Comparison Schedule for National School Breakfast and Lunch Program and Debt Service Fund as Required by the Texas Education Agency.
3. Use of Funds Report- Select State Allotment Program.
4. Schedule of Required Responses to Selected School First Indicators.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1. Introductory Section.
2. Fund Balance and Cash Flow Calculation Worksheet- General Fund.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, if significant, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning:

1. Improper revenue recognition due to fraud.
2. Management override of controls.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures-Internal Control

We will obtain an understanding of the District and its environment, including the system of internal control sufficient to identify and assess the risks of material misstatement of the financial statements whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Three Way Independent School District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Three Way Independent School District in conformity with accounting principles generally accepted in the United States based on information provided by you which is considered a nonaudit service. In addition, we will provide the following nonaudit services: assist with entries to convert accounting records from modified accrual to full accrual, prepare reports required by TEA Data Feed Standards, and prepare capital asset cost/depreciation/amortization schedules. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services and additional nonaudit services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements, related notes, the additional nonaudit services listed in this section, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes, the additional nonaudit services listed in this section, and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed; the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Snow Garrett Williams and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a grantor agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Snow Garrett Williams personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulatory agencies. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Lindsey Kennimer is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be based on the actual time spent at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

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

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Three Way Independent School District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Three Way Independent School District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Snow Garrett Williams

Snow Garrett Williams

Response:

This letter correctly sets forth the understanding of Three Way Independent School District.

Management Signature: _____

Title: _____

Date: _____

Governance Signature: _____

Title: _____

Date: _____