

# **Agenda of Regular Meeting**

## **The Board of Trustees Groesbeck ISD**

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A Regular Meeting of the Board of Trustees of Groesbeck ISD will be held December 13, 2021, beginning at 6:00 PM in the GISD Culinary Arts Building  
302 Elwood Enge  
Groesbeck, Texas 76642.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

### **I. CALL TO ORDER**

### **II. PLEDGE OF ALLEGIANCE**

### **III. PLEDGE TO THE TEXAS FLAG**

### **IV. REVIEW DISTRICT MISSION STATEMENT**

### **V. STUDENT RECOGNITION**

### **VI. PRESENTATION OF THE 2020-2021 AUDIT REPORT BY KIRK & RICHARDSON, P.C.**

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**GROESBECK INDEPENDENT SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED**  
**AUGUST 31, 2021**

**GROESBECK INDEPENDENT SCHOOL DISTRICT**

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Year Ended August 31, 2021**

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## INTRODUCTORY SECTION

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**CERTIFICATE OF THE BOARD**

Groesbeck Independent School District  
Name of School District

Limestone  
County

147-902  
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) \_\_\_\_\_ approved \_\_\_\_\_ disapproved for the year ended August 31, 2021, at a meeting of the board of trustees of such school district on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President

If the board of trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are): (attach list as necessary)

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## FINANCIAL SECTION

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# Kirk & Richardson, P.C.

Members of the American Institute of Certified Public Accountants  
Governmental Audit Quality Center

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Groesbeck Independent School District  
1202 N. Ellis  
Groesbeck, Texas 76642

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Groesbeck Independent School District (the "District") as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the district's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

2332 Gravel Dr. \* P.O. Box 8342 \* Fort Worth, TX 76124  
Phone: (817) 451-7406 Fax: (817) 451-7597  
Don Richardson, CPA \* Sandhya Magar, CPA

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter – Change in Accounting Principle**

As described in the notes to the financial statements, in fiscal year 2021, the District adopted a new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and Teacher Retirement System pension and OPEB schedules, as presented in the table of contents, be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and the required Texas Education Agency schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the required Texas Education Agency schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the required Texas Education Agency schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Texas Education Agency requires school districts to include certain information in the Annual Financial and Compliance Report in conformity with laws and regulations of the State of Texas. This information is in Exhibits identified in the Table of Contents as J-1, J-2, and J-3. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Kirk & Richardson, P.C.*

Kirk & Richardson, P.C.  
Fort Worth, Texas  
December 3, 2021



# GROESBECK INDEPENDENT SCHOOL DISTRICT

1202 N. Ellis ■ P.O. Box 559 ■ 254-729-4100 ■ Fax 254-729-2391

James Cowley, Ed. D.  
Superintendent of Schools

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED AUGUST 31, 2021 UNAUDITED

As management of the Groesbeck Independent School District (the "District"), we offer this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2021. Please read this narrative in conjunction with the independent auditor's report and the District's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The net position of the District, at the close of its fiscal year, was \$9,511,171, an increase of \$1,022,254 resulting from current year operations.
- Current year unrestricted net position is \$(8,924,620) as compared to prior year's \$(9,131,644).
- Net Investment in Capital Assets is \$17,052,436 an increase of \$285,579 over the prior year.
- The remaining \$1,383,355 is restricted for Federal and State Programs, Debt Service, Campus Activities, and Scholarships.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$6,018,418 an increase of \$526,933 over the prior year.
- The General Fund had a net increase of \$8,502 from \$4,609,359 to \$4,617,861. Current year operations contributed \$(174,468) of this amount. An additional \$302,970 resulted from the sale of real and personal property, and \$(120,000) resulted from transfers out to the National Breakfast & Lunch Program to supplement that fund.
- The Debt Service Fund increased by \$572,421 from current year operations to \$1,196,863.
- Other Funds decreased by \$(173,990) from current year operations offset by the \$120,000 transfer as discussed above, for a net decrease of \$(53,990).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,581,296 or 27.4% of total General Fund current year expenditures. Prior year unassigned fund balance for the General Fund was \$4,579,936, or 27.5% of total General Fund expenditures.
- No new programs were added during the year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

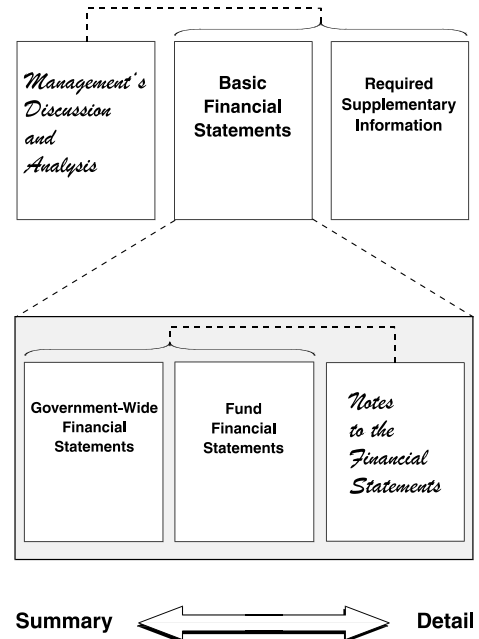
The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial

statements. This report also contains other supplementary information in addition to the basic financial statements.

This annual report consists of three parts—*management’s discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District’s operations in *more detail* than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.
- *Business activities and internal service funds* – The District does not have these types of funds.

**Figure A-1. Required Components of the District’s Annual Financial Report**



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

### Government-wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all government’s assets and liabilities. All current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District’s *net position* and how they have changed. Net position—the difference between the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources — is one way to measure the District’s financial health or *position*.

- Over time, increases or decreases in the District’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District’s tax base.

The government-wide financial statements of the District include governmental activities and business-type activities. Most of the District’s basic services are included here, such as instruction, extracurricular

activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

## **Governmental Fund Financial Statements**

The fund financial statements provide more detailed information about the District’s most significant funds—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- Governmental funds—Most of the District’s basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

## **The District as Trustee**

The District is the trustee, or custodian, for money raised by student activities. The District’s custodial activity is reported in a separate Statement of Fiduciary Net Position – Custodial Funds and a separate Statement of Changes in Fiduciary Net Positions – Custodial Funds as presented in the table of contents. We exclude these activities from the District’s other statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide statements and the fund financial statements.

## **Other Information**

This annual report contains other supplementary information in addition to the basic financial statements and the notes to the financial statements. The Management’s Discussion and Analysis is required supplementary information under governmental accounting standards. The “Combining Schedules” for nonmajor funds contain even more information about the District’s individual funds. The “Required Texas Education Agency Schedules” and “Reports on Internal Controls, Compliance, and Federal Awards” contain data used by monitoring or regulatory agencies for assurance that the District is using supplied funds in compliance with terms of grants.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following analysis presents both current and prior year data and discusses significant changes in the accounts. Our analysis focuses on the net position (Table 1) and the statement of activities (Table 2) of the District's governmental activities.

**Table A-1  
Net Position**

	Governmental Activities	
	2021	2020
Current assets:		
Cash & cash equivalents	\$6,613,654	\$7,382,461
Net property taxes – delinquent	338,660	321,006
Due from other governments	888,184	559,160
Due from custodial funds	2,247	0
Inventories – supplies & materials	69,941	71,724
Prepayments	0	3,082
Total current assets	<u>7,912,686</u>	<u>8,337,433</u>
Noncurrent assets:		
Land, building, furniture & equipment	60,025,403	61,966,955
Less accumulated depreciation	(32,412,197)	(32,445,635)
Total noncurrent assets	<u>27,613,206</u>	<u>29,521,320</u>
Total Assets	<u>35,525,892</u>	<u>37,858,753</u>
Deferred outflows of resources:		
Deferred charge for refunding	116,079	130,589
TRS – Pension	1,618,299	2,254,548
TRS – Other Post Employee Benefits	741,043	838,812
Total deferred outflow of resources	<u>2,475,421</u>	<u>3,223,949</u>
Current liabilities:		
Accounts payable & accrued liabilities	1,530,897	2,141,903
Due to other governments, other funds, & unearned revenues	41,913	411,461
Total current liabilities	<u>1,572,810</u>	<u>2,553,364</u>
Long-term liabilities:		
General obligation bonds	10,676,849	12,885,052
TRS – Pension (District's Share)	4,146,353	4,822,888
TRS – Other Post Employee Benefits (District's Share)	5,510,898	6,958,387
Total long-term liabilities	<u>20,334,100</u>	<u>24,666,327</u>
Total liabilities	<u>21,906,910</u>	<u>27,219,691</u>
Deferred inflow of resources:		
TRS – Pension	1,359,831	1,132,764
TRS – Other Post Employee Benefits	5,223,401	4,241,330
Total deferred inflow of resources	<u>6,583,232</u>	<u>5,374,094</u>
Net position:		
Net investment in capital assets	17,052,436	16,766,857
Restricted	1,383,355	853,704
Unrestricted	(8,924,620)	(9,131,644)
Total net position	<u>\$ 9,511,171</u>	<u>\$ 8,488,917</u>

The District has the following restricted net position: \$120,096 for federal and state programs, \$1,179,661 for debt service, \$82,951 for campus activities, and \$647 for scholarships.

**Table A-2**  
**Statement of Activities**

	Governmental Activities	
	2021	2020
<b>REVENUES:</b>		
Program revenues:		
Charges for services	\$ 322,760	\$ 450,507
Operating grants and contributions	4,618,022	3,610,994
General revenues:		
Maintenance and operations taxes	12,469,003	11,797,783
Debt service taxes	3,075,249	2,924,528
State aid – formula grants	2,350,463	2,393,485
Grants & contributions not restricted	450,122	396,401
Investment earnings	166,938	121,461
Miscellaneous local & intermediate revenue	284,397	84,171
Total revenues	<u>23,736,954</u>	<u>21,779,330</u>
<b>EXPENSES:</b>		
Instruction	11,348,466	11,831,504
Instructional resources & media services	141,980	127,797
Curriculum & staff development	267,974	218,189
Instructional leadership	264,134	224,019
School leadership	1,024,512	1,081,364
Guidance, counseling, & evaluation services	1,165,544	1,133,917
Social work services	50,238	55,236
Health services	246,587	217,882
Student transportation	806,730	989,089
Food service	1,069,210	1,040,149
Extracurricular activities	1,021,317	1,130,444
General administration	794,623	800,678
Facilities maintenance & operations	2,412,405	2,529,098
Security & monitoring services	114,587	64,056
Data processing services	1,013,281	434,734
Community services	275,597	275,145
Interest on long-term debt	334,331	376,917
Bond issuance costs & fees	4,543	63,669
Other intergovernmental charges	358,641	361,072
Total expenses	<u>22,714,700</u>	<u>22,954,959</u>
Increase/(Decrease) in net position before inflows/ outflows and special items	1,022,254	(1,175,629)
Net position beginning of year	<u>8,488,917</u>	<u>9,664,546</u>
Net position end of year	<u>\$ 9,511,171</u>	<u>\$ 8,488,917</u>

**Total Revenue by Source**

	Total Activities	
	2021	2020
<b>Program Revenues:</b>		
Charges for services	1.4%	2.1%
Operating grants and contributions	19.5%	16.6%
<b>General Revenues:</b>		
Maintenance & operating taxes	52.5%	54.2%
Debt service taxes	13.0%	13.4%
State aid – formula grants	9.9%	11.0%
Grants and contributions not restricted	1.9%	1.8%
All others	1.8%	0.9%
Total Revenues	<u>100.0%</u>	<u>100.0%</u>

## Total Expenses by Function

	Total Activities	
	2021	2020
Instruction	50.0%	51.5%
Instructional resources & media services	0.6%	0.6%
Curriculum & staff development	1.2%	1.0%
Instructional leadership	1.2%	1.0%
School leadership	4.5%	4.7%
Guidance, counseling, & evaluation services	5.1%	4.9%
Social work services	0.2%	0.2%
Health services	1.1%	0.9%
Student transportation	3.6%	4.3%
Food service	4.7%	4.5%
Extracurricular activities	4.5%	4.9%
General administration	3.5%	3.5%
Facilities maintenance & operations	10.6%	11.0%
Security & monitoring services	0.5%	0.3%
Data processing services	4.5%	1.9%
Community services	1.2%	1.2%
Interest on long-term debt	1.5%	1.6%
Bond issuance costs & fees	0.0%	0.3%
Other intergovernmental charges	1.5%	1.7%
Total Expenses	100.0%	100.0%

The District's governmental activities net position increased by \$1,022,254 from the current fiscal year operation over last year as shown below.

1) Total net change in Fund Balances – Governmental Funds	\$ 526,933
2) Capital outlays and long-term debt principal	2,674,877
3) Depreciation	(2,385,207)
4) GASB 68 adjustments	(186,781)
5) GASB 75 adjustments	367,649
6) Other miscellaneous adjustments	24,783
Total	<u>\$1,022,254</u>

The District is required under GASB 68 and GASB 75 to report its proportionate share of the unfunded liability associated with the Teacher Retirement System of Texas (TRS) pension plan and TRS – other post-employment benefits. The required entries to record the effects of GASB 68 and GASB 75, are book entries only in the statement of governmental activities and do not affect the funding of the District. GASB 68 adjustments decreased and GASB 75 adjustments increased the District's ending net position and are discussed in greater detail in the notes to the financial statements.

Table A-3 presents the cost of each of the District's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all governmental activities this year was \$22,714,700.
- However, the amount that our taxpayers paid for these activities through property taxes was \$15,544,252 (68.4%).
- Some of the cost was paid by those who directly benefited from the programs \$322,760 (1.4%) or by grants and contributions \$4,618,022 (20.3%).

**Table A-3  
Net Cost of Selected District Functions**

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2021	2020		2021	2020	
Instruction	\$11,348,466	\$11,831,504	(4.1)	\$8,914,175	\$9,664,767	(7.8)
Facilities maintenance & operations	2,412,405	2,529,098	(4.6)	2,165,515	2,426,049	(10.7)
Guidance, counseling, & evaluation services	1,165,544	1,133,917	2.8	802,233	876,652	(8.5)
Extracurricular activities	1,021,317	1,130,444	(9.6)	952,654	796,424	19.6

### **GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District’s net resources available for spending at the end of a fiscal year.

The District’s governmental funds reported a combined ending fund balance of \$6,018,418 a net increase of \$526,933 over last year’s combined fund balance. Unassigned fund balance is \$4,581,296 or 76.1% and was available for spending at the District’s discretion. The remainder of fund balance is not available for discretionary spending because it is classified as nonspendable, restricted, or assigned for the following items:

Nonspendable fund balance:	
Inventories – General Fund	\$ 25,966
Inventories – National Breakfast & Lunch Program	25,124
Restricted fund balance:	
Federal or state funds grant restrictions	94,972
Retirement of long-term debt	1,196,863
Campus activity funds	83,598
Assigned fund balance:	
General Fund	10,599

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the General Fund’s unassigned fund balance was \$4,581,296 or 99.2% of the total fund balance of \$4,617,861.

The Debt Service Fund ending fund balance was \$1,196,863 and is reserved for the payment of future debt service.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year, the Board of Trustees revised the District’s budget several times. These budget amendments fall into three categories:

1. Amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we originally estimated).
2. There were no major amendments made to the General Fund during the year.
3. Amendments to move funds from programs that did not need all the resources originally appropriated to programs with resource needs.

The District’s actual General Fund balance of \$4,617,861 differs from the General Fund’s budgetary fund balance of \$3,803,087. The difference of \$814,744 is the result of several factors. One, actual local and intermediate sources were \$576,238 less than anticipated. However, this was partially offset by state program revenues and federal program revenues being more than expected by \$15,618 and \$112,149, respectively. Also, actual expenditures were \$1,280,275 less than the final budget expenditures of \$17,973,174.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The District’s investments in capital assets for its governmental activities at the end of this fiscal year amount to \$27,613,206 (net of accumulated depreciation) for a net decrease of \$1,908,114 or 6.4% from last year. Major deletion was the disposal of school buses, automotive vehicles, and miscellaneous equipment no longer needed by the District. The investment in capital assets includes land, buildings and improvements, and furniture and equipment.

More detailed information about the District’s capital assets is presented in the notes to the financial statements.

**Table A-4  
District’s Capital Assets**

	2021	2020
Land	\$ 298,049	\$ 298,049
Buildings & improvements	55,290,063	54,895,966
Furniture & equipment	4,437,291	6,772,940
Less depreciation	(32,412,197)	(32,445,635)
Totals	\$27,613,206	\$29,521,320

### **Long-term Debt**

At year-end, the District had \$20,334,099 in outstanding debt as shown in Table A-5. More detailed information about the District’s debt is presented in the notes to the financial statements.

**Table A-5  
District's Long-Term Debt**

	Governmental Activities	
	2021	2020
Bonds payable	\$10,272,000	\$12,424,000
Unamortized premium/(discount)	404,848	461,052
Net pension liability (District share – TRS)	4,146,353	4,822,888
Net OPEB liability (District share – TRS)	5,510,898	6,958,387
Totals	\$20,334,099	\$24,666,327

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Appraised value used for the 2021-22 budget preparation increased approximately \$50,610,034 from the year 2020-21.
- The district's 2021-22 refined average daily attendance is expected to be 1,423 which is approximately the same as 2021.

These indicators were taken into account when adopting the general fund budget for 2021-22. The amount available for appropriation in the general fund is \$16,834,361 approximately the same as 2021.

The District passed a balanced budget in August 2021, reflecting no potential change in fund balance.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Groesbeck Independent School District's Business Services Department at P. O. Box 559, Groesbeck, Texas 76642 or phone number 254-729-4106.

## **BASIC FINANCIAL STATEMENTS**

GROESBECK INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AUGUST 31, 2021

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
<b>ASSETS</b>	
1110 Cash and Cash Equivalents	\$ 6,613,654
1220 Property Taxes - Delinquent	594,140
1230 Allowance for Uncollectible Taxes	(255,480)
1240 Due from Other Governments	888,184
1267 Due from Fiduciary Funds	2,247
1300 Inventories	69,941
Capital Assets:	
1510 Land	298,049
1520 Buildings, Net	24,570,534
1530 Furniture and Equipment, Net	2,744,623
1000 Total Assets	35,525,892
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
1701 Deferred Charge for Refunding	116,079
1705 Deferred Outflow Related to TRS Pension	1,618,299
1706 Deferred Outflow Related to TRS OPEB	741,043
1700 Total Deferred Outflows of Resources	2,475,421
<b>LIABILITIES</b>	
2110 Accounts Payable & Bank Overdrafts	567,243
2140 Interest Payable	17,202
2150 Payroll Deductions and Withholdings	21
2160 Accrued Wages Payable	946,431
2190 Due to Student Groups	99
2200 Accrued Expenses	22,963
2300 Unearned Revenue	18,851
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	1,435,000
Due in More than One Year:	
2502 Bonds, Notes, Leases, etc.	9,241,849
2540 Net Pension Liability (District's Share)	4,146,353
2545 Net OPEB Liability (District's Share)	5,510,898
2000 Total Liabilities	21,906,910
<b>DEFERRED INFLOWS OF RESOURCES</b>	
2605 Deferred Inflow Related to TRS Pension	1,359,831
2606 Deferred Inflow Related to TRS OPEB	5,223,401
2600 Total Deferred Inflows of Resources	6,583,232
<b>NET POSITION</b>	
3200 Net Investment in Capital Assets	17,052,436
Restricted:	
3820 Restricted for Federal and State Programs	120,096
3850 Restricted for Debt Service	1,179,661
3870 Restricted for Campus Activities	82,951
3880 Restricted for Scholarships	647
3900 Unrestricted	(8,924,620)
3000 Total Net Position	\$ 9,511,171

The notes to the financial statements are an integral part of this statement.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6
		Expenses	3 Charges for Services	
<b>Primary Government:</b>				
GOVERNMENTAL ACTIVITIES:				
11	\$ 11,348,466	\$ 322,760	\$ 2,111,531	\$ (8,914,175)
12	141,980	-	23,224	(118,756)
13	267,974	-	77,240	(190,734)
21	264,134	-	26,931	(237,203)
23	1,024,512	-	109,626	(914,886)
31	1,165,544	-	363,311	(802,233)
32	50,238	-	7,161	(43,077)
33	246,587	-	27,686	(218,901)
34	806,730	-	71,166	(735,564)
35	1,069,210	-	839,871	(229,339)
36	1,021,317	-	68,663	(952,654)
41	794,623	-	59,404	(735,219)
51	2,412,405	-	246,890	(2,165,515)
52	114,587	-	-	(114,587)
53	1,013,281	-	554,449	(458,832)
61	275,597	-	30,869	(244,728)
72	334,331	-	-	(334,331)
73	4,543	-	-	(4,543)
99	358,641	-	-	(358,641)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 22,714,700	\$ 322,760	\$ 4,618,022	(17,773,918)
Data				
Control				
Codes				
General Revenues:				
Taxes:				
MT	Property Taxes, Levied for General Purposes			12,469,003
DT	Property Taxes, Levied for Debt Service			3,075,249
SF	State Aid - Formula Grants			2,350,463
GC	Grants and Contributions not Restricted			450,122
IE	Investment Earnings			166,938
MI	Miscellaneous Local and Intermediate Revenue			284,397
TR	Total General Revenues			18,796,172
CN	Change in Net Position			1,022,254
NB	Net Position - Beginning			8,488,917
NE	Net Position - Ending			\$ 9,511,171

The notes to the financial statements are an integral part of this statement.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ 5,181,979	\$ 1,196,863	\$ 234,812	\$ 6,613,654
1220 Property Taxes - Delinquent	475,640	118,500	-	594,140
1230 Allowance for Uncollectible Taxes	(204,525)	(50,955)	-	(255,480)
1240 Due from Other Governments	255,175	-	633,009	888,184
1260 Due from Other Funds	102,756	-	-	102,756
1300 Inventories	25,966	-	43,975	69,941
1000 Total Assets	<u>\$ 5,836,991</u>	<u>\$ 1,264,408</u>	<u>\$ 911,796</u>	<u>\$ 8,013,195</u>
<b>LIABILITIES</b>				
2110 Accounts Payable & Bank Overdrafts	\$ 116,814	\$ -	\$ 450,429	\$ 567,243
2150 Payroll Deductions and Withholdings Payable	21	-	-	21
2160 Accrued Wages Payable	814,128	-	132,303	946,431
2170 Due to Other Funds	-	-	100,509	100,509
2190 Due to Student Groups	99	-	-	99
2200 Accrued Expenditures	16,953	-	6,010	22,963
2300 Unearned Revenue	-	-	18,851	18,851
2000 Total Liabilities	<u>948,015</u>	<u>-</u>	<u>708,102</u>	<u>1,656,117</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2601 Unavailable Revenue - Property Taxes	271,115	67,545	-	338,660
2600 Total Deferred Inflows of Resources	<u>271,115</u>	<u>67,545</u>	<u>-</u>	<u>338,660</u>
<b>FUND BALANCES</b>				
Nonspendable Fund Balance:				
3410 Inventories	25,966	-	25,124	51,090
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	94,972	94,972
3480 Retirement of Long-Term Debt	-	1,196,863	-	1,196,863
3490 Other Restricted Fund Balance	-	-	83,598	83,598
Assigned Fund Balance:				
3590 Other Assigned Fund Balance	10,599	-	-	10,599
3600 Unassigned Fund Balance	4,581,296	-	-	4,581,296
3000 Total Fund Balances	<u>4,617,861</u>	<u>1,196,863</u>	<u>203,694</u>	<u>6,018,418</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 5,836,991</u>	<u>\$ 1,264,408</u>	<u>\$ 911,796</u>	<u>\$ 8,013,195</u>

The notes to the financial statements are an integral part of this statement.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
 STATEMENT OF NET POSITION  
 AUGUST 31, 2021

EXHIBIT C-2

<b>Total Fund Balances - Governmental Funds</b>	\$	6,018,418
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$61,966,955 and the accumulated depreciation was \$(32,445,635). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		16,745,564
2 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2021 capital outlays and debt principal payments is to increase net position.		2,674,877
3 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of \$1,618,299, a deferred resource inflow in the amount of \$1,359,831, and a net pension liability in the amount of \$4,146,353. This resulted in a decrease in net position.		(3,887,885)
4 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$741,043, a deferred resource inflow in the amount of \$5,223,401, and a net OPEB liability in the amount of \$5,510,898. This resulted in a decrease in net position.		(9,993,256)
5 The 2021 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(2,385,207)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		338,660
<b>19 Net Position of Governmental Activities</b>	<b>\$</b>	<b>9,511,171</b>

GROESBECK INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 12,905,400	\$ 3,092,106	\$ 148,107	\$ 16,145,613
5800 State Program Revenues	3,179,882	16,973	60,114	3,256,969
5900 Federal Program Revenues	433,149	-	2,577,897	3,011,046
5020 Total Revenues	<u>16,518,431</u>	<u>3,109,079</u>	<u>2,786,118</u>	<u>22,413,628</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011 Instruction	8,636,540	-	905,355	9,541,895
0012 Instructional Resources and Media Services	111,435	-	6,481	117,916
0013 Curriculum and Instructional Staff Development	175,209	-	52,421	227,630
0021 Instructional Leadership	223,110	-	-	223,110
0023 School Leadership	860,651	-	-	860,651
0031 Guidance, Counseling, and Evaluation Services	727,379	-	261,506	988,885
0032 Social Work Services	41,132	-	-	41,132
0033 Health Services	206,723	-	-	206,723
0034 Student (Pupil) Transportation	784,623	-	138,955	923,578
0035 Food Services	-	-	925,806	925,806
0036 Extracurricular Activities	831,120	-	45,934	877,054
0041 General Administration	677,575	-	3,762	681,337
0051 Facilities Maintenance and Operations	2,364,914	-	97,222	2,462,136
0052 Security and Monitoring Services	101,601	-	-	101,601
0053 Data Processing Services	361,987	-	522,666	884,653
0061 Community Services	230,259	-	-	230,259
<b>Debt Service:</b>				
0071 Principal on Long-Term Debt	-	2,152,000	-	2,152,000
0072 Interest on Long-Term Debt	-	380,115	-	380,115
0073 Bond Issuance Cost and Fees	-	4,543	-	4,543
<b>Intergovernmental:</b>				
0099 Other Intergovernmental Charges	358,641	-	-	358,641
6030 Total Expenditures	<u>16,692,899</u>	<u>2,536,658</u>	<u>2,960,108</u>	<u>22,189,665</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(174,468)</u>	<u>572,421</u>	<u>(173,990)</u>	<u>223,963</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7912 Sale of Real and Personal Property	302,970	-	-	302,970
7915 Transfers In	-	-	120,000	120,000
8911 Transfers Out (Use)	(120,000)	-	-	(120,000)
7080 Total Other Financing Sources (Uses)	<u>182,970</u>	<u>-</u>	<u>120,000</u>	<u>302,970</u>
1200 Net Change in Fund Balances	8,502	572,421	(53,990)	526,933
0100 Fund Balance - September 1 (Beginning)	<u>4,609,359</u>	<u>624,442</u>	<u>257,684</u>	<u>5,491,485</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 4,617,861</u>	<u>\$ 1,196,863</u>	<u>\$ 203,694</u>	<u>\$ 6,018,418</u>

The notes to the financial statements are an integral part of this statement.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT C-4

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	526,933
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2021 capital outlays and debt principal payments is to increase net position.		2,674,877
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.		(2,385,207)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		24,783
GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$374,873. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction to net pension liability. This caused a decrease in net position totaling \$319,429. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$242,225. The net result is a decrease in the change in net position.		(186,781)
GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$110,778. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction to net OPEB liability. This caused a decrease in net position totaling \$110,186. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$(367,057). The net result is an increase in the change in net position.		367,649
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>1,022,254</b>

GROESBECK INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
AUGUST 31, 2021

	Private Purpose Trust Fund	Custodial Fund
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ -	\$ 70,697
Total Assets	<u>-</u>	<u>\$ 70,697</u>
<b>LIABILITIES</b>		
Accounts Payable	-	383
Due to Other Funds	-	2,247
Total Liabilities	<u>-</u>	<u>2,630</u>
<b>NET POSITION</b>		
Restricted for Other Purposes	-	68,067
Total Net Position	<u>\$ -</u>	<u>\$ 68,067</u>

The notes to the financial statements are an integral part of this statement.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2021

	Private Purpose Trust Fund	Custodial Fund
<b>ADDITIONS:</b>		
Enterprising Services Revenue	\$ -	\$ 84,096
Total Additions	<u>-</u>	<u>84,096</u>
<b>DEDUCTIONS:</b>		
Supplies and Materials	-	92,901
Total Deductions	<u>-</u>	<u>92,901</u>
Change in Fiduciary Net Position	-	(8,805)
Total Net Position September 1 (Beginning)	<u>-</u>	<u>76,872</u>
Total Net Position August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ 68,067</u></u>

The notes to the financial statements are an integral part of this statement.

## **I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Groesbeck Independent School District (the “District”) is a public education agency operating under the applicable laws and regulations of the State of Texas. The District prepares its’ basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in GASB Statement 76, and it complies with the requirements of the appropriate version of the Texas Education Agency’s *Financial Accountability System Resource Guide* (the “Resource Guide”) and the requirements of contracts and grants of agencies from which it receives funds.

*Pension* – The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about assets, liabilities, and additions to/deductions from TRS’s fiduciary net position. Benefit payments (including refunds of employee contributions) when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Other Post-Employment Benefits (OPEB)* – The fiduciary net position of the Teacher Retirement System of Texas TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities, and additions to/deductions from TRS Care’s fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this a pay-as-you-go plan and all cash is held in a cash account.

The District’s investments are accounted for using the cost amortization method.

### **A. Reporting Entity**

The District’s Board of Trustees (the “Board”), consisting of seven members, has governance responsibilities over all activities related to public school education within the District. The daily functioning of the District is under the supervision of the Superintendent. Board members are elected by the public, have the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by Governmental Accounting Standards Board (GASB) in its *Statement No. 14, The Financial Reporting Entity*. There are no component units included within the reporting entity.

### **B. Basis of Presentation – Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on the District nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants, and other intergovernmental revenues. *Business-type*

*activities* include operations that rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The “charges for services” column include payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the District, school lunch charges, etc. The “grants and contributions” column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not a program revenue, it is a general revenue used to support all District functions. Taxes are always general revenues.

Expense activity is required to be recorded by districts who are participants in cost-sharing pension and OPEB benefit plans with a special funding situation where non-employer contributing entities (NECE) also participate in contributions to the plans. TRS-Retirement and TRS-Care benefit plans are both cost-sharing plans with special funding situations. Therefore, the on-behalf expense activity of the NECE must be recorded at the government-wide level of reporting on the Statement of Activities.

Interfund activities between governmental funds appear as due to/due from on the Governmental Fund Balance Sheet and as other resources and other uses on the governmental fund State of Revenues, Expenditures, and Changes in Fund Balance. All interfund transactions between governmental funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide Statement of Activities.

### **C. Basis of Presentation – Governmental Fund Financial Statements**

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. The fund statements are prepared on a current financial resource measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and the basis of accounting than the government-wide statements’ governmental activities column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the government-wide financial statements.

The District reports the following major government funds:

**The General Fund**— The General Fund is the District’s general operating fund. It is used to account for all financial transactions except for those required to be accounted for in another fund. Major revenue sources include local property taxes and state funding under the Foundation School Program. Expenditures include all costs associated with the daily operations of the District except for costs incurred by programs accounted for in other funds. The General Fund is always considered a major fund as defined by GASB 34.

**Debt Service Fund** – This fund, which is a budgeted fund, accounts for the resources accumulated and payments made on long-term general obligation debt of governmental funds. Revenues include collections of general property taxes, state funding under the Instructional Facilities and Existing Debt Allotments, and earnings on investments of the fund. Expenditures of the fund are for the retirement of bonds and payments of interest on the bonded debt. The fund balance represents the amount that is available for the retirement of bonds and payment of interest in the future.

In addition, the District maintains the following funds:

**Governmental Funds:**

**Special Revenue Funds** – The District accounts for resources restricted to, or designated for, specific purposes by the District or grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods.

The District’s Food Service Fund (National Breakfast and Lunch Program) is considered a special revenue fund since it meets the following criteria: (1) User fees are charged to supplement the National School Breakfast and Lunch Program, (2) the General Fund subsidizes the Food Service Program for all expenditures in excess of the National Breakfast and Lunch Program, and (3) the District does not consider the Food Service Program completely self-supporting. Food Service fund balances are used exclusively for child nutrition program purposes. This is a budgeted fund.

**The Capital Projects Fund** – This fund, which is an unbudgeted fund, is used to account for proceeds from sales of bonds and other revenues to be used for authorized construction, renovations, and technology projects/enhancements.

**Proprietary Funds:**

The District does not have proprietary funds.

**Fiduciary Fund Financial Statements:**

**Private-purpose Trust Fund** – The District does not have this type of fund.

**Custodial Funds** – These funds are custodial in nature and accounts for activities of student groups and other types of activities requiring clearing accounts. The fund has no equity. Assets are equal to liabilities and do not include revenues and expenditures for general operations of the District. This accounting reflects the District’s agency relationship with student activity organizations. Fiduciary funds use the accrual basis of accounting to recognize assets and liabilities.

The District does not have any permanent funds.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment are determined by the applicable measurement focus and the basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing resources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available and recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences, claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collected within 60 days after year-end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the “susceptible to accrual” concept, that is, when they are both measurable and available. The District considers them “available” if they will be collected within 60 days of the end of the fiscal year. Property taxes received after the 60-day period are not considered available and, therefore, are recorded as the deferred inflow of resources in the Governmental Funds Balance Sheet. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are both measurable and available.

Grant funds are earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

### **Management’s Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimations and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

The amount of state foundation revenue and the related receivables and liabilities a district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year.

## **E. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balances**

1. Cash and Cash Equivalents - The District's cash and cash equivalents are considered as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Investments considered as cash equivalent are reported at fair value.
2. Investments - Investments are recorded at fair value. Investments are considered and classified as cash equivalents. Investments are primarily in FDIC insured investments, savings accounts, and public funds money markets and are not significantly affected by the impairment of the credit standing of the issues or other factors.
3. Inventories and Prepaid Items - The District uses the consumption method to account for inventories of food products, school supplies, and athletic equipment. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed. In the General Fund, reported inventories are offset by a fund balance reserve. Inventories of food commodities used in the food service program are recorded at fair market values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair market value is recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenues are relieved, expenditures are charged, and revenue is recognized for an equal amount.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as a prepayment in both government-wide and fund financial statements.

4. Other Receivables and Payables - These may include amounts due from local, state, and federal agencies resulting from an excess of expenditures over revenues incurred, accrued liabilities, interest payable, and accrued wages payable.
5. Interfund Activities - The District has activity between funds for various purposes during the year. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

6. Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in the accounting system in order to reserve a portion of the applicable appropriation, is employed in the governmental

fund types on the governmental fund financial statements. Encumbrances are liquidated at year-end.

7. Capital Assets - Capital assets, which include land, buildings and improvements, furniture and equipment, and construction in progress, are reported in the applicable governmental column in the government-wide financial statements. The cost of the infrastructure (e.g., roads, bridges, sidewalks, and similar items) was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at an estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and improvements, furniture and equipment, and capital lease assets of the District are depreciated using the straight-line method over the following estimated lives:

Asset Classification	Useful Life
Buildings and improvements	50
Portable buildings	15
Vehicles	5-8
Office equipment	5-10

Land and construction in progress are not depreciable.

8. Unearned Revenues - Unearned revenues represent revenues received by the District but not yet earned and are not available for use by the District to liquidate current year liabilities. A summary of unearned revenues by fund follows:

Other Funds – National Breakfast & Lunch Program	<u>\$18,851</u>
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9. Long-term Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activity, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Deferred loss on refunding, will be recognized as a deferred outflow of resources and amortized to interest expense over the life of the bonds. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Deferred Outflows/Inflow of Resources - In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District had the following deferred outflows of resources:

- Deferred outflows of resources for refunding – Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. During the current year, the District had \$116,079 in deferred charges for refunding.
- Deferred outflows of resources for pension – Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actuarial experience. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. During the current year, the District had \$1,618,299 deferred outflow related to TRS as a result of GASB 68. This amount consisted of \$1,243,426 for total net amounts per TRS August 31, 2020 measurement date and \$374,873 for contributions paid to TRS subsequent to the measurement date.
- Deferred outflow of resources related to TRS OPEB – Reported in the government-wide financial statement of net position, this deferred outflow results related to TRS OPEB contributions made after the measurement date of the net pension liability and the results of differences between expected and actuarial experience. The deferred outflows of resources related to TRS OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net TRS OPEB liability in the next fiscal year. During the current year, the District had \$741,043 deferred outflow related to TRS OPEB as a result of GASB 75. This amount consisted of \$630,265 for total net amounts per TRS OPEB August 31, 2020 measurement date and \$110,778 for contributions paid to TRS OPEB subsequent to the measurement date.

In addition to liabilities, the District will sometimes report a separate section for deferred inflow of resources. A deferred inflow of resources is an acquisition of a government's net assets (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District had three items that qualify for reporting in this category:

- Deferred inflow of resources for unavailable revenues – Reported only in the governmental funds balance sheet, for unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of revenues in the period that the amounts become available. During the current year, the District recorded deferred inflow of resources \$271,115

and \$67,545 as unavailable revenues – property taxes with the General Fund and Debt Service Fund respectively.

- Deferred inflow of resources for pensions – Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments. During the current year, the District recorded \$1,359,831 for total net amounts per TRS August 31, 2020 measurement date in accordance with GASB 68.
  - Deferred inflow of resources related to TRS OPEB – Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on TRS OPEB investments. During the current year, the District recorded \$5,223,401 for total net amounts per TRS OPEB August 31, 2020 measurement date in accordance with GASB 75.
11. The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
12. Net Position Flow Assumptions - Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. When both restricted and unrestricted resources are available for use in a specific program or a specific purpose, the District's normal policy is to use the restricted resource to finance its activities.

The Government-wide Statement of Net Position includes the following:

Net investment in capital assets - the component of net position that reports capital assets less both the accumulated depreciation and the outstanding balance of debt and is directly attributable to the acquisition, construction, or improvement of these capital assets.

Restricted for federal and state Programs – the component of net position that reports the difference between assets and liabilities related to federal and state programs that consist of assets with constraints placed on their use by granting agencies.

Restricted for debt service – the component of net position that reports the difference between assets and liabilities adjusted on a government-wide basis that consists of assets with constraints placed on their use by the bond covenants.

Restricted for campus activities – funds that have been committed solely for the use by various campuses within the District.

Restricted for scholarship funds – funds that have been committed solely for awarding future scholarships to deserving students.

Restricted for other purposes – funds that have been designated by the District to classify locally funded grants. The District does not have any restricted for other purposes.

Unrestricted net position - the difference between the assets and liabilities that are not reported in net investment in capital assets or restricted net position.

13. Fund Balance Flow Assumptions – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, the committed fund balance is depleted first, followed by the assigned fund balance. The unassigned fund balance is applied last.
14. Fund Balance Policies - In the fund financial statements, government funds report fund balances as either a non-spendable fund balance or a spendable fund balance.

Non-spendable fund balance – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid/deferred items.

Restricted fund balance – the component of the spendable fund balance constrained to a specific purpose by a provider, such as a creditor, grantor, contributor, or law or regulation of other governments. Restricted fund balance includes funds for federal/state grants, long-term debt service, and other restrictions.

Committed fund balance – the component of spendable fund balance constrained to a specific purpose by the Board. A Board resolution is required to establish, modify, or rescind a fund balance commitment. Only the action that constitutes the most binding constraint of the Board can be considered a commitment for fund balance classification purposes. The District does not have any committed fund balances.

Assigned fund balance – the component of the spendable fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board of Trustees or by an official or body to which the Board of Trustees delegates. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund convey that the intended use of those amounts is a specific purpose that is narrower than the general purposes of the District itself.

Unassigned fund balance – is the residual classification of the General Fund and includes all amounts not contained in other classifications. This portion of the total fund balance in the general fund is available to finance operating expenditures. Only the General Fund will have unassigned amounts. By accounting for amounts in other

funds, the District has implicitly assigned the funds for purposes of those particular funds.

Disclosure of Fund Balances Reported on Balance Sheet – Governmental Funds  
For Fiscal Year Ending August 31, 2021

	General Fund	Debt Service Fund	Other Funds	Total Governmental Funds
Nonspendable Fund				
Balance:				
Inventories	\$ 25,966	\$ 0	\$ 25,124	\$ 51,090
Restricted Fund Balance:				
National School Breakfast & Lunch Program	0	0	94,972	94,972
Retirement of long-term debt	0	1,196,863	0	1,196,863
Campus activity funds	0	0	82,951	82,951
Scholarship funds	0	0	647	647
Assigned Fund Balance	10,599	0	0	10,599
Unassigned	4,581,296	0	0	4,581,296
Total Fund Balance	<u>\$4,617,861</u>	<u>\$1,196,863</u>	<u>\$203,694</u>	<u>\$6,018,418</u>

The District does not have a minimum fund balance policy.

15. Data Control Codes - The data control codes refer to the account code structure prescribed by the Texas Education Agency (the “Agency”) in the Financial Accountability System Resource Guide. The Agency requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

**F. Implementation of New Standards**

**GASB No. 84 – Fiduciary Activities.** This pronouncement was issued in January 2017 and effective for periods beginning December 15, 2019. This standard establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. The requirements of this Statement will enhance consistency and comparability by (1) establish specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This standard must be applied retroactively and as such beginning net position and/or fund balance in the special revenue fund as well as in the custodial fund to establish the beginning balance. Net position related to governmental activities is also restated.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS.**

Exhibit C-2 “Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position” provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position as reported in the government-wide statement

of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. Also, the property taxes receivable which is included as unavailable revenue in the fund financial statements are adjusted based on when the tax levy was made and adjusted for uncollectible amounts. Also included are the adjustments required by GASB 68 and GASB 75.

Exhibit C-4 “Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities” provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements but, should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position. The debt payments on the retirement of debt are recorded as expenditures for fund-basis financial statements but are a reduction of debt in the government-wide financial statements. The capital asset additions are expenditures in the fund-basis financial statements but capitalized in the government-wide financial statements. The fund-basis financial statements do not include depreciation expense. The depreciation expense is a deduction to reconcile to the government-wide statement of activities. New debt issues are treated as sources of revenue for fund-basis financial statements, but for the government-wide statements, those amounts are recorded as a liability. Property taxes are adjusted for the accrual basis and the unavailable revenues are adjusted based on prior-year levies and current year uncollectable amounts. Also included are all the adjustments required by GASB 68 and GASB 75.

### **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **A. Budgets and Budgetary Accounting**

The Board of Trustees adopts an “appropriated budget” for the General Fund, Child Nutrition Program, and the Debt Service Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The general fund budget report appears in Exhibit G-1 “Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund” and the other two reports are in Exhibit J-2 “Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - Child Nutrition Program” and J-3 “Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - Debt Service Fund”.

The following procedures are followed in establishing the budgetary data reflected in the general-purpose financial statements:

1. Prior to August 20, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days’ public notices of the meeting must be given.

3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can be amended at the function and fund level by approval of a majority of the members of the Board. Changes can be made to the budget at any detail within the function level without an amendment approved by the Board. During the year, several budget amendments were made with Board approval. The most significant amendments were for carryover funding; mid-year adjustment of operating costs; and year-end adjustments to expenditures based on the latest information concerning operating cost. All budget appropriations lapse at year-end.

	Original Budget Appropriations	Increase (Decrease)	Amended Budget Appropriations
General Fund – Exhibit G-1	\$17,478,698	\$494,476	\$17,973,174
Child Nutrition Program – Exhibit J-2	899,571	0	899,571
Debt Service Fund – Exhibit J-3	3,250,337	0	3,250,337

4. Each budget is controlled at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. A reconciliation of fund balances for both appropriated budget and non-appropriated budget special revenue funds is as follows:

August 31, 2021 Fund Balance	
Appropriated Budgeted Funds – National Breakfast & Lunch Program	\$120,096
Non-appropriated Budgeted Funds	83,598
All Special Revenue Funds	\$203,694

## **B. Excess of Expenditures over Appropriations**

The Child Nutrition Program had an excess of expenditures over appropriations as follows:

Data Control Codes	Function	Final Budget Amount	Actual Amounts	Amount Over Appropriations	%
0035	Food Service	\$899,571	\$925,806	\$(26,235)	2.8

*Education Code 45-105(c)* states that no public funds of the District may be spent in any manner other than as provided in the budget adopted by the Board. The District was not in compliance with *Education Code 45-105(c)*; however, this excess of expenditures is considered immaterial to the individual fund financial statements as a whole.

## **C. Deficit Fund Equity**

There were no deficit fund equities for the year ended August 31, 2021.

## **IV. DETAILED NOTES ON ALL FUNDS**

### **A. Cash and Cash Equivalents**

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved

securities is waived only to the extent of the depository bank’s dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance.

Depository information is as follows:

- Depository bank: Citizen’s State Bank
- Highest combined balance: \$15,325,119
- Date of highest combined balance: February 2021
- Amount of FDIC insurance: \$250,000
- Amount of pledged securities: \$17,591,400

Since the District complies with this law, it has no custodial credit risk for deposits.

The District’s cash and cash equivalents, considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

On August 31, 2021, the carrying value of the District’s deposits was \$877,411, excluding petty cash of \$2,850 and \$5,733,393 of investments considered as cash equivalents, and the bank balance was \$2,401,501. The District’s cash deposits at August 31, 2021, and during the year then ended, were entirely covered by FDIC insurance or by pledged collateral held by the District’s agent bank in the District’s name.

Governmental Funds:		
Petty cash		\$ 2,850
Cash-in-bank		877,411
Investments considered as cash equivalents		5,733,393
Total cash and cash equivalents		\$6,613,654

The following investments are considered as cash equivalents:

Investments	Carrying Amount	Fair Value	Percentage of Investments	Weighted Average Maturity (Days)
Certificate of deposits	\$5,733,393	\$5,733,393	100.0	On demand

The District does not have any cash or cash equivalents in foreign currency; therefore, there is no foreign currency risk.

**The Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of returns, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. The District maintains an investment policy which authorizes the District to invest in obligations of U.S. Treasury and U.S. agencies, municipal securities and repurchase agreements and the State Treasurer’s investment pool or similar public investment pools. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided

by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy.

**Custodial Credit Risk – Investments** - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District's investment is not exposed to custodial risk. External investment pools are not subject to custodial risk because investments are not evidenced by securities that exist in physical or book entry form. State law limits investments in public funds investment pools to those rated no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service. District investments are not exposed to custodial credit risk.

**Credit Risk** – This is the risk that a security issuer may default on interest or principal payment. State law limits investment in local government pools to those that are rated AAA or equivalent by at least one Nationally Recognized Statistical Rating Organization (NRSRO). The District controls and monitors this risk by purchasing quality rated instruments that have been evaluated by agencies such as Standard and Poor's (S&P) or Moody's Investors Service, or by investing in public fund investment pools rated no lower than AAA or AAAM.

**Interest-rate Risk** – This type of risk occurs when potential purchasers of debt securities do not agree to pay face value for those securities if interest rates rise. The District's investment policy does not allow the purchase of investments that would expose the District to interest-rate risk.

**Concentration of Credit Risk** – This type of risk is defined as positions of 5 percent or more in securities of a single issuer. The District is not exposed to the concentration of credit risk because the investment portfolio mainly consists of external investment pools.

**Foreign Currency Risk** – This is the risk that exchange rates will adversely affect the fair value of an investment. At year-end, the District was not exposed to foreign currency risk.

## **B. Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real property and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable with the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

The Board establishes the District's property tax rates annually. The authorized tax rates for property taxes assessed on January 1, 2020, were \$0.9630 and \$0.2375 per \$100 for the General Fund and Debt Service Fund, respectively, based on a net assessed valuation of \$1,299,466,556.

The District has not entered into any tax abatement agreements in compliance with Tax Code Chapter 312.

Delinquent taxes are prorated between the General Fund and Debt Service Fund based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes.

Delinquent taxes receivables and the related allowance for uncollectible taxes in the governmental fund financial statements as of August 31, 2021, are as follows:

	Property Taxes - Delinquent	Allowance for Uncollectible Taxes	Unavailable Revenue – Property Taxes
General Fund	\$475,640	\$(204,525)	\$271,115
Debt Service Fund	118,500	(50,955)	67,545
Totals	<u>\$594,140</u>	<u>\$(255,480)</u>	<u>\$338,660</u>

Current tax collections for the levy year ended August 31, 2021, were 98.7% of the year-end adjusted tax levy.

Uncollectible personal property taxes are periodically reviewed and written off by the District. The District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

The District has an agreement with Limestone County Tax Office (“County”) whereby the County bills and collects the District’s property taxes.

**C. Disaggregation of Receivables and Payables**

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of August 31, 2021.

**D. Receivables from Other Governments**

Receivables from other governments, as of August 31, 2021, are as follow:

	Due from State	Due From Other Governments	Totals
General Fund	\$230,756	\$24,419	\$255,175
Special Revenue Funds:			
ESEA I, A – Improving Basic Programs	72,516	0	72,516
IDEA – Part B Formula	19,096	0	19,096
National Breakfast & Lunch Program	81,100	0	81,100
Career & Technical – Basic Grant	4,851	0	4,851
ESEA II, A – Training & Recruiting	7,419	0	7,419
Title IV, B – Community Learning	41,761	0	41,761
ESEA VI, Pt. B – Rural & Low Income	33,655	0	33,655
Instructional Continuity Grant	1,430	0	1,430
CRRSA ESSER II Grant	129,691	0	129,691
ARP ESSER III Grant	241,102	0	241,102
Other Federal Special Revenue Funds	388	0	388
Total Special Revenue Funds	633,009	0	633,009
Totals	\$863,765	\$24,419	\$888,184

**E. Interfund Receivables and Payables**

Interfund receivables and payables at August 31, 2021, consisted of the following:

General Fund – Due from Other Funds:		
Special Revenue Funds:		
ESEA I, A – Improving Basic Programs		\$ 6,516
IDEA – Part B Formula		10,191
National Breakfast & Lunch Program		43,500
Career & Technical – Basic Grant		9,038
ESEA II, A – Training & Recruiting		20,801
ESEA VI, Pt. B – Rural & Low Income		531
Other Federal Special Revenue Funds		8,525
Campus Activity Funds		1,407
Total Special Revenue Funds Due to General Fund		100,509
Fiduciary Funds – Custodial Fund – Due to Other Funds		2,247
Total		<u>\$102,756</u>

**F. Interfund Transfers**

The General Fund transferred \$120,000 to the Special Revenue Fund – National Breakfast & Lunch Program to supplement that fund.

**G. Other Financing Sources (Uses)**

The District’s General Fund had the following financing sources and (uses), as previously discussed, during the year:

Sale of Real and Personal Property	<u>\$302,970</u>
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## H. Special Items/Extraordinary Items

There were no special items/extraordinary items during the fiscal year.

## I. Operating Leases

The District leases office equipment under noncancelable operating leases. Total costs for such leases were \$33,804 for the year. The future minimum lease payments for active operating leases are summarized below:

Year Ending August 31	Amount
2022	\$24,607
2023	1,183
Thereafter	0

## J. Capital Asset Activity

Capital asset activity for the year ended August 31, 2021, is as follows:

	Beginning Balance	Increases/ Adjustments	Decreases/ Adjustments	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 298,049	\$ 0	\$0	\$ 298,049
Construction in Progress	0	0	0	0
Total Capital Assets, not being depreciated	298,049	0	0	298,049
Capital assets, being depreciated:				
Buildings and improvements	54,895,966	394,097	0	55,290,063
Furniture and equipment	6,772,940	238,015	2,573,664	4,437,291
Total capital assets, being depreciated	61,668,906	632,112	2,573,664	59,727,354
Less accumulated depreciation for:				
Buildings and improvements	28,917,268	1,802,261	0	30,719,529
Furniture and equipment	3,528,367	582,946	2,418,645	1,692,668
Total accumulated depreciation	32,445,635	2,385,207	2,418,645	32,412,197
Governmental activities capital assets, net	\$29,521,320	\$(1,753,095)	\$ 155,019	\$27,613,206

Building and improvement additions included additions to the culinary facilities, and improvements to various campuses. Furniture and equipment included purchases of new vehicles and a new bus.

Depreciation expense was charged to governmental functions of the District as follows:

**Governmental activities:**

11 – Instruction	\$1,219,542
12 – Instruction Resources & Media Services	15,071
13 – Curriculum & Instructional Staff Development	29,093
21 – Instructional Leadership	28,516
23 – School Leadership	109,999
31 – Guidance, Counseling & Evaluation Services	126,389
32 – Social Work Services	5,257
33 – Health Services	26,421
34 – Student (Pupil) Transportation	87,621
35 – Food Services	118,326
36 – Extracurricular Activities	112,096
41 – General Administration	87,081
51 – Plant Maintenance & Operations	264,314
52 – Security & Monitoring Services	12,986
53 – Data Processing Services	113,067
61 – Community Services	29,428
Total Depreciation Expense	<u>\$2,385,207</u>

**K. Long-Term Debt**

Long-term debt of the District is comprised of bonds payable, accreted interest, the premium on bonds, compensated absences, and net pension liability. Debt service requirements for general obligation bonds are payable from the fund balance and future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, state funding, and interest earnings. Capital leases are paid from the fund balance and future revenues of the General Fund.

The following is a summary of changes in long-term debt for government activities for the year ended August 31, 2021.

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Bonds payable	\$12,424,000	\$0	\$2,152,000	\$10,272,000	\$1,435,000
Premium on bonds	461,052	0	56,203	404,849	0
Sub-total	12,885,052	0	2,208,203	10,676,849	1,435,000
Net pension liability	4,822,888	0	676,535	4,146,353	0
Net OPEB liability	6,958,387	0	1,447,489	5,510,898	0
Total	<u>\$24,666,327</u>	<u>\$0</u>	<u>\$4,332,227</u>	<u>\$20,334,100</u>	<u>\$1,435,000</u>

**L. Bonds Payable**

Bonded indebtedness of the District is reflected in the statement of net position. Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund in the fund financial statements.

A summary of changes in general obligation bonds for the year ended August 31, 2021, follows:

Issue/ Maturity Date	Interest Rates Payable	Amounts Original Issue	Beginning Balance	Issued	Retired	Ending Balance	Amounts Due Within One Year
Series 2009 UTSB Bonds/ 2025	0.93%	\$5,574,000	\$ 1,944,000	\$ 0	\$ 382,000	\$ 1,562,000	\$ 385,000
Series 2018 UTSB Bonds/2029	3.0%/5.0%	2,295,000	2,240,000	0	90,000	2,150,000	170,000
Series 2018 UTR Bonds/2029	3.0%/5.0%	6,260,000	5,665,000	0	520,000	5,145,000	540,000
Series 2020 UTSB Bonds/2025	2.0%/4.0%	2,695,000	2,575,000	2,695,000	1,160,000	1,415,000	340,000
Totals			<u>\$12,424,000</u>	<u>\$2,695,000</u>	<u>\$2,152,000</u>	<u>\$10,272,000</u>	<u>\$1,435,000</u>

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds.

Year Ended August 31	Principal	Interest	Total Requirements
2022	\$ 1,435,000	\$ 313,549	\$ 1,748,549
2023	1,484,000	261,044	1,745,044
2024	1,538,000	211,676	1,749,676
2025	1,585,000	164,337	1,749,337
2026	1,005,000	118,475	1,123,475
2027-2031	3,225,000	146,924	3,371,924
Totals	<u>\$10,272,000</u>	<u>\$1,216,005</u>	<u>\$11,488,005</u>

Interest and fees paid on general obligation bonds during the year were \$384,658.

There are numerous limitations and restrictions contained in the various general obligation bond indentures. The District has complied with all significant limitations and restrictions as of August 31, 2021.

#### **M. Defeasance of Debt**

During the current year, the District issued refunding bonds for the purpose of restructuring debt cash flow requirements. Proceeds from the refunding bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. The old bonds are considered defeased, and accordingly, the trust account assets and liabilities are not included in the District's financial statements. On August 31, 2021, \$5,370,000 of bonds considered defeased are still outstanding.

## N. Revenue from Local and Intermediate Sources

During the current year local and intermediate revenues consisted of the following:

	General Fund	Debt Service Fund	Other Funds	Fund Totals
Property taxes	\$12,452,611	\$3,066,858	\$ 0	\$15,519,469
Food sales	0	0	17,577	17,577
Penalties, interest & other tax related income	96,302	22,216	0	118,518
Earnings – temporary deposits & investments	163,800	3,032	107	166,939
Rent	3,430	0	0	3,430
Foundations, Gifts & Requests	0	0	14,554	14,554
Insurance recovery	3,373	0	0	3,373
Other revenues from local sources	40,454	0	67,132	107,586
Athletics	38,361	0	0	38,361
Co-curricular/Enterprising activities	107,069	0	48,737	155,806
<b>Total</b>	<b>\$12,905,400</b>	<b>\$3,092,106</b>	<b>\$148,107</b>	<b>\$16,145,613</b>

## O. State Aid Revenue

The District receives state revenues from TEA based upon application of formula allocations, on behalf allocations, and other state miscellaneous programs. The components of state program revenues as shown in the governmental fund financial statements are as follows:

	General Fund	Debt Service Fund	Other Funds	Totals
Per Capita Apportionment	\$ 733,024	\$ 0	\$ 0	\$ 733,024
Foundation School Prg. Act Entitlements	1,601,144	0	0	1,601,144
Other Foundation School Program Act	16,295	0	0	16,295
State Program Revenues	0	16,973	60,114	77,087
TRS On-behalf Payments	779,425	0	0	779,425
TRS Medicare Part-D	49,994	0	0	49,994
<b>Totals</b>	<b>\$3,179,882</b>	<b>\$16,973</b>	<b>\$60,114</b>	<b>\$3,256,969</b>

## P. Federal Program Revenues

The District receives federal program revenues for various programs as follows:

Revenues	General Fund	Other Funds
School Health & Related Services (SHARS)	\$301,701	\$ 0
U. S. Department of Education – Passed Through	24,419	1,803,078
U. S. Department of Agriculture – Passed Through	39,110	774,819
U. S. Department of Health & Human Services – Passed Through	67,919	0
<b>Totals</b>	<b>\$433,149</b>	<b>\$2,577,897</b>

## **Q. Employee Benefits**

### **Compensated Absences**

Vacations are to be taken within the same year they are earned, and any unused days at the end of the year are forfeited. Therefore, no liability has been accrued in the accompanying government-wide financial statements or the governmental fund financial statements. Employees of the District are entitled to sick leave based on category/class of employment. Sick leave is allowed to accumulate but does not vest. Therefore, liability for unused sick leave has not been recorded in either the government-wide financial statements or the governmental fund financial statements.

### **R. Defined Benefit Pension Plan**

**Plan Description** - The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

**Pension Plan Fiduciary Net Position** - Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512)542-6592.

**Benefits Provided** - TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on the date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be

increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System’s actuary.

In May 2019, the 86<sup>th</sup> Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13<sup>th</sup> check in September 2019. All eligible members retired as of December 31, 2018, received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

**Contributions** - Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member’s annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

	<u>Contribution Rates</u>	
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
Current fiscal year Employer Contributions	\$374,873	
Current fiscal year Member Contributions	\$863,863	
2020 measurement date NECE On-behalf Contributions	\$726,713	

Contributors to the plan include members, employers, and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools, and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member’s first 90 days of employment.
- When any part or all of an employee’s salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.

- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member’s salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

**Actuarial Assumptions** - The total pension liability in the August 31, 2019, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August, 2020	2.33%
Inflation	2.30 %
Salary Increases	3.05% to 9.05% including inflation
Benefit Changes during the year	None
Ad hoc Post-employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions please see the actuarial valuation report dated November 14, 2019.

**Discount Rate** - A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers, and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in the fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class are included in the Systems target asset allocation as of August 31, 2020.

Asset Class	FY 2019 Target Allocation ( <sup>1</sup> )	Long-Term Expected Arithmetic Real Rate of Return ( <sup>2</sup> )	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
USA	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00 %	5.60%	0.83%
Private Equity	14.00 %	6.70%	1.41%
<b>Stable Value</b>			
Government Bonds	16.00 %	(0.70%)	(0.05%)
Stable Value Hedge Funds	5.00%	1.90%	0.11%
<b>Real Return</b>			
Real Estate	15.00%	4.60%	1.01%
Energy, Natural Resources	6.00%	6.00%	0.42%
<b>Risk Parity</b>			
Risk Parity	8.00%	3.00%	0.30%
<b>Leverage</b>			
Cash	2.00%	(1.50%)	(0.03%)
Asset Allocation Leverage	(6.00%)	(1.30%)	0.08%
Inflation Expectation			2.00%
Volatility Drag <sup>3</sup>			(0.67%)
<b>Expected Return</b>	100.00%		7.33%

(<sup>1</sup>) Target allocations are based on the FY2020 policy model.

(<sup>2</sup>) Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020).

(<sup>3</sup>) The volatility drag results from the conversion between arithmetic and geometric mean returns.

**Discount Rate Sensitivity Analysis** - The following table presents the Net Pension Liability using the discount rate of 7.25 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percent point higher (8.25 percent) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the net pension liability:	\$6,393,602	\$4,146,353	\$2,320,512

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – On August 31, 2021, the District reported a liability of \$4,146,353 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District

as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 4,146,353
State's proportionate share that is associated with District	9,433,126
Total	<u>\$13,579,479</u>

The net pension liability was measured as of August 31, 2019, and rolled forward to August 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019, thru August 31, 2020.

On August 31, 2020, the employer's proportion of the collective net pension liability was 0.0077418053% which was a decrease of 0.0015359895% from its proportion measured as of August 31, 2019.

***Changes Since the Prior Actuarial Valuation***

There were no changes in assumptions since the prior measurement date.

For the year ended August 31, 2021, the District recognized pension expense of \$1,696,250 and revenue of \$1,134,596 for support provided by the State.

On August 31, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 7,571	\$ 115,714
Changes in actuarial assumptions	962,101	409,079
Difference between projected and actual investment earnings	83,939	0
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	189,815	835,038
Total as of August 31, 2020 measurement date	<u>1,243,426</u>	<u>1,359,831</u>
Contributions paid to TRS subsequent to the measurement date	374,873	0
Total	<u>\$1,618,299</u>	<u>\$1,359,831</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year ended August 31	Pension Expense Amount
2022	\$ 67,937
2023	56,926
2024	30,863
2025	(82,067)
2026	(157,495)
Thereafter	(32,569)

**S. Defined Other Post-Employment Benefit Plans**

**Plan Description** - The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code, Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

**OPEB Plan Fiduciary Net Position** - Detail information about the TRS-Care’s fiduciary net position is available in the separately issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [http://www.trs.texas.gov/Pages/about\\_publications.aspx](http://www.trs.texas.gov/Pages/about_publications.aspx); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided** - TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers, and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retirees are reflected in the following table:

	TRS-Care Monthly Premium Rates	
	Medicare	Non-Medicare
Retiree or Surviving Spouse	\$ 135	\$200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

**Contributions** - Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25 percent of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is

0.65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public or charter scho. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates		
	2020	2021
Active Employee	0.65%	0.65%
Non-employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year Employer Contributions		\$110,778
Current fiscal year Member Contributions		\$72,923
2020 measurement year NECE On-Behalf Contributions		\$148,062

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (*regardless of whether they participate in the TRS Care OPEB program*). When hiring a TRS retiree, employers are required to pay TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$230.8 million in the fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

**Actuarial Assumptions** - The actuarial valuation was performed as August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions:

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020.

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability	

**Additional Actuarial Methods and Assumptions:**

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on Plan Specific Experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% - 9.05% including inflation
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65. 25% pre-65 retirees are assumed to discontinue coverage at age 65.
Ad-hoc Post Employment Benefit Changes	None

**Discount Rate** - A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able to* make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with a 20 years to maturity that include only federally tax-exempt municipal bonds.

**Discount Rate Sensitivity Analysis** - The following schedule shows the impact of the net OPEB liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (2.33%) in measuring the net OPEB liability.

	1% Decrease in Discount Rate (1.33%)	Current Single Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
District’s proportionate share of the net OPEB liability:	\$6,613,055	\$5,510,898	\$4,640,344

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs** – On August 31, 2021, the District reported a liability of \$5,510,898 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District’s proportionate share of the collective net OPEB liability	\$ 5,510,898
State’s proportionate share that is associated with District	7,405,326
Total	\$12,916,224

The net OPEB liability was measured as of August 31, 2019, and rolled forward to August 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net OPEB liability was based on the employer’s contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2019, thru August 31, 2020.

On August 31, 2020, the employer’s proportion of the collective net OPEB liability was 0.0144968251%, which was a decrease of 0.0002170805% from its proportion measured as of August 31, 2019.

The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is 1% less than and 1% greater than the health rate assumed.

	1% Decrease in Healthcare Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Trend Rate
District’s proportionate share of the Net OPEB liability:	\$4,501,698	\$5,510,898	\$6,855,010

**Changes Since the Prior Actuarial Valuation** – The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability (TOL) since the prior measurement period:

- The discount rate changed from 2.63 percent as of August 31, 2019, to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress’ repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change increased the Total OPEB Liability.

**Changes of Benefit Terms Since the Prior Measurement Date** – There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2021, the District recognized OPEB expense of \$(308,291) and revenue of \$(51,420) for support provided by the State.

On August 31, 2021, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$288,548	\$2,522,069
Changes in actuarial assumptions	339,908	1,513,321
Difference between projected and actual investment earnings	1,791	0
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	18	1,188,011
Total as of August 31, 2020 measurement date	630,265	5,223,401
Contributions paid to TRS subsequent to the measurement date	110,778	0
Total	\$741,043	\$5,223,401

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended August 31	OPEB Expense Amount
2022	\$(746,910)
2023	(747,149)
2024	(747,286)
2025	(747,251)
2026	(600,054)
Thereafter	(1,004,486)

#### **T. Medicare Part D Coverage**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended August 31, 2021, 2020, and 2019, the subsidy payments received by TRS-Care on-behalf of the District were \$49,994, \$48,181, and \$43,543, respectively. These payments are recorded as equal revenues and expenditures in the governmental fund financial statements of the District.

#### **U. Active Employee Health Care Coverage**

The District participates in TRS Active Care sponsored by the Teacher Retirement System of Texas and administered through Aetna and Caremark (pharmacy). TRS Active Care provides health care coverage to employees (and their dependents) of participating public education entities. Optional life and long-term care insurance are also provided to active members and retirees. The plan is authorized by the Texas Insurance Code, Title 8, Subtitle H, Chapter 1579 and by the Texas Administrative Code, Title 34, Part 3, Chapter 41. The District contributed \$250 per month per participant to the plan, and employees, at their option, authorized payroll withholdings to pay employee contributions and additional premiums for dependents. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS ActiveCare. That report may be obtained by visiting the TRS Website at

[www.trs.state.tx.us](http://www.trs.state.tx.us), by writing the Communications Department of the Texas Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling (800) 223-8778.

## **V. Commitments and Contingencies**

### **1. State and Federal Grants**

Minimum foundation funding received from TEA is based primarily upon information concerning average daily attendance at the District's schools which is compiled by the District and supplied to TEA. Federal funding for Food Service under child nutrition programs is based primarily on the number and type of meals served and on user charges as reported to the United States Department of Agriculture ("USDA"). Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

These programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's administration, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the accompanying financial statements for such contingencies.

### **2. Litigation**

The District is not a party in any litigation.

## **W. Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the current fiscal year, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

## **X. Evaluation of Subsequent Events**

The District has evaluated subsequent events through December 3, 2021, the date which the financial statements were available to be issued.

## REQUIRED SUPPLEMENTARY INFORMATION

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GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ 13,455,513	\$ 13,481,638	\$ 12,905,400	\$ (576,238)
5800	State Program Revenues	3,164,264	3,164,264	3,179,882	15,618
5900	Federal Program Revenues	321,000	321,000	433,149	112,149
5020	Total Revenues	16,940,777	16,966,902	16,518,431	(448,471)
<b>EXPENDITURES:</b>					
<b>Current:</b>					
0011	Instruction	8,992,628	8,830,695	8,636,540	194,155
0012	Instructional Resources and Media Services	112,320	134,665	111,435	23,230
0013	Curriculum and Instructional Staff Development	193,683	193,683	175,209	18,474
0021	Instructional Leadership	186,847	232,847	223,110	9,737
0023	School Leadership	892,269	892,269	860,651	31,618
0031	Guidance, Counseling, and Evaluation Services	794,879	791,879	727,379	64,500
0032	Social Work Services	47,300	47,300	41,132	6,168
0033	Health Services	261,836	261,836	206,723	55,113
0034	Student (Pupil) Transportation	885,534	928,424	784,623	143,801
0036	Extracurricular Activities	927,667	1,022,457	831,120	191,337
0041	General Administration	729,108	729,108	677,575	51,533
0051	Facilities Maintenance and Operations	2,153,937	2,457,656	2,364,914	92,742
0052	Security and Monitoring Services	277,464	325,050	101,601	223,449
0053	Data Processing Services	392,056	474,135	361,987	112,148
0061	Community Services	221,170	241,170	230,259	10,911
<b>Intergovernmental:</b>					
0099	Other Intergovernmental Charges	410,000	410,000	358,641	51,359
6030	Total Expenditures	17,478,698	17,973,174	16,692,899	1,280,275
1100	Excess (Deficiency) of Revenues Over Expenditures	(537,921)	(1,006,272)	(174,468)	831,804
<b>OTHER FINANCING SOURCES (USES):</b>					
7912	Sale of Real and Personal Property	400,000	400,000	302,970	(97,030)
8911	Transfers Out (Use)	(162,961)	(200,000)	(120,000)	80,000
7080	Total Other Financing Sources (Uses)	237,039	200,000	182,970	(17,030)
1200	Net Change in Fund Balances	(300,882)	(806,272)	8,502	814,774
0100	Fund Balance - September 1 (Beginning)	4,609,359	4,609,359	4,609,359	-
3000	Fund Balance - August 31 (Ending)	\$ 4,308,477	\$ 3,803,087	\$ 4,617,861	\$ 814,774

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018
District's Proportion of the Net Pension Liability (Asset)	0.007741805%	0.009277795%	0.009786042%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 4,146,353	\$ 4,822,888	\$ 5,386,475
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	9,433,126	8,123,057	9,685,251
Total	<u>\$ 13,579,479</u>	<u>\$ 12,945,945</u>	<u>\$ 15,071,726</u>
District's Covered Payroll	\$ 11,510,583	\$ 10,699,804	\$ 11,247,687
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	36.02%	45.07%	47.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

<u>FY 2018</u> <u>Plan Year</u>	<u>FY 2017</u> <u>Plan Year</u>	<u>FY 2016</u> <u>Plan Year</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.0101442%	0.0106329%	0.011%	0.07%
\$ 3,243,562	\$ 4,018,013	\$ 3,715,958	\$ 1,777,402
5,996,538	7,296,154	7,376,096	6,686,545
<u>\$ 9,240,100</u>	<u>\$ 11,314,167</u>	<u>\$ 11,092,054</u>	<u>\$ 8,463,947</u>
\$ 11,591,603	\$ 11,679,199	\$ 11,486,805	\$ 11,422,065
27.98%	34.40%	32.35%	15.56%
82.17%	78.00%	78.43%	83.25%

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 374,873	\$ 319,429	\$ 324,724
Contribution in Relation to the Contractually Required Contribution	(374,873)	(319,429)	(324,724)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,422,436	\$ 11,510,583	\$ 10,699,804
Contributions as a Percentage of Covered Payroll	26.35%	2.78%	3.03%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

	2018	2017	2016	2015
\$	331,691	\$ 333,719	\$ 338,172	\$ 171,457
	(331,691)	(333,719)	(338,172)	(171,457)
\$	-	\$ -	\$ -	\$ -
\$	11,247,687	\$ 11,591,603	\$ 11,679,199	\$ 11,486,805
	2.95%	2.88%	2.90%	1.49%

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.014496825%	0.014713906%	0.015785009%	0.0171134%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 5,510,898	\$ 6,958,387	\$ 7,881,600	\$ 7,441,996
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	7,405,326	9,246,139	9,617,517	9,101,592
Total	<u>\$ 12,916,224</u>	<u>\$ 16,204,526</u>	<u>\$ 17,499,117</u>	<u>\$ 16,543,588</u>
District's Covered Payroll	\$ 11,510,583	\$ 10,687,754	\$ 11,247,687	\$ 11,591,603
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	47.88%	65.11%	70.07%	64.20%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date of August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
 TEACHER RETIREMENT SYSTEM OF TEXAS  
 FOR FISCAL YEAR 2021

	2021	2020	2019	2018
Contractually Required Contribution	\$ 110,778	\$ 110,186	\$ 104,423	\$ 92,309
Contribution in Relation to the Contractually Required Contribution	(110,778)	(110,186)	(104,423)	(92,309)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 1,422,436	\$ 11,510,583	\$ 10,687,754	\$ 11,247,687
Contributions as a Percentage of Covered Payroll	7.79%	0.96%	0.98%	0.82%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

A. Notes to Schedule for the TRS Pension

*Changes in Benefit terms*

There were no changes in benefit terms that affected the measurement of the total pension liability during the measurement period.

*Changes in Assumptions*

There were no changes in the actuarial assumptions used in the determination of the total pension liability during the measurement period.

B. Notes to Schedules for the TRS OPEB Plan

*Changes in Benefit*

There were no changes in benefit terms during the measurement period that affected the total OPEB liability.

*Changes in Assumption*

The following were changes to the actuarial assumptions or other inputs that affected the measurement of total OPEB liability (TOL) since the prior measurement period:

- The discount rate changed from 2.63 percent as of August 31, 2019, to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019.<sup>3</sup> This change lowered the Total OPEB Liability.

COMBINING SCHEDULES

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 123,865
1240	Due from Other Governments	72,516	19,096	-	81,100
1300	Inventories	-	-	-	43,975
1000	Total Assets	<u>\$ 72,516</u>	<u>\$ 19,096</u>	<u>\$ -</u>	<u>\$ 248,940</u>
<b>LIABILITIES</b>					
2110	Accounts Payable & Bank Overdrafts	\$ 29,697	\$ 628	\$ -	\$ 44,510
2160	Accrued Wages Payable	33,054	7,483	-	21,523
2170	Due to Other Funds	6,516	10,191	-	43,500
2200	Accrued Expenditures	3,249	794	-	460
2300	Unearned Revenue	-	-	-	18,851
2000	Total Liabilities	<u>72,516</u>	<u>19,096</u>	<u>-</u>	<u>128,844</u>
<b>FUND BALANCES</b>					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	25,124
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	94,972
3490	Other Restricted Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,096</u>
4000	Total Liabilities and Fund Balances	<u>\$ 72,516</u>	<u>\$ 19,096</u>	<u>\$ -</u>	<u>\$ 248,940</u>

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	265 Title IV, B Community Learning	266 ESSER -School Emergency Relief	270 ESEA VI, Pt B Rural & Low Income	276 Instructional Continuity Grant	281 CRRSA ESSER II Grant	282 ARP ESSER III Grant
\$ 4,187	\$ 13,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,851	7,419	41,761	-	33,655	1,430	129,691	241,102
-	-	-	-	-	-	-	-
<u>\$ 9,038</u>	<u>\$ 20,801</u>	<u>\$ 41,761</u>	<u>\$ -</u>	<u>\$ 33,655</u>	<u>\$ 1,430</u>	<u>\$ 129,691</u>	<u>\$ 241,102</u>
\$ -	\$ -	\$ 41,761	\$ -	\$ 33,124	\$ 1,430	\$ 129,691	\$ 169,352
-	-	-	-	-	-	-	70,243
9,038	20,801	-	-	531	-	-	-
-	-	-	-	-	-	-	1,507
-	-	-	-	-	-	-	-
<u>9,038</u>	<u>20,801</u>	<u>41,761</u>	<u>-</u>	<u>33,655</u>	<u>1,430</u>	<u>129,691</u>	<u>241,102</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 9,038</u>	<u>\$ 20,801</u>	<u>\$ 41,761</u>	<u>\$ -</u>	<u>\$ 33,655</u>	<u>\$ 1,430</u>	<u>\$ 129,691</u>	<u>\$ 241,102</u>

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2021

Data Control Codes	289 Other Federal Special Revenue Funds	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ 8,137	\$ -	\$ -	\$ 84,594
1240	Due from Other Governments	388	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 8,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,594</u>
<b>LIABILITIES</b>					
2110	Accounts Payable & Bank Overdrafts	\$ -	\$ -	\$ -	\$ 236
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	8,525	-	-	1,407
2200	Accrued Expenditures	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>8,525</u>	<u>-</u>	<u>-</u>	<u>1,643</u>
<b>FUND BALANCES</b>					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3490	Other Restricted Fund Balance	-	-	-	82,951
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,951</u>
4000	Total Liabilities and Fund Balances	<u>\$ 8,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,594</u>

499 Scholarship Fund	Total Nonmajor Special Revenue Funds	619 Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 647	\$ 234,812	\$ -	\$ 234,812
-	633,009	-	633,009
-	43,975	-	43,975
<u>\$ 647</u>	<u>\$ 911,796</u>	<u>\$ -</u>	<u>\$ 911,796</u>
\$ -	\$ 450,429	\$ -	\$ 450,429
-	132,303	-	132,303
-	100,509	-	100,509
-	6,010	-	6,010
-	18,851	-	18,851
<u>-</u>	<u>708,102</u>	<u>-</u>	<u>708,102</u>
-	25,124	-	25,124
-	94,972	-	94,972
647	83,598	-	83,598
<u>647</u>	<u>203,694</u>	<u>-</u>	<u>203,694</u>
<u>\$ 647</u>	<u>\$ 911,796</u>	<u>\$ -</u>	<u>\$ 911,796</u>

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 84,709
5800 State Program Revenues	-	-	-	28,803
5900 Federal Program Revenues	405,595	368,974	8,786	774,819
5020 Total Revenues	405,595	368,974	8,786	888,331
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011 Instruction	402,820	170,268	-	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	2,775	90	-	-
0031 Guidance, Counseling, and Evaluation Services	-	198,616	8,786	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	925,806
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0053 Data Processing Services	-	-	-	-
6030 Total Expenditures	405,595	368,974	8,786	925,806
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(37,475)
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	120,000
1200 Net Change in Fund Balance	-	-	-	82,525
0100 Fund Balance - September 1 (Beginning)	-	-	-	37,571
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 120,096

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	265 Title IV, B Community Learning	266 ESSER -School Emergency Relief	270 ESEA VI, Pt B Rural & Low Income	276 Instructional Continuity Grant	281 CRRSA ESSER II Grant	282 ARP ESSER III Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
24,177	58,708	98,510	361,664	56,812	15,709	129,691	241,102
24,177	58,708	98,510	361,664	56,812	15,709	129,691	241,102
23,703	25,000	92,391	-	51,835	15,709	-	69,136
-	-	-	-	-	-	-	6,481
474	33,708	-	-	4,977	-	-	10,397
-	-	-	-	-	-	-	54,104
-	-	6,119	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	3,762
-	-	-	-	-	-	-	97,222
-	-	-	361,664	-	-	129,691	-
24,177	58,708	98,510	361,664	56,812	15,709	129,691	241,102
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	289 Other Federal Special Revenue Funds	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 48,737
5800 State Program Revenues	-	31,311	-	-
5900 Federal Program Revenues	33,350	-	-	-
5020 Total Revenues	<u>33,350</u>	<u>31,311</u>	<u>-</u>	<u>48,737</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011 Instruction	33,350	-	-	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	45,934
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0053 Data Processing Services	-	31,311	-	-
6030 Total Expenditures	<u>33,350</u>	<u>31,311</u>	<u>-</u>	<u>45,934</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	2,803
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	2,803
0100 Fund Balance - September 1 (Beginning)	-	-	-	80,148
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,951</u>

499 Scholarship Fund	Total Nonmajor Special Revenue Funds	619 Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 14,661	\$ 148,107	\$ -	\$ 148,107
-	60,114	-	60,114
-	2,577,897	-	2,577,897
14,661	2,786,118	-	2,786,118
21,143	905,355	-	905,355
-	6,481	-	6,481
-	52,421	-	52,421
-	261,506	-	261,506
-	6,119	132,836	138,955
-	925,806	-	925,806
-	45,934	-	45,934
-	3,762	-	3,762
-	97,222	-	97,222
-	522,666	-	522,666
21,143	2,827,272	132,836	2,960,108
(6,482)	(41,154)	(132,836)	(173,990)
-	120,000	-	120,000
(6,482)	78,846	(132,836)	(53,990)
7,129	124,848	132,836	257,684
\$ 647	\$ 203,694	\$ -	\$ 203,694

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**REQUIRED TEXAS EDUCATION AGENCY SCHEDULES**

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FISCAL YEAR ENDED AUGUST 31, 2021

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2012 and prior years	Various	Various	\$ 6,596,060,841
2013	0.866700	0.21330	1,929,920,824
2014	0.816700	0.26330	1,816,539,407
2015	0.816700	0.30330	1,776,805,460
2016	0.816700	0.30330	1,690,877,869
2017	0.979700	0.18800	1,487,333,393
2018	1.040000	0.19750	1,301,833,939
2019	1.040000	0.23750	1,238,461,996
2020	0.970000	0.23750	1,272,993,872
2021 (School year under audit)	0.963000	0.23750	1,299,466,556
1000 TOTALS			

(10) Beginning Balance 9/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2021
\$ 114,333	\$ -	\$ 3,774	\$ 929	\$ (484)	\$ 109,146
15,131	-	776	191	(61)	14,103
17,492	-	1,341	432	(170)	15,549
22,129	-	(19,535)	(7,255)	(29,487)	19,432
26,742	-	2,229	828	(196)	23,489
31,176	-	(10,435)	(2,002)	(19,718)	23,895
46,882	-	12,109	2,299	(237)	32,237
83,298	-	25,605	5,847	(581)	51,265
205,985	-	80,846	19,795	1,282	106,626
-	15,600,096	12,354,712	3,046,983	(3)	198,398
<u>\$ 563,168</u>	<u>\$ 15,600,096</u>	<u>\$ 12,451,422</u>	<u>\$ 3,068,047</u>	<u>\$ (49,655)</u>	<u>\$ 594,140</u>

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ 105,478	\$ 105,478	\$ 84,709	\$ (20,769)
5800	State Program Revenues	29,132	29,132	28,803	(329)
5900	Federal Program Revenues	602,000	602,000	774,819	172,819
5020	Total Revenues	736,610	736,610	888,331	151,721
<b>EXPENDITURES:</b>					
Current:					
0035	Food Services	899,571	899,571	925,806	(26,235)
6030	Total Expenditures	899,571	899,571	925,806	(26,235)
1100	Excess (Deficiency) of Revenues Over Expenditures	(162,961)	(162,961)	(37,475)	125,486
<b>OTHER FINANCING SOURCES (USES):</b>					
7915	Transfers In	162,961	162,961	120,000	(42,961)
1200	Net Change in Fund Balances	-	-	82,525	82,525
0100	Fund Balance - September 1 (Beginning)	37,571	37,571	37,571	-
3000	Fund Balance - August 31 (Ending)	\$ 37,571	\$ 37,571	\$ 120,096	\$ 82,525

GROESBECK INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - DEBT SERVICE FUND  
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 3,250,337	\$ 3,250,337	\$ 3,092,106	\$ (158,231)
5800 State Program Revenues	-	-	16,973	16,973
5020 Total Revenues	3,250,337	3,250,337	3,109,079	(141,258)
<b>EXPENDITURES:</b>				
Debt Service:				
0071 Principal on Long-Term Debt	2,869,223	2,858,473	2,152,000	706,473
0072 Interest on Long-Term Debt	380,114	378,281	380,115	(1,834)
0073 Bond Issuance Cost and Fees	1,000	13,583	4,543	9,040
6030 Total Expenditures	3,250,337	3,250,337	2,536,658	713,679
1200 Net Change in Fund Balances	-	-	572,421	572,421
0100 Fund Balance - September 1 (Beginning)	624,442	624,442	624,442	-
3000 Fund Balance - August 31 (Ending)	\$ 624,442	\$ 624,442	\$ 1,196,863	\$ 572,421

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REPORT ON INTERNAL CONTROLS, COMPLIANCE  
AND FEDERAL AWARDS

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Groesbeck Independent School District  
1202 N. Ellis  
Groesbeck, Texas 76642

Members of the Board of Trustees:

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Groesbeck Independent School District (the “District”) as of and for the year ended August 31, 2021, and the related notes to the financial statements which collectively comprise the District’s basic financial statements and have issued our report thereon dated December 3, 2021.

**Internal Control over Financial Reports**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or, detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those in charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kirk & Richardson, P.C.*

Kirk & Richardson, P.C.  
Fort Worth, Texas  
December 3, 2021

# Kirk & Richardson, P.C.

Members of the American Institute of Certified Public Accountants  
Governmental Audit Quality Center

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
Groesbeck Independent School District  
1202 N. Ellis  
Groesbeck, Texas 76642

Members of the Board of Trustees:

### **Report on Compliance for Each Major Federal Program**

We have audited the Groesbeck Independent School District (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement of Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on the compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance with those requirements.

2332 Gravel Dr. \* P.O. Box 8342 \* Fort Worth, TX 76124  
Phone: (817) 451-7406 Fax: (817) 451-7597  
Don Richardson, CPA \* Sandhya Magar, CPA

## Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

## Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control of compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Kirk & Richardson, P.C.*

Kirk & Richardson, P.C.  
Fort Worth, Texas  
December 3, 2021

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2021

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness?	No
Noncompliance material to financial statements noted?	No

*Federal Awards*

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with <i>Audit Requirements for Federal Awards</i> (Uniform Guidance).	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.553	School Breakfast Program
10.555	National School Lunch Program
10.558	Child & Adult Care Food Program
84.425D	Elementary & Secondary Emergency Relief Fund
84.425D	Elementary & Secondary School Emergency Relief II
84.425U	Elementary & Secondary School Emergency Relief III

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

Auditee qualified as low risk auditee?: Yes

**Section II – Findings - Financial Statement Audit**

Significant deficiencies and material weaknesses in internal control over financial reporting – None identified.

**Section III – Findings & Questioned Costs - Federal Award Programs**

Noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial amounts or other financial data significant to the audit – None identified.



# GROESBECK INDEPENDENT SCHOOL DISTRICT

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1202 N. Ellis ■ P.O. Box 559 ■ 254-729-4100 ■ Fax 254-729-2391

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James Cowley, Ed. D.  
Superintendent of Schools

## SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS FOR THE YEAR ENDED AUGUST 31, 2021

### PRIOR YEAR'S FINDING/NONCOMPLIANCE:

None required.



# GROESBECK INDEPENDENT SCHOOL DISTRICT

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1202 N. Ellis ■ P.O. Box 559 ■ 254-729-4100 ■ Fax 254-729-2391

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James Cowley, Ed. D.  
Superintendent of Schools

## CORRECTIVE ACTION PLAN FOR THE YEAR ENDED AUGUST 31, 2021

CORRECTIVE ACTION PLAN:

Contact Person: Dr. James B. Cowley  
1-254-729-4100

None required.

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101147902	\$ 37,627
ESEA, Title I, Part A - Improving Basic Programs	84.010A	21610101147902	379,879
Total Assistance Listing Number 84.010A			417,506
*IDEA - Part B, Formula	84.027	206600011479026600	47,470
*IDEA - Part B, Formula	84.027	216600011479026600	331,911
Total Assistance Listing Number 84.027			379,381
Total Special Education Cluster (IDEA)			388,167
Career and Technical - Basic Grant	84.048	21420006147902	24,177
*IDEA - Part B, Preschool	84.173	206610011479026610	1,359
*IDEA - Part B, Preschool	84.173	216610011479026610	7,427
Total Assistance Listing Number 84.173			8,786
Total Special Education Cluster (IDEA)			388,167
Title IV, Pt B-21st Cent. Community Learning Cent.	84.287	206950197110028	7,275
Title IV, Pt B-21st Cent. Community Learning Cent.	84.287	216950197110028	91,235
Total Assistance Listing Number 84.287			98,510
ESEA, Title VI, Part B - Rural & Low Income Prog.	84.358B	20696001147902	25,634
ESEA, Title VI, Part B - Rural & Low Income Prog.	84.358B	21696001147902	31,178
Total Assistance Listing Number 84.358B			56,812
ESEA, Title II, Part A, Teacher Principal Training	84.367A	20694501147902	3,567
ESEA, Title II, Part A, Teacher Principal Training	84.367A	21694501147902	57,242
Total Assistance Listing Number 84.367A			60,809
Instructional Continuity Grant	84.377A	17610740147902	15,709
COVID 19 - Elem & Sec School Emergency Relief Fd	84.425D	20521001147902	361,664
COVID 19 - Elem Sec School Emergency Relief II	84.425D	21521001147902	129,691
COVID 19 - Elem Sec School Emergency Relief III	84.425U	21528001147902	241,102
Total Assistance Listing Number 84.425			732,457
Title IV, Part A, Subpart 1	84.424	20680101147902	12,069
Title IV, Part A, Subpart 1	84.424	21680101147902	21,281
Total Assistance Listing Number 84.424			33,350
Total Passed Through State Department of Education			1,827,497
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			
<b>1,827,497</b>			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<u>Passed Through Texas Dept of Human Services</u>			
Child Care & Development Block Grant	93.575	00740	67,919
Total Passed Through Texas Dept of Human Services			67,919
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b>67,919</b>			

GROESBECK INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through the State Department of Agriculture</u>			
*School Breakfast Program	10.553	00740	288,818
*National School Lunch Program - Cash Assistance	10.555	00740	422,428
*National School Lunch Prog. - Non-Cash Assistance	10.555	00740	54,569
Total Assistance Listing Number 10.555			<u>476,997</u>
Total Child Nutrition Cluster			<u>765,815</u>
Child & Adult Care Food Program - Cash Assistance	10.558	00740	48,116
Total Passed Through the State Department of Agriculture			<u>813,931</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>813,931</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 2,709,347</u>

\*Clustered Programs

#### NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Groesbeck Independent School District (the “District”) under programs of the federal government for the year ended August 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of District it is not intended to and does not present the financial position, changes in net position, or cash flows of the District

#### NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### NOTE C—INDIRECT COST RATE

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### NOTE D – RECONCILIATION OF EXPENDITURES OF FEDERAL AWARDS

The following is a reconciliation of expenditures of federal awards program per the Schedule of Expenditures of Federal Awards and expenditures reported in the financial statements as follows:

Total federal sources per financial statements for Governmental Funds	\$3,011,046
School Health & Related Services (SHARS) reimbursement not reported in the Schedule of Expenditures of Federal Awards	(301,701)
Rounding	2
Total federal expenditures on Schedule of Expenditures of Federal Awards	<u>\$2,709,347</u>

**VII. PUBLIC HEARING, AND DISCUSSION AND POSSIBLE  
ACTION ON FINANCIAL INTEGRITY RATING SYSTEM OF  
TEXAS (FIRST)**

**100**



## 2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA - DISTRICT STATUS DETAIL

<b>Name:</b> GROESBECK ISD(147902)		<b>Publication Level 1:</b> 8/4/2021 2:00:38 PM	
<b>Status:</b> Passed		<b>Publication Level 2:</b> 8/6/2021 11:10:55 AM	
<b>Rating:</b> A = Superior Achievement		<b>Last Updated:</b> 8/6/2021 11:10:55 AM	
<b>District Score:</b> 94		<b>Passing Score:</b> 70	
#	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>	6/8/2021 3:53:53 PM	Yes
2	<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>	6/8/2021 3:53:54 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>	6/8/2021 3:53:54 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? (If the school district received a warrant hold and the warrant hold was not</u>	7/1/2021 9:09:16 AM	Yes  Ceiling Passed

	<u>cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)</u>		
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/28/2021 11:12:42 AM	Ceiling Passed
7	<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 in the Determination of Points section.</u>	6/8/2021 3:53:54 PM	10
8	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.</u>	6/8/2021 3:53:54 PM	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? See ranges below in the Determination of Points section.</u>	6/8/2021 3:53:54 PM	10
10	<u>Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?</u>	7/2/2021 1:42:29 PM	10
11	<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 automatically passes this indicator.</u>	6/8/2021 3:53:56 PM	10

	<u>See ranges below in the Determination of Points section.</u>		
12	<u>Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.</u>	6/8/2021 3:53:56 PM	10
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	6/8/2021 3:53:56 PM	10
14	<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>	6/8/2021 3:53:56 PM	10
15	<u>Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section.</u>	6/8/2021 3:53:56 PM	5
16	<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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 3:53:57 PM	Ceiling Passed
17	<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.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)</u>	6/8/2021 3:53:57 PM	Ceiling Passed
18	<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>	6/8/2021 3:53:57 PM	10
19	<u>Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas</u>	6/8/2021 3:53:57 PM	5

	<u>Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?</u>		
20	<u>Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 3:53:57 PM	Ceiling Passed
			94 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			94 Score

## DETERMINATION OF RATING

<b>A.</b>	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is <b>F for Substandard Achievement</b> regardless of points earned.	
<b>B.</b>	Determine the rating by the applicable number of points.	
	<b>A = Superior Achievement</b>	90-100
	<b>B = Above Standard Achievement</b>	80-89
	<b>C = Meets Standard Achievement</b>	70-79
	<b>F = Substandard Achievement</b>	<70

**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.**

The school district receives an **F** if it scores below the minimum passing score, if it failed

any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.

## CEILING INDICATORS

Did the school district meet the criteria for any of the following **ceiling indicators** 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.

Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
<b>Indicator 4</b> (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
<b>Indicator 6</b> (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
<b>Indicator 16</b> (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
<b>Indicator 17</b> (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
<b>Indicator 20</b> (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement

# School FIRST Annual Financial Management Report

## GROESBECK INDEPENDENT SCHOOL DISTRICT

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(q). Effective 8/1/2018. The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

### Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

### Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period  
 Ended June 30 or August 31, 2021

<u>Description of Reimbursements</u>	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Meals	\$ 282.00	\$	\$	\$	\$	\$	\$	\$
Lodging	\$ 1,294.00							
Transportation								
Motor Fuel								
Other								
<b>Total</b>	<b>\$1,576.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

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 June 30 or August 31, 2021  
Name(s) of Entity(ies)

Amount Received  
 \$

Total \$0.00

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

**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 June 30 or August 31, 2021

	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Total	\$	\$	\$	\$	\$	\$	\$	\$

**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 June 30 or August 31, 2021

	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Amounts	\$	\$	\$	\$	\$	\$	\$

**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.

**VIII. PUBLIC COMMENT (Agenda/Non-Agenda Items)**

**IX. DISTRICT INFORMATION**

**X. DISCUSSION AND POSSIBLE ACTION ON TRS  
ActiveCARE COVERAGE**

**108**



Brian K. Guthrie  
Executive Director

www.trs.state.tx.us

512.542.6446  
800.223.8778 Ext. 6446

1000 Red River Street  
Austin, Texas 78701-2698

November 5, 2021

James Cowley  
Groesbeck ISD TRS#0684  
P O Box 559  
Groesbeck, TX 76642

Dear James Cowley:

Senate Bill 1444 (87<sup>th</sup> Texas Legislature) gives employers more flexibility in the health benefits they offer employees, and TRS wants TRS-ActiveCare to be the plan of choice for you as we move forward. We continue to enhance the competitiveness of TRS-ActiveCare and will offer TRS-ActiveCare rates that vary by region next year. We understand that health benefits are critical to your ability to attract and retain a high-quality workforce and want to support you in that goal, while ensuring that TRS-ActiveCare continues to offer valuable and reliable coverage.

#### Prohibition on alternative coverage takes effect Sept. 1, 2022

We are writing to be sure you are aware that Senate Bill 1444 amended Section 1579.155 of the Texas Insurance Code to prohibit employers from offering other coverage alongside TRS-ActiveCare after Aug. 31, 2022. The new law provides flexibility for employers by allowing them the option to leave the TRS-ActiveCare program and offer coverage outside of TRS, or to keep their TRS-ActiveCare plans and terminate their alternative coverage on or before Aug. 31, 2022.

TRS understands that Groesbeck ISD is offering alternative coverage to your employees in addition to TRS-ActiveCare during school year 2021-22.

**If Groesbeck ISD plans to continue participation in TRS-ActiveCare after Aug. 31, 2022, you must discontinue offering alternative plans.** A survey in TRS' Reporting Employer portal allows you to document your intent. No other notification to TRS is required. This decision to remain in TRS-ActiveCare next year does not commit you to continue to participate in TRS-ActiveCare beyond the 2022-23 school year. You can reevaluate your decision to stay in the program in future years.

**If Groesbeck ISD plans to leave TRS-ActiveCare after Aug. 31, 2022 and offer only coverage outside of TRS, please document this intent in the Reporting Employer portal survey.** In addition, you must submit a Notice of Intent to Discontinue Participation in TRS-ActiveCare, along with the required documentation, **no later than Dec. 31, 2021.** This action will commit Groesbeck ISD to leave TRS-ActiveCare for a minimum of five plan years, and the earliest year of return to TRS-ActiveCare would be school year 2027-28.



**Brian K. Guthrie**  
*Executive Director*

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512.542.6446  
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1000 Red River Street  
Austin, Texas 78701-2698

As noted, under SB 1444 employers will no longer be allowed to offer other health coverage alongside TRS-ActiveCare. Employers that continue doing so after Sept. 1, 2022 cannot continue to participate in TRS-ActiveCare. **If an employer continues to offer alternative coverage alongside TRS-ActiveCare on or after Sept. 1, 2022, the employer effectively discontinues participation in TRS-ActiveCare, and the employer:**

- 1. Will be removed from TRS-ActiveCare effective at the end of the month in which TRS becomes aware of the violation of state law,**
- 2. Will be responsible for securing other coverage for employees and their dependents who lose coverage as a result, and**
- 3. Will not be permitted to re-enter TRS-ActiveCare for a period of at least five plan years.**

TRS may pursue additional remedies. See 34 TAC §41.30 for further information.

TRS strives to provide Texas educators with the best comprehensive medical and pharmacy coverage possible. We hope to continue this partnership for many years to come.

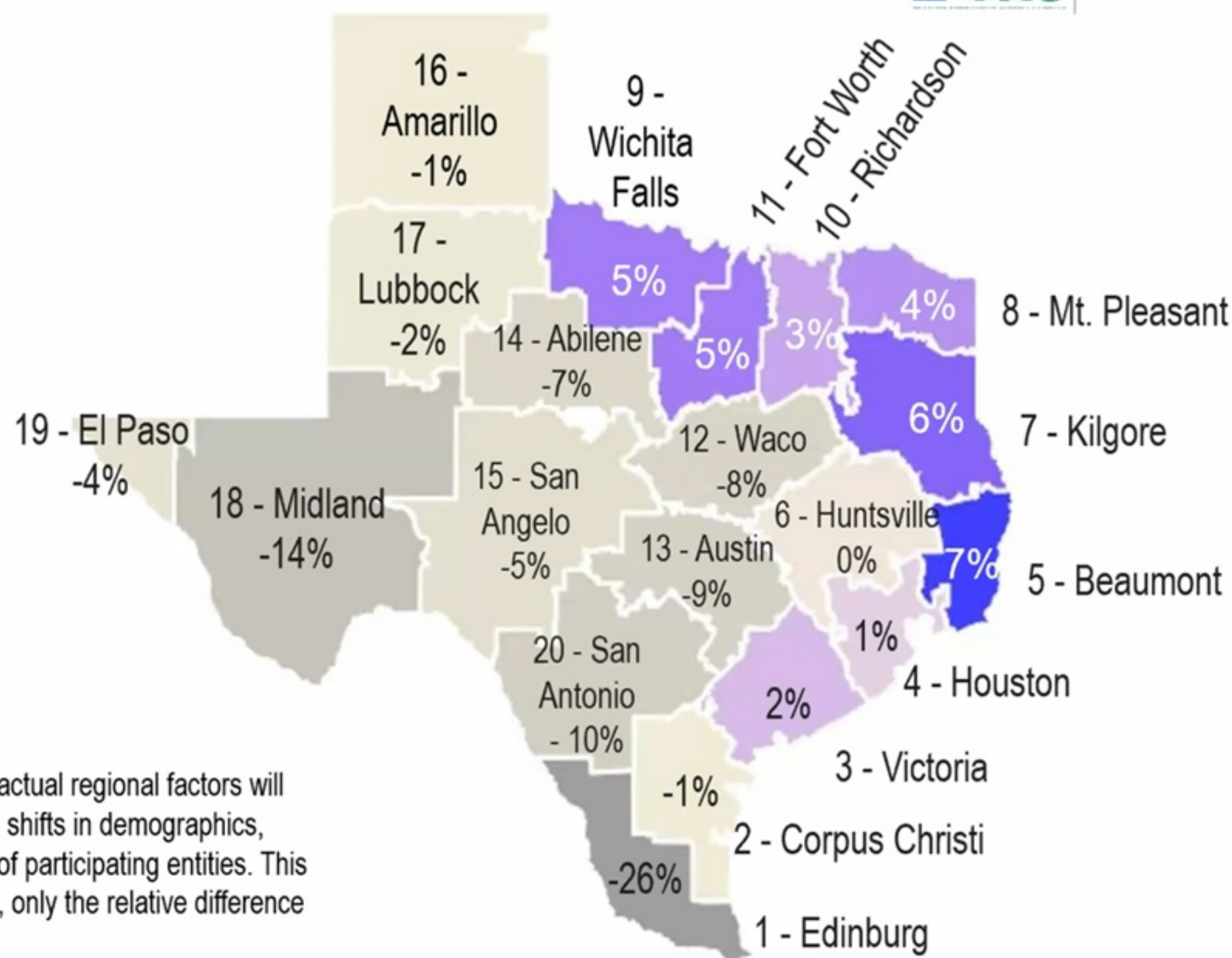
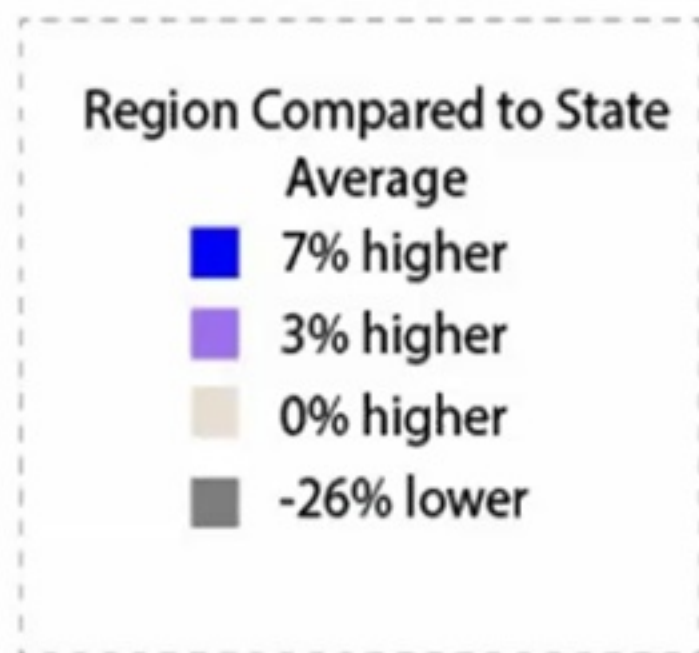
For questions about SB 1444, the benefits of participation in TRS-ActiveCare, or things you should consider as you weigh options, please reach out to [healthcarecomm@trs.texas.gov](mailto:healthcarecomm@trs.texas.gov). TRS will provide information about the new regional rating system in early December. You can expect 2022-23 rates in the Spring of 2022. Visit our page on Joining & Leaving TRS-ActiveCare: <https://www.trs.texas.gov/Pages/healthcare-your-way.aspx>.

Sincerely,

Katrina Daniel

TRS Chief Healthcare Officer

# REGIONAL COMPARISON TO STATEWIDE AVERAGE



Note: This comparison provided is based on current data and actual regional factors will change until April 2022. Regional factors will change based on shifts in demographics, network discounts, experience and the addition or elimination of participating entities. This comparison is not intended to reflect rate changes for FY2023, only the relative difference between regions based on current data.



## TRS-ActiveCare & Onward: Intro to Regional Ratings

Since TRS-ActiveCare's inception, it's had a statewide rating system for education employers across Texas. A new Texas law, Senate Bill 1444 (SB 1444), gives these employers more flexibility to choose the health plans they offer employees by enabling them to look at coverage outside of TRS-ActiveCare.

### What SB 1444 Can Do

Employers will be able to compare TRS-ActiveCare's statewide premiums to other plans' regional premiums based on regional costs of care. When employers in lower cost regions compare regional plans to TRS-ActiveCare's plans, TRS-ActiveCare's plans may seem expensive.

### What TRS Will Do

**Starting Sept. 1, 2022, employers will have different TRS-ActiveCare rates depending on their Education Service Center (ESC) region.** Regional ratings will help ensure what employers pay for TRS-ActiveCare reflects the costs of health care in their areas. And while pricing will be regional, participants will still enjoy the same plan options, networks, and large statewide risk pool.



Texas Education Service Centers Map

## What goes into the regional rating process?



TRS will start with the average statewide rate.



TRS will then adjust your rate based on the costs of care in your ESC region. If you're in a lower cost region, your rate will be lower than average. If you're in a higher cost region, your rate will be higher than average. Regional prices may also vary based on the number of doctors and hospitals in the area and the overall accessibility of care.



TRS will adjust your region's rate based on the ages, genders, and health issues of the enrolled population. For example, if your region has an older population or more people with diabetes than the statewide average, pricing would reflect these variables. Combine this type of variability with your region's costs of care and you get your expected cost.



TRS will look at historical health care costs in your region.



TRS will adjust your regional rate based on what health plans are offered. The network will also be considered. If the plan has a very broad network of doctors and hospitals, like TRS-ActiveCare HD, TRS will adjust the regional rate accordingly.



TRS will factor in whether the majority of people in your region are covering just themselves or dependents into your rate.

### Moving to regionally priced plans:

- ✓ reflects the health care costs in your area and of your population
- ✓ allows TRS-ActiveCare to provide regionally competitive rates
- ✓ gives your district access to the purchasing power and stability of TRS-ActiveCare
- ✓ maintains the same plan options and broad, quality-based networks

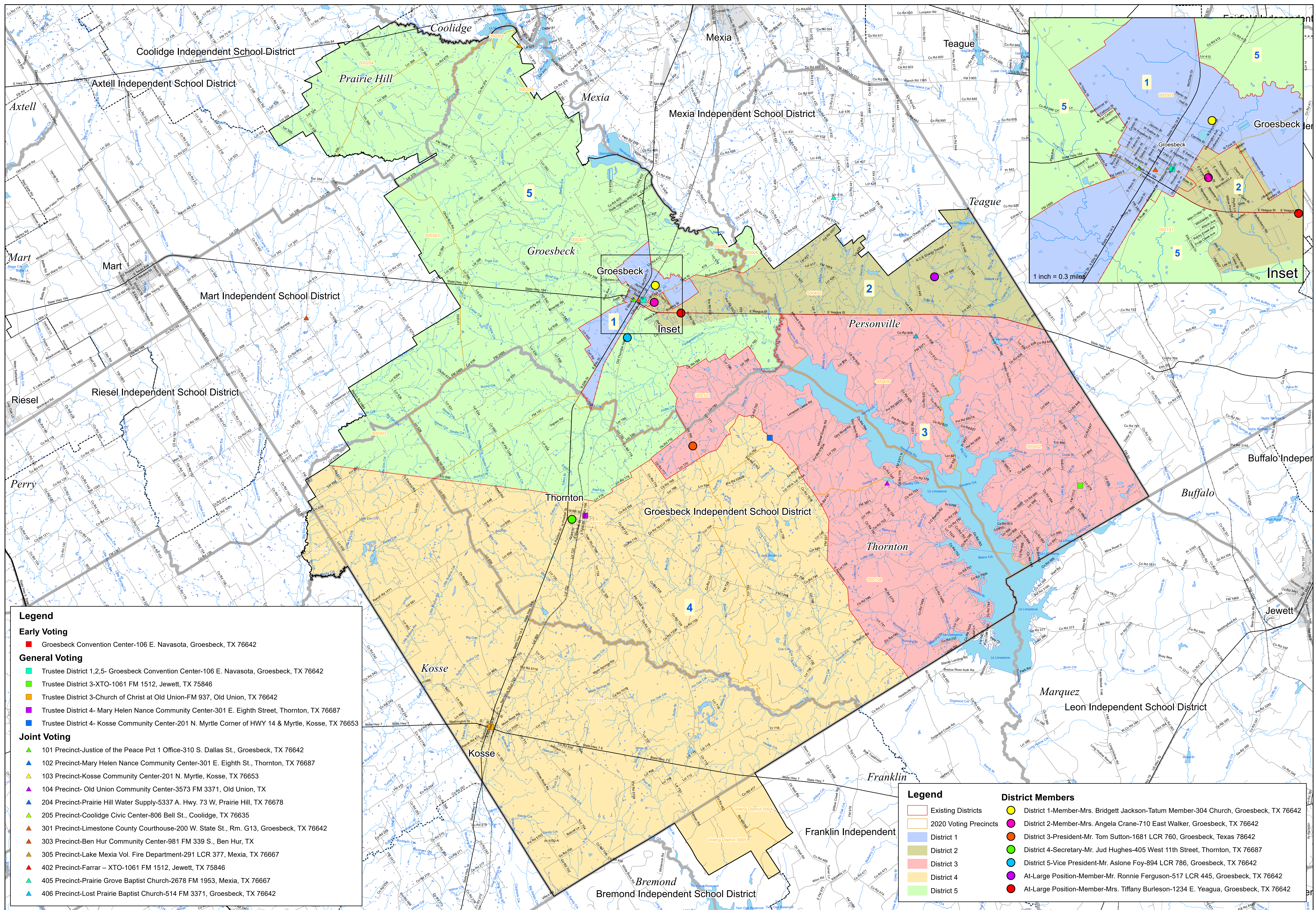
### GOOD TO KNOW

**Regionally rated plans will still have the entire risk pool of TRS-ActiveCare. So, if you have a high-cost claimant, the cost will still be spread across 420,000 participants. Risk won't be limited to just participants in your district or region like it usually is for alternative plans.**

**Together, we'll design your benefits your way!**

**XI. DISCUSSION AND POSSIBLE ACTION ON  
REDISTRICTING OF SINGLE MEMBER DISTRICTS**

**114**



- Legend**
- Early Voting**
- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
- General Voting**
- Trustee District 1,2,5- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
  - Trustee District 3-XTO-1061 FM 1512, Jewett, TX 75846
  - Trustee District 3-Church of Christ at Old Union-FM 937, Old Union, TX 76642
  - Trustee District 4- Mary Helen Nance Community Center-301 E. Eighth Street, Thornton, TX 76687
  - Trustee District 4- Kosses Community Center-201 N. Myrtle Corner of HWY 14 & Myrtle, Kosses, TX 76653
- Joint Voting**
- ▲ 101 Precinct-Justice of the Peace Pct 1 Office-310 S. Dallas St., Groesbeck, TX 76642
  - ▲ 102 Precinct-Mary Helen Nance Community Center-301 E. Eighth St., Thornton, TX 76687
  - ▲ 103 Precinct-Kosses Community Center-201 N. Myrtle, Kosses, TX 76653
  - ▲ 104 Precinct-Old Union Community Center-3573 FM 3371, Old Union, TX
  - ▲ 204 Precinct-Prairie Hill Water Supply-5337 A. Hwy. 73 W, Prairie Hill, TX 76678
  - ▲ 205 Precinct-Coolidge Civic Center-806 Bell St., Coolidge, TX 76635
  - ▲ 301 Precinct-Limestone County Courthouse-200 W. State St., Rm. G13, Groesbeck, TX 76642
  - ▲ 303 Precinct-Ben Hur Community Center-981 FM 339 S., Ben Hur, TX
  - ▲ 305 Precinct-Lake Mexia Vol. Fire Department-291 LCR 377, Mexia, TX 76667
  - ▲ 402 Precinct-Farrar – XTO-1061 FM 1512, Jewett, TX 75846
  - ▲ 405 Precinct-Prairie Grove Baptist Church-2678 FM 1953, Mexia, TX 76667
  - ▲ 406 Precinct-Lost Prairie Baptist Church-514 FM 3371, Groesbeck, TX 76642

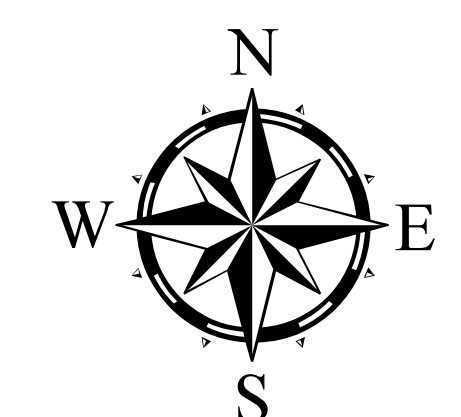
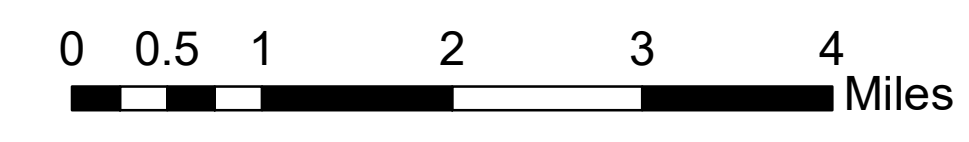
- Legend**
- Existing Districts
  - 2020 Voting Precincts
  - District 1
  - District 2
  - District 3
  - District 4
  - District 5
- District Members**
- District 1-Member-Mrs. Bridgett Jackson-Tatum Member-304 Church, Groesbeck, TX 76642
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  - District 3-President-Mr. Tom Sutton-1681 LCR 760, Groesbeck, Texas 78642
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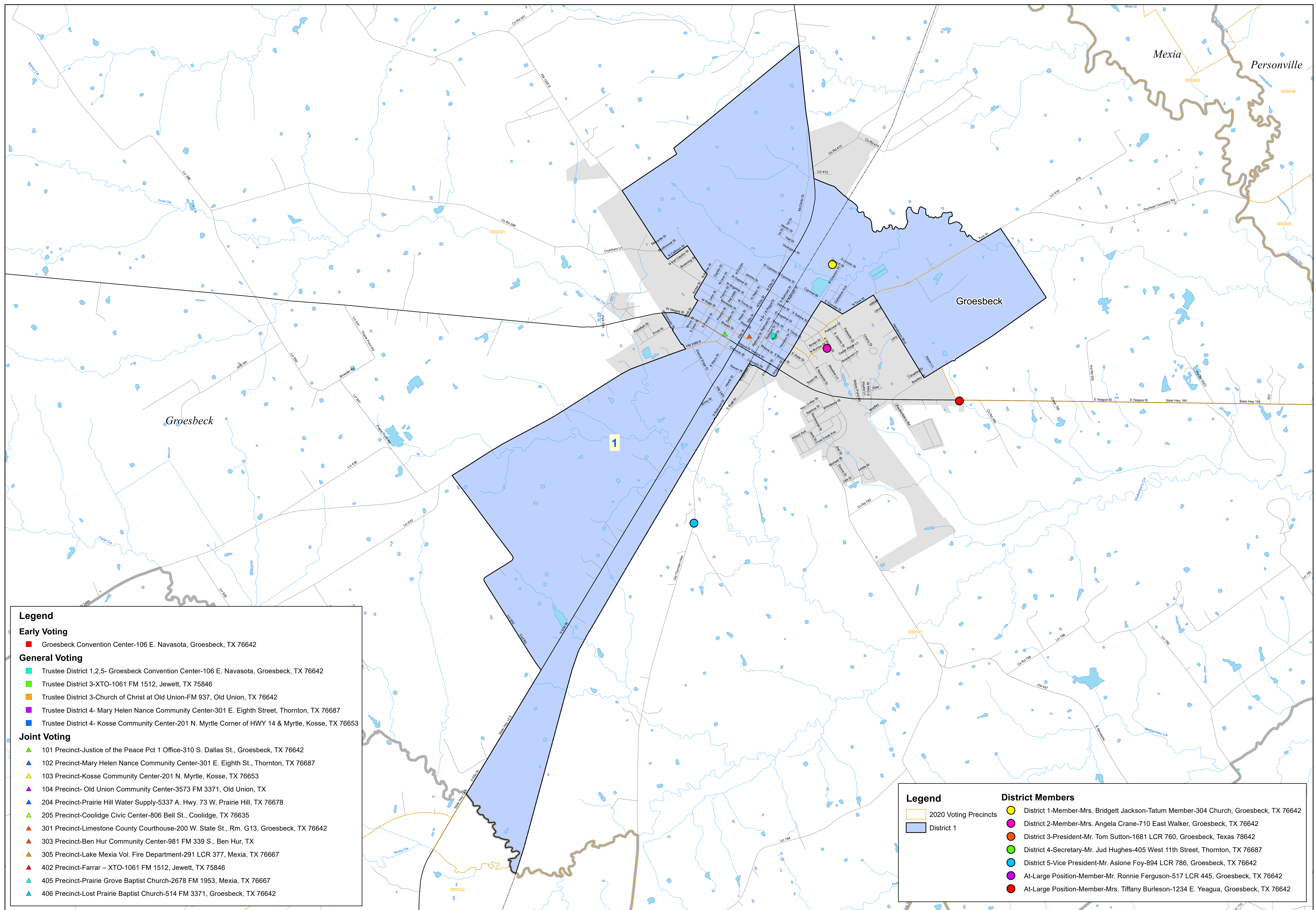
DISTRICT	Total Population Tabulation				Demographics as a Percent of Total Population															
	All Persons	Target	Dev.	Difference	White	Black	%	Hispanic	%	Amer Indian	%	Asian	%	Hawaiian	%	Other Race	%	Two or More Races	%	
1	1,864	1,841	1.26%	23	806	43.24%	509	27.31%	460	24.68%	6	0.32%	25	1.34%	0	0.00%	2	0.11%	56	3.00%
2	1,782	1,841	-3.19%	-59	1,016	57.01%	217	12.18%	442	24.80%	1	0.06%	55	3.09%	1	0.06%	7	0.39%	43	2.41%
3	1,844	1,841	0.17%	3	1,681	91.16%	13	0.70%	71	3.85%	1	0.05%	12	0.65%	1	0.05%	6	0.33%	59	3.20%
4	1,812	1,841	-1.56%	-29	1,471	81.18%	74	4.08%	162	8.94%	11	0.61%	10	0.55%	1	0.06%	10	0.55%	73	4.03%
5	1,902	1,841	3.32%	61	1,455	76.50%	104	5.47%	256	13.46%	6	0.32%	5	0.26%	2	0.11%	7	0.37%	67	3.52%
<b>Total</b>	<b>9,204</b>	<b>9,204</b>	<b>6.51%</b>		<b>6,429</b>	<b>69.85%</b>	<b>917</b>	<b>9.96%</b>	<b>1,391</b>	<b>15.11%</b>	<b>25</b>	<b>0.27%</b>	<b>107</b>	<b>1.16%</b>	<b>5</b>	<b>0.05%</b>	<b>114</b>	<b>0.35%</b>	<b>298</b>	<b>3.24%</b>

# Groesbeck ISD, Texas

## Draft Map A

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE





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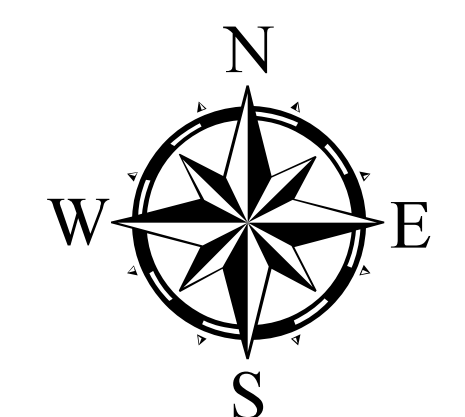
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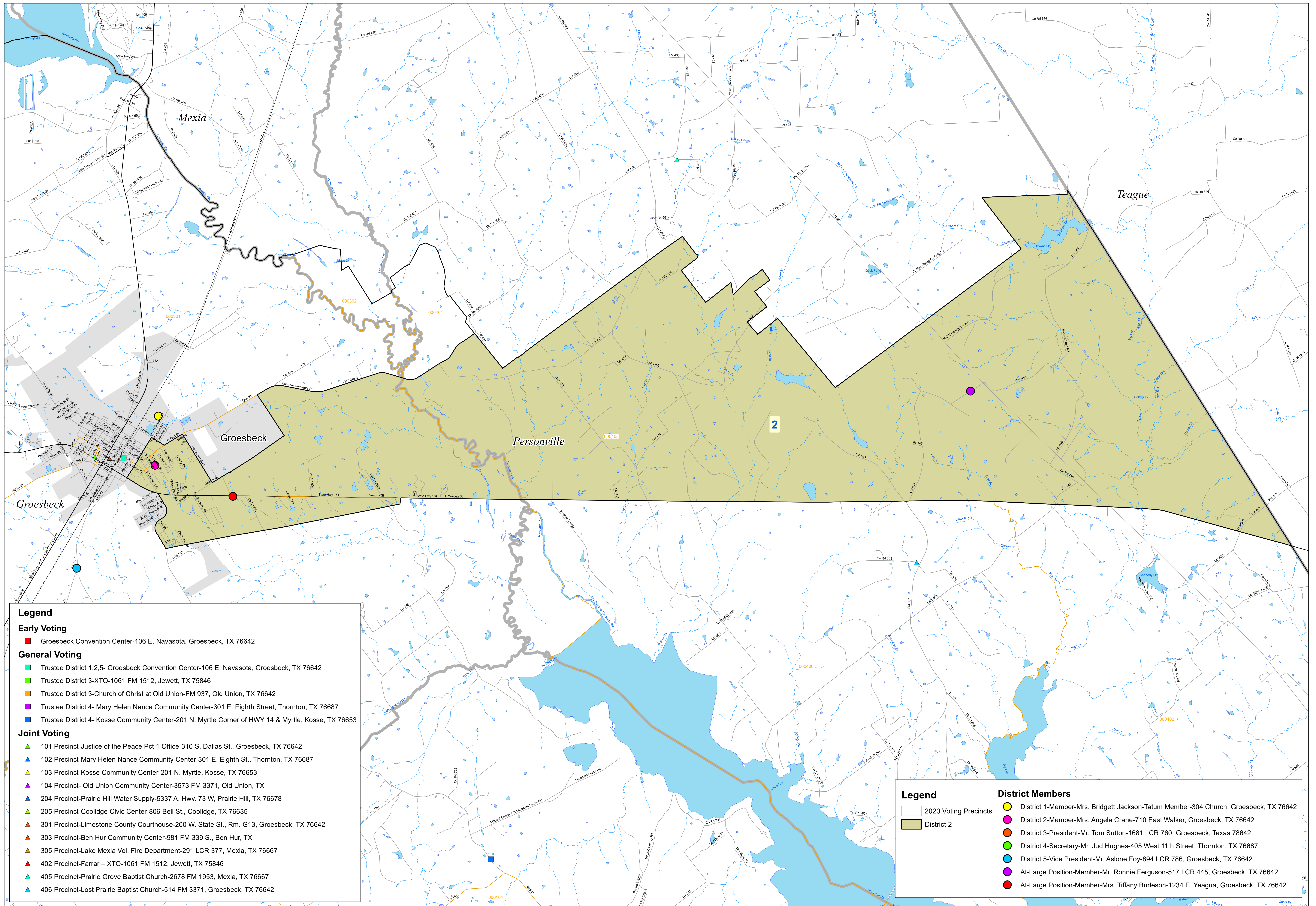
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4	1,812	1,841	-1.56%	-29	1,471	81.18%	74	4.08%	162	8.94%	11	0.61%	10	0.55%	1	0.06%	10	0.55%	73	4.03%
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<b>Total</b>	<b>9,204</b>	<b>9,204</b>	<b>0.00%</b>	<b>0</b>	<b>6,429</b>	<b>69.85%</b>	<b>917</b>	<b>9.96%</b>	<b>1,391</b>	<b>15.11%</b>	<b>25</b>	<b>0.27%</b>	<b>107</b>	<b>1.16%</b>	<b>5</b>	<b>0.05%</b>	<b>115</b>	<b>1.25%</b>	<b>298</b>	<b>3.24%</b>

# Groesbeck ISD, Texas Draft Map A District 1

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE

0 0.125 0.25 0.5 0.75 1 Miles





**Legend**

- Early Voting**
- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
- General Voting**
- ▲ Trustee District 1,2,5- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
  - Trustee District 3-XTO-1061 FM 1512, Jewett, TX 75846
  - Trustee District 3-Church of Christ at Old Union-FM 937, Old Union, TX 76642
  - Trustee District 4- Mary Helen Nance Community Center-301 E. Eighth Street, Thornton, TX 76687
  - Trustee District 4- Kosse Community Center-201 N. Myrtle Corner of HWY 14 & Myrtle, Kosse, TX 76653
- Joint Voting**
- ▲ 101 Precinct-Justice of the Peace Pct 1 Office-310 S. Dallas St., Groesbeck, TX 76642
  - ▲ 102 Precinct-Mary Helen Nance Community Center-301 E. Eighth St., Thornton, TX 76687
  - ▲ 103 Precinct-Kosse Community Center-201 N. Myrtle, Kosse, TX 76653
  - ▲ 104 Precinct-Old Union Community Center-3573 FM 3371, Old Union, TX
  - ▲ 204 Precinct-Prairie Hill Water Supply-5337 A. Hwy. 73 W, Prairie Hill, TX 76678
  - ▲ 205 Precinct-Coolidge Civic Center-806 Bell St., Coolidge, TX 76635
  - ▲ 301 Precinct-Limestone County Courthouse-200 W. State St., Rm. G13, Groesbeck, TX 76642
  - ▲ 303 Precinct-Ben Hur Community Center-981 FM 339 S., Ben Hur, TX
  - ▲ 305 Precinct-Lake Mexia Vol. Fire Department-291 LCR 377, Mexia, TX 76667
  - ▲ 402 Precinct-Farrar – XTO-1061 FM 1512, Jewett, TX 75846
  - ▲ 405 Precinct-Prairie Grove Baptist Church-2678 FM 1953, Mexia, TX 76667
  - ▲ 406 Precinct-Lost Prairie Baptist Church-514 FM 3371, Groesbeck, TX 76642

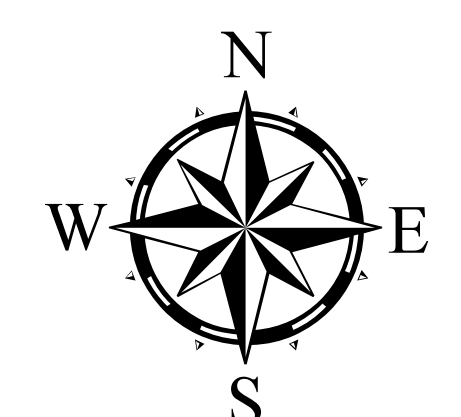
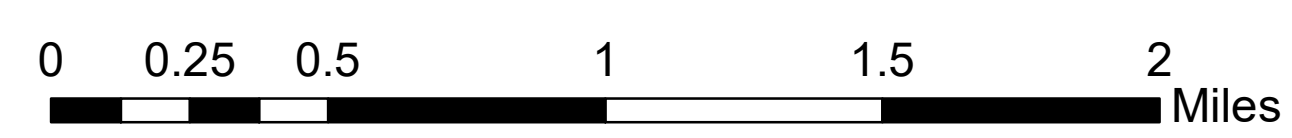
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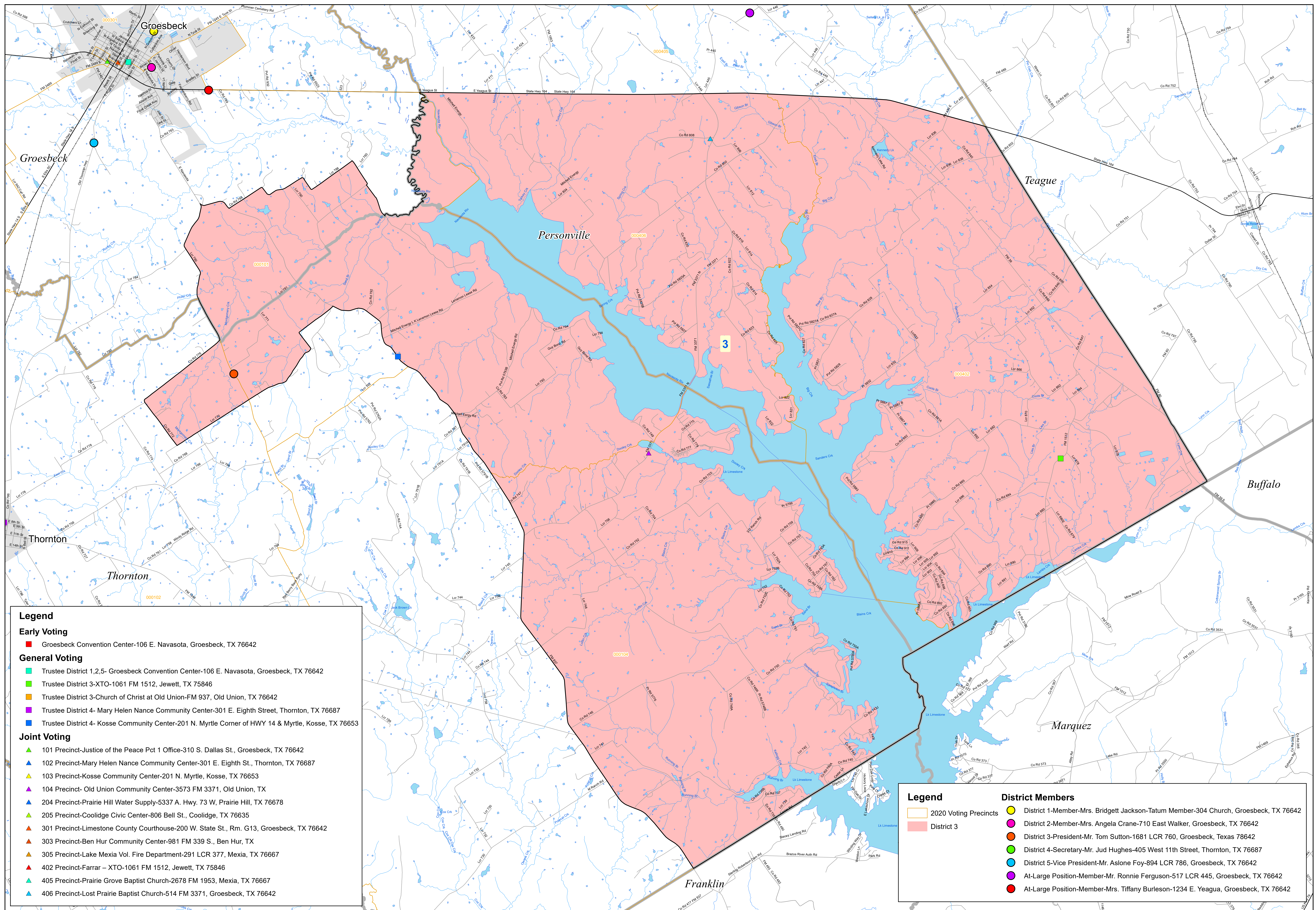
- 2020 Voting Precincts
  - District 2
- District Members**
- District 1-Member-Mrs. Bridgett Jackson-Tatum Member-304 Church, Groesbeck, TX 76642
  - District 2-Member-Mrs. Angela Crane-710 East Walker, Groesbeck, TX 76642
  - District 3-President-Mr. Tom Sutton-1681 LCR 760, Groesbeck, Texas 78642
  - District 4-Secretary-Mr. Jud Hughes-405 West 11th Street, Thornton, TX 76687
  - District 5-Vice President-Mr. Aslone Foy-894 LCR 786, Groesbeck, TX 76642
  - At-Large Position-Member-Mr. Ronnie Ferguson-517 LCR 445, Groesbeck, TX 76642
  - At-Large Position-Member-Mrs. Tiffany Burleson-1234 E. Yeagua, Groesbeck, TX 76642

DISTRICT	Total Population Tabulation				Demographics as a Percent of Total Population															
	All Persons	Target	Dev.	Difference	White	Black	%	Hispanic	%	Amer Indian	%	Asian	%	Hawaiian	%	Other Race	%	Two or More Races	%	
1	1,864	1,841	1.26%	23	806	43.24%	509	27.31%	460	24.68%	6	0.32%	25	1.34%	0	0.00%	2	0.11%	56	3.00%
2	1,782	1,841	-3.19%	-59	1,016	57.01%	217	12.18%	442	24.80%	1	0.06%	55	3.09%	1	0.06%	7	0.39%	43	2.41%
3	1,844	1,841	-0.17%	3	1,681	91.16%	13	0.70%	71	3.85%	1	0.05%	12	0.65%	1	0.05%	6	0.33%	59	3.20%
4	1,812	1,841	-1.56%	-29	1,471	81.18%	74	4.08%	162	8.94%	11	0.61%	10	0.55%	1	0.06%	10	0.55%	73	4.03%
5	1,902	1,841	3.32%	61	1,455	76.50%	104	5.47%	256	13.46%	6	0.32%	5	0.26%	2	0.11%	7	0.37%	67	3.52%
<b>Total</b>	<b>9,204</b>	<b>9,204</b>	<b>6.51%</b>		<b>6,429</b>	<b>69.85%</b>	<b>917</b>	<b>9.96%</b>	<b>1,391</b>	<b>15.11%</b>	<b>25</b>	<b>0.27%</b>	<b>107</b>	<b>1.16%</b>	<b>5</b>	<b>0.05%</b>	<b>110</b>	<b>0.35%</b>	<b>298</b>	<b>3.24%</b>

# Groesbeck ISD, Texas Draft Map A District 2

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE





- Legend**
- Early Voting**
- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
- General Voting**
- Trustee District 1,2,5- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
  - Trustee District 3-XTO-1061 FM 1512, Jewett, TX 75846
  - Trustee District 3-Church of Christ at Old Union-FM 937, Old Union, TX 76642
  - Trustee District 4- Mary Helen Nance Community Center-301 E. Eighth Street, Thornton, TX 76687
  - Trustee District 4- Kosse Community Center-201 N. Myrtle Corner of HWY 14 & Myrtle, Kosse, TX 76653
- Joint Voting**
- 101 Precinct-Justice of the Peace Pct 1 Office-310 S. Dallas St., Groesbeck, TX 76642
  - 102 Precinct-Mary Helen Nance Community Center-301 E. Eighth St., Thornton, TX 76687
  - 103 Precinct-Kosse Community Center-201 N. Myrtle, Kosse, TX 76653
  - 104 Precinct-Old Union Community Center-3573 FM 3371, Old Union, TX
  - 204 Precinct-Prairie Hill Water Supply-5337 A. Hwy. 73 W, Prairie Hill, TX 76678
  - 205 Precinct-Coolidge Civic Center-806 Bell St., Coolidge, TX 76635
  - 301 Precinct-Limestone County Courthouse-200 W. State St., Rm. G13, Groesbeck, TX 76642
  - 303 Precinct-Ben Hur Community Center-981 FM 339 S., Ben Hur, TX
  - 305 Precinct-Lake Mexia Vol. Fire Department-291 LCR 377, Mexia, TX 76667
  - 402 Precinct-Farrar – XTO-1061 FM 1512, Jewett, TX 75846
  - 405 Precinct-Prairie Grove Baptist Church-2678 FM 1953, Mexia, TX 76667
  - 406 Precinct-Lost Prairie Baptist Church-514 FM 3371, Groesbeck, TX 76642

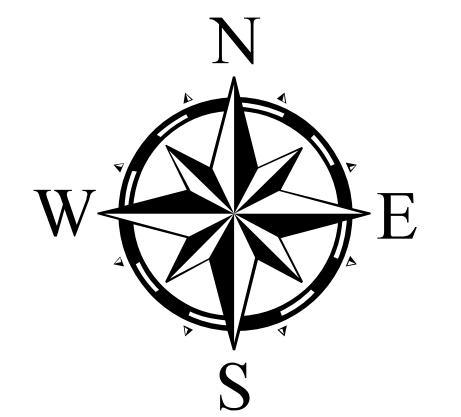
- Legend**
- 2020 Voting Precincts
  - District 3
- District Members**
- District 1-Member-Mrs. Bridgett Jackson-Tatum Member-304 Church, Groesbeck, TX 76642
  - District 2-Member-Mrs. Angela Crane-710 East Walker, Groesbeck, TX 76642
  - District 3-President-Mr. Tom Sutton-1681 LCR 760, Groesbeck, Texas 78642
  - District 4-Secretary-Mr. Jud Hughes-405 West 11th Street, Thornton, TX 76687
  - District 5-Vice President-Mr. Aslone Foy-894 LCR 786, Groesbeck, TX 76642
  - At-Large Position-Member-Mr. Ronnie Ferguson-517 LCR 445, Groesbeck, TX 76642
  - At-Large Position-Member-Mrs. Tiffany Burleson-1234 E. Yeagua, Groesbeck, TX 76642

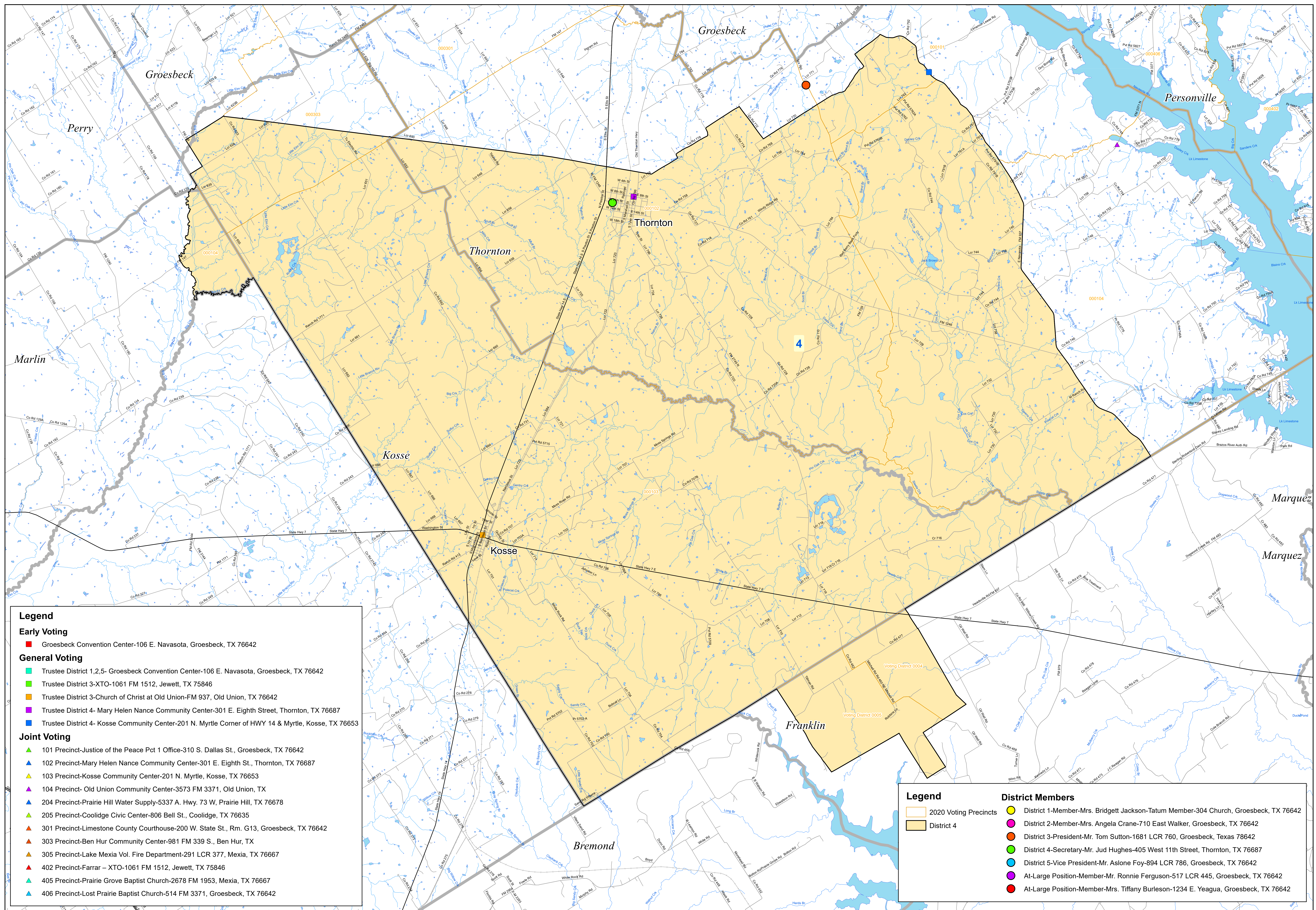
DISTRICT	Total Population Tabulation				Demographics as a Percent of Total Population															
	All Persons	Target	Dev.	Difference	White	Black	%	Hispanic	%	Amer Indian	%	Asian	%	Hawaiian	%	Other Race	%	Two or More Races	%	
1	1,864	1,841	1.26%	23	806	43.24%	509	27.31%	460	24.68%	6	0.32%	25	1.34%	0	0.00%	2	0.11%	56	3.00%
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3	1,844	1,841	0.17%	3	1,681	91.16%	13	0.70%	71	3.85%	1	0.05%	12	0.65%	1	0.05%	6	0.33%	59	3.20%
4	1,812	1,841	-1.56%	-29	1,471	81.18%	74	4.08%	162	8.94%	11	0.61%	10	0.55%	1	0.06%	10	0.55%	73	4.03%
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<b>Total</b>	<b>9,204</b>		<b>6.51%</b>		<b>6,429</b>	<b>69.85%</b>	<b>917</b>	<b>9.96%</b>	<b>1,391</b>	<b>15.11%</b>	<b>25</b>	<b>0.27%</b>	<b>107</b>	<b>1.16%</b>	<b>5</b>	<b>0.05%</b>	<b>117</b>	<b>32</b>	<b>298</b>	<b>3.24%</b>

# Groesbeck ISD, Texas Draft Map A District 3

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE

0 0.25 0.5 1 1.5 2 Miles





- Legend**
- Early Voting**
- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
- General Voting**
- Trustee District 1,2,5- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
  - Trustee District 3-XTO-1061 FM 1512, Jewett, TX 75846
  - Trustee District 3-Church of Christ at Old Union-FM 937, Old Union, TX 76642
  - Trustee District 4- Mary Helen Nance Community Center-301 E. Eighth Street, Thornton, TX 76687
  - Trustee District 4- Kosse Community Center-201 N. Myrtle Corner of HWY 14 & Myrtle, Kosse, TX 76653
- Joint Voting**
- 101 Precinct-Justice of the Peace Pct 1 Office-310 S. Dallas St., Groesbeck, TX 76642
  - 102 Precinct-Mary Helen Nance Community Center-301 E. Eighth St., Thornton, TX 76687
  - 103 Precinct-Kosse Community Center-201 N. Myrtle, Kosse, TX 76653
  - 104 Precinct-Old Union Community Center-3573 FM 3371, Old Union, TX
  - 204 Precinct-Prairie Hill Water Supply-5337 A. Hwy. 73 W, Prairie Hill, TX 76678
  - 205 Precinct-Coolidge Civic Center-806 Bell St., Coolidge, TX 76635
  - 301 Precinct-Limestone County Courthouse-200 W. State St., Rm. G13, Groesbeck, TX 76642
  - 303 Precinct-Ben Hur Community Center-981 FM 339 S., Ben Hur, TX
  - 305 Precinct-Lake Mexia Vol. Fire Department-291 LCR 377, Mexia, TX 76667
  - 402 Precinct-Farrar - XTO-1061 FM 1512, Jewett, TX 75846
  - 405 Precinct-Prairie Grove Baptist Church-2678 FM 1953, Mexia, TX 76667
  - 406 Precinct-Lost Prairie Baptist Church-514 FM 3371, Groesbeck, TX 76642

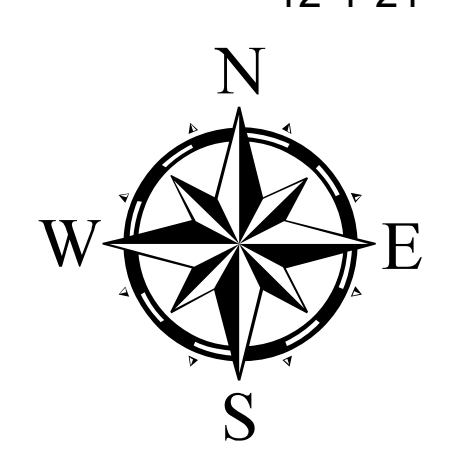
- Legend**
- 2020 Voting Precincts
  - District 4
- District Members**
- District 1-Member-Mrs. Bridgett Jackson-Tatum Member-304 Church, Groesbeck, TX 76642
  - District 2-Member-Mrs. Angela Crane-710 East Walker, Groesbeck, TX 76642
  - District 3-President-Mr. Tom Sutton-1681 LCR 760, Groesbeck, Texas 78642
  - District 4-Secretary-Mr. Jud Hughes-405 West 11th Street, Thornton, TX 76687
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  - At-Large Position-Member-Mrs. Tiffany Burleson-1234 E. Yeagua, Groesbeck, TX 76642

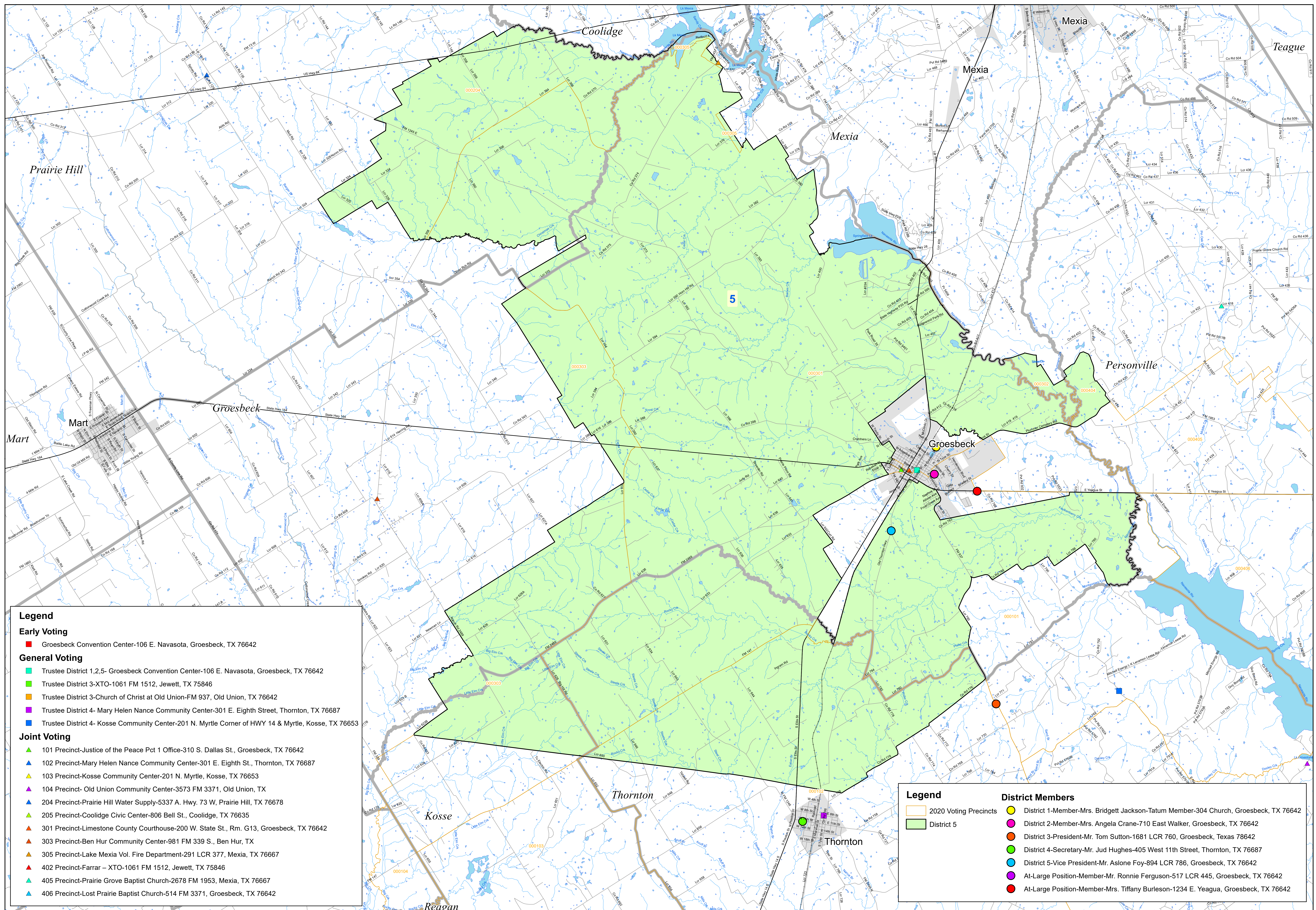
DISTRICT	Total Population Tabulation				Demographics as a Percent of Total Population															
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<b>Total</b>	<b>9,204</b>	<b>9,204</b>	<b>6.51%</b>		<b>6,429</b>	<b>69.85%</b>	<b>917</b>	<b>9.96%</b>	<b>1,391</b>	<b>15.11%</b>	<b>25</b>	<b>0.27%</b>	<b>107</b>	<b>1.16%</b>	<b>5</b>	<b>0.05%</b>	<b>118</b>	<b>0.35%</b>	<b>298</b>	<b>3.24%</b>

# Groesbeck ISD, Texas Draft Map A District 4

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE

0 0.375 0.75 1.5 2.25 3 Miles





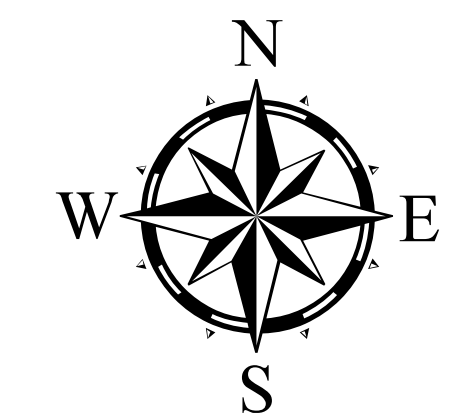
- Legend**
- Early Voting**
- Groesbeck Convention Center-106 E. Navasota, Groesbeck, TX 76642
- General Voting**
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  - Trustee District 3-Church of Christ at Old Union-FM 937, Old Union, TX 76642
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  - 305 Precinct-Lake Mexia Vol. Fire Department-291 LCR 377, Mexia, TX 76667
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  - 405 Precinct-Prairie Grove Baptist Church-2678 FM 1953, Mexia, TX 76667
  - 406 Precinct-Lost Prairie Baptist Church-514 FM 3371, Groesbeck, TX 76642

- Legend**
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  - District 5
- District Members**
- District 1-Member-Mrs. Bridgett Jackson-Tatum Member-304 Church, Groesbeck, TX 76642
  - District 2-Member-Mrs. Angela Crane-710 East Walker, Groesbeck, TX 76642
  - District 3-President-Mr. Tom Sutton-1681 LCR 760, Groesbeck, Texas 78642
  - District 4-Secretary-Mr. Jud Hughes-405 West 11th Street, Thornton, TX 76687
  - District 5-Vice President-Mr. Aslone Foy-894 LCR 786, Groesbeck, TX 76642
  - At-Large Position-Member-Mr. Ronnie Ferguson-517 LCR 445, Groesbeck, TX 76642
  - At-Large Position-Member-Mrs. Tiffany Burleson-1234 E. Yeagua, Groesbeck, TX 76642

DISTRICT	Total Population Tabulation				Demographics as a Percent of Total Population															
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# Groesbeck ISD, Texas Draft Map A District 5

Data Source:  
2020 TIGER/LINE GEOGRAPHY  
2020 US CENSUS (PL 94-171) SUMMARY FILE



**XII. DISCUSSION AND POSSIBLE ACTION ON DOOR AND  
CAMERA SECURITY SYSTEM FOR THE HIGH SCHOOL  
AND THE MIDDLE SCHOOL**

**121**

**UPDATING DOOR AND CAMERA SYSTEMS to improve security**

(Doors- All campuses, Cameras on MS and HS campuses)

Projected Cost:

\$306,431.15 Doors and Cameras

10,725.09 Payment and Performance Bond

---

\$317,156.24

\$200,000.00 Golden Pennies

34,000.00 Title IV

17,900.00 ESSER II

13,708.00 School Safety Allotment

7,000.00 GHS money

33,823.24 Maintenance (this amount may decrease due to federal funds and/or reallocation of unencumbered monies)

---

\$317,156.24 (TOTAL)

Using Choice Partners Purchasing Co-op



Prepared by:  
 Micro Integration  
 10801 Hammerly Blvd  
 Suite 246  
 Houston, Texas 77043

Gale Dillow  
 Tel: (832) 654-9582  
 Email: gale.dillow@microint.com

Quote # 11012101  
 November 1, 2021

Groesbeck Independent School District  
 High School - Security Camera Project

Manufacturer	Model	Description	Retail	Customer Cost	Qty	Ext. Cost
Axis	01500-001	Axis P3719-PLE Network Camera	\$1,599.00	\$1,279.20	18	\$23,025.60
Axis	01513-001	AXIS T94N01D Pendant Kit	\$89.00	\$71.20	18	\$1,281.60
Axis	5504-821	Axis T91D61 Wall Mount	\$84.00	\$67.20	18	\$1,209.60
Axis	5017-641	AXIS T91A64 Corner Bracket	\$79.00	\$63.20	6	\$379.20
Axis	02172-004	AXIS 30 W Midspan	\$89.00	\$71.20	3	\$213.60
Axis	01504-001	Axis P3717-PLE Network Camera	\$1,349.00	\$1,079.20	6	\$6,475.20
Axis	01513-001	AXIS T94N01D Pendant Kit	\$89.00	\$71.20	6	\$427.20
Axis	5504-821	Axis T91D61 Wall Mount	\$84.00	\$67.20	6	\$403.20
Axis	0878-004	AXIS FAS4 Main Unit	\$449.00	\$359.20	3	\$1,077.60
Axis	1026-001	AXIS FA3105-L Eyeball Sensor Unit	\$149.00	\$119.20	10	\$1,192.00
Axis	5500-001	AXIS T8127 60W Splitter 12/24V DC	\$89.00	\$71.20	3	\$213.60
Axis	5506-821	AXIS F7315 Cable White 15 m (4 pk)	\$99.00	\$79.20	3	\$237.60
Axis	5900-334	AXIS T8134 60 W Midspan	\$149.00	\$119.20	3	\$357.60
Axis	01604-001	Axis M3115-LVE Network Camera	\$319.00	\$255.20	4	\$1,020.80
Axis	01517-001	Axis M3205-LVE Network Camera	\$499.00	\$399.20	7	\$2,794.40
Axis	5505-871	Axis T94T01D Pendant Kit	\$49.00	\$39.20	7	\$274.40
Axis	5504-821	Axis T91D61 Wall Mount	\$84.00	\$67.20	7	\$470.40
Axis	5026-204	AXIS T8120 15W Midspan	\$59.00	\$47.20	2	\$94.40
Ubiquiti	NBE-SAC-GEN2	airMAX® ac CPE Radio	\$99.00	\$99.00	3	\$297.00
Ubiquiti	AMO-SG13	Omni Antenna	\$165.00	\$165.00	1	\$165.00
Ubiquiti	RP-SAC-GEN2	airMAX® ac BaseStation	\$249.00	\$249.00	1	\$249.00
Ubiquiti	N-SW	4 Port Switch	\$50.00	\$50.00	1	\$50.00
Micro Integration 2U R/M Server Includes: S/Micro Xeon Server Board Mod# X11DPL-I-O, (2) Intel 2.2Gig 12 Core Xeon Cpu's Mod# SLVR 4214, (2) Xeon Heat Sinks, Crucial 32Gig Ddr4 Ecc Reg Ram, S/Micro 2u Rack Mount 12Bay Hot Swap Case w/Redundant 920 Watt Pwr Supplies Mod# CSE-826E1C-R920LPB, (2) WD 250 SSD Drives (Mirrored), (4) Seagate 2 1/2" 15K 300G SAS Drives, (6) S/M (2 1/2" - 3 1/2") Drive Frame Kits, (6) Seagate 12TB 72K SAS Hard Drives (Raid 6 Config = 48TB Storage), Lsi Raid 6 Controller Mod# 9361-8i, With Backup Cache Kit, (1) SM/LSI Backplane Cables, MS Olp Acad Server Std 2019 Edition.						
SuperMicro	48TB Camera Server			\$8,950.00	2	\$17,900.00
Tripplite	1200	Tripplite 1200 RM Smart Ups		\$269.00	1	\$269.00
MI		Camera Server Installation		\$750.00	2	\$1,500.00
Milestone	XPPPLUSBL	XProtect Professional Plus Base License	\$499.00	\$324.35	1	\$324.35
Milestone	XPPPLUSDL	XProtect Professional Plus Device License	\$169.00	\$109.85	227	\$24,935.95
Milestone	YXPPPLUSDL	1YR Care Plus for Device License	\$31.00	\$20.15	227	\$4,574.05
MI		Camera Installation		\$350.00	37	\$12,950.00
MI		CAT 6 Network Cable Drops		\$300.00	34	\$10,200.00
MI		Wireless Network Installation and Configuration		\$125.00	4	\$500.00
<b>Sub Total</b>						<b>\$115,062.35</b>

**Total** **\$115,062.35**



Prepared by:  
 Micro Integration  
 10801 Hammerly Blvd  
 Suite 246  
 Houston, Texas 77043

Gale Dillow  
 Tel: (832) 654-9582  
 Email: gale.dillow@microint.com

Quote # 11012104  
 November 1, 2021

Groesbeck Independent School District  
 Groesbeck Middle School - Security Camera Project

Manufacturer	Model	Description	Retail	Customer Cost	Qty	Ext. Cost
Axis	01500-001	Axis P3719-PLE Network Camera	\$1,599.00	\$1,279.20	6	\$7,675.20
Axis	01513-001	AXIS T94N01D Pendant Kit	\$89.00	\$71.20	6	\$427.20
Axis	5504-821	Axis T91D61 Wall Mount	\$84.00	\$67.20	6	\$403.20
Axis	5017-641	AXIS T91A64 Corner Bracket	\$79.00	\$63.20	3	\$189.60
Axis	01504-001	Axis P3717-PLE Network Camera	\$1,349.00	\$1,079.20	6	\$6,475.20
Axis	01513-001	AXIS T94N01D Pendant Kit	\$89.00	\$71.20	6	\$427.20
Axis	5504-821	Axis T91D61 Wall Mount	\$84.00	\$67.20	6	\$403.20
Axis	0878-004	AXIS FA54 Main Unit	\$449.00	\$359.20	5	\$1,796.00
Axis	1026-001	AXIS FA3105-L Eyeball Sensor Unit	\$149.00	\$119.20	17	\$2,026.40
Axis	5500-001	AXIS T8127 60W Splitter 12/24V DC	\$89.00	\$71.20	5	\$356.00
Axis	5506-821	AXIS F7315 Cable White 15 m (4 pk)	\$99.00	\$79.20	3	\$237.60
Axis	5900-334	AXIS T8134 60 W Midspan	\$149.00	\$119.20	5	\$596.00
Milestone	XPPPLUSDL	XProtect Professional Plus Device License	\$169.00	\$109.85	17	\$1,867.45
Milestone	YXPPPLUSDL	1YR Care Plus for Device License	\$31.00	\$20.15	17	\$342.55
MI		Camera Installation		\$350.00	17	\$5,950.00
MI		CAT 6 Network Cable Drops		\$300.00	17	\$5,100.00
<b>Sub Total</b>						<b>\$34,272.80</b>

<b>Total</b>	<b>\$34,272.80</b>
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10801 HAMMERLY BLVD SUITE 246  
HOUSTON, TX 77043

PREPARED BY: Shawn Olive  
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Email : SHAWN@MICROINT.COM

Quote # 11102021GISD  
**Groesbeck ISD**  
**DISTRICT QUOTE**

11/10/2021

**TOTAL: \$157,096.00**

**High School School**

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	2	\$	1,990.00
LIFESAFETY POWER	E1M	FPO150-C4PE1M	\$ 365.00	2	\$	730.00
OPEN OPTIONS	LP1502	(SSP-D2) - Native IP-ready intelligent controller with an embedded reader interface module allowing control of two doors, support for up to 64 doors, 6 MB RAM, 4 Form-C relay outputs and 8 programmable Inputs (supervised). Supports both IP/POE and RS 485 downstream devices.	\$ 1,115.00	2	\$	2,230.00
OPEN OPTIONS	MR16IN	(ISC-16) - Input SubControllers: 16 Supervised Inputs, 2 Relay Outputs SubControllers .	\$ 755.00	2	\$	1,510.00
OPEN OPTIONS	MR62e	IP-Based Network Sub-controller with POE support. Support for 2 Doors (2 readers per door when using in/out readers). (NOTE: Requires LP1502, LP2500, LP4502 or LP1501). Support for OSDP readers only.	\$ 675.00	2	\$	1,350.00
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	6	\$	1,320.00
ALLEGION	798-18 628	DOOR LOOP KIT	\$ 52.00	4	\$	208.00
SARGENT	55-M58AF	Exit Device Electric Latch Retract Push Kit, Request-To-Exit, 33 to 38" F Rail	\$ 588.00	2	\$	1,176.00
LOCKNETICS	RS200-LBM-32D	SURFACE MOUNT ELECTRIC RIM STRIKE	\$ 348.00	1	\$	348.00
AUXCELL LTD	RC-33	Magnetic Door Switch	\$ 15.00	62	\$	930.00
VON DUPRIN	KR-4954-76"-SP28-154	KEY REMOVABLE MULLION	\$ 835.00	1	\$	835.00
IVES	8400	8400 US26D 10" x 34" B-CS KICK PLATE	\$ 119.00	2	\$	238.00
VON DUPRIN	114317	EL Kit-QELA-Modular Conversion-3'	\$ 395.00	1	\$	395.00
VON DUPRIN	QEL99A	QELA-99-NL-US26D-3'-990-US26D-299-PBT=US32DAM	\$ 1,912.00	1	\$	1,912.00
VON DUPRIN	99A-DT	LD-99-DT-US26D-3'-990-US26DAM-299-PBT=US32DAM	\$ 1,189.00	1	\$	1,189.00
SCHLAGE	91-181	EVEREST FSIC CORE ONLY	\$ 62.00	3	\$	186.00
SCHLAGE	91-170	RIM CYLINDER FSIC COMPLETE CYLINDER	\$ 97.00	3	\$	291.00
MICRO INTEGRATION	LV CABLE	LOW VOLTAGE CABLE RUN	\$ 175.00	30	\$	5,250.00
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	6	\$	1,500.00
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 12,750.00	1	\$	12,750.00
<b>TOTAL</b>						<b>\$ 38,338.00</b>

**High School School Field House**

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	1	\$	995.00
OPEN OPTIONS	LP1502	(SSP-D2) - Native IP-ready intelligent controller with an embedded reader interface module allowing control of two doors, support for up to 64 doors, 6 MB RAM, 4 Form-C relay outputs and 8 programmable Inputs (supervised). Supports both IP/POE and RS 485 downstream devices.	\$ 1,115.00	1	\$	1,115.00
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	2	\$	440.00
ALLEGION	798-18 628	DOOR LOOP KIT	\$ 52.00	2	\$	104.00
AUXCELL LTD	RC-33	Magnetic Door Switch	\$ 15.00	7	\$	105.00
VON DUPRIN	114317	EL Kit-QELA-Modular Conversion-3'	\$ 395.00	2	\$	790.00
MICRO INTEGRATION	LV CABLE	LOW VOLTAGE CABLE RUN	\$ 175.00	2	\$	350.00
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	2	\$	500.00
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 2,150.00	1	\$	2,150.00
<b>TOTAL</b>						<b>\$ 6,549.00</b>

**Engle-Washington Intermediate School**

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	2	\$	1,990.00
LIFESAFETY POWER	E1M	FPO150-C4PE1M	\$ 365.00	3	\$	1,095.00
OPEN OPTIONS	LP2500	(SSP-EP) - Native IP-ready intelligent controller with 15MB Ram, support for 64 door with a redundant host communications port. Supports both IP/POE and RS 485 downstream devices.	\$ 1,795.00	2	\$	3,590.00
OPEN OPTIONS	MR52-S3	(RSC-2) - Dual Reader Interface Sub Controller: 2 Readers, 8 Supervised Inputs, 6 Relay Outputs.	\$ 595.00	2	\$	1,190.00
OPEN OPTIONS	MR62e	IP-Based Network Sub-controller with POE support. Support for 2 Doors (2 readers per door when using in/out readers). (NOTE: Requires LP1502, LP2500, LP4502 or LP1501). Support for OSDP readers only.	\$ 675.00	3	\$	2,025.00
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	9	\$	1,980.00
AUXCELL LTD	RC-33	Magnetic Door Switch	\$ 15.00	23	\$	345.00
VON DUPRIN	114317	EL Kit-QELA-Modular Conversion-3'	\$ 395.00	8	\$	3,160.00
MICRO INTEGRATION	LV CABLE	LOW VOLTAGE CABLE RUN	\$ 175.00	8	\$	1,400.00
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	9	\$	2,250.00
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 7,600.00	1	\$	7,600.00
<b>TOTAL</b>						<b>\$ 26,625.00</b>

**Middle School**

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	3	\$	2,985.00
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LIFESAFETY POWER	E1M	FPO150-C4PE1M	\$ 365.00	1	\$	365.00	
OPEN OPTIONS	LP1502	(SSP-D2) - Native IP-ready intelligent controller with an embedded reader interface module allowing control of two doors, support for up to 64 doors, 6 MB RAM, 4 Form-C relay outputs and 8 programmable inputs (supervised). Supports both IP/POE and RS 485 downstream devices.	\$ 1,115.00	1	\$	1,115.00	
OPEN OPTIONS	LP2500	(SSP-EP) - Native IP-ready intelligent controller with 15MB Ram, support for 64 door with a redundant host communications port. Supports both IP/POE and RS 485 downstream devices.	\$ 1,795.00	2	\$	3,590.00	
OPEN OPTIONS	MR52-S3	(RSC-2) - Dual Reader Interface Sub Controller: 2 Readers, 8 Supervised Inputs, 6 Relay Outputs.	\$ 595.00	5	\$	2,975.00	
OPEN OPTIONS	MR62e	IP-Based Network Sub-controller with POE support. Support for 2 Doors (2 readers per door when using in/out readers). (NOTE: Requires LP1502, LP2500, LP4502 or LP1501). Support for OSDP readers only.	\$ 675.00	1	\$	675.00	
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	10	\$	2,200.00	
ALLEGION	798-18 626	DOOR LOOP KIT	\$ 52.00	9	\$	488.00	
SCHLAGE	ND80	ND80BDCEU RHO 626 13-247 10-025 1 3/4"RX	\$ 730.00	2	\$	1,460.00	
LOCKNETICS	RS200-LBM-32D	SURFACE MOUNT ELECTRIC RIM STRIKE	\$ 348.00	2	\$	696.00	
AUXCELL LTD	RC-33	Magnetic Door Switch	\$ 15.00	32	\$	480.00	
VON DUPRIN	114317	EL Kit-QELA-Modular Conversion-3'	\$ 385.00	2	\$	790.00	
SCHLAGE	91-161	EVEREST FSIC CORE ONLY	\$ 62.00	2	\$	124.00	
SCHLAGE	91-170	RIM CYLINDER FSIC COMPLETE CYLINDER	\$ 97.00	2	\$	194.00	
MICRO INTEGRATION	LV CABLE	LOW VOLTAGE CABLE RUN	\$ 175.00	14	\$	2,450.00	
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	10	\$	2,500.00	
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 10,650.00	1	\$	10,650.00	
					TOTAL	\$	33,717.00

### N.O. Whitehurst Elementary School

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	1	\$	995.00	
LIFESAFETY POWER	E1M	FPO150-C4PE1M	\$ 365.00	2	\$	730.00	
OPEN OPTIONS	LP2500	(SSP-EP) - Native IP-ready intelligent controller with 15MB Ram, support for 64 door with a redundant host communications port. Supports both IP/POE and RS 485 downstream devices.	\$ 1,795.00	1	\$	1,795.00	
OPEN OPTIONS	OptoHub	Optically Isolated 9 Channel Hub (for Star Typology).	\$ 855.00	1	\$	855.00	
OPEN OPTIONS	MR52-S3	(RSC-2) - Dual Reader Interface Sub Controller: 2 Readers, 8 Supervised Inputs, 6 Relay Outputs.	\$ 595.00	3	\$	1,785.00	
OPEN OPTIONS	MR62e	IP-Based Network Sub-controller with POE support. Support for 2 Doors (2 readers per door when using in/out readers). (NOTE: Requires LP1502, LP2500, LP4502 or LP1501). Support for OSDP readers only.	\$ 675.00	2	\$	1,350.00	
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	8	\$	1,760.00	
ALLEGION	798-18 626	DOOR LOOP KIT	\$ 52.00	7	\$	384.00	
JACKSON	8500EL02313	CRL-USALUM-8500EL02313-VCP-1	\$ 525.00	4	\$	2,100.00	
VON DUPRIN	QEL33A	QELA-33A-NL-643E-3'-RHR-388-643E-299-PBT=643E-SNB	\$ 2,465.00	2	\$	4,930.00	
VON DUPRIN	QEL99A	QELA-99-NL-643E-3'-890-643E-299-PBT=643E	\$ 2,085.00	1	\$	2,085.00	
VON DUPRIN	99A-DT	LD-99-DT-643E-3'-990-643E-299-PBT=643E	\$ 1,395.00	1	\$	1,395.00	
SCHLAGE	91-161	EVEREST FSIC CORE ONLY	\$ 62.00	7	\$	434.00	
SCHLAGE	91-170	RIM CYLINDER FSIC COMPLETE CYLINDER	\$ 97.00	7	\$	679.00	
MICRO INTEGRATION	LV CABLE	LOW VOLTAGE CABLE RUN	\$ 175.00	6	\$	1,050.00	
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	8	\$	2,000.00	
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 8,100.00	1	\$	8,100.00	
					TOTAL	\$	32,387.00

### Culinary Arts & Day Care

LIFESAFETY POWER	E6M	FPO250-B100C8D8PE6M1	\$ 995.00	1	\$	995.00	
LIFESAFETY POWER	E1M	FPO150-C4PE1M	\$ 365.00	1	\$	365.00	
OPEN OPTIONS	LP1502	(SSP-D2) - Native IP-ready intelligent controller with an embedded reader interface module allowing control of two doors, support for up to 64 doors, 6 MB RAM, 4 Form-C relay outputs and 8 programmable inputs (supervised). Supports both IP/POE and RS 485 downstream devices.	\$ 1,115.00	1	\$	1,115.00	
OPEN OPTIONS	MR52-S3	(RSC-2) - Dual Reader Interface Sub Controller: 2 Readers, 8 Supervised Inputs, 6 Relay Outputs.	\$ 595.00	1	\$	595.00	
OPEN OPTIONS	MR62e	IP-Based Network Sub-controller with POE support. Support for 2 Doors (2 readers per door when using in/out readers). (NOTE: Requires LP1502, LP2500, LP4502 or LP1501). Support for OSDP readers only.	\$ 675.00	1	\$	675.00	
ALLEGION	MTB15	MULTITECH READER	\$ 220.00	5	\$	1,100.00	
ALLEGION	798-18 626	DOOR LOOP KIT	\$ 52.00	5	\$	260.00	
AUXCELL LTD	RC-33	Magnetic Door Switch	\$ 15.00	7	\$	105.00	
FIRST CHOICE	MEL3000-1	LATCH RETRACTION KIT	\$ 667.00	2	\$	1,334.00	
COMMAND ACCESS	MLRK1-FAL17	LATCH RETRACTION KIT	\$ 297.00	2	\$	594.00	
COMMAND ACCESS	MLRK1-YAL	LATCH RETRACTION KIT	\$ 297.00	1	\$	297.00	
MICRO INTEGRATION	CABLE	COMPOSITE CABLE RUN	\$ 250.00	5	\$	1,250.00	
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 4,250.00	1	\$	4,250.00	
					TOTAL	\$	12,935.00

### SOFTWARE AND CREDENTIALS

OPEN OPTIONS	DNA-NEW-CWS	DNA Fusion Server License - Includes 10 Sub-Controllers (20 Readers) - 1 Server Client License - 1 additional client workstation license.	\$ 535.00	1	\$	535.00	
OPEN OPTIONS	DNA-SC-20	20 Additional Sub Controllers (40 Readers)	\$ 1,135.00	1	\$	1,135.00	
ALLEGION	8520	ApQ 13.5 Mhz DESFIRE EV1 SMART CARD ISO GLOSSY WHITE 2KBYTE/16K BIT MEMORY SuperServer 5019P-M, 32Gig RDIMM ECC Reg 2888, (4) x 500 Gig WD SSD Blue, 4 x Supermicro (Gen 5.6) Tool-Less 3.5" to 2.5" Converter Drive Tray (MCP-220-00118-0B), Intel Xeon Scalable Silver 4110 SkyLake 8-Core 2.1 GHz (3.0 GHz Turbo) LGA 3647 85W BX806734110 Server Processor, MS Acad Server 2019 Std Version.	\$ 4.50	500	\$	2,250.00	
MICRO INTEGRATION	DNA-SERVER-1U		\$ 2,625.00	1	\$	2,625.00	
MICRO INTEGRATION	SVRS	INSTALLATION AND CONFIGURATION	\$ 2,000.00	1	\$	2,000.00	
					TOTAL	\$	8,545.00

**XIII. DISCUSSION AND POSSIBLE ACTION ON PARENTS/FANS IN ATTENDANCE OF GISD SCHOOL SPONSORED EVENTS**

**XIV. DISCUSSION AND POSSIBLE ACTION ON UPDATE TO BOARD POLICY CDA (LOCAL) OTHER REVENUES INVESTMENTS** 127

### PROPOSED REVISIONS

**Investment Authority**

The Superintendent and business clerk shall serve as the investment officer of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures. All investment transactions involving securities and repurchase agreements shall be settled on a delivery versus payment basis.

**Approved  
Investment  
Instruments**

From those investments authorized by law and described further in CDA(LEGAL) under Authorized Investments, the Board shall permit investment of District funds, including bond proceeds and pledged revenue to the extent allowed by law, in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates, and other forms of financial institution deposits, as permitted by Government Code 2256.009(a) and 2256.010 that are properly insured or collateralized.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. No-load mutual funds, except for bond proceeds, and no-load money market mutual funds whose investment objectives include a stable \$1.0000 net asset value as permitted by Government Code 2256.014.
5. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
6. Public funds investment pools as permitted by Government Code 2256.016.

**Safety**

The primary goal of the investment program is to ensure safety of principal, maintain liquidity, and optimize financial returns within current market conditions in accordance with this policy. Investments shall be made with the exercise of due care, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their own capital as well as the probable income to be derived.

The investment officers shall seek to act responsibly as custodians of the public trust. The investment officers shall avoid transactions

that might impair public confidence in the District's ability to govern effectively.

Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

**Investment  
Management**

In accordance with Government Code 2256.005(b)(3), the quality and capability of investment management for District funds shall be in accordance with the standard of care, investment training, and other requirements set forth in Government Code Chapter 2256.

Each investment officer shall attend investment training sessions from the following authorized independent sources:

- Texas Association of School Boards ("TASB")
- Texas Association of School Administrators ("TASA")
- Texas Association of School Business Officials ("TASBO")
- Regional Education Service Center
- American Institute of Certified Public Accountants ("AICPA")
- Texas Society of Certified Public Accountants ("TSCPA")
- University of North Texas Center for Public Management
- Government Treasurer's Organization of Texas ("GTOT")
- Public Treasury Institute of North America
- **Texas Cooperative Liquid Assets Security System (Texas CLASS) Trust**

**Liquidity and  
Maturity**

The maximum dollar weighted maturity and stated final maturity of District investments is outlined in Funds/Strategies.

The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

**Diversity**

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer, where appropriate.

OTHER REVENUES  
INVESTMENTS

CDA  
(LOCAL)

**Monitoring Market  
Prices**

The investment officers shall monitor the investment portfolio and shall keep the Board informed of significant changes in the market value of the District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisers, and representatives/advisers of investment pools or money market funds. Monitoring shall be done at least quarterly, as required by law, and more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

**Monitoring Rating  
Changes**

In accordance with Government Code 2256.005(b), the investment ~~officer~~officers shall develop a procedure to monitor changes in investment ratings and shall take all prudent measures that are consistent with this policy to liquidate investments that do not maintain satisfactory ratings.

**Portfolio Reporting**

The investment officers shall prepare an investment report at least quarterly in compliance with the PFIA. This report shall be prepared in a manner that will allow the District to ascertain whether investment activities during the reporting period have conformed to this policy. The report shall be provided to the Board. Weighted average yield to maturity shall be the portfolio performance standard presented in the report.

**Funds / Strategies**

Investments of the following fund categories shall be consistent with this policy and in accordance with the applicable strategy defined below. All strategies described below for the investment of a particular fund should be based on an understanding of the suitability of an investment to the financial requirements of the District and consider preservation and safety of principal, liquidity, marketability of an investment if the need arises to liquidate before maturity, diversification of the investment portfolio, and yield.

Operating Funds

Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. Any approved investment instrument is suitable and provides acceptable marketability. The maximum dollar weighted maturity shall be 270 days and the maximum stated final maturity shall be two years. The appropriate yield target shall be the District's main public funds investment pool yield.

Custodial Funds

Investment strategies for custodial funds shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. Any approved investment instrument is suitable and

OTHER REVENUES  
INVESTMENTS

CDA  
(LOCAL)

provides acceptable marketability. The maximum stated final maturity shall be two years. The appropriate yield target shall be the District's main public funds investment pool yield.

Debt Service Funds

Investment strategies for debt service funds shall have as their primary objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Any approved investment instrument is suitable and provides acceptable marketability. The maximum stated final maturity shall be the next debt service payment date not already funded by pending approved investment instruments. The appropriate yield target shall be the District's main public funds investment pool yield.

Capital Project  
Funds

Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. Any approved investment instrument is suitable and provides acceptable marketability. The maximum stated final maturity shall be the lesser of the anticipated cash flow schedule and the applicable "temporary period" allowed by the IRS. Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of this policy's risk constraints. The default yield target shall be the District's main public funds investment pool yield.

Safekeeping and  
Custody

**All investment security and repurchase agreement transactions shall be settled on a delivery versus payment basis.** The District shall retain clearly marked receipts providing proof of the District's ownership. The District may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with District funds by the investment pool.

Collateral

The District shall comply with state law in the monitoring and management of pledged collateral. All instruments authorized in the Public Funds Collateral Act are eligible for pledge. Additionally, the District shall require a perfected security interest in compliance with federal and state regulations, including:

1. The agreement must be in writing;
2. The agreement must be executed by the depository and the District contemporaneously with the acquisition of the asset;
3. The agreement must be approved by the Board or designated committee of the depository and a copy of the meeting minutes must be delivered to the District; and
4. The agreement must be part of the depository's "official record" continuously since its execution.

OTHER REVENUES  
INVESTMENTS

CDA  
(LOCAL)

**Sellers of  
Investments**

Prior to handling investments on behalf of the District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. [See Sellers of Investments, CDA(LEGAL)]

Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA). Broker/dealer firms shall be approved by the Board initially, and annually thereafter, and shall meet selection criteria as determined by the investment officers.

Authorized broker/dealers include:

- ~~FTN~~FHN Financial
- ~~Raymond James~~
- SAMCO Capital Markets
- Wells Fargo Securities

**Business  
Organizations**

**Prior to handling investments on behalf of the District, business organizations must submit written documents in accordance with law.**

**Competitive  
Environment**

In order to get the best return on its investments, the District may solicit quotes from multiple providers for each investment transaction, including certificates of deposit.

**Soliciting Bids for  
CD's**

**In order to get the best return on its investments, the District may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.**

**Interest Rate Risk**

To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification.

The District shall monitor interest rate risk using weighted average maturity and specific identification.

**Internal Controls**

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District. Controls deemed most important shall include:

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1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by the District's independent auditing firm.

**Annual Review**

The Board shall review this investment policy and investment strategies not less than annually and shall document its review in writing, which shall include whether any changes were made to either the investment policy or investment strategies.

**Annual Audit**

In conjunction with the annual financial audit, the District shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies.

**XV. DISTRICT RESOLUTION ADOPTING AND REVIEW OF  
INVESTMENT POLICY**

**134**

**RESOLUTION ADOPTING THE INVESTMENT POLICY  
OF GROESBECK INDEPENDENT SCHOOL DISTRICT**

**WHEREAS**, Groesbeck Independent School District (the "District") has been legally created and operates pursuant to the general laws of the State of Texas applicable to independent school districts; and

**WHEREAS**, the Board of Trustees has convened on this date at a meeting open to the public and wishes to adopt an Investment Policy for the District, in the form attached hereto as Exhibit "A," pursuant to Chapter 2256, Texas Government Code as amended from time to time;

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE GROESBECK INDEPENDENT SCHOOL DISTRICT THAT:**

- Section 1:       The Investment Policy, in the form attached hereto as Exhibit "A," is hereby adopted as the investment policy for the District.
  
- Section 2:       The provisions of this Resolution shall be effective as of the date of adoption and shall remain in effect until modified by action of the Board of Trustees.

\_\_\_\_\_  
December 13, 2021  
Date

\_\_\_\_\_  
Board President

\_\_\_\_\_  
Board Secretary

(SEAL)

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All investments made by a district shall comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules, or regulations. *Gov't Code 2256.026*

**Definitions**

Bond Proceeds	"Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by a district, and reserves and funds maintained by a district for debt service purposes.
Investment Pool	"Investment pool" means an entity created under the Texas Government Code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield.
Pooled Fund Group	"Pooled fund group" means an internally created fund of a district in which one or more institutional accounts of a district are invested.
Separately Invested Asset	"Separately invested asset" means an account or fund of a district that is not invested in a pooled fund group.  <i>Gov't Code 2256.002(1), (6), (9), (12)</i>
Pledged Revenue	"Pledged revenue" means money pledged to the payment of or as security for:  <ol style="list-style-type: none"><li>1. Bonds or other indebtedness issued by a district;</li><li>2. Obligations under a lease, installment sale, or other agreement of a district; or</li><li>3. Certificates of participation in a debt or obligation described by item 1 or 2.</li></ol> <i>Gov't Code 2256.0208(a)</i>
Repurchase Agreement	"Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations, described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement. <i>Gov't Code 2256.011(b)</i>
Hedging	"Hedging" means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering

into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

*Eligible Entity*

“Eligible entity” means a political subdivision that has:

1. A principal amount of at least \$250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and
2. Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

*Eligible Project*

“Eligible project” has the meaning assigned by Government Code 1371.001 (issuance of obligations for certain public improvements).

*Gov’t Code 2256.0207(a)*

Corporate Bond

“Corporate bond” means a senior secured debt obligation issued by a domestic business entity and rated not lower than “AA-” or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that, on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation, or is an unsecured debt obligation. *Gov’t Code 2256.0204(a)*

**Written Policies**

The board shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control. The investment policies must primarily emphasize safety of principal and liquidity and must address investment diversification, yield, and maturity and the quality and capability of investment management. The policies must include:

1. A list of the types of authorized investments in which the district’s funds may be invested;
2. The maximum allowable stated maturity of any individual investment owned by the district;
3. For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;

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4. Methods to monitor the market price of investments acquired with public funds;
5. A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
6. Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

*Gov't Code 2256.005(a), (b)*

Annual Review      The board shall review its investment policy and investment strategies not less than annually. The board shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. *Gov't Code 2256.005(e)*

Annual Audit      A district shall perform a compliance audit of management controls on investments and adherence to the district's established investment policies. The compliance audit shall be performed in conjunction with the annual financial audit. *Gov't Code 2256.005(m)*

Investment Strategies      As an integral part of the investment policy, the board shall adopt a separate written investment strategy for each of the funds or group of funds under the board's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the district;
2. Preservation and safety of principal;
3. Liquidity;
4. Marketability of the investment if the need arises to liquidate the investment before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

*Gov't Code 2256.005(d)*

Investment Officer      A district shall designate by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer(s) to be responsible for the investment of its funds consistent

with the investment policy adopted by the board. If the board has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the contracting board's district. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the board retains the ultimate responsibility as fiduciaries of the assets of the district. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the district. Authority granted to a person to invest the district's funds is effective until rescinded by the district or until termination of the person's employment by a district, or for an investment management firm, until the expiration of the contract with the district. *Gov't Code 2256.005(f)*

A district or investment officer may use the district's employees or the services of a contractor of the district to aid the investment officer in the execution of the officer's duties under Government Code, Chapter 2256. *Gov't Code 2256.003(c)*

Investment Training Investment training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act. *Gov't Code 2256.008(c)*

*Initial* Within 12 months after taking office or assuming duties, the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend at least one training session from an independent source approved by the board or a designated investment committee advising the investment officer. This initial training must contain at least ten hours of instruction relating to their respective responsibilities under the Public Funds Investment Act. *Gov't Code 2256.008(a)*

*Ongoing* The treasurer, or the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend an investment training session not less than once in a two-year period that begins on the first day of the district's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the board or by a designated investment committee advising the investment officer. *Gov't Code 2256.008(a-1)*

Exception The ongoing training requirement does not apply to the treasurer, chief financial officer, or investment officer of a district if:

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1. The district does not invest district funds or only deposits those funds in interest-bearing deposit accounts or certificates of deposit as authorized by Government Code 2256.010; and
2. The treasurer, chief financial officer, or investment officer annually submits to the agency a sworn affidavit identifying the applicable criteria under item 1 that apply to the district.

*Gov't Code 2256.008(g)*

Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives, in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

1. The investment of all funds, or funds under the district's control, over which the officer had responsibility rather than the prudence of a single investment; and
2. Whether the investment decision was consistent with the district's written investment policy.

*Gov't Code 2256.006*

*Personal Interest*

A district investment officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the district shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573 (nepotism prohibition), to an individual seeking to sell an investment to the investment officer's district shall file a statement disclosing that relationship. A required statement must be filed with the board and with the Texas Ethics Commission. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

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1. The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the investment officer from the business organization exceed ten percent of the investment officer's gross income for the previous year; or
3. The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

*Gov't Code 2256.005(i)*

*Quarterly Reports*

Not less than quarterly, the investment officer shall prepare and submit to the board a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the board and the superintendent within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the district on the date of the report;
2. Be prepared jointly and signed by all district investment officers;
3. Contain a summary statement of each pooled fund group that states the:
  - a. Beginning market value for the reporting period;
  - b. Ending market value for the period; and
  - c. Fully accrued interest for the reporting period;
4. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
5. State the maturity date of each separately invested asset that has a maturity date;
6. State the account or fund or pooled group fund in the district for which each individual investment was acquired; and
7. State the compliance of the investment portfolio of the district as it relates to the investment strategy expressed in the district's investment policy and relevant provisions of the Public Funds Investment Act.

If a district invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the board by that auditor.

*Gov't Code 2256.023*

**Selection of Broker**

The board or the designated investment committee shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with a district.

*Gov't Code 2256.025*

**Bond Proceeds**

The investment officer of a district may invest bond proceeds or pledged revenue only to the extent permitted by the Public Funds Investment Act, in accordance with:

1. Statutory provisions governing the debt issuance or the agreement, as applicable; and
2. The district's investment policy regarding the debt issuance or the agreement, as applicable.

*Gov't Code 2256.0208(b)*

**Authorized Investments**

A board may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with its adopted investment policies and according to the standard of care set out in this policy. *Gov't Code 2256.003(a)*

In the exercise of these powers, the board may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under this authority may not be for a term longer than two years. A renewal or extension of the contract must be made by the board by order, ordinance, or resolution. *Gov't Code 2256.003(b)*

The board may specify in its investment policy that any authorized investment is not suitable. *Gov't Code 2256.005(j)*

Obligations of  
Governmental  
Entities

The following are authorized investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

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2. Direct obligations of this state or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Bonds issued, assumed, or guaranteed by the state of Israel;
7. Interest-bearing banking deposits that are guaranteed or insured by the FDIC or its successor, or the National Credit Union Share Insurance Fund or its successor; and
8. Interest-bearing banking deposits other than those described at item 7 above if:
  - a. The funds are invested through a broker with a main office or a branch office in this state that the district selects from a list the board or designated investment committee of the district adopts as required at Selection of Broker above or a depository institution with a main office or a branch office in this state and that the district selects;
  - b. The broker or depository institution selected as described above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the district's account;
  - c. The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
  - d. The district appoints as the district's custodian of the banking deposits issued for the district's account the de-

pository institution selected as described above, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating under Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

*Gov't Code 2256.009(a)*

*Unauthorized  
Obligations*

The following investments are not authorized:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

*Gov't Code 2256.009(b)*

Certificates of  
Deposit and Share  
Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

1. Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;
2. Secured by obligations described at Obligations of Governmental Entities, above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities described at Unauthorized Obligations, above; or
3. Secured in accordance with Government Code Chapter 2257 (Public Funds Collateral Act) or in any other manner and amount provided by law for the deposits of the district.

*Gov't Code 2256.010(a)*

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment:

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1. The funds are invested by the district through a broker that has its main office or a branch office in this state and is selected from a list adopted by the district as required at Selection of Broker, above or a depository institution that has its main office or a branch office in this state and that is selected by the district;
2. The broker or depository institution selected by the district arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the district;
3. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. The district appoints the depository institution selected by the district, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the district with respect to the certificates of deposit issued for the account of the district.

*Gov't Code 2256.010(b)*

The district's investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. *Gov't Code 2256.005(c)*

Repurchase  
Agreements

A fully collateralized repurchase agreement is an authorized investment if it:

1. Has a defined termination date;
2. Is secured by a combination of cash and obligations described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds);
3. Requires the securities being purchased by the district or cash held by the district to be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or a third party selected and approved by the district; and
4. Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

The term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by a district under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a repurchase agreement by a district.

*Gov't Code 2256.011*

Securities Lending  
Program

A securities lending program is an authorized investment if:

1. The value of securities loaned is not less than 100 percent collateralized, including accrued income;
2. A loan allows for termination at any time;
3. A loan is secured by:
  - a. Pledged securities described at Obligations of Governmental Entities, above;
  - b. Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state, and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
  - c. Cash invested in accordance with Government Code 2256.009 (obligations of governmental entities), 2256.013 (commercial paper), 2256.014 (mutual funds), or 2256.016 (investment pools);
4. The terms of a loan require that the securities being held as collateral be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or with a third party selected by or approved by the district; and
5. A loan is placed through a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

*Gov't Code 2256.0115*

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Banker's  
Acceptances

A banker's acceptance is an authorized investment if it:

1. Has a stated maturity of 270 days or fewer from the date of issuance;
2. Will be, in accordance with its terms, liquidated in full at maturity;
3. Is eligible for collateral for borrowing from a Federal Reserve Bank; and
4. Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least on nationally recognized credit rating agency.

*Gov't Code 2256.012*

Commercial Paper

Commercial paper is an authorized investment if it has a stated maturity of 365 days or fewer from the date of issuance; and is rated not less than A-1 or P-1 or an equivalent rating by at least:

1. Two nationally recognized credit rating agencies; or
2. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States law or any state.

*Gov't Code 2256.013*

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

1. Is registered with and regulated by the Securities and Exchange Commission;
2. Provides the district with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and
3. Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

*Gov't Code 2256.014(a)*

In addition to the no-load money market mutual fund authorized above, a no-load mutual fund is an authorized investment if it:

1. Is registered with the Securities and Exchange Commission;
2. Has an average weighted maturity of less than two years; and
3. Either has a duration of:
  - a. One year or more and is invested exclusively in obligations approved by the Public Funds Investment Act, or
  - b. Less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

*Gov't Code 2256.014(b)*

*Limitations*

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Government Code 2256.014(b);
2. Invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Government Code 2256.014(b); or
3. Invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Government Code 2256.014(a) or (b) in an amount that exceeds ten percent of the total assets of the mutual fund.

*Gov't Code 2256.014(c)*

Guaranteed  
Investment  
Contracts

A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

1. Has a defined termination date;
2. Is secured by obligations described at Obligations of Governmental Entities, above, excluding those obligations described at Unauthorized Obligations, in an amount at least equal to the amount of bond proceeds invested under the contract; and
3. Is pledged to the district and deposited with the district or with a third party selected and approved by the district.

Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

1. The board must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;
2. The district must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
3. The district must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
4. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
5. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a guaranteed investment contract by a district.

*Gov't Code 2256.015*

Investment Pools

A district may invest its funds or funds under its control through an eligible investment pool if the board by rule, order, ordinance, or resolution, as appropriate, authorizes the investment in the particular pool. *Gov't Code 2256.016, .019*

To be eligible to receive funds from and invest funds on behalf of a district, an investment pool must furnish to the investment officer or other authorized representative of the district an offering circular or other similar disclosure instrument that contains the information specified in Government Code 2256.016(b). To maintain eligibility, an investment pool must furnish to the investment officer or other authorized representative investment transaction confirmations and a monthly report that contains the information specified in Government Code 2256.016(c). A district by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds. *Gov't Code 2256.016(b)-(d)*

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Corporate Bonds

A district that qualifies as an issuer as defined by Government Code 1371.001 [see CCF], may purchase, sell, and invest its funds and funds under its control in corporate bonds (as defined above) that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or
2. Invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

A district subject to these provisions may purchase, sell, and invest its funds and funds under its control in corporate bonds if the board:

1. Amends its investment policy to authorize corporate bonds as an eligible investment;
2. Adopts procedures to provide for monitoring rating changes in corporate bonds acquired with public funds and liquidating the investment in corporate bonds; and
3. Identifies the funds eligible to be invested in corporate bonds.

The district investment officer, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

1. Issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or
2. Changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

*Gov't Code 2256.0204*

Hedging  
Transactions

The board of an eligible entity (as defined above) shall establish the entity's policy regarding hedging transactions. An eligible entity may enter into hedging transactions, including hedging contracts,

and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

An eligible entity may:

1. Pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.
2. Credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

An eligible entity's cost of or payment under a hedging contract or agreement may be considered an operation and maintenance expense, an acquisition expense, or construction expense of the eligible entity; or a project cost of an eligible project.

*Gov't Code 2256.0206*

Prohibited  
Investments

Except as provided by Government Code 2270 (prohibited investments), a district is not required to liquidate investments that were authorized investments at the time of purchase. *Gov't Code 2256.017*

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**Note:** As an "investing entity" under Government Code 2270.0001(7)(A), a district must comply with Chapter 2270, including reporting requirements, regarding prohibited investments in scrutinized companies listed by the comptroller in accordance with Government Code 2270.0201.

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Loss of Required  
Rating

An investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. A district shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. *Gov't Code 2256.021*

**Sellers of  
Investments**

A written copy of the investment policy shall be presented to any business organization (as defined below) offering to engage in an investment transaction with a district. The qualified representative of the business organization offering to engage in an investment transaction with a district shall execute a written instrument in a form acceptable to the district and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the district investment policy; and
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the district and the organization that are not authorized by the district's investment policy, except to the extent that this authorization:
  - a. Is dependent on an analysis of the makeup of the district's entire portfolio;
  - b. Requires an interpretation of subjective investment standards; or
  - c. Relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The investment officer of a district may not acquire or otherwise obtain any authorized investment described in the district's investment policy from a business organization that has not delivered to the district the instrument required above.

*Gov't Code 2256.005(k)-(l)*

Nothing in this section relieves the district of the responsibility for monitoring investments made by the district to determine that they are in compliance with the investment policy.

**Business  
Organization**

For purposes of the provisions at Sellers of Investments above, "business organization" means an investment pool or investment management firm under contract with a district to invest or manage the district's investment portfolio that has accepted authority granted by the district under the contract to exercise investment discretion in regard to the district's funds.

*Gov't Code 2256.005(k)*

**Donations**

A gift, devise, or bequest made to a district to provide college scholarships for district graduates may be invested by the board as provided in Property Code 117.004 (Uniform Prudent Investor Act),

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(LEGAL)

unless otherwise specifically provided by the terms of the gift, devise, or bequest. *Education Code 45.107*

Investments donated to a district for a particular purpose or under terms of use specified by the donor are not subject to the requirements of the Public Funds Investment Act. *Gov't Code 2256.004(b)*

**Electronic Funds  
Transfer**

A district may use electronic means to transfer or invest all funds collected or controlled by the district. *Gov't Code 2256.051*

### PROPOSED REVISIONS

#### **Investment Authority**

The Superintendent and business clerk shall serve as the investment officer of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures. All investment transactions involving securities and repurchase agreements shall be settled on a delivery versus payment basis.

#### **Approved Investment Instruments**

From those investments authorized by law and described further in CDA(LEGAL) under Authorized Investments, the Board shall permit investment of District funds, including bond proceeds and pledged revenue to the extent allowed by law, in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates, and other forms of financial institution deposits, as permitted by Government Code 2256.009(a) and 2256.010 that are properly insured or collateralized.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. No-load mutual funds, except for bond proceeds, and no-load money market mutual funds whose investment objectives include a stable \$1.0000 net asset value as permitted by Government Code 2256.014.
5. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
6. Public funds investment pools as permitted by Government Code 2256.016.

#### **Safety**

The primary goal of the investment program is to ensure safety of principal, maintain liquidity, and optimize financial returns within current market conditions in accordance with this policy. Investments shall be made with the exercise of due care, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their own capital as well as the probable income to be derived.

The investment officers shall seek to act responsibly as custodians of the public trust. The investment officers shall avoid transactions

that might impair public confidence in the District's ability to govern effectively.

Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

**Investment  
Management**

In accordance with Government Code 2256.005(b)(3), the quality and capability of investment management for District funds shall be in accordance with the standard of care, investment training, and other requirements set forth in Government Code Chapter 2256.

Each investment officer shall attend investment training sessions from the following authorized independent sources:

- Texas Association of School Boards ("TASB")
- Texas Association of School Administrators ("TASA")
- Texas Association of School Business Officials ("TASBO")
- Regional Education Service Center
- American Institute of Certified Public Accountants ("AICPA")
- Texas Society of Certified Public Accountants ("TSCPA")
- University of North Texas Center for Public Management
- Government Treasurer's Organization of Texas ("GTOT")
- Public Treasury Institute of North America
- **Texas Cooperative Liquid Assets Security System (Texas CLASS) Trust**

**Liquidity and  
Maturity**

The maximum dollar weighted maturity and stated final maturity of District investments is outlined in Funds/Strategies.

The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

**Diversity**

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer, where appropriate.

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**Monitoring Market  
Prices**

The investment officers shall monitor the investment portfolio and shall keep the Board informed of significant changes in the market value of the District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisers, and representatives/advisers of investment pools or money market funds. Monitoring shall be done at least quarterly, as required by law, and more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

**Monitoring Rating  
Changes**

In accordance with Government Code 2256.005(b), the investment ~~officer~~officers shall develop a procedure to monitor changes in investment ratings and shall take all prudent measures that are consistent with this policy to liquidate investments that do not maintain satisfactory ratings.

**Portfolio Reporting**

The investment officers shall prepare an investment report at least quarterly in compliance with the PFIA. This report shall be prepared in a manner that will allow the District to ascertain whether investment activities during the reporting period have conformed to this policy. The report shall be provided to the Board. Weighted average yield to maturity shall be the portfolio performance standard presented in the report.

**Funds / Strategies**

Investments of the following fund categories shall be consistent with this policy and in accordance with the applicable strategy defined below. All strategies described below for the investment of a particular fund should be based on an understanding of the suitability of an investment to the financial requirements of the District and consider preservation and safety of principal, liquidity, marketability of an investment if the need arises to liquidate before maturity, diversification of the investment portfolio, and yield.

Operating Funds

Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. Any approved investment instrument is suitable and provides acceptable marketability. The maximum dollar weighted maturity shall be 270 days and the maximum stated final maturity shall be two years. The appropriate yield target shall be the District's main public funds investment pool yield.

Custodial Funds

Investment strategies for custodial funds shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. Any approved investment instrument is suitable and

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provides acceptable marketability. The maximum stated final maturity shall be two years. The appropriate yield target shall be the District's main public funds investment pool yield.

Debt Service Funds

Investment strategies for debt service funds shall have as their primary objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Any approved investment instrument is suitable and provides acceptable marketability. The maximum stated final maturity shall be the next debt service payment date not already funded by pending approved investment instruments. The appropriate yield target shall be the District's main public funds investment pool yield.

Capital Project  
Funds

Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. Any approved investment instrument is suitable and provides acceptable marketability. The maximum stated final maturity shall be the lesser of the anticipated cash flow schedule and the applicable "temporary period" allowed by the IRS. Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of this policy's risk constraints. The default yield target shall be the District's main public funds investment pool yield.

Safekeeping and  
Custody

**All investment security and repurchase agreement transactions shall be settled on a delivery versus payment basis.** The District shall retain clearly marked receipts providing proof of the District's ownership. The District may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with District funds by the investment pool.

Collateral

The District shall comply with state law in the monitoring and management of pledged collateral. All instruments authorized in the Public Funds Collateral Act are eligible for pledge. Additionally, the District shall require a perfected security interest in compliance with federal and state regulations, including:

1. The agreement must be in writing;
2. The agreement must be executed by the depository and the District contemporaneously with the acquisition of the asset;
3. The agreement must be approved by the Board or designated committee of the depository and a copy of the meeting minutes must be delivered to the District; and
4. The agreement must be part of the depository's "official record" continuously since its execution.

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**Sellers of  
Investments**

Prior to handling investments on behalf of the District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. [See Sellers of Investments, CDA(LEGAL)]

Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA). Broker/dealer firms shall be approved by the Board initially, and annually thereafter, and shall meet selection criteria as determined by the investment officers.

Authorized broker/dealers include:

- ~~FTN~~FHN Financial
- ~~Raymond James~~
- SAMCO Capital Markets
- Wells Fargo Securities

**Business  
Organizations**

**Prior to handling investments on behalf of the District, business organizations must submit written documents in accordance with law.**

**Competitive  
Environment**

In order to get the best return on its investments, the District may solicit quotes from multiple providers for each investment transaction, including certificates of deposit.

**Soliciting Bids for  
CD's**

**In order to get the best return on its investments, the District may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.**

**Interest Rate Risk**

To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification.

The District shall monitor interest rate risk using weighted average maturity and specific identification.

**Internal Controls**

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District. Controls deemed most important shall include:

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1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by the District's independent auditing firm.

**Annual Review**

The Board shall review this investment policy and investment strategies not less than annually and shall document its review in writing, which shall include whether any changes were made to either the investment policy or investment strategies.

**Annual Audit**

In conjunction with the annual financial audit, the District shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies.

**XVI. DELIBERATION AND POSSIBLE ACTION TO  
DETERMINE/SELECT PROCUREMENT METHOD FOR THE  
ENGE-WASHINGTON INTERMEDIATE SCHOOL LIGHTING  
RETROFIT PROJECTS AND DELEGATING AUTHORITY TO  
THE SUPERINTENDENT**

**161**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
GROESBECK INDEPENDENT SCHOOL DISTRICT  
DETERMINING PROCUREMENT METHOD  
AND DELEGATING AUTHORITY  
ENGE-WASHINGTON INTERMEDIATE SCHOOL LIGHTING RETROFIT PROJECTS**

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**WHEREAS**, the Groesbeck Independent School District (the “District” or “GISD”) is undertaking a project of retrofitting the exterior lights and interior commons lights at the Enge-Washington Intermediate School (the “Enge-Washington Intermediate School Lighting Retrofit Projects”); and

**WHEREAS**, it is incumbent upon the Board of Trustees of the Groesbeck ISD (“Board”) to select the construction procurement method for the Enge-Washington Intermediate School Lighting Retrofit Projects that provides the best value for the District

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF GROESBECK INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:**

1. It is found that the foregoing recitals are true and correct and are hereby adopted as findings of fact by the Board of Trustees of Groesbeck Independent School District.
2. The Groesbeck ISD Board of Trustees hereby determines that job order contracting through an interlocal agreement is the procurement method that provides the best value to the District for the Enge-Washington Intermediate School Lighting Retrofit Projects and selects job order contracting as the Projects’ procurement method.
3. The Groesbeck ISD Board of Trustees hereby delegates to the Superintendent the authority to select the purchasing cooperative from which a job order contractor(s) is/are to be selected.
4. The Groesbeck ISD Board of Trustees delegates to the Superintendent the authority to execute all documents necessary to give effect to this Resolution.
5. The Groesbeck ISD Board of Trustees hereby reaffirms the Resolution delegating authority to the Superintendent concerning the Enge-Washington Intermediate School Lighting Retrofit Projects that was adopted on November 15, 2021.
6. This Resolution shall take effect immediately.

PASSED and ADOPTED the 13th day of December, 2021, by the Board of Trustees of the Groesbeck Independent School District by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Tom Sutton, President, Board of Trustees

ATTEST:

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Jud Hughes, Secretary, Board of Trustees

**XVII. DELIBERATION AND POSSIBLE ACTION TO  
DETERMINE THE PREVAILING WAGE RATE FOR THE  
ENGE-WASHINGTON INTERMEDIATE SCHOOL LIGHTING  
RETROFIT PROJECTS**

**164**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
GROESBECK INDEPENDENT SCHOOL DISTRICT  
PREVAILING WAGE RATE DETERMINATION  
ENGE-WASHINGTON INTERMEDIATE SCHOOL LIGHTING RETROFIT PROJECTS**

---

**WHEREAS**, the Groesbeck Independent School District (the “District” or “GISD”) is undertaking a project of retrofitting the exterior lights and interior commons lights at the Enge-Washington Intermediate School (the “Enge-Washington Intermediate School Lighting Retrofit Projects”); and

**WHEREAS**, Chapter 2258 of the Texas Government Code requires the Board of Trustees (“Board”) of GISD to determine the general prevailing wage rate in the locality where the Enge-Washington Intermediate School Lighting Retrofit Projects will be constructed.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF GROESBECK INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:**

1. It is found that the foregoing recitals are true and correct and are hereby adopted as findings of fact by the Board of Trustees of Groesbeck Independent School District.
2. The GISD Board of Trustees further determines that the prevailing wage rate in Groesbeck ISD for the Enge-Washington Intermediate School Lighting Retrofit Projects is as determined by the United States Department of Labor in its Wage Rate General Decision # TX20210213 for Limestone County, Texas and dated Jul 2, 2021, and incorporated herein as Exhibit “A” to this Resolution.
3. The GISD Board of Trustees further determines that the prevailing wage rate for the Enge-Washington Intermediate School Lighting Retrofit Projects for legal holiday and overtime work is the rate of one and one-half times the prevailing wage rate determined above.
4. If the wage rate is updated by the United States Department of Labor prior to the publication of the solicitation for Enge-Washington Intermediate School Lighting Retrofit Projects, then the United States Department of Labor Wage Rate Decision for Limestone County, Texas that is applicable at the time of the initial publication of the solicitation shall be substituted for the above-specified wage rate, both for regular wages and for legal holiday and overtime wages.
5. This Resolution shall take effect immediately.

PASSED, ADOPTED, and APPROVED this 13th day of December, 2021, by the Board of Trustees of the Groesbeck Independent School District by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Tom Sutton, President, Board of Trustees

ATTEST:

\_\_\_\_\_  
Jud Hughes, Secretary, Board of Trustees

"General Decision Number: TX20210213 07/02/2021

# EXHIBIT A

Superseded General Decision Number: TX20200213

State: Texas

Construction Type: Building

Counties: Lee, Limestone, Newton, San Augustine, Shelby and Washington Counties in Texas.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.95 for calendar year 2021 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.95 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2021. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/01/2021
1	03/12/2021
2	05/07/2021
3	07/02/2021

ASBE0021-007 08/01/2017

LIMESTONE, SAN AUGUSTINE, AND SHELBY COUNTIES

	Rates	Fringes
Heat and Frost Insulator/Asbestos Worker.....	\$ 25.87	7.23

ASBE0022-003 12/01/2019

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR.....	\$ 24.52	14.17
		-----166-----

ASBE0087-005 03/02/2020

Lee County

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR.....	\$ 23.97	10.79
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ASBE0112-001 03/14/2017		

Newton County

	Rates	Fringes
ASBESTOS WORKER/HEAT & FROST INSULATOR.....	\$ 26.13	8.03
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BOIL0074-007 01/01/2017		

Lee, Limestone, and Washington Counties

	Rates	Fringes
Boilermaker.....	\$ 28.00	22.35
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BOIL0587-005 01/01/2017		

Newton, San Augustine, and Shelby Counties

	Rates	Fringes
Boilermaker.....	\$ 28.00	22.35
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CARP0551-007 04/01/2016		

	Rates	Fringes
CARPENTER (Form Work Only).....	\$ 23.05	8.78
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IRON0084-004 06/01/2020		

Washington County

	Rates	Fringes
IRONWORKER, STRUCTURAL AND REINFORCING.....	\$ 25.26	7.13
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IRON0135-003 09/01/2018		

Newton and San Augustine Counties

	Rates	Fringes
IRONWORKER, REINFORCING AND STRUCTURAL.....	\$ 31.85	12.14
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* IRON0263-024 06/01/2020		

Shelby County

	Rates	Fringes
Ironworker, reinforcing and structural.....	\$ 25.14	7.43
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		167

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IRON0482-010 06/01/2020

Lee and Limestone Counties

	Rates	Fringes
IRONWORKER, STRUCTURAL AND REINFORCING.....	\$ 24.05	6.78

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LAB00154-005 05/01/2008

Lee County

	Rates	Fringes
Laborers: (Mason Tender - Cement/Concrete).....	\$ 12.98	3.49

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LAB00154-019 05/01/2008

Newton, San Augustine, and Washington Counties

	Rates	Fringes
Laborers: (Mason Tender - Cement/Concrete).....	\$ 14.53	3.49

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LAB00154-025 05/01/2008

Limestone and Shelby Counties

	Rates	Fringes
Laborers: (Mason Tender - Cement/Concrete).....	\$ 14.25	2.90

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PLUM0068-005 10/01/2020

	Rates	Fringes
PLUMBER		
Lee & Washington Counties...	\$ 36.15	11.88
Newton, San Augustine, & Shelby Counties.....	\$ 36.15	11.88

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\* PLUM0100-007 05/01/2021

SAN AUGUSTINE & SHELBY COUNTIES

	Rates	Fringes
PLUMBER.....	\$ 33.88	13.07

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PLUM0529-003 04/01/2021

Limestone County

	Rates	Fringes
Plumber.....	\$ 28.24	11.46

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SUTX2009-100 04/20/2009

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Rates Fringes

BRICKLAYER.....	\$ 18.00	0.00
CARPENTER, Includes Acoustical Ceiling Installation, Batt Insulation, and Metal Stud Installation (Excludes Drywall Hanging, and Form Work).....	\$ 15.13	2.63
CEMENT MASON/CONCRETE FINISHER...	\$ 12.09	0.00
DRYWALL HANGER.....	\$ 13.89	1.00
ELECTRICIAN.....	\$ 18.06	4.87
LABORER: Common or General.....	\$ 9.24	0.00
LABORER: Landscape & Irrigation.....	\$ 8.50	0.22
LABORER: Mason Tender - Brick...	\$ 12.02	0.00
LABORER: Mortar Mixer.....	\$ 12.00	0.00
OPERATOR: Backhoe/Excavator/Trackhoe.....	\$ 14.67	0.47
OPERATOR: Bulldozer.....	\$ 13.00	0.35
OPERATOR: Crane.....	\$ 21.33	0.00
OPERATOR: Forklift.....	\$ 14.58	0.00
OPERATOR: Loader (Front End)....	\$ 10.54	0.00
PAINTER: Brush, Roller and Spray.....	\$ 11.75	0.00
ROOFER.....	\$ 13.64	1.80
SHEET METAL WORKER.....	\$ 17.00	0.00
TILE SETTER.....	\$ 15.00	0.00
TRUCK DRIVER.....	\$ 10.68	0.34

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other

health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

## Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION"

**XVIII. DELIBERATION AND POSSIBLE ACTION TO APPROVE THE INTERLOCAL CONTRACT WITH THE TEXAS COMPTROLLER, STATE ENERGY CONSERVATION OFFICE CONCERNING INTERIOR LED LIGHTING RETROFIT AND TO DESIGNATE SUPERINTENDENT AS AUTHORIZED REPRESENTATIVE WITH DELEGATIONS OF AUTHORITY**

**174**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
GROESBECK INDEPENDENT SCHOOL DISTRICT  
INTERLOCAL AGREEMENT CONCERNING  
INTERIOR LED LIGHTING RETROFIT**

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**WHEREAS**, the Texas Comptroller of Public Accounts issued a Request for Applications No. RFA-ISD-G1-2022 for public schools interior LED lighting retrofit schools program; and

**WHEREAS**, Groesbeck ISD submitted an application on or before August 6, 2021, in response to Comptroller’s RFA; and

**WHEREAS**, Groesbeck ISD was selected as a Successful Applicant; and

**WHEREAS**, an interlocal agreement (“Interlocal Agreement”) between the Texas Comptroller of Public Accounts, State Energy Conservation Office, and Groesbeck ISD concerning the interior LED lighting retrofit has been presented to the Groesbeck ISD Board of Trustees at this duly called and noticed Board meeting; and

**WHEREAS**, the Groesbeck ISD Board of Trustees has determined that it is in the District’s best interest to approve and enter into the Interlocal Agreement and to designate the Groesbeck ISD Superintendent of Schools as the authorized representative of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF GROESBECK INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:**

1. It is found that the foregoing recitals are true and correct and are hereby adopted as findings of fact by the Board of Trustees of Groesbeck Independent School District.
2. The Board of Trustees of Groesbeck Independent School District hereby accepts and approves the Interlocal Agreement as presented.
3. The Board of Trustees of Groesbeck Independent School District hereby designates the Groesbeck ISD Superintendent of Schools as the authorized representative of the District concerning the Interlocal Agreement and authorizes the Superintendent to execute the Interlocal Agreement and all other related documents on behalf of Groesbeck ISD.
4. This Resolution shall take effect immediately.

PASSED and ADOPTED the \_\_th day of December, 2021, by the Board of Trustees of the Groesbeck Independent School District by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Tom Sutton, President, Board of Trustees

ATTEST:

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Jud Hughes, Secretary, Board of Trustees

**XIX. DELIBERATION AND POSSIBLE ACTION TO APPROVE  
THE INTERLOCAL CONTRACT WITH THE TEXAS  
COMPTROLLER, STATE ENERGY CONSERVATION OFFICE  
CONCERNING EXTERIOR LED LIGHTING RETROFIT AND  
TO DESIGNATE SUPERINTENDENT AS AUTHORIZED  
REPRESENTATIVE WITH DELEGATIONS OF AUTHORITY**

**177**

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
GROESBECK INDEPENDENT SCHOOL DISTRICT  
INTERLOCAL AGREEMENT CONCERNING  
EXTERIOR LED LIGHTING RETROFIT**

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**WHEREAS**, the Texas Comptroller of Public Accounts issued a Request for Applications No. RFA-ISD-G2-2022 for public schools exterior LED lighting retrofit schools program; and

**WHEREAS**, Groesbeck ISD submitted an application on or before August 6, 2021, in response to Comptroller’s RFA; and

**WHEREAS**, Groesbeck ISD was selected as a Successful Applicant; and

**WHEREAS**, an interlocal agreement (“Interlocal Agreement”) between the Texas Comptroller of Public Accounts, State Energy Conservation Office, and Groesbeck ISD concerning the exterior LED lighting retrofit has been presented to the Groesbeck ISD Board of Trustees at this duly called and noticed Board meeting; and

**WHEREAS**, the Groesbeck ISD Board of Trustees has determined that it is in the District’s best interest to approve and enter into the Interlocal Agreement and to designate the Groesbeck ISD Superintendent of Schools as the authorized representative of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF GROESBECK INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:**

1. It is found that the foregoing recitals are true and correct and are hereby adopted as findings of fact by the Board of Trustees of Groesbeck Independent School District.
2. The Board of Trustees of Groesbeck Independent School District hereby accepts and approves the Interlocal Agreement as presented.
3. The Board of Trustees of Groesbeck Independent School District hereby designates the Groesbeck ISD Superintendent of Schools as the authorized representative of the District concerning the Interlocal Agreement and authorizes the Superintendent to execute the Interlocal Agreement and all other related documents on behalf of Groesbeck ISD.
4. This Resolution shall take effect immediately.

PASSED and ADOPTED the \_\_th day of December, 2021, by the Board of Trustees of the Groesbeck Independent School District by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Tom Sutton, President, Board of Trustees

ATTEST:

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Jud Hughes, Secretary, Board of Trustees

**XX. DISCUSSION AND POSSIBLE ACTION ON THE SECOND**

**180**

**READING OF TASB POLICY UPDATE 118 (CFD(LOCAL):**

ACCOUNTING - ACTIVITY FUNDS MANAGEMENT; CQB(LOCAL):

TECHNOLOGY RESOURCES – CYBERSECURITY; DFE(LOCAL):

TERMINATION OF EMPLOYMENT – RESIGNATION; DP(LOCAL): PERSONNEL

POSITIONS; EHAA(LOCAL): BASIC INSTRUCTIONAL PROGRAM - REQUIRED

INSTRUCTION (ALL LEVELS); EHBC(LOCAL): SPECIAL PROGRAMS -

COMPENSATORY/ACCELERATED SERVICES; FDE(LOCAL): ADMISSIONS -

SCHOOL SAFETY TRANSFERS; FEA(LOCAL): ATTENDANCE - COMPULSORY

ATTENDANCE; FEC(LOCAL): ATTENDANCE - ATTENDANCE FOR CREDIT;

FFG(LOCAL): STUDENT WELFARE - CHILD ABUSE AND NEGLECT;

FL(LOCAL): STUDENT RECORDS)

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### ATTN(NOTE)

#### GENERAL INFORMATION ABOUT THIS UPDATE

##### Please note:

Changes at Update 118 are based almost exclusively on legislation from the 87th Regular Legislative Session.

Unless otherwise noted, references to legislative bills throughout these explanatory notes refer to Senate Bills (SB) or House Bills (HB) from the 87th Regular Legislative Session. All referenced bills have already gone into effect unless otherwise noted.

For more information about the bills mentioned below and other changes from the 87th Legislative Session, download the free *2021 Legislative Summary for TASB Members* PDF at <https://store.tasb.org/legislative-summary-for-tasb-members-pdf/>.

The *Local Policy Overview* for Update 118, available in the myTASB Policy Service Resource Library at <https://www.tasb.org/services/policy-service/mytasb/policy-manual-update-resources.aspx>, provides a general, high-level overview of the changes to the (LOCAL) policies included in the update. **(LEGAL) policies provide the legal framework for key areas of district operations; they are not adopted by the board.**

**Changes to the policy manual based on bills from the special called sessions will be included in Update 119.**

#### A(LEGAL)

#### BASIC DISTRICT FOUNDATIONS

The A Section table of contents has been updated to include the new codes AIE, Investigations, and AEA, Educational Equity.

In Update 119, Policy Service will be reviewing districts' AE(LOCAL) and recoding any equity provisions to the new AEA(LOCAL).

#### AE(LEGAL)

#### EDUCATIONAL PHILOSOPHY

The objectives of public education have been updated to reflect HB 4509 revisions regarding instruction on American patriotism.

#### AG(LEGAL)

#### HOME-RULE DISTRICTS

Provisions on home rule districts have been updated to reflect the applicability of Education Code Chapter 39 and special investigations (SB 1365) and parental options to retain students (SB 1697) for these districts.

#### AIA(LEGAL)

#### ACCOUNTABILITY: ACCREDITATION AND PERFORMANCE INDICATORS

Details regarding accountability performance ratings have been added from SB 1365, including the effects of "Not Rated" and D ratings.

#### AIB(LEGAL)

#### ACCOUNTABILITY: PERFORMANCE REPORTING

Revisions to the quality of learning indicators are from HB 4545.

#### AIC(LEGAL)

#### ACCOUNTABILITY: INTERVENTIONS AND SANCTIONS

Significant changes from the 87th Legislature, Regular Session address:

- The authority of conservators, management teams, and boards of managers;

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### **Groesbeck ISD**

- Interventions and consequences for D ratings;
- Revisions regarding campus turnaround plans;
- Appeals of interventions and sanctions; and
- New intervention programs, including designation as a resource campus and required compliance with the strong foundations grant program requirements.

We have also added an existing prohibition on student trustees participating in a closed board meeting when a personnel matter is being considered.

Provisions on monitoring reviews and on-site investigations have been moved to AIE, Investigations.

### **AIE(LLEGAL)                      ACCOUNTABILITY: INVESTIGATIONS**

Provisions on special investigations (formerly *special accreditation investigations*) and monitoring reviews and activities have been revised as a result of SB 1365 and moved to this new code on investigations.

### **BA(LLEGAL)                      BOARD LEGAL STATUS**

The provision regarding the board's governance authority has been moved to BAA(LLEGAL), which addresses the board's powers and duties.

### **BAA(LLEGAL)                      BOARD LEGAL STATUS: POWERS AND DUTIES**

The provision regarding the board's governance authority has been moved from BA(LLEGAL) and revised to better reflect statutory wording.

SB 1365 adds exceptions to the board's exclusive power to govern and oversee the management of the district to address the appointment of a board of managers.

Provisions on the board's authority related to district property have been deleted, as they are included at other codes.

### **BBA(LLEGAL)                      BOARD MEMBERS: ELIGIBILITY/QUALIFICATIONS**

Changes to this legally referenced policy include:

- Clarification regarding felony convictions for eligibility and service as a board member (HB 1540 and Attorney General Opinion KP-0251); and
- Revisions to the definition of "residence" (SB 1111).

### **BBBA(LLEGAL)                      ELECTIONS: CONDUCTING ELECTIONS**

Provisions updated in accordance with HB 3107 include those related to election orders, election notices, filing information, delivery or submission of election documents, drawings to determine the order of names on the ballot, and temporary branch polling places.

SB 1116 requires a new internet posting 21 days before election day with information about the upcoming election.

Requirements regarding early voting rosters have been updated in accordance with HBs 1382 and 1622.

### **BBBB(LLEGAL)                      ELECTIONS: POST-ELECTION PROCEDURES**

HB 3107 clarifies processes for tied votes and runoff elections.

SB 1116 includes a new requirement to post online detailed information on election results.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### **BBBD(LLEGAL) ELECTIONS: CAMPAIGN ETHICS**

Amended Ethics Commission rules change the definition of "political advertising" to address text messages.

#### **BBD(LLEGAL) BOARD MEMBERS: TRAINING AND ORIENTATION**

The State Board of Education must require school safety training for trustees per HB 690 and work with the Texas School Safety Center to develop curriculum and materials by January 1, 2022.

#### **BBFA(LLEGAL) ETHICS: CONFLICT OF INTEREST DISCLOSURES**

A definition of "contract" has been added to assist with application of conflicts disclosure provisions. Other provisions have been reordered, reworded, and removed for readability.

#### **BDF(LLEGAL) BOARD INTERNAL ORGANIZATION: CITIZEN ADVISORY COMMITTEES**

HB 1525 imposes new meeting requirements for school health advisory councils, including posting of meeting details in advance of meetings and preparing and posting meeting minutes and recordings.

#### **CBA(LLEGAL) STATE AND FEDERAL REVENUE SOURCES: STATE**

An existing provision regarding the purpose of the Foundation School Program has been added.

#### **CBB(LLEGAL) STATE AND FEDERAL REVENUE SOURCES: FEDERAL**

We have referenced an existing provision that prohibits the use of federal loan or grant funds to procure or obtain foreign telecommunications equipment.

#### **CCG(LLEGAL) LOCAL REVENUE SOURCES: AD VALOREM TAXES**

Provisions on ad valorem taxes were affected by several bills.

- HB 1525 includes exceptions to the prohibition on levying a maintenance tax at a rate with the intent to create a surplus in maintenance tax revenue to pay the district's debt service. We have also added a reference to the consequences of violating the prohibition without an applicable exception.
- SB 1438 addresses the calculation and adoption of tax rates in a disaster area.

Because provisions permitting a district to adopt a tax rate before adopting a budget no longer align with current statutes and TEA processes for calculating the maximum compressed rate, they have been deleted from the policy.

#### **CCGA(LLEGAL) AD VALOREM TAXES: EXEMPTIONS AND PAYMENTS**

Legislation affected several provisions on tax exemptions and payments:

- SB 1427 clarifies that the temporary exemption for qualified property damaged by disaster applies only to physical damage.
- SB 1438 repeals the provisions permitting a governing body to adopt a temporary exemption for qualified property damaged by disaster, making the exemption automatic.
- HB 988 addresses exemptions for goods-in-transit when the district is in a disaster area.
- SB 742 expands the existing provision regarding installment payments in a disaster area to include property in an *emergency* area.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### CCH(LLEGAL)

#### LOCAL REVENUE SOURCES: APPRAISAL DISTRICT

A recent attorney general opinion clarifies that an employee of an appraisal district may not serve as a trustee in a school district that is a participating entity in the appraisal district.

HB 988 creates a criminal offense for a board member, officer, or employee of a participating taxing unit, such as a school district, who communicates with the appraisal district to influence a property's appraisal value unless the person owns or leases the property.

The circumstances under which a person is ineligible to serve on the board of directors of an appraisal district were revised by SB 63, and additional detail on eligibility restrictions have been added from existing law.

Provisions on adjusting the number of appraisal board members in special circumstances have been removed.

#### CDC(LLEGAL)

#### OTHER REVENUES: GIFTS AND SOLICITATIONS

HB 1525 requires a district to accept donations from a parent-teacher organization or association to fund supplemental educational staff positions and spend the donation for the designated purpose.

Under HB 3979, a district is prohibited from accepting private funding for curriculum or professional development for a course as described by Education Code 28.002(h-3)(3), which pertains to certain social studies course content and requirements.

#### CE(LLEGAL)

#### ANNUAL OPERATING BUDGET

SB 1365 prohibits use of local funds to initiate or maintain an action against the state or officer of the state arising out of a decision, order, or determination that is final and unappealable under the Texas Education Code, unless specifically authorized.

The bill also creates a criminal offense for a board member who votes to approve an expenditure in violation of an Education Code provision for a purpose for which the funds may not be spent.

#### CFA(LLEGAL)

#### ACCOUNTING: FINANCIAL REPORTS AND STATEMENTS

A reference to the updated *Financial Accountability System Resource Guide*, adopted June 2021, has been added.

#### CFC(LLEGAL)

#### ACCOUNTING: AUDITS

A reference to the updated *Financial Accountability System Resource Guide*, adopted June 2021, has been added.

#### CFD(LLOCAL)

#### ACCOUNTING: ACTIVITY FUNDS MANAGEMENT

Recommended revisions to this local policy are to align with the recently adopted amendments to the *Financial Accountability System Resource Guide (FASRG)*, Module 1, Appendix H, on activity funds. (See the *FASRG Financial Accounting and Reporting Appendices* at <https://tea.texas.gov/sites/default/files/fasrg17-module1-farappendices-final-accessible.pdf>.)

Substantive changes include clarification that student activity funds are those funds raised and collected by student clubs and organizations. Approval to spend those funds rests solely with the student organization or club, with disbursement management and approvals by the principal and sponsor.

A more specific reference to the district's accounting practices and procedures was added regarding management of expenditures.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### **Groesbeck ISD**

#### **CH(LEGAL) PURCHASING AND ACQUISITION**

The Professional Services Procurement Act was revised to address procurement of services by forensic analysts and science experts (HB 3774) and physicians, optometrists, and registered nurses under certain circumstances (SB 799).

A definition of a "contingent fee contract" for legal services has been added from SB 1821, and other revisions on this topic are from HB 1428.

SB 799 also amends provisions on management fees under cooperative purchasing contracts.

#### **CHE(LEGAL) PURCHASING AND ACQUISITION: VENDOR DISCLOSURES AND CONTRACTS**

Districts are prohibited from entering into certain contracts with a company for goods and services unless the contract contains written verification that the company:

- Does not boycott energy companies, as described (SB 13); and
- Does not discriminate against a firearm entity or firearm trade association, as described (SB 19).

Existing statutory provisions on vendor conflict of interest questionnaires have been added for completeness.

#### **CHF(LEGAL) PURCHASING AND ACQUISITION: PAYMENT PROCEDURES**

HB 1476 imposes additional requirements on districts regarding disputed invoices with vendors.

#### **CHG(LEGAL) PURCHASING AND ACQUISITION: REAL PROPERTY AND IMPROVEMENTS**

Revisions to the annual eminent domain reporting requirements have been added from SB 157.

#### **CHH(LEGAL) PURCHASING AND ACQUISITION: FINANCING PERSONAL PROPERTY PURCHASES**

SB 58 adds cloud computing services to the definition of personal property under the Public Property Finance Act.

Existing legal sources related to the Public Property Finance Act have been added for completeness and address lease-purchase contracts and fair processes for competitive bidding.

#### **CK(LEGAL) SAFETY PROGRAM/RISK MANAGEMENT**

Changes from HB 3597 include the following:

- A district will have three, not six, months to respond to a notification from the Texas School Safety Center (TxSSC) that the district failed to report the results of its safety audit.
- A copy of a memorandum of understanding or mutual aid agreement between a district and another entity addressing school safety and security issues provided to the TxSSC is confidential and not subject to disclosure under the Public Information Act.

#### **CKA(LEGAL) SAFETY PROGRAM/RISK MANAGEMENT: INSPECTIONS**

Extensive revisions to this legally referenced policy on asbestos are a result of amended Texas Asbestos Health Protection rules effective July 8, 2021.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### CKB(LLEGAL)

#### SAFETY PROGRAM/RISK MANAGEMENT: ACCIDENT PREVENTION AND REPORTS

HB 3597 requires the commissioner of education in consultation with other relevant entities to adopt rules on emergency drills and exercises. The previous Administrative Code provisions have been removed pending development of the new rules.

Before a district may conduct an active threat exercise, the district must comply with new notice provisions and other requirements in accordance with SB 168. The [Regulations Resource Manual](#) includes a sample notification form.

#### CKC(LLEGAL)

#### SAFETY PROGRAM/RISK MANAGEMENT: EMERGENCY PLANS

Legislative cleanup resulted in several revisions to this legally referenced policy on emergency plans:

- HB 3607 removes a reference to an expired statute;
- HB 3597 clarifies that a multihazard emergency operations plan must include responding to a train derailment if a district *facility*, rather than a *school*, is within 1000 yards of a railroad track; and
- HB 3597 corrects a reference to the *five*, not *four*, phases of emergency management to be addressed in a multihazard emergency operations plan.

#### CKD(LLEGAL)

#### SAFETY PROGRAM/RISK MANAGEMENT: EMERGENCY MEDICAL EQUIPMENT AND PROCEDURES

Although still required, the annually provided instruction on cardiopulmonary resuscitation and the use of automated external defibrillators no longer has to meet guidelines under the Health and Safety Code. (SB 199)

#### CKE(LLEGAL)

#### SAFETY PROGRAM/RISK MANAGEMENT: SECURITY PERSONNEL

HB 1788 addresses a school district's immunity from liability for damages resulting from a reasonable action by security personnel to maintain safety at a school campus, including actions relating to possession or use of a firearm. The district also has immunity from liability for any reasonable action taken by a district employee who has written permission from the board to carry a firearm on campus.

We have revised the provisions on authorizing handguns from Attorney General Opinion GA-1051 in light of the repeal of Penal Code 46.035 by HB 1927.

#### CKEA(LLEGAL)

#### SECURITY PERSONNEL: COMMISSIONED PEACE OFFICERS

SB 24 adds new pre-employment procedures that law enforcement agencies must follow before hiring a licensed peace officer.

If the Texas Commission on Law Enforcement (TCOLE) provides model policies on the topics required in law, a law enforcement agency must, within 180 days of TCOLE providing the policies, adopt a policy on the required topics and may adopt the model policies. (HB 3712)

A law enforcement agency that intends to use a drone for law enforcement purposes must, no later than January 1, 2022, adopt a policy regarding the use of force by means of a drone. (HB 1758)

HB 929 amends existing provisions on body-worn cameras and requires an officer to keep the camera activated during an investigation in which the officer is participating.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### **CKEB(LEGAL) SECURITY PERSONNEL: SCHOOL MARSHALS**

SB 741 permits a school marshal to carry a concealed handgun and eliminates the previous requirement for the firearm to be locked in a secure safe within the marshal's immediate reach if the marshal has direct, regular contact with students.

#### **CKEC(LEGAL) SECURITY PERSONNEL: SCHOOL RESOURCE OFFICERS**

SB 1191 amends the definition of a school resource officer to exclude a peace officer who only provides services at extracurricular activities.

#### **CLA(LEGAL) BUILDINGS, GROUNDS, AND EQUIPMENT MANAGEMENT: SECURITY**

A new requirement to post human trafficking warning signs has been added from SB 1831.

#### **CLE(LEGAL) BUILDINGS, GROUNDS, AND EQUIPMENT MANAGEMENT: FLAG DISPLAYS**

Pursuant to SB 797, schools must display in each building a poster or framed copy of the national motto that also includes representations of the U.S. and state flags if donated or purchased from private donations.

#### **CMD(LEGAL) EQUIPMENT AND SUPPLIES MANAGEMENT: INSTRUCTIONAL MATERIALS CARE AND ACCOUNTING**

HB 3261 expands the items and services on which a district can use its technology and instructional materials allotment (TIMA).

The bill also eliminates the provision requiring a district to purchase items in a specified order.

#### **CNA(LEGAL) TRANSPORTATION MANAGEMENT: STUDENT TRANSPORTATION**

SB 204 permits a district to operate a transportation system for interdistrict transfer students outside district boundaries and without having an interlocal agreement with the transferring district if the district meets applicable certification requirements and has a policy that prohibits the screening of transfer requests using academic performance, disciplinary history, or attendance records.

**Please contact your policy consultant if your district will use this approach and you need changes to FDA(LOCAL).** The [Regulations Resource Manual](#) includes a sample certification statement.

A district in a disaster area is eligible for transportation funding for the cost of transporting a meal or instructional materials in accordance with SB 462.

Other revisions are to better match legal sources.

#### **CNC(LEGAL) TRANSPORTATION MANAGEMENT: TRANSPORTATION SAFETY**

SB 1267 repeals provisions on school bus emergency evacuation training.

#### **CO(LEGAL) FOOD AND NUTRITION MANAGEMENT**

SB 1351 revises provisions permitting a campus to donate surplus food. Links have also been updated.

#### **CQ(LEGAL) TECHNOLOGY RESOURCES**

SB 475 adds "robotic process automation" to the examples of next generation technology.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### CQA(LLEGAL)

#### TECHNOLOGY RESOURCES: DISTRICT, CAMPUS, AND CLASSROOM WEBSITES

The list of required internet postings has been updated to include:

- Election information and election results (SB 1116);
- Notice of school health advisory council (SHAC) meetings, minutes, and recordings (HB 1525);
- A link to the comptroller website to find information on the district's agreements to limit appraised property values (existing requirement);
- Information regarding compliance with requirements for a district that will operate a transportation system outside district boundaries without an interlocal agreement (SB 204); and
- The district's employment policy and any referenced regulations (HB 750).

The optional posting pertaining to annual notice of programs for college credit has been updated as a result of SB 1095.

#### CQB(LLEGAL)

#### TECHNOLOGY RESOURCES: CYBERSECURITY

Reporting of a breach of system security to TEA now includes a requirement to also report to an entity with which TEA contracts and may be made by district employees other than the cybersecurity coordinator per SB 1696.

Cybersecurity training requirements were amended by HB 1118 and SB 1267.

Security breach notifications under the Business and Commerce Code were amended by HB 3746.

#### CQB(LLOCAL)

#### TECHNOLOGY RESOURCES: CYBERSECURITY

Based on HB 1118 and SB 1267, the provision addressing board delegation to the superintendent regarding cybersecurity training has been revised to:

- Reflect the elimination of the annual training requirement (except for the cybersecurity coordinator); and
- Give the superintendent the authority to impose consequences for failure to complete required training.

Recommended revisions regarding reports of breaches involving student information are based on SB 1696, which permits the district, rather than the cybersecurity coordinator, to report breaches to TEA and others as required by law.

Sample procedures in the [Regulations Resource Manual](#) have also been updated based on these changes.

#### CRD(LLEGAL)

#### INSURANCE AND ANNUITIES MANAGEMENT: HEALTH AND LIFE INSURANCE

SB 1444 permits a district participating in TRS ActiveCare to opt out of participation as described and prohibits a district participating in TRS ActiveCare from offering health coverage that is not provided under TRS ActiveCare.

Other revisions are to reorder provisions for better flow, remove unnecessary provisions, and better reflect legal sources.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

#### **CV(LEGAL) FACILITIES CONSTRUCTION**

HB 2581 amends provisions on contracting procedures for construction projects, including evaluation of submissions and criteria for awarding construction contracts.

SB 338 permits a district to adopt and incorporate into relevant contracts the Texas Facilities Commission's uniform general conditions.

#### **CVB(LEGAL) FACILITIES CONSTRUCTION: COMPETITIVE SEALED PROPOSALS**

HB 2581 requires a district using competitive sealed proposals for construction projects to make the evaluations public within 7 business days of the contract award and provide the evaluations to all offerors. A reference to provisions on weighting the value assigned to price has also been added.

#### **DBA(LEGAL) EMPLOYMENT REQUIREMENTS AND RESTRICTIONS: CREDENTIALS AND RECORDS**

New provisions from HB 1525 and SB 1356 permit members of teacher organizations and other eligible individuals to participate in a tutoring program to provide supplemental instruction to students as overseen by the superintendent.

#### **DC(LEGAL) EMPLOYMENT PRACTICES**

A new posting requirement from HB 750 requires a district to post on its website the employment policy required by Education Code 11.1513(a) and any regulations referenced in the policy. Any form referenced in the policy must be posted on the district's intranet or at a district administrative office.

HB 1525 requires a district to accept donations from a parent-teacher organization or association to fund supplemental educational staff positions and spend the donation for the designated purpose.

#### **DEA(LEGAL) COMPENSATION AND BENEFITS: COMPENSATION PLAN**

With limited exceptions, HB 1525 requires a district to maintain salaries provided for the 2019–20 school year under HB 3, 86th Legislative Session, as long as the employee remains employed by the district.

Revisions regarding TRS surcharges for rehired retirees include:

- A prohibition against a district passing on to a retiree the cost of TRS surcharges (SB 202); and
- A temporary exemption from TRS surcharges through February 1, 2025, when a retiree is employed to mitigate student learning loss (SB 288).

#### **DEAA(LEGAL) COMPENSATION PLAN: INCENTIVES AND STIPENDS**

HB 1525 eliminates the requirement that a teacher be certified to be designated a master, exemplary, or recognized teacher under a local optional teacher designation system.

Changes to provisions on mentor teachers and achievement academy stipends are from SB 1267.

#### **DEC(LEGAL) COMPENSATION AND BENEFITS: LEAVES AND ABSENCES**

Districts that employ peace officers must implement two new leave provisions.

- SB 1359 requires a policy allowing the use of paid mental health leave by officers who experience a traumatic event in the scope of employment.
- HB 2073 requires the board to develop and implement a paid quarantine leave policy for district peace officers who are ordered to isolate or quarantine because of possible or known exposure to a communicable disease while on duty.

# Explanatory Notes

## TASB Localized Policy Manual Update 118

### Groesbeck ISD

In July, Policy Service sent an email with information on local policy changes to districts which our records show employ peace officers. If your district employs peace officers and has not yet contacted the district's policy consultant for policy revisions, please do so.

#### **DEC(B)(LEGAL) LEAVES AND ABSENCES: MILITARY LEAVE**

HB 1589 adds new disaster leave provisions for employees in the military who are called to state active duty in response to a disaster.

#### **DFE(LEGAL) TERMINATION OF EMPLOYMENT: RESIGNATION**

HB 2519 requires notice to employees whom the district reports to SBEC for contract abandonment and limits SBEC's authority to sanction a teacher who files a resignation after the 45th day but no later than the 30th day before the first day of instruction.

#### **DFE(LOCAL) TERMINATION OF EMPLOYMENT: RESIGNATION**

Revisions to this local policy on resignations are guided by a recent commissioner of education proposal for decision. Based on the relevant statutory wording, a contract employee's resignation effective at the end of the school year must be filed with the board of trustees or the board's designee, and the board's designee, typically the superintendent, may not further delegate the ability to receive these resignations. As a result, we recommend revising the policy language to give the superintendent *or other person designated by board action* the authority to accept these resignations.

New recommended text states that if a contract employee provides a resignation to a supervisor who has not been designated by the board to accept such resignations, the supervisor shall instruct the employee to submit the resignation to the superintendent or other person designated by board action.

We have also clarified that a superintendent may delegate authority to accept at-will resignations to other administrators.

The [Regulations Resource Manual](#) includes sample resolutions if the board chooses to designate a district employee, in addition to the superintendent, to accept contract employee resignations.

#### **DG(LEGAL) EMPLOYEE RIGHTS AND PRIVILEGES**

As a result of HB 3979, a teacher in a required social studies course may not be compelled to discuss a current event or widely debated and currently controversial issue of public policy or social affairs.

#### **DGC(LEGAL) EMPLOYEE RIGHTS AND PRIVILEGES: IMMUNITY**

SB 6 provides that a person is not liable for injury or death caused by exposing an individual to a pandemic disease during a pandemic emergency except as provided by law.

#### **DH(LEGAL) EMPLOYEE STANDARDS OF CONDUCT**

HB 375 amends the offense of continuous sexual abuse of a young child or children to include continuous sexual abuse of "a disabled individual."

#### **DIA(LEGAL) EMPLOYEE WELFARE: FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION**

SB 45 clarifies that an employer commits an unlawful employment practice for failing to take immediate and appropriate corrective action regarding sexual harassment that the employer or employer's agents knew or should have known was occurring.

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SB 282 prohibits a district from using public money to settle or pay a sexual harassment claim against a board member or an officer or employee of the district.

#### **DMA(LEGAL)                      PROFESSIONAL DEVELOPMENT: REQUIRED STAFF DEVELOPMENT**

Numerous revisions throughout this legally referenced policy on staff development are a result of SB 1267, which amends current requirements and requires SBEC, by June 1, 2022, to create a clearinghouse on continuing education and training requirements that includes recommendations for the frequency of training.

Boards must develop a professional development policy by August 1, 2022, that includes a schedule of training based on the clearinghouse or notes any differences between the board policy and the clearinghouse recommendations. Policy Service will provide local policy recommendations following publication of the clearinghouse.

Other legislation affecting this policy includes:

- HB 159, requiring certain elements be included in educator staff development;
- HB 1525, delaying requirements for teacher literacy achievement academies;
- HB 2681, requiring teachers of elective Bible courses to be certified in one of three areas and complete commissioner-developed training; and
- SB 199, eliminating the requirement for instruction on cardiopulmonary resuscitation and the use of automated external defibrillators to meet guidelines under the Health and Safety Code.

#### **DP(LEGAL)                      PERSONNEL POSITIONS**

SB 179 mandates that the board adopt a policy requiring a school counselor to spend at least 80 percent of the school counselor's work time on duties that are components of a comprehensive school counseling program (CSCP). See DP(LOCAL), below, for more information.

Provisions in relevant employment contracts cannot conflict with the policy, and a district must annually assess the policy.

#### **DP(LOCAL)                      PERSONNEL POSITIONS**

Revisions regarding school counselors are based on SB 179, which mandates that the board adopt a policy requiring a school counselor to spend at least 80 percent of total work time on duties that are components of a comprehensive school counseling program (CSCP). If the board determines that, because of staffing needs in the district or at a campus, a school counselor cannot spend 80 percent of work time on CSCP components, the policy must address further details regarding the counselor's duties.

The recommended policy text is structured for the administration, rather than the board, to make the initial administrative determination about a counselor's job duties. If the board approves that determination, the board shall direct the superintendent to develop a revised job description for that counselor that will address the requirements in law.

The list of principal qualifications has been adjusted to include a reference to the job description.

In accordance with these revisions, TASB HR Services has revised its model job descriptions available to subscribers in the HR Library at <https://www.tasb.org/services/hr-services/mytasb/model-job-descriptions/campus-instruction.aspx>.

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#### **E(LLEGAL) INSTRUCTION**

The E Section table of contents has been revised to change the subtitle of EKBA to English Learners/Emergent Bilingual Students to align with changes from SB 2066.

#### **EB(LLEGAL) SCHOOL YEAR**

A district may receive full ADA if it provides at least 43,200 minutes of instructional time to students enrolled in a school operating an adult high school charter school program in accordance with SB 1615.

#### **EEB(LLEGAL) INSTRUCTIONAL ARRANGEMENTS: CLASS SIZE**

Class size limits have been extended to prekindergarten by SB 2081.

#### **EEL(LLEGAL) INSTRUCTIONAL ARRANGEMENTS: CONTRACTS WITH OUTSIDE AGENCIES**

Driver training *schools* are renamed driver training *providers* by HB 1560.

#### **EF(LLEGAL) INSTRUCTIONAL RESOURCES**

SB 348 clarifies that a parent is entitled to review teaching and instructional materials while a child is participating in virtual or remote learning and to observe virtual instruction.

#### **EHA(LLEGAL) CURRICULUM DESIGN: BASIC INSTRUCTIONAL PROGRAM**

As provided by SB 6, a district is not liable for damages or monetary relief from a cancellation or modification of a course, program, or activity if the action is due to a pandemic emergency.

#### **EHAA(LLEGAL) BASIC INSTRUCTIONAL PROGRAM: REQUIRED INSTRUCTION (ALL LEVELS)**

Provisions on required instruction have been added to reflect HB 4509 revisions regarding instruction on American patriotism, Texas history, and the free enterprise system.

HB 1525 imposes several requirements regarding human sexuality curriculum materials, including:

- Revised parental notification and new parental consent provisions;
- Posting of proposed and adopted curriculum materials and options for a parent to purchase copyrighted materials from the publisher; and
- New board policy on adopting curriculum materials [see EHAA(LOCAL), below].

The [Regulations Resource Manual](#) includes a sample board resolution for convening the SHAC and a sample parental consent form.

SB 123 revises the list of topics that must be addressed in character education programs.

#### **EHAA(LOCAL) BASIC INSTRUCTIONAL PROGRAM: REQUIRED INSTRUCTION (ALL LEVELS)**

New provisions are recommended based on HB 1525, which imposes several requirements regarding human sexuality curriculum materials, including a board policy on adopting curriculum materials. The policy follows the steps required by law, including board adoption of a resolution to convene the school health advisory council (SHAC) to hold meetings and make recommendations to the board at a public meeting, as well as board confirmation that the recommendations meet the requirements in law before taking action by a record vote.

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The [Regulations Resource Manual](#) includes a sample board resolution for convening the SHAC and a sample parental consent form.

#### **EHAD(LEGAL) BASIC INSTRUCTIONAL PROGRAM: ELECTIVE INSTRUCTION**

Driver training *schools* are renamed driver training *providers* by HB 1560.

#### **EHBAB(LEGAL) SPECIAL EDUCATION: ARD COMMITTEE AND INDIVIDUALIZED EDUCATION PROGRAM**

SB 89 requires districts to add supplemental information to the individualized education program (IEP) of any child who was enrolled in special education during the 2019–20 or 2020–21 school years.

The admission, review, and dismissal committee of a student who is participating in the new supplemental special education services and instructional materials program created by SB 1716 must provide certain information to parents and cannot consider the supplemental services when developing the IEP.

HB 785 imposes new requirements when a student has a behavioral improvement or intervention plan.

#### **EHBB(LEGAL) SPECIAL PROGRAMS: GIFTED AND TALENTED STUDENTS**

HB 1525 eliminates the statutory requirement for a district to annually certify its gifted and talented program to the commissioner.

#### **EHBC(LEGAL) SPECIAL PROGRAMS: COMPENSATORY/ACCELERATED SERVICES**

Numerous legislative changes affect this legally referenced policy on compensatory and accelerated services.

- The compensatory education allotment may be used for services of an instructional coach (HB 1525).
- The list of students at risk of dropping out of school excludes students who are retained in prekindergarten (SB 1697) and includes students enrolled in a dropout recovery school (HB 572) and students participating in an adult high school charter school program (SB 1615).
- The term "limited English proficient" has been changed to "emergent bilingual" (SB 2066).
- New provisions have been added on required services after an unsatisfactory performance on state assessments, including accelerated instruction, accelerated learning committees, and parent requests for specific teachers (HB 4545).

#### **EHBC(LOCAL) SPECIAL PROGRAMS: COMPENSATORY/ACCELERATED SERVICES**

Recommended revisions to this local policy include references to accelerated instruction and accelerated learning committees as revised by HB 4545 and direct parents to FNG, the district's existing grievance policy, for complaints about educational plans.

The text also explains that parental requests for a student to be assigned to a particular teacher following a student's unsatisfactory performance on a grade 3, 5, or 8 math or reading assessment shall be handled in accordance with the district's administrative procedures. The [Regulations Resource Manual](#) includes sample procedures and a form for these parental requests.

The *Legal Issues in Update 118* memo describes common legal concerns and best practices specific to [this policy topic](#).

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#### **EHBE(LLEGAL)**

#### **SPECIAL PROGRAMS: BILINGUAL EDUCATION/ESL**

SB 2066 revises the term "limited English proficient" to "emergent bilingual" in several instances and adds a definition of the new term.

#### **EHBF(LLEGAL)**

#### **SPECIAL PROGRAMS: CAREER AND TECHNICAL EDUCATION**

In addition to existing career and technology education program notification requirements, SB 1095 adds a requirement for the district to provide parents notification of certain work-based education programs offered by the district.

#### **EHBG(LLEGAL)**

#### **SPECIAL PROGRAMS: PREKINDERGARTEN**

Eligibility for free prekindergarten enrollment for three-year-olds has been extended by HB 725 to children who were in foster care in another state.

Subject to certain requirements, a parent may elect for a student to repeat prekindergarten or enroll in prekindergarten for the first time if the student would have been eligible the previous year and has not yet enrolled in kindergarten (SB 1697).

To obtain an exemption from requirements regarding prekindergarten classes for four-year-olds, a district must first solicit proposals for partnerships (HB 1525).

A prekindergarten program provided by a private entity must comply with class size limits (SB 2081).

#### **EHBK(LLEGAL)**

#### **SPECIAL PROGRAMS: OTHER INSTRUCTIONAL INITIATIVES**

As revised by HB 3257, instruction required during Holocaust Remembrance Week must include materials developed or approved by the Texas Holocaust, Genocide, and Antisemitism Advisory Commission.

#### **EHDD(LLEGAL)**

#### **ALTERNATIVE METHODS FOR EARNING CREDIT: COLLEGE COURSE WORK/DUAL CREDIT**

In addition to existing career and technology program notification requirements, SB 1095 adds a requirement for the district to provide notice of work-based education programs offered by the district, such as internships, externships, apprenticeships, or a Pathways in Technology Early College High School (P-TECH) program, and to notify parents of the qualifications for enrolling in these programs. A district must also provide notice regarding subsidies to take college advanced placement tests or international baccalaureate examinations.

An agreement with an institution of higher education must designate an employee of the district or the higher education institution as responsible for providing academic advising to students who will enroll in a dual credit course, as specified by SB 1277.

#### **EI(LLEGAL)**

#### **ACADEMIC ACHIEVEMENT**

Revised Administrative Code rules require the academic achievement record to reflect compliance with the requirement to complete a free application for federal student aid (FAFSA) or Texas application for state financial aid (TASFA).

SB 1888 eliminates the Early High School Graduation Scholarship Program.

#### **EIE(LLEGAL)**

#### **ACADEMIC ACHIEVEMENT: RETENTION AND PROMOTION**

HB 4545 eliminates grade advancement provisions for students in grades 5 and 8.

SB 1697 creates parental options to retain students in prekindergarten through grade 8 or retake a high school credit course, even if the student has met the promotion standards or passed the course. In addi-

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tion, a parent may enroll a student in prekindergarten or kindergarten as specified if the student was eligible the previous year. The bill includes a process to be followed if the district disagrees with the request. However, if the parent participates in that process, the parent may make the final decision whether the student will be retained. The retention provisions for grades 4–8 and for high school courses expire September 1, 2022.

#### **EIF(LLEGAL)**

#### **ACADEMIC ACHIEVEMENT: GRADUATION**

SB 369 adds details regarding how a school counselor reports compliance with the requirement for a student to complete a free application for federal student aid (FAFSA) or Texas application for state financial aid (TASFA).

The statutory expiration date for individual graduation committees was repealed by HB 1603.

Provisions on the Texas First Early High School Completion Program are from SB 1888.

Revised Administrative Code rules clarify that the requirement to demonstrate proficiency in specific communication skills for graduation may be satisfied beginning in grade 8.

#### **EK(LLEGAL)**

#### **TESTING PROGRAMS**

We have removed TEA obligations regarding reimbursement procedures for college preparation assessments.

#### **EKB(LLEGAL)**

#### **TESTING PROGRAMS: STATE ASSESSMENT**

The statutory term "limited English proficient" has been changed to "emergent bilingual" (SB 2066).

SB 1267 permits the district employee who oversees test administration to require other district employees who administer assessments to repeat test administration training.

References to the Texas Success Initiative Assessment, Version 2.0 (TSIA2) have been added as a result of revised Administrative Code rules.

Revisions regarding accelerated instruction are based on HB 4545.

#### **EKBA(LLEGAL)**

#### **STATE ASSESSMENT: ENGLISH LEARNERS/EMERGENT BILINGUAL STUDENTS**

The statutory term "limited English proficient" has been changed to "emergent bilingual" (SB 2066).

#### **EL(LLEGAL)**

#### **CAMPUS OR PROGRAM CHARTERS**

HB 3607 revises funding provisions applicable when a district contracts with an open-enrollment charter school to jointly operate a campus.

SBs 1365 and 1697 revise the list of laws applicable to charter campuses or programs.

#### **EMB(LLEGAL)**

#### **MISCELLANEOUS INSTRUCTIONAL POLICIES: TEACHING ABOUT CONTROVERSIAL ISSUES**

HB 3979 adds numerous restrictions for a social studies course in the required curriculum.

#### **EMI(LLEGAL)**

#### **MISCELLANEOUS INSTRUCTIONAL POLICIES: STUDY OF RELIGION**

HB 2681 permits a district to offer an elective course on the Bible beginning in grade 6, rather than grade 9.

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#### FD(LEGAL)

#### ADMISSIONS

A statement has been added for new provisions from HB 4545 regarding enrollment in prekindergarten and kindergarten under certain circumstances. A cross-reference has also been added to EIE(LEGAL).

SB 746 requires a parent to provide to the district in writing the parent's contact information.

In accordance with SB 1615, a student enrolled in an adult high school charter school program is entitled to the benefits of the available school fund if the student is under 50 years of age.

#### FDA(LEGAL)

#### ADMISSIONS: INTERDISTRICT TRANSFERS

SB 481 allows a student to transfer to another district if the student's current district will offer only virtual instruction for more than one grading period during the school year.

A cross-reference to CNA has been added for provisions on operating a transportation system outside the district to transport interdistrict transfer students.

#### FDAA(LEGAL)

#### INTERDISTRICT TRANSFERS: PUBLIC EDUCATION GRANTS

SB 1365 revises public education grants to make a student eligible if the student is assigned to a campus with any unacceptable performance rating.

#### FDE(LEGAL)

#### ADMISSIONS: SCHOOL SAFETY TRANSFERS

HB 375 amends the offense of continuous sexual abuse of a young child or children to include continuous sexual abuse of "a disabled individual."

#### FDE(LOCAL)

#### ADMISSIONS: SCHOOL SAFETY TRANSFERS

Recommended revisions are to reflect a change from HB 375, which amends the offense of continuous sexual abuse of a young child or children to include continuous sexual abuse of "a disabled individual."

#### FEA(LEGAL)

#### ATTENDANCE: COMPULSORY ATTENDANCE

HB 699 requires a school district to excuse a student's absence resulting from a serious or life-threatening illness or related treatment that makes the student's attendance infeasible, if proper documentation is provided.

SB 289 creates an optional excused absence for a student who is at least 15 years old to be absent for one day to obtain a learner license and for one day to obtain a driver's license.

HB 3165 provides an affirmative defense to truant conduct if absences were due to a child's voluntary absence from home because of abuse.

#### FEA(LOCAL)

#### ATTENDANCE: COMPULSORY ATTENDANCE

We have added text to address SB 289, which creates an optional excused absence for a student who is at least 15 years old to be absent for one day to obtain a learner license and for one day to obtain a driver's license. **Contact the district's policy consultant if your district will not permit these excused absences.** The [Regulations Resource Manual](#) includes at FEA a sample form for students to verify an absence to visit a driver's license office and, at FEB, a chart listing acceptable documentation for absences, including for learner permits and driver's licenses.

Various references about providing verification of the absences addressed in the policy have been consolidated into a single statement.

The *Legal Issues in Update 118* memo describes common legal concerns and best practices specific to [this policy topic](#).

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#### FEC(LEGAL)

#### ATTENDANCE: ATTENDANCE FOR CREDIT

HB 699 prohibits a district from considering excused absences resulting from a serious or life-threatening illness or related treatment in determining whether a student has satisfied attendance requirements for a final grade or credit.

#### FEC(LOCAL)

#### ATTENDANCE: ATTENDANCE FOR CREDIT

Numerous revisions are recommended to this local policy on attendance for credit.

- As reflected in the revision at Absences Considered, in calculating whether a student has met the 90 percent attendance requirement, HB 699 creates an exception for absences resulting from a serious or life-threatening illness or related treatment. The [Regulations Resource Manual](#) includes sample letters to notify parents of student absences, which have been updated to reflect this exception.
- Administrative details on documentation of student illnesses have been included in the *Model Student Handbook* and are recommended for deletion.
- Provisions on the attendance committee's consideration of the best interest of the student, extenuating circumstances, and conditions for awarding credit or a final grade have been revised and reordered to emphasize a student's mastery of the essential knowledge and skills and maintaining a passing grade rather than assigning a student to attend programs for an amount of time equivalent to the student's absences.

The *Legal Issues in Update 118* memo describes common legal concerns and best practices specific to [this policy topic](#).

#### FED(LEGAL)

#### ATTENDANCE: ATTENDANCE ENFORCEMENT

HB 699 prohibits a district from referring a student to truancy court and requires a district to provide counseling to a student who is absent due to a severe or life-threatening illness or related treatment.

The sample Truancy Prevention Measures Checklist in the [Regulations Resource Manual](#) has been updated to reflect this change.

#### FFAC(LEGAL)

#### WELLNESS AND HEALTH SERVICES: MEDICAL TREATMENT

SB 1267 requires that training on unassigned epinephrine auto-injectors be in accordance with the district's professional development policy, which must be adopted by August 1, 2022, following publication of the SBEC clearinghouse on continuing education and training requirements. See DMA(LEGAL) above for information.

SB 6 addresses immunity of certain medical professionals for injury or death caused by care, treatment, or failure to provide care or treatment relating to a pandemic disease.

#### FFB(LEGAL)

#### STUDENT WELFARE: CRISIS INTERVENTION

HB 3597 provides flexibility regarding the requirement for a district's threat assessment team to include a variety of members with extensive expertise and now requires the superintendent to ensure, *to the greatest extent practicable*, that the members have the required expertise.

#### FFBA(LEGAL)

#### CRISIS INTERVENTION: TRAUMA-INFORMED CARE

SB 1267 requires that training on trauma-informed care be in accordance with the district's professional development policy, which must be adopted by August 1, 2022, following publication of the SBEC clearinghouse on continuing education and training requirements. See DMA(LEGAL) above for information.

The bill also repeals the requirement to report on training compliance to TEA.

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#### FFEB(LLEGAL)

#### COUNSELING AND MENTAL HEALTH: MENTAL HEALTH

As required by SB 279, student identification cards must include the contact information for the National Suicide Prevention Lifeline and the Crisis Text Line and may include a local suicide prevention hotline, if available.

#### FFG(LLEGAL)

#### STUDENT WELFARE: CHILD ABUSE AND NEGLECT

HB 3379 changes the standard of reporting child abuse and neglect from "cause to believe" to "*reasonable* cause to believe."

In addition, we have reordered provisions to better align with the structure of FFG(LOCAL) and have added an existing definition for completeness.

#### FFG(LOCAL)

#### STUDENT WELFARE: CHILD ABUSE AND NEGLECT

Recommended revisions to this local policy incorporate HB 3379 changes to the standard of reporting child abuse and neglect from "cause to believe" to "*reasonable* cause to believe."

A reference to the definition of a person responsible for the care, custody, or welfare of a child has been added for clarification.

We have also clarified that training will be as required by law and district policy in anticipation of the new district professional development policy that must be in place by August 2022. See DMA above for more information.

#### FFH(LLEGAL)

#### STUDENT WELFARE: FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

Dating violence training is now only required on campuses that instruct students in grade six or higher in accordance with SB 1267.

An adjustment to the Note on Title IX explains that the Office for Civil Rights (OCR) has issued a formal interpretation that discrimination on the basis of sex under Title IX includes discrimination on the basis of sexual orientation and gender identity.

#### FFI(LLEGAL)

#### STUDENT WELFARE: FREEDOM FROM BULLYING

In accordance with SB 2050, district bullying policies must address prevention and mediation of bullying incidents and comply with minimum standards adopted by TEA. Policy Service will recommend local policy revisions following publication of the TEA minimum standards.

#### FL(LLEGAL)

#### STUDENT RECORDS

Changes in federal law prompted revisions regarding access to student information by military recruiters, who may have access to a student's district-provided email address unless a parent has advised the district not to release this information.

#### FL(LOCAL)

#### STUDENT RECORDS

At Types of Education Records, we have replaced an outdated reference to the "grade placement committee" with a reference to the "accelerated learning committee" in accordance with HB 4545.

The *Legal Issues in Update 118* memo describes common legal concerns and best practices specific to [this policy topic](#).

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#### **FM(LEGAL)                      STUDENT ACTIVITIES**

The requirement for the UIL to provide training to extracurricular students in recognizing the symptoms of catastrophic injuries and the risks of using dietary supplements has been removed by SB 1267.

HB 1080 provides that a district may not exclude a student from participating in a UIL activity solely because the student receives outpatient mental health services from a mental health facility or is absent for this purpose.

A district may permit homeschool students to represent the school in UIL activities as provided by HB 547. **If your district will permit homeschool students to participate in UIL activities and you currently have a provision in FD(LOCAL) prohibiting nonenrolled students from participating in curricular or extracurricular activities, please contact your policy consultant for an adjustment to that policy.**

HB 2721 prohibits a student from participating in any future extracurricular activity sponsored by the district or the UIL if the UIL determines that the student caused bodily injury to an extracurricular official in retaliation for the official's performance of duties.

Other provisions have been reordered for better flow.

#### **FNCD(LEGAL)                      STUDENT CONDUCT: TOBACCO USE AND POSSESSION**

SB 248 amends the definition of "e-cigarette" to include the liquid solution or other material used in the device.

#### **FNCG(LEGAL)                      STUDENT CONDUCT: WEAPONS**

HB 1927 prompted revisions regarding the Penal Code offense of unlawful carrying of weapons and a reference to the appropriate legal source for handgun offenses.

HB 957 removes firearm silencer from the list of prohibited weapons in Texas Penal Code 46.05.

#### **FNG(LEGAL)                      STUDENT RIGHTS AND RESPONSIBILITIES: STUDENT AND PARENT COMPLAINTS/GRIEVANCES**

SB 348 clarifies that a parent is entitled to review teaching and instructional materials while a child is participating in virtual or remote learning and to observe virtual instruction.

#### **FOC(LEGAL)                      STUDENT DISCIPLINE: PLACEMENT IN A DISCIPLINARY ALTERNATIVE EDUCATION SETTING**

HB 375 amends the offense of continuous sexual abuse of a young child or children to include continuous sexual abuse of "a disabled individual."

#### **FOD(LEGAL)                      STUDENT DISCIPLINE: EXPULSION**

HB 375 amends the offense of continuous sexual abuse of a young child or children to include continuous sexual abuse of "a disabled individual."

#### **FOF(LEGAL)                      STUDENT DISCIPLINE: STUDENTS WITH DISABILITIES**

When a district takes disciplinary action that constitutes a change of placement for a student who receives special education services, HB 785 requires the district to take certain actions relating to functional behavior assessments and behavioral intervention plans.

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#### GBA(LLEGAL)

#### PUBLIC INFORMATION PROGRAM: ACCESS TO PUBLIC INFORMATION

The name of an employee accused of an improper relationship between an educator and student is confidential until the employee is indicted for the offense, except as specified by HB 246. The [Regulations Resource Manual](#) includes sample procedures to address release of this information by a campus.

Provisions on the release of personal information have been revised for:

- Board members (HB 1082); and
- Current or honorably retired peace officers and commissioned security officers (SB 841).

Confidentiality of crime victim information has been revised based on HB 2357.

The sample election of confidentiality forms in the [Regulations Resource Manual](#) have been updated to reflect these changes.

#### GBAA(LLEGAL)

#### INFORMATION ACCESS: REQUESTS FOR INFORMATION

Changes to this policy on requests for information are from SB 1225.

- If a district's physical offices are closed, but staff is working remotely, the district must make a good faith effort to continue responding to Public Information Act (PIA) requests for information.
- Provisions on temporary suspension of the PIA due to a catastrophe apply only when a district is *significantly* impacted and limit extensions of a suspension to only once per catastrophe.

#### GKA(LLEGAL)

#### COMMUNITY RELATIONS: CONDUCT ON SCHOOL PREMISES

HB 1927 revises the Penal Code's list of places where the possession of weapons is prohibited.

Changes in federal law prompted revisions regarding the use of unmanned aircraft systems.

#### GKD(LLEGAL)

#### COMMUNITY RELATIONS: NONSCHOOL USE OF SCHOOL FACILITIES

HB 525 protects religious organizations from closure by a governmental entity during a disaster.

HB 1239 amends the Texas Religious Freedom Restoration Act to prohibit a government agency or public official from ordering the closure of a place of worship and clarifies that the Act cannot be suspended by the governor during a disaster.

#### GKE(LLEGAL)

#### COMMUNITY RELATIONS: BUSINESS, CIVIC, AND YOUTH GROUPS

Districts may not regulate learning pods in accordance with SB 1955.

#### GNB(LLEGAL)

#### RELATIONS WITH EDUCATIONAL ENTITIES: REGIONAL EDUCATION SERVICE CENTERS

Changes to the provisions on core services provided by education service centers reflect that the gifted and talented allotment was reinstated by HB 1525.

#### GNC(LLEGAL)

#### RELATIONS WITH EDUCATIONAL ENTITIES: COLLEGES AND UNIVERSITIES

Provisions requiring certain districts to develop a plan to increase enrollment in higher education were deleted by SB 1677.

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**GRB(LLEGAL)**

**RELATIONS WITH GOVERNMENTAL ENTITIES: INTERLOCAL  
COOPERATION CONTRACTS**

Provisions on entering into intergovernmental support agreements with a branch of the armed forces have been added as a result of SB 780.

**XXI. DISCUSSION AND ACTION ON CONSENT AGENDA ITEMS**

A. Minutes of Previous Board Meeting

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**Regular Board Meeting**  
**MINUTES**  
**11/15/2021**  
**6:00 p.m.**

Present: Aslone Foy, Bridgett Jackson-Tatum, Angela Crane (6:10), Ronnie Ferguson, Tiffany Burlison, Jud Hughes. Absent: Tom Sutton

Others: Dr. James Cowley, Teresa Battrick, Sue Waller, Deana Rand, Robert Storms, Cindy Ensminger, Alex Cannon, Russ Foster, Mary Foster, Mychal Masters, Jennifer Lloyd, Jackie Ancelet, Bonnie Bomar, Kenna Moody, Staci Kirk, Michael Milnes, Mackenzie Walters, Robin York, Charles Nance, Jane Carpenter, Tammie Clark, David Burgeson, Ronnie Driskell, Judy Driskell.

Aslone Foy called the meeting to order at 6:01 p.m.

Ronnie Ferguson led the Pledge of Allegiance.

Jud Hughes led the Pledge to the Texas Flag.

Bridgett Jackson-Tatum read the District Mission Statement.

There were no student recognitions.

Public Comments: Aslone Foy read the Public Comments Guidelines. Ellen Staniszewski addressed the board regarding transgender and restrooms. Accommodations may need to be made. Russ Foster with the American Legion addressed the board by commending Collin Anderson and the band for their participation. The American Legion would like to request more participation from the students. Johnny Carpenter addressed the board regarding transgender and restrooms.

Mackenzie Walters, an attorney with Sara Leon & Associates, PLLC, presented initial assessment information on the redistricting of the school board trustees' single member districts. Ms. Walters will work with a demographer to prepare draft maps for the board members to review and make adjustments if needed to balance and meet legal requirements. Motion by Jud Hughes, second by Bridgett Jackson-Tatum to approve the Resolution Adopting Criteria for Redistricting and establish a timeline for redistricting as presented. Motion carried unanimously.

District Information: Mychal Masters gave a COVID update; we've had eight positive cases for the month of October. Dr. James Cowley gave enrollment at 1538. Jackie Ancelet brought a section of the high school chill water system piping and gave an update. Mark Roberts found ten feet of the pipe had deteriorated and in bad shape. We can clamp the pipe now at half the price. The ten-foot pipe replacement cost \$3,200. Maintenance is getting the pipe off the ground and is insulating it. The pipes in the ceilings are eroding and going into the classrooms. We don't have to weld the pipe anymore by using the clamps.

No action was taken on discussion and possible action on the update to Board Policy CDA(LOCAL) Other Revenues Investments.

No action was taken on the District Resolution Adopting and Review of Investment Policy.

Discussion of the Summer Nutrition Program and not being a program that benefited our kids due to not having enough participation. Recommendation is to move to apply for the waiver. Dr. James Cowley discussed summer school moving from June to August as a jump start for students before school starts. Motion by Jud Hughes, second by Ronnie Ferguson to apply for the waiver. Motion carried unanimously.

Dr. James Cowley presented Resolution of the Board of Trustees of Groesbeck ISD Delegation of Authority to Superintendent regarding the selection of Job Order Contractor and Contracting with Job Order Contractor for the Enge-Washington Intermediate School Lighting Retrofit Projects. This lighting project won't be for classrooms but can do commons areas. Waiting on contract from SECO. Motion by Jud Hughes, second by Tiffany Burleson to approve the Resolution of the Board of Trustees of Groesbeck ISD Delegation of Authority to Superintendent regarding selection of Job Order Contractor and Contracting with Job Order Contractor for the Enge-Washington Intermediate School Lighting Retrofit Projects. Motion carried unanimously.

No action was taken on discussion and possible action on 2022-2023 Falls County Appraisal District Board of Directors Ballot.

Motion by Jud Hughes, second by Ronnie Ferguson to cast 927 votes to Mack Jones and 927 votes to Clint Burleson. Motion carried unanimously.

Motion by Jud Hughes, second by Tiffany Burleson to cast 5 votes to John Elliott, 5 votes to Kie Muzyka, 5 votes to Billy Lightsey, and 5 votes to Ross Simmons. Motion carried unanimously.

Dr. James Cowley reviewed the local policies in the TASB Update 118. Motion by Jud Hughes, second by Ronnie Ferguson to approve the first reading of TASB Update 118. Motion carried unanimously.

Consent Agenda: Motion by Bridgett Jackson-Tatum, second by Ronnie Ferguson to approve the consent agenda as presented. Motion carried unanimously.

- A. Minutes of Previous Board Meeting
- B. Budget Report and Amendments
- C. 2021-22 School Health Advisory Council (SHAC) Members
- D. Membership and Participation in the Region 10 ESC Multi-Region Purchasing Cooperative
- E. Approval of 2021 Tax Roll
- F. Agreements with Limestone Medical Center: Bus Driver Physical, Drug Screening, Speech Therapy
- G. Band Handbook Addendum
- H. OnRamps Agreement

- I. Update to District Improvement Plan Regarding Senate Bill 9 Dating Violence
- J. Donation

Entered into Executive Session: 7:31 p.m.

Reconvened: 8:05 p.m.

No action taken on discussion and possible action on matters discussed in executive session.

Motion by Ronnie Ferguson, second by Tiffany Burleson to adjourn. Motion carried unanimously.

Adjourned: 8:06 p.m.

\_\_\_\_\_  
Tom Sutton, Board President

\_\_\_\_\_  
Jud Hughes, Secretary

December 13, 2021  
Date Approved



Board Report  
 Comparison of Revenue to Budget  
 Groesbeck ISD  
 As of November

Fund 199 / 2 GENERAL FUND

	Estimated Revenue (Budget)	Revenue Realized Current	Revenue Realized To Date	Revenue Balance	Percent Realized
5000 -					
5700 -					
5710 - LOCAL REAL AND PERSONAL PROPER	13,103,881.00	-487,155.06	-532,200.55	12,571,680.45	4.06%
5740 -	119,943.00	-13,877.15	-37,054.46	82,888.54	30.89%
5750 - REVENUES FROM ENTERPRISE FUNDS	126,400.00	-24,523.27	-60,701.45	65,698.55	48.02%
<b>Total</b>	<b>13,350,224.00</b>	<b>-525,555.48</b>	<b>-629,956.46</b>	<b>12,720,267.54</b>	<b>4.72%</b>
5800 - STATE REVENUES					
5810 - PER CAPITA AND FOUNDATION REV	2,279,023.00	-22,725.00	-1,432,997.00	846,026.00	62.88%
5820 - STATE PROGRAM REV	.00	.00	.00	.00	.00%
5830 - STATE REVE FROM STATE AGENCY	835,114.00	-66,386.61	-197,716.14	637,397.86	23.68%
<b>Total STATE REVENUES</b>	<b>3,114,137.00</b>	<b>-89,111.61</b>	<b>-1,630,713.14</b>	<b>1,483,423.86</b>	<b>52.36%</b>
5900 - FEDERAL REVENUES					
5920 - FEDERAL REVENUE DISTR BY TEA	70,000.00	-6,131.90	-15,716.88	54,283.12	22.45%
5930 - FEDERAL REV DISTR BY GOV AGENC	300,000.00	-9,331.83	-58,619.33	241,380.67	19.54%
<b>Total FEDERAL REVENUES</b>	<b>370,000.00</b>	<b>-15,463.73</b>	<b>-74,336.21</b>	<b>295,663.79</b>	<b>20.09%</b>
7000 -					
7900 -					
7910 -	.00	.00	.00	.00	.00%
<b>Total</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Total Revenue Local-State-Federal</b>	<b>16,834,361.00</b>	<b>-630,130.82</b>	<b>-2,335,005.81</b>	<b>14,499,355.19</b>	<b>13.87%</b>

	<u>Budget</u>	<u>Encumbrance YTD</u>	<u>Expenditure YTD</u>	<u>Current Expenditure</u>	<u>Balance</u>	<u>Percent Expended</u>
6000 -						
11 - INSTRUCTION						
6100 - PAYROLL COSTS	-8,383,550.00	.00	2,400,182.28	711,064.71	-5,983,367.72	28.63%
6200 - PROFESSIONAL & CONTRACTED SVCS	-375,880.00	19,533.31	56,595.33	24,366.31	-299,751.36	15.06%
6300 - SUPPLIES & MATERIALS	-99,810.00	14,184.98	32,471.25	13,755.15	-53,153.77	32.53%
6400 -	-91,978.00	1,683.00	10,362.02	827.05	-79,932.98	11.27%
6600 -	-17,775.00	.00	.00	.00	-17,775.00	-0.00%
<b>Total Function11 INSTRUCTION</b>	<b>-8,968,993.00</b>	<b>35,401.29</b>	<b>2,499,610.88</b>	<b>750,013.22</b>	<b>-6,433,980.83</b>	<b>27.87%</b>
12 - LIBRARY						
6100 - PAYROLL COSTS	-23,349.00	.00	7,712.55	2,509.99	-15,636.45	33.03%
6200 - PROFESSIONAL & CONTRACTED SVCS	-12,750.00	10,200.00	2,550.00	1,275.00	.00	20.00%
6300 - SUPPLIES & MATERIALS	36.00	.00	-36.00	.00	.00	100.00%
<b>Total Function12 LIBRARY</b>	<b>-36,063.00</b>	<b>10,200.00</b>	<b>10,226.55</b>	<b>3,784.99</b>	<b>-15,636.45</b>	<b>28.36%</b>
13 - STAFF DEVELOPMENT						
6100 - PAYROLL COSTS	-99,813.00	.00	25,689.82	8,581.08	-74,123.18	25.74%
6200 - PROFESSIONAL & CONTRACTED SVCS	-1,000.00	110.00	.00	.00	-890.00	-0.00%
6400 -	-7,920.00	217.00	1,933.45	644.45	-5,769.55	24.41%
<b>Total Function13 STAFF DEVELOPMENT</b>	<b>-108,733.00</b>	<b>327.00</b>	<b>27,623.27</b>	<b>9,225.53</b>	<b>-80,782.73</b>	<b>25.40%</b>
21 - INSTRUCTIONAL LEADERSHIP						
6100 - PAYROLL COSTS	-254,891.00	.00	75,379.23	24,123.09	-179,511.77	29.57%
6200 - PROFESSIONAL & CONTRACTED SVCS	-4,000.00	.00	1,000.00	.00	-3,000.00	25.00%
<b>Total Function21 INSTRUCTIONAL</b>	<b>-258,891.00</b>	<b>.00</b>	<b>76,379.23</b>	<b>24,123.09</b>	<b>-182,511.77</b>	<b>29.50%</b>
23 - PRINCIPAL						
6100 - PAYROLL COSTS	-874,863.00	.00	231,685.77	75,945.02	-643,177.23	26.48%
6200 - PROFESSIONAL & CONTRACTED SVCS	-9,947.79	.00	223.90	.00	-9,723.89	2.25%
6300 - SUPPLIES & MATERIALS	-11,104.21	3,217.52	5,555.96	2,488.58	-2,330.73	50.03%
6400 -	-7,990.00	794.87	3,352.60	552.60	-3,842.53	41.96%
<b>Total Function23 PRINCIPAL</b>	<b>-903,905.00</b>	<b>4,012.39</b>	<b>240,818.23</b>	<b>78,986.20</b>	<b>-659,074.38</b>	<b>26.64%</b>
31 - COUNSELING						
6100 - PAYROLL COSTS	-261,610.00	.00	74,878.40	22,665.51	-186,731.60	28.62%
6200 - PROFESSIONAL & CONTRACTED SVCS	-4,350.00	1,654.40	1,685.60	71.57	-1,010.00	38.75%
6300 - SUPPLIES & MATERIALS	-4,605.00	96.84	780.14	268.91	-3,728.02	16.94%
6400 -	-2,155.00	.00	382.69	212.69	-1,772.31	17.76%
<b>Total Function31 COUNSELING</b>	<b>-272,720.00</b>	<b>1,751.24</b>	<b>77,726.83</b>	<b>23,218.68</b>	<b>-193,241.93</b>	<b>28.50%</b>
32 - SOCIAL WORK SERVICES						
6100 - PAYROLL COSTS	.00	.00	.00	.00	.00	.00%
<b>Total Function32 SOCIAL WORK SERVICES</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
33 - NURSE / HEALTH						
6100 - PAYROLL COSTS	-223,506.00	.00	59,024.25	16,910.11	-164,481.75	26.41%
6200 - PROFESSIONAL & CONTRACTED SVCS	-529.00	.00	.00	.00	-529.00	-0.00%
6300 - SUPPLIES & MATERIALS	-3,560.00	.00	530.00	.00	-3,030.00	14.89%
<b>Total Function33 NURSE / HEALTH</b>	<b>-227,595.00</b>	<b>.00</b>	<b>59,554.25</b>	<b>16,910.11</b>	<b>-168,040.75</b>	<b>26.17%</b>
34 - TRANSPORTATION						
6100 - PAYROLL COSTS	-438,133.00	.00	152,423.46	47,880.54	-285,709.54	34.79%
6200 - PROFESSIONAL & CONTRACTED SVCS	-85,150.00	18,950.83	12,633.38	6,980.93	-53,565.79	14.84%
6300 - SUPPLIES & MATERIALS	-159,950.00	40,538.25	24,354.90	2,521.68	-95,056.85	15.23%
6400 -	1,740.00	800.00	12,284.25	-3,449.00	14,824.25	705.99%
6600 -	.00	207.00	.00	.00	.00	.00%
<b>Total Function34 TRANSPORTATION</b>	<b>-681,493.00</b>	<b>60,289.08</b>	<b>201,695.99</b>	<b>53,934.15</b>	<b>-419,507.93</b>	<b>29.60%</b>

	<u>Budget</u>	<u>Encumbrance YTD</u>	<u>Expenditure YTD</u>	<u>Current Expenditure</u>	<u>Balance</u>	<u>Percent Expended</u>
6000 -						
36 - EXTRACURRICULAR						
6100 - PAYROLL COSTS	-551,509.00	.00	149,433.52	46,700.50	-402,075.48	27.10%
6200 - PROFESSIONAL & CONTRACTED SVCS	-78,100.00	16,674.95	17,297.46	6,048.82	-44,127.59	22.15%
6300 - SUPPLIES & MATERIALS	-131,587.41	16,909.54	22,353.89	12,986.91	-92,323.98	16.99%
6400 -	-143,127.59	10,299.63	44,248.68	11,362.09	-88,579.28	30.92%
6600 -	.00	.00	.00	.00	.00	.00%
<b>Total Function36 EXTRACURRICULAR</b>	<b>-904,324.00</b>	<b>43,884.12</b>	<b>233,333.55</b>	<b>77,098.32</b>	<b>-627,106.33</b>	<b>25.80%</b>
41 - GENERAL ADMIN						
6100 - PAYROLL COSTS	-480,120.00	.00	119,157.36	39,822.75	-360,962.64	24.82%
6200 - PROFESSIONAL & CONTRACTED SVCS	-207,720.00	41,537.85	68,251.15	45,157.60	-97,931.00	32.86%
6300 - SUPPLIES & MATERIALS	-11,770.00	909.90	2,359.44	1,036.08	-8,500.66	20.05%
6400 -	-86,700.00	8,531.31	33,383.50	12,093.05	-44,785.19	38.50%
<b>Total Function41 GENERAL ADMIN</b>	<b>-786,310.00</b>	<b>50,979.06</b>	<b>223,151.45</b>	<b>98,109.48</b>	<b>-512,179.49</b>	<b>28.38%</b>
51 - FACILITIES MAINTENANCE						
6100 - PAYROLL COSTS	-946,898.00	.00	291,349.03	98,539.63	-655,548.97	30.77%
6200 - PROFESSIONAL & CONTRACTED SVCS	-854,605.83	454,066.71	179,990.06	71,375.64	-220,549.06	21.06%
6300 - SUPPLIES & MATERIALS	-215,272.17	39,476.17	57,351.73	11,975.22	-118,444.27	26.64%
6400 -	-101,029.00	.00	100,662.07	128.07	-366.93	99.64%
6600 -	-837,872.00	810,752.00	27,120.00	.00	.00	3.24%
<b>Total Function51 FACILITIES MAINTENANCE</b>	<b>-2,955,677.00</b>	<b>1,304,294.88</b>	<b>656,472.89</b>	<b>182,018.56</b>	<b>-994,909.23</b>	<b>22.21%</b>
52 - SECURITY SERVICES						
6200 - PROFESSIONAL & CONTRACTED SVCS	-228,500.00	2,400.00	10,660.00	5,185.00	-215,440.00	4.67%
6300 - SUPPLIES & MATERIALS	-500.00	.00	.00	.00	-500.00	-.00%
6400 -	-5,000.00	.00	3,000.00	.00	-2,000.00	60.00%
<b>Total Function52 SECURITY SERVICES</b>	<b>-234,000.00</b>	<b>2,400.00</b>	<b>13,660.00</b>	<b>5,185.00</b>	<b>-217,940.00</b>	<b>5.84%</b>
53 - DATA PROCESSING						
6100 - PAYROLL COSTS	-172,832.00	.00	51,419.62	15,681.82	-121,412.38	29.75%
6200 - PROFESSIONAL & CONTRACTED SVCS	-107,025.00	.00	83,893.39	.00	-23,131.61	78.39%
6300 - SUPPLIES & MATERIALS	.00	.00	.00	.00	.00	.00%
6400 -	-61,700.00	49,514.63	5,767.46	5,767.46	-6,417.91	9.35%
6600 -	-20,000.00	11,225.00	.00	.00	-8,775.00	-.00%
<b>Total Function53 DATA PROCESSING</b>	<b>-361,557.00</b>	<b>60,739.63</b>	<b>141,080.47</b>	<b>21,449.28</b>	<b>-159,736.90</b>	<b>39.02%</b>
61 - COMMUNITY SERVICES						
6100 - PAYROLL COSTS	-242,895.00	.00	66,173.86	21,400.85	-176,721.14	27.24%
6200 - PROFESSIONAL & CONTRACTED SVCS	-5,300.00	415.33	384.67	139.45	-4,500.00	7.26%
6300 - SUPPLIES & MATERIALS	-29,200.00	4,473.62	5,775.20	2,337.54	-18,951.18	19.78%
6400 -	-7,700.00	.00	.00	.00	-7,700.00	-.00%
<b>Total Function61 COMMUNITY SERVICES</b>	<b>-285,095.00</b>	<b>4,888.95</b>	<b>72,333.73</b>	<b>23,877.84</b>	<b>-207,872.32</b>	<b>25.37%</b>
99 - APPRAISAL						
6200 - PROFESSIONAL & CONTRACTED SVCS	-410,000.00	3,704.92	181,164.58	88,578.58	-225,130.50	44.19%
<b>Total Function99 APPRAISAL</b>	<b>-410,000.00</b>	<b>3,704.92</b>	<b>181,164.58</b>	<b>88,578.58</b>	<b>-225,130.50</b>	<b>44.19%</b>
8000 -						
00 - UNDEFINED						
8900 -	-233,524.00	.00	.00	.00	-233,524.00	-.00%
<b>Total Function00 UNDEFINED</b>	<b>-233,524.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>-233,524.00</b>	<b>-.00%</b>
<b>Total Expenditures</b>	<b>-17,628,880.00</b>	<b>1,582,872.56</b>	<b>4,714,831.90</b>	<b>1,456,513.03</b>	<b>-11,331,175.54</b>	<b>26.74%</b>

Board Report  
 Comparison of Revenue to Budget  
 Groesbeck ISD  
 As of November

Fund 240 / 2 FOOD SERVICE

	Estimated Revenue (Budget)	Revenue Realized Current	Revenue Realized To Date	Revenue Balance	Percent Realized
5000 -					
5700 -					
5740 -	.00	.00	.00	.00	.00%
5750 - REVENUES FROM ENTERPRISE FUNDS	13,100.00	-994.75	-3,795.65	9,304.35	28.97%
<b>Total</b>	<b>13,100.00</b>	<b>-994.75</b>	<b>-3,795.65</b>	<b>9,304.35</b>	<b>28.97%</b>
5800 - STATE REVENUES					
5820 - STATE PROGRAM REV	3,500.00	.00	.00	3,500.00	.00%
5830 - STATE REVE FROM STATE AGENCY	27,022.00	-2,270.59	-6,936.24	20,085.76	25.67%
<b>Total STATE REVENUES</b>	<b>30,522.00</b>	<b>-2,270.59</b>	<b>-6,936.24</b>	<b>23,585.76</b>	<b>22.73%</b>
5900 - FEDERAL REVENUES					
5910 - FEDERAL REVENUES	.00	.00	-3,063.00	-3,063.00	.00%
5920 - FEDERAL REVENUE DISTR BY TEA	662,000.00	-129,685.95	-259,001.33	402,998.67	39.12%
<b>Total FEDERAL REVENUES</b>	<b>662,000.00</b>	<b>-129,685.95</b>	<b>-262,064.33</b>	<b>399,935.67</b>	<b>39.59%</b>
7000 -					
7900 -					
7910 -	233,524.00	.00	.00	233,524.00	.00%
<b>Total</b>	<b>233,524.00</b>	<b>.00</b>	<b>.00</b>	<b>233,524.00</b>	<b>.00%</b>
<b>Total Revenue Local-State-Federal</b>	<b>939,146.00</b>	<b>-132,951.29</b>	<b>-272,796.22</b>	<b>666,349.78</b>	<b>29.05%</b>

**Board Report**  
**Comparison of Expenditures and Encumbrances to Budget**  
**Groesbeck ISD**  
**As of November**

Fund 240 / 2 FOOD SERVICE

	<u>Budget</u>	<u>Encumbrance YTD</u>	<u>Expenditure YTD</u>	<u>Current Expenditure</u>	<u>Balance</u>	<u>Percent Expended</u>
6000 -						
35 - FOOD SERVICES						
6100 - PAYROLL COSTS	-370,166.00	.00	128,400.36	39,554.63	-241,765.64	34.69%
6200 - PROFESSIONAL & CONTRACTED SVCS	-6,800.00	.00	385.00	-5,400.00	-6,415.00	5.66%
6300 - SUPPLIES & MATERIALS	-542,136.39	303,311.91	149,879.87	65,370.53	-88,944.61	27.65%
6400 -	-2,500.00	.00	.00	.00	-2,500.00	-.00%
6600 -	-17,543.61	.00	.00	.00	-17,543.61	-.00%
<b>Total Function35 FOOD SERVICES</b>	<b>-939,146.00</b>	<b>303,311.91</b>	<b>278,665.23</b>	<b>99,525.16</b>	<b>-357,168.86</b>	<b>29.67%</b>
<b>Total Expenditures</b>	<b>-939,146.00</b>	<b>303,311.91</b>	<b>278,665.23</b>	<b>99,525.16</b>	<b>-357,168.86</b>	<b>29.67%</b>

Board Report  
 Comparison of Revenue to Budget  
 Groesbeck ISD  
 As of November

Fund 511 / 2 DEBT SERVICE

	Estimated Revenue (Budget)	Revenue Realized Current	Revenue Realized To Date	Revenue Balance	Percent Realized
5000 -					
5700 -					
5710 - LOCAL REAL AND PERSONAL PROPER	3,256,668.00	-121,497.98	-132,478.30	3,124,189.70	4.07%
5740 -	.00	.00	.00	.00	.00%
<b>Total</b>	<b>3,256,668.00</b>	<b>-121,497.98</b>	<b>-132,478.30</b>	<b>3,124,189.70</b>	<b>4.07%</b>
5800 - STATE REVENUES					
5820 - STATE PROGRAM REV	.00	-15,358.00	-15,358.00	-15,358.00	.00%
<b>Total STATE REVENUES</b>	<b>.00</b>	<b>-15,358.00</b>	<b>-15,358.00</b>	<b>-15,358.00</b>	<b>.00%</b>
<b>Total Revenue Local-State-Federal</b>	<b>3,256,668.00</b>	<b>-136,855.98</b>	<b>-147,836.30</b>	<b>3,108,831.70</b>	<b>4.54%</b>

**Board Report**  
**Comparison of Expenditures and Encumbrances to Budget**  
 Groesbeck ISD  
 As of November

Fund 511 / 2 DEBT SERVICE

	<u>Budget</u>	<u>Encumbrance YTD</u>	<u>Expenditure YTD</u>	<u>Current Expenditure</u>	<u>Balance</u>	<u>Percent Expended</u>
6000 -						
71 - DEBT SERVICE						
6500 - DEBT SERVICE	-3,256,668.00	.00	392,263.30	392,263.30	-2,864,404.70	12.04%
<b>Total Function71 DEBT SERVICE</b>	<b>-3,256,668.00</b>	<b>.00</b>	<b>392,263.30</b>	<b>392,263.30</b>	<b>-2,864,404.70</b>	<b>12.04%</b>
<b>Total Expenditures</b>	<b>-3,256,668.00</b>	<b>.00</b>	<b>392,263.30</b>	<b>392,263.30</b>	<b>-2,864,404.70</b>	<b>12.04%</b>

Comparison of Revenue to Budget  
 As of November

	Estimated Revenue	Current Realized Revenue	Realized Revenue To Date	Revenue Balance	Percent Realized
<b>General Operating Funds</b>					
199 / 2 - GENERAL FUND 5000	16,834,361.00	-630,130.82	-2,335,005.81	14,499,355.19	13.87%
863 / 2 - PAYROLL CLEARING 5000	.00	-35.51	-99.77	-99.77	.00%
<b>Totals 5000</b>	<b>16,834,361.00</b>	<b>-630,166.33</b>	<b>-2,335,105.58</b>	<b>14,499,255.42</b>	<b>13.87%</b>
<b>Totals 7000</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Totals General Operating Funds</b>	<b>16,834,361.00</b>	<b>-630,166.33</b>	<b>-2,335,105.58</b>	<b>14,499,255.42</b>	<b>13.87%</b>
<b>Special Revenue Funds</b>					
211 / 1 - TITLE I PART A 5000	120,012.09	.00	-45,615.27	74,396.82	38.01%
211 / 2 - TITLE I, PART A 5000	480,197.00	-42,057.51	-42,057.51	438,139.49	8.76%
224 / 1 - IDEA B 5000	24,935.56	.00	-13,226.18	11,709.38	53.04%
224 / 2 - IDEA - PART B, FORMULA 5000	342,804.00	-55,136.57	-55,136.57	287,667.43	16.08%
225 / 2 - IDEA - PART B, PRESCHOOL 5000	7,175.00	-7,175.00	-7,175.00	.00	100.00%
240 / 2 - FOOD SERVICE 5000	705,622.00	-132,951.29	-272,796.22	432,825.78	38.66%
240 / 2 - FOOD SERVICE 7000	233,524.00	.00	.00	233,524.00	.00%
244 / 2 - CAREER & TECHNICAL 5000	18,672.00	.00	.00	18,672.00	.00%
255 / 1 - TITLE II 5000	13,315.63	.00	-2,471.25	10,844.38	18.56%
255 / 2 - TITLE II, PART A 5000	60,620.00	-33,278.08	-33,278.08	27,341.92	54.90%
265 / 2 - TITLE IV, PART B 5000	100,000.00	.00	.00	100,000.00	.00%
270 / 2 - TITLE VI, PART B 5000	36,437.00	.00	.00	36,437.00	.00%
281 / 2 - ESSER II 5000	1,540,626.69	-109,779.12	-759,121.09	781,505.60	49.27%
282 / 2 - ESSER III 5000	2,259,762.66	-179,131.46	-681,029.94	1,578,732.72	30.14%
289 / 2 - FEDERALLY FUNDED 5000	36,300.00	.00	.00	36,300.00	.00%
410 / 2 - IMA/TEXTBOOK 5000	92,632.04	.00	.00	92,632.04	.00%
429 / 2 - STATE FUNDED 5000	813.00	-809.90	-809.90	3.10	99.62%
<b>Totals 5000</b>	<b>5,839,924.67</b>	<b>-560,318.93</b>	<b>-1,912,717.01</b>	<b>3,927,207.66</b>	<b>32.75%</b>
<b>Totals 7000</b>	<b>233,524.00</b>	<b>.00</b>	<b>.00</b>	<b>233,524.00</b>	<b>.00%</b>
<b>Totals Special Revenue Funds</b>	<b>6,073,448.67</b>	<b>-560,318.93</b>	<b>-1,912,717.01</b>	<b>4,160,731.66</b>	<b>31.49%</b>
<b>Interest &amp; Sinking Funds</b>					
511 / 2 - DEBT SERVICE 5000	3,256,668.00	-136,855.98	-147,836.30	3,108,831.70	4.54%
<b>Totals 5000</b>	<b>3,256,668.00</b>	<b>-136,855.98</b>	<b>-147,836.30</b>	<b>3,108,831.70</b>	<b>4.54%</b>
<b>Totals 7000</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Totals Interest &amp; Sinking Funds</b>	<b>3,256,668.00</b>	<b>-136,855.98</b>	<b>-147,836.30</b>	<b>3,108,831.70</b>	<b>4.54%</b>
<b>Expendable Trust Funds</b>					
829 / 2 - TRUST & AGENCY FUND 5000	.00	-25.09	-75.30	-75.30	.00%
<b>Totals 5000</b>	<b>.00</b>	<b>-25.09</b>	<b>-75.30</b>	<b>-75.30</b>	<b>.00%</b>
<b>Totals 7000</b>	<b>213.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Totals Expendable Trust Funds</b>	<b>.00</b>	<b>-25.09</b>	<b>-75.30</b>	<b>-75.30</b>	<b>.00%</b>

Combined Funds Board Report  
Combined Funds Recap by Fund  
Goesbeck ISD

Total Revenues 5000	25,930,953.67	-1,327,366.33	-4,395,734.19	21,535,219.48	16.95%
Total Revenues 7000	233,524.00	.00	.00	233,524.00	.00%
Total Revenues	26,164,477.67	-1,327,366.33	-4,395,734.19	21,768,743.48	16.80%

Comparison of Expenditures and Encumbrances to Budget  
 As of November

	Appropriation	Encumbrance	Current Expenditure	Expenditure	Balance	Percent Expended
<b>General Operating Funds</b>						
199 / 2 - GENERAL FUND 6000	-17,395,356.00	1,582,872.56	1,456,513.03	4,714,831.90	-11,097,651.54	27.10%
<b>Totals 6000</b>	<b>-17,395,356.00</b>	<b>1,582,872.56</b>	<b>1,456,513.03</b>	<b>4,714,831.90</b>	<b>-11,097,651.54</b>	<b>27.10%</b>
<b>Totals 8000</b>	<b>-233,524.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>-233,524.00</b>	<b>-0.00%</b>
<b>Totals General Operating Funds</b>	<b>-17,628,880.00</b>	<b>1,582,872.56</b>	<b>1,456,513.03</b>	<b>4,714,831.90</b>	<b>-11,331,175.54</b>	<b>26.74%</b>
<b>Special Revenue Funds</b>						
211 / 1 - TITLE I PART A 6000	-120,012.09	.00	.00	44,803.87	-75,208.22	37.33%
211 / 2 - TITLE I, PART A 6000	-480,197.00	2,000.00	34,341.02	76,808.53	-401,388.47	16.00%
224 / 1 - IDEA B 6000	-24,935.56	.00	.00	13,226.18	-11,709.38	53.04%
224 / 2 - IDEA - PART B, FORMULA 6000	-342,804.00	6,944.38	66,379.96	115,055.36	-220,804.26	33.56%
225 / 2 - IDEA - PART B, PRESCHOOL 6000	-7,175.00	.00	.00	7,175.00	.00	100.00%
240 / 2 - FOOD SERVICE 6000	-939,146.00	303,311.91	99,525.16	278,665.23	-357,168.86	29.67%
244 / 2 - CAREER & TECHNICAL 6000	-18,672.00	.00	8,600.00	10,395.00	-8,277.00	55.67%
255 / 1 - TITLE II 6000	-13,315.63	.00	.00	2,471.25	-10,844.38	18.56%
255 / 2 - TITLE II, PART A 6000	-60,620.00	5,278.00	6,995.01	41,323.09	-14,018.91	68.17%
265 / 2 - TITLE IV, PART B 6000	-100,000.00	147.32	6,810.82	14,659.38	-85,193.30	14.66%
270 / 2 - TITLE VI, PART B 6000	-36,437.00	3,000.00	1,151.45	1,151.45	-32,285.55	3.16%
281 / 2 - ESSER II 6000	-1,540,626.69	56,786.00	27,717.22	786,838.31	-697,002.38	51.07%
282 / 2 - ESSER III 6000	-2,259,762.66	33,600.38	106,203.84	787,185.72	-1,438,976.56	34.83%
289 / 2 - FEDERALLY FUNDED 6000	-36,300.00	.00	.00	6,675.00	-29,625.00	18.39%
410 / 2 - IMA/TEXTBOOK 6000	-92,632.04	.00	.00	.00	-92,632.04	-0.00%
429 / 2 - STATE FUNDED 6000	-813.00	.00	.00	809.90	-3.10	99.62%
<b>Totals 6000</b>	<b>-6,073,448.67</b>	<b>411,067.99</b>	<b>357,724.48</b>	<b>2,187,243.27</b>	<b>-3,475,137.41</b>	<b>36.01%</b>
<b>Totals 8000</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Totals Special Revenue Funds</b>	<b>-6,073,448.67</b>	<b>411,067.99</b>	<b>357,724.48</b>	<b>2,187,243.27</b>	<b>-3,475,137.41</b>	<b>36.01%</b>
<b>Interest &amp; Sinking Funds</b>						
511 / 2 - DEBT SERVICE 6000	-3,256,668.00	.00	392,263.30	392,263.30	-2,864,404.70	12.04%
<b>Totals 6000</b>	<b>-3,256,668.00</b>	<b>.00</b>	<b>392,263.30</b>	<b>392,263.30</b>	<b>-2,864,404.70</b>	<b>12.04%</b>
<b>Totals 8000</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00%</b>
<b>Totals Interest &amp; Sinking Funds</b>	<b>-3,256,668.00</b>	<b>.00</b>	<b>392,263.30</b>	<b>392,263.30</b>	<b>-2,864,404.70</b>	<b>12.04%</b>
<b>Total Expenditures 6000</b>	<b>-26,725,472.67</b>	<b>1,993,940.55</b>	<b>2,206,500.81</b>	<b>7,294,338.47</b>	<b>-17,437,193.65</b>	<b>27.29%</b>
<b>Total Expenditures 8000</b>	<b>-233,524.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>-233,524.00</b>	<b>-0.00%</b>
<b>Total Expenditures</b>	<b>-26,958,996.67</b>	<b>1,993,940.55</b>	<b>2,206,500.81</b>	<b>7,294,338.47</b>	<b>-17,670,717.65</b>	<b>27.06%</b>

C. Citizens State Bank Signatory  
D. URC Energy Agreement

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# CLIENT SAMPLING

WWW.GOURC.COM

## About Us

Headquartered in West Palm Beach, Florida, URC Energy's mission is to provide expertise and counsel regarding opportunities to reduce your utility expenses and recover any overcharges previously paid. With vast experience in reviewing and procuring energy refunds and savings, URC Energy has performed over 40,000 engagements resulting in over \$34 million in savings. Over 80% of URC Energy's engagements result in refunds and or savings for our clients.

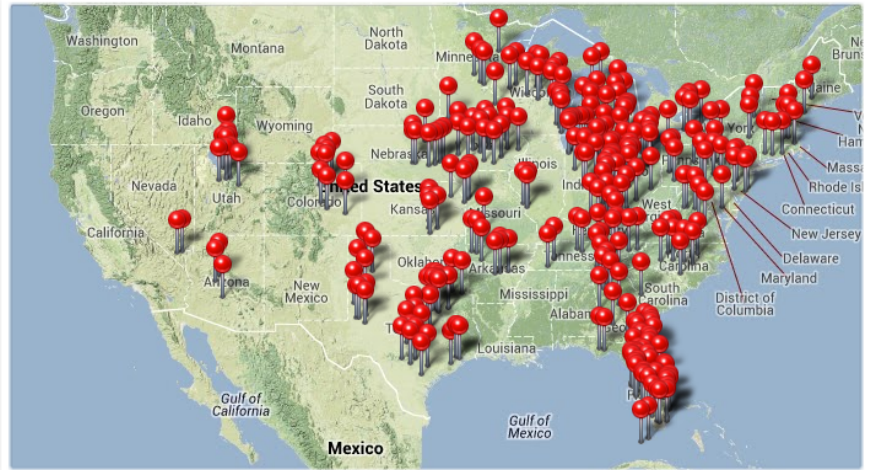
## Contact

Matthew Allyn

President

(614) 965-9457 cell

mallyn@gourc.com



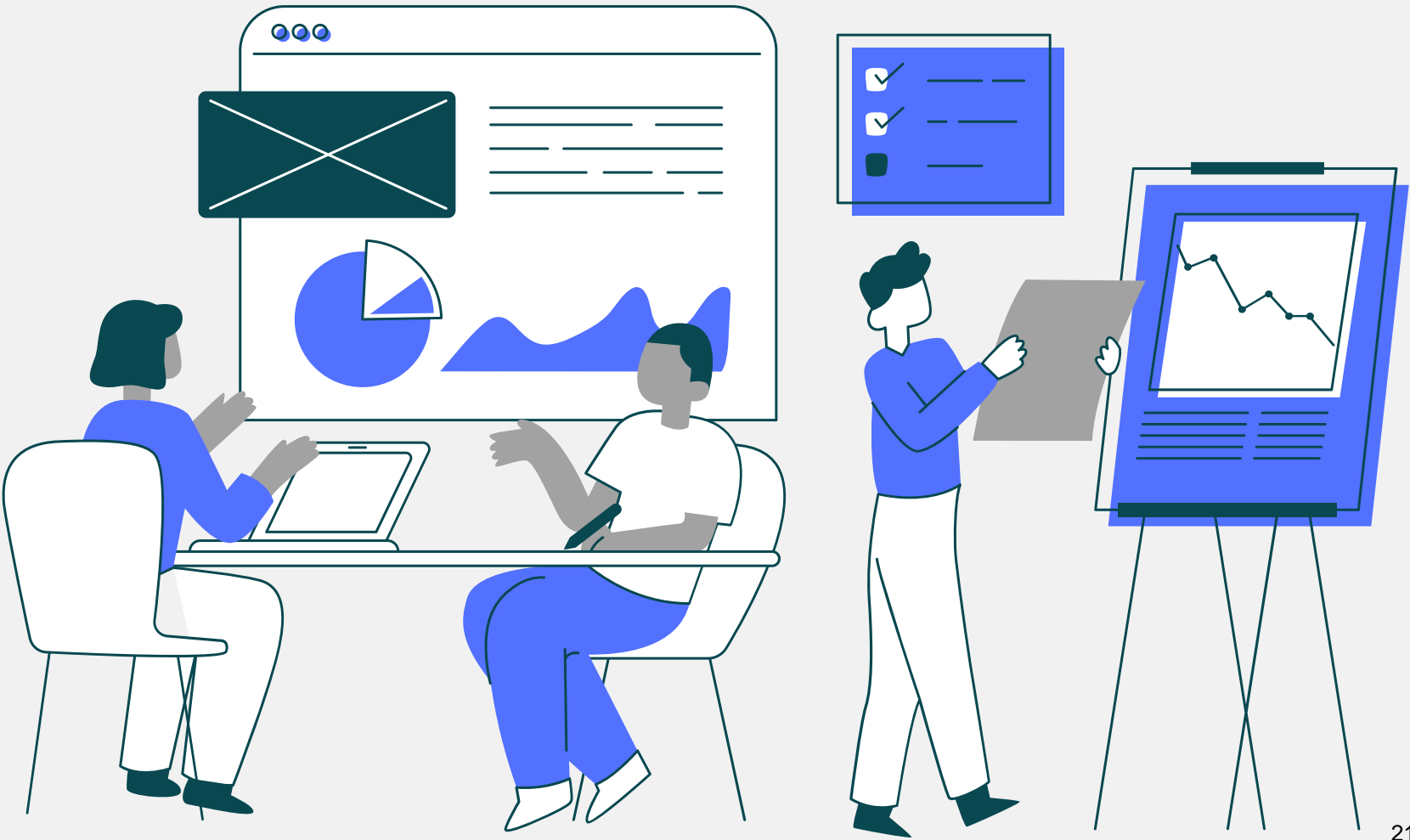
**Value  
Delivered.  
Savings  
Transformed.**

[www.goURC.com](http://www.goURC.com)



# Who is URC Energy?

An independent energy marketing company focused on delivering unparalleled customer service with experience from the wellhead to the burner tip in all aspects of the energy industry.



- 2009** Year Established

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- 106** Wellhead Meters Marketed

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- 8,706** Energy Auctions

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- \$34M** Utility Refunds Recovered

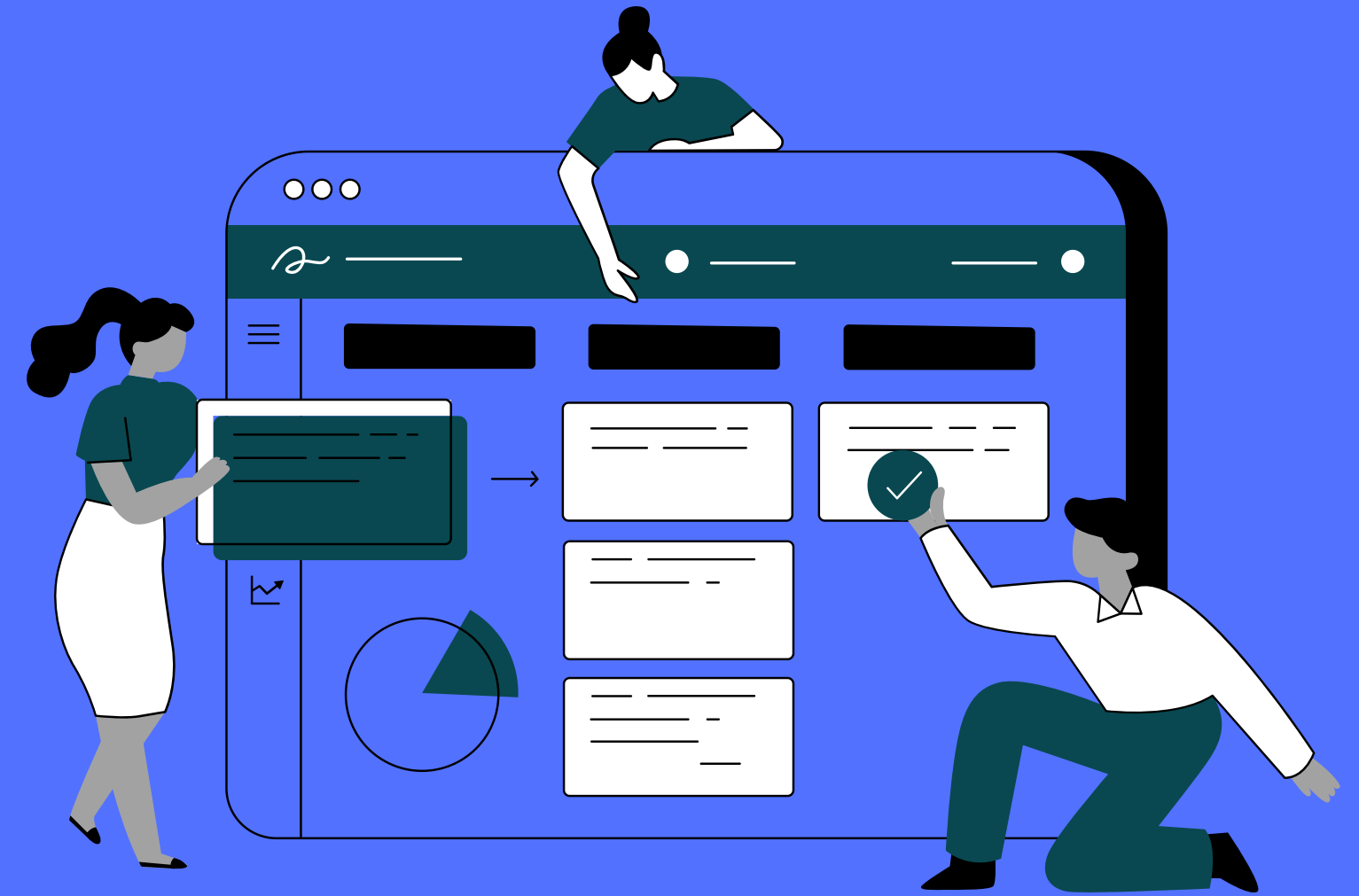
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- FL** Headquartered in West Palm Beach

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# Services

## Leaders in Energy Marketing



### Wellhead Producer Services

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URC Energy markets natural gas production from the wellhead to the burner tip. Working with transportation assets, commercial and industrial gas supply contracts and retail gas supply relationships. URC Energy provides increased value at the wellhead and direct access to multiple markets.

### Energy Auctions

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URC Energy is an energy marketing company with experience in both regulated and deregulated energy markets. URC Energy includes a team of energy professionals with expertise in electric and natural gas procurement for commercial and industrial companies<sup>20</sup> in many markets.

### Utility Refunds

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Reduce monthly energy costs and save money on future utility bills with a utility billing audit offered by URC Energy. URC Energy excels in identifying billing errors and overcharges to reduce utility costs and obtain available refunds.

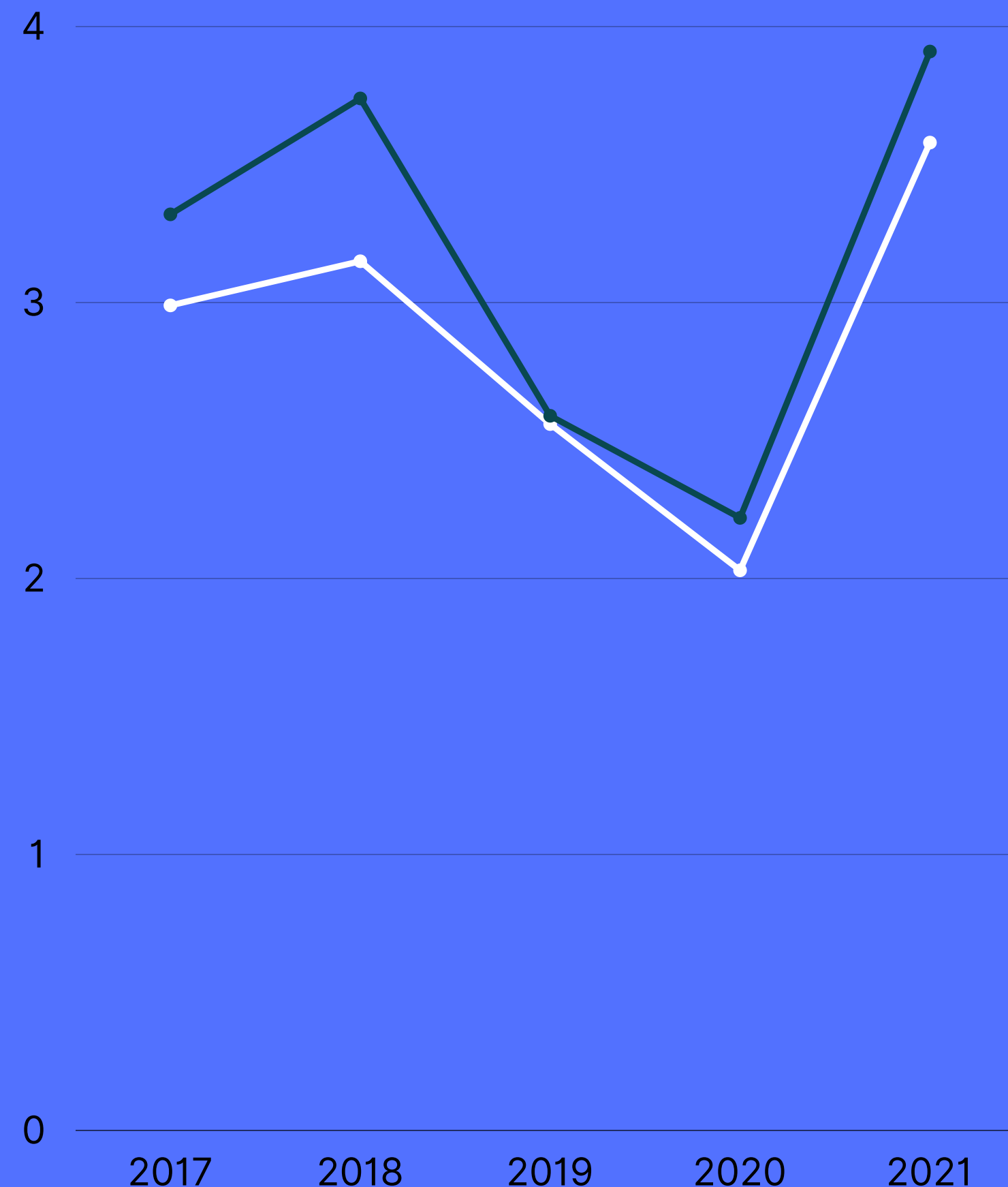
# Wellhead Producer Services

## Value Delivered

Maximize the value of production assets

URC Energy works closely with producers to develop and deliver the most competitive solutions to maximize the value of their assets. URC Energy offers competitive, flexible contracting options, including index, fixed, and hedged pricing structures and flexible terms.

\*Performance of URC Energy versus average yearly price of Henry Hub



## Markets

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California  
Connecticut  
Delaware  
Illinois  
Maine  
Massachusetts  
Michigan  
New Hampshire  
New Jersey  
New York  
Ohio \*  
Oregon  
Pennsylvania  
Rhode Island  
Texas

## Auctions managed by an experienced and proven industry leader

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URC Energy is an experienced and proven industry leader in delivering low cost energy to commercial and industrial customers in many deregulated markets.

By having multiple suppliers bid on your natural gas or electric supply, an auction managed by URC Energy delivers value, and real savings to your energy procurement objectives.

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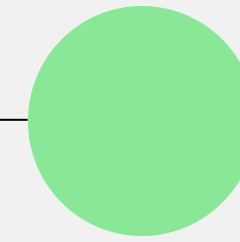
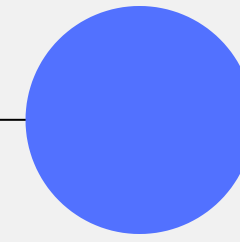
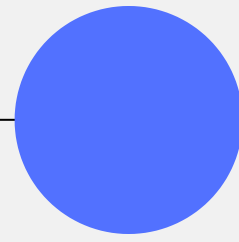
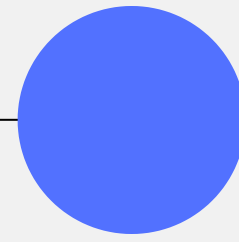
8,706 Energy Auctions managed by URC Energy

\*Licensing pending

# Energy Auctions

**Proven best practice for low-cost energy.**





### Billing Review

Ensure no overcharges or billing errors are passed through by the utility company.

### Success-Fee

URC Energy is 100% success-fee based. There are never any upfront costs or risks for a review.

### Eligible Industries

- Non Profit
- Agriculture
- Manufacturing
- Government

### Eligible Utilities\*

- Electric
- Natural Gas
- Telephone
- Water / Sewer
- Waste
- Motor Fuel
- Internet
- Cable

\*Industry specific

### Value Delivered

- \$186,918 - Government
- \$166,785 - Agriculture
- \$167,890 - Manufacturing
- \$256,078 - Manufacturing
- \$51,150 - Non-Profit
- \$41,113 Non-Profit
- \$48,110 - Manufacturing

# Utility Refunds





## AGREEMENT

URC ENERGY LLC ("Agent") and Groesbeck ISD ("Client") agree as follows as of

\_\_\_\_\_:

1. Agent will examine all utility and government charges on Client's bills for electric, gas, propane, water, sewer, telephone, cellular service, auto fuel, and any other utility bills deemed applicable by Agent ("Utility Bills") and seek to obtain refunds or credits for past overcharges and identify rate, tariff, or tax adjustments for future savings (the "Utility Review Services").
2. Client will provide Agent with requested copies of all Utility Bills for all accounts owned or operated by Client and sign documents authorizing and enabling Agent to secure refunds, credits for rate, meter, tariff, or tax adjustments.
3. Client will pay the following fees to Agent: (i) 50% of any refunds or credits obtained as a result of the efforts of Agent, and (ii) 50% of the amount of the reduction in Client's future Utility Bills attributable to rate, meter, tariff, or tax reductions (but not usage reductions) over the 48 month period from the start date of such reductions.  
**If no refunds, credits or savings are received, Client will owe nothing to Agent.**
4. Client will email a copy of all Utility Bills, refunds, credit statements, rate, meter, tariff, or tax adjustments and correspondence with providers regarding its Utility Bills to Agent at info@gourc.com within 15 business days of receipt by Client and provide to copies of any other information reasonably requested by Agent to verify fees due to Agent hereunder.
5. Client agrees that fees are due and payable to Agent within 15 business days of Client's receipt of refunds or credits, receipt of Utility Bills or verification from Agent implementing rate, meter, tariff, or tax adjustments. Should Client fail to pay any fee or part thereof when due, Agent will be entitled to recover interest at the State maximum allowable percentage plus all costs of collection, including reasonable agency and attorney's fees and expenses. Client consents to the exclusive jurisdiction of the courts of Palm Beach County, Florida for determination of any dispute hereunder and waives the right to a jury trial.
6. Client shall indemnify, defend, and hold Agent harmless from and against any and all damages, liabilities, costs and expenses arising out of or relating to claims made by utility service providers to Client in connection with the provision of such services or the Utility Review Services performed on Client's behalf.
7. Client authorizes Agent to use its name, logo, brief biographical information, and any testimonial (if applicable) in connection with publicizing and promoting Agent's services.
8. Agent will facilitate all correspondence and negotiations for Client's utility and or service providers to secure issuance of an invoice credit or refund check. In the event Client engages in negotiation or requests any refunds, or corrections on their own behalf with utility and or service provider(s) for a billing credit/refund, hinders, or revokes this authority for a period of 48 months from signature date of this Agreement, Client agrees to pay Agent the full percentage outlined above within 30 days of written notice of this action.
9. This Agreement shall terminate upon (a) payment in full for all Utility Review Services rendered hereunder; (b) Agent's good faith determination that no additional material refunds or credits are due and no material future savings are probable; (c) the mutual consent of the parties; (d) notice by Agent to Client in the event of Client's failure to pay Agent's fees as provided in Section 3 above, or (e) upon notice by one party to the other of any other material breach of this Agreement which breach, if curable, has not been cured within ten (10) business days after notice. Agent also reserves the right to terminate this Agreement and the services to be provided hereunder if Client does not provide requested information to Agent or Client otherwise does not cooperate with Agent in permitting Agent to seek refunds, credits or adjustments to Client's Utility Bills, in which case Client shall pay Agent as liquidated damages an amount equal to five percent (5%) of the average of the total amount of Client's Utility Bills for the most recent 24 months. Notwithstanding the foregoing, the following provisions of this Agreement shall survive the termination of this Agreement: Sections 3, 5, 6, 7, 9, and 10.



10. This Agreement is the entire agreement between the parties and supersedes all earlier and simultaneous agreements regarding the subject matter, including, without limitation, business forms, purchase orders, proposals or quotations. This Agreement may be amended only in a written document, signed by both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and represent that the persons whose signature appear below are duly authorized to execute this Agreement as of the date first set forth above.

**URC ENERGY LLC**

DocuSigned by:  
*Matthew Allyn*  
By: \_\_\_\_\_  
04D7802F3E6F4D4...

President  
Its: \_\_\_\_\_

Matthew Allyn  
Print Name: \_\_\_\_\_

**255 EVERNIA STREET  
SUITE 511  
WEST PALM BEACH, FLORIDA 33401  
561.444.8722 TELEPHONE  
INFO@GOURC.COM**

**FEDERAL EIN#: 45-4501589**

Groesbeck ISD

CLIENT NAME \_\_\_\_\_

By: \_\_\_\_\_

Print Name: Dr. James Cowley

Located at: 1202 N. Ellis

Groesbeck, Texas 76642

E-MAIL: james.cowley@groesbeckisd.net

PHONE: 254.729.4100

FEDERAL EIN#: \_\_\_\_\_



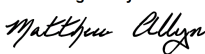
**CLIENT AUTHORIZATION**

The undersigned ("Client") hereby appoint(s) and grants permission to URC Energy LLC ("Agent"), it's Officers, Members and or Agents to be the true and lawful agent and attorney-in-fact, to perform any or all of the following Utility Review Services to assist the Client in obtaining a Utility Refund or Utility Cost Reduction including but not limited to:

1. To request from any public and/or private utility commission, company, provider, or organization, the most recent 48 monthly invoices, and to directly receive and examine such invoices and all related records and other information pertaining to such invoices, the Customer's utility accounts, and the utility services being provided to the Customer.
2. To prepare and execute rate, meter, tariff, or tax-exempt status documents with the proper authorities/organizations for the immediate and future status of rate, meter, tariff, or tax exemption with the utility, state or local government in which Client is located.
3. To prepare and execute documentation requesting all available Utility Refunds or savings.
4. To review necessary records and correspond with the Utility Companies for the purpose of tracking all Utility Refunds.
5. To execute any forms required by the utility provider(s) to obtain full or partial rate, meter, tariff, or tax-exempt status and/or any and all refunds due.
6. If any power of authority hereby sought to be conferred upon Agent should be deemed invalid or unable to be exercised for any cause or not recognized by any person or organization dealing with Agent, the remaining powers and authorities given to Agent hereunder shall nevertheless continue in full force and effect. This Client Authorization shall remain in full force and effect and shall not be affected by any disability, it being Client's intent that those dealing with Agent may rely upon this Client Authorization without inquiring whether it has been revoked. This Client Authorization shall be governed by the laws of the state in which it is executed and shall be effective from and after the date of execution hereof.
7. Client hereby authorizes the Utility Provider below to release customer account information to Agent.

Utility Provider	Account Number
SEE ATTACHED EXHIBIT A	SEE ATTACHED EXHIBIT A

**URC ENERGY LLC**

DocuSigned by:  
  
 By: \_\_\_\_\_  
 (Signed) 04D7802F3E6F4D4...  
**President**  
 Its: \_\_\_\_\_  
 (Title)  
**Matthew Allyn**  
 Print Name: \_\_\_\_\_  
**12/2/2021**  
 Date: \_\_\_\_\_

**255 EVERNIA STREET  
 SUITE 511  
 WEST PALM BEACH, FLORIDA 33401  
 561.444.8722 TELEPHONE  
 INFO@GOURC.COM**

**Groesbeck ISD**

\_\_\_\_\_  
 (Company Name)  
 By: \_\_\_\_\_  
 (Signed)  
**Superintendent of Schools**  
 Its: \_\_\_\_\_  
 (Title)  
**Dr. James Cowley**  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Located at: **1202 N. Ellis**  
**Groesbeck, TX 76642**  
 E-MAIL: **james.cowley@groesbeckisd.net**  
 PHONE : **254-729-4100**  
 FEDERAL EIN#: \_\_\_\_\_



**GROESBECK INDEPENDENT SCHOOL DISTRICT**

**RESOLUTION APPROVING INDEPENDENT SOURCES OF INSTRUCTIONS  
RELATING TO THE INVESTMENT RESPONSIBILITIES**

**WHEREAS**, Section 2256.008 (a) Texas Government Code, as amended, requires the treasurer, chief financial officer if the treasurer is not the chief financial officer, and investment officer of a local government to attend an investment training session not less than once in a two-year period and received not less than eight hours of instruction relating to investment responsibilities from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer, as provided in the investment policy of the local government:

**WHEREAS**, the Texas Association of School boards ("TASB"), the Texas association of School Administrators ("TASA"), the Texas Association of School Business Officials ("TASBO"), Region TASB Affiliates and Government Treasurers' Organization of Texas ("GTOT"), Public Treasury Institute of North America, and Texas Cooperative Liquid Assets Security System, provide investment training Sessions relating to investment responsibilities: and

**WHEREAS**, the governing body of this Local government wishes to approve TASB, TASA, TASBO, Region TASBO Affiliates and ("GTOT"), Public Treasury Institute of North America, and Texas Cooperative Liquid Assets Security System, as independent sources of instruction to provide investment training sessions required by Section 2256.008 (a):

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THIS LOCAL GOVERNMENT AS FOLLOWS:**

Section 1: Approval of Independent Sources of Instruction. TASB, TASA, TASBO, Region Service Centers, GTOT, Public Treasury Institute of North America, and Texas Cooperative Liquid Assets Security System are hereby approved as independent sources of instruction relating to investment responsibilities for the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of this local government, as required by Section 2256.008 (a), Texas Government Code, as amended.

Section 2: Public Meeting. It is hereby found, determined and declared that a sufficient written notice of the date time, place and subject of the meeting of the governing body of this local government at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the regular meeting place of the governing body for the time required by law preceding this meeting, as required by Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The governing body further ratifies, approves and confirms such notice and the contents and posting thereof.

**PASSED AND APPROVED** this 13th day of December, 2021.

\_\_\_\_\_  
(Presiding Officer of Governing Body)

ATTEST:

\_\_\_\_\_  
(Secretary of Governing Body)

(SEAL)

F. Resolution of Board to Convene the District's School Health Advisory Council (SHAC) to Recommend Curriculum Materials for Human Sexuality Instruction

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**Resolution of Board to Convene the District’s School Health  
Advisory Council (SHAC) to Recommend Curriculum  
Materials for Human Sexuality Instruction**

WHEREAS, Section 28.004(e-1) (1) of the Texas Education Code requires the Board of Trustees to adopt a resolution convening the local school health advisory council (SHAC) for the purpose of making recommendations regarding curriculum materials for the school District’s human sexuality instruction;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Groesbeck Independent School District hereby calls for the convening of the District SHAC to:

1. Hold at least two public meetings on the curriculum materials before adopting recommendations to present to the Board.
2. Recommend curriculum materials that comply with the instructional content requirements in law, are suitable for the subject and grade level for which the materials are intended, and are reviewed by academic experts in the subject and grade level for which the materials are intended.
3. Present the SHAC’s recommendations to the Board at a public meeting by January 24, 2021

Adopted this 13th (*date*) day of December (*month*), 2021 (*year*), by the Board of Trustees.

Presiding Officer’s Signature: \_\_\_\_\_

Secretary’s Signature: \_\_\_\_\_

**XXII. EXECUTIVE SESSION**

- A. Review Recommendation for Employment (Tex. Gov't 551.074)
- B. Personnel Resignations, Leave of Absences, or Reassignments (Tex. Gov't 551.074)

**XXIII. RECONVENE IN OPEN MEETING**

**XXIV. DISCUSSION AND POSSIBLE ACTION ON MATTERS  
DISCUSSED IN EXECUTIVE SESSION**

- A. Recommendation for Employment
  - I. Other Personnel Positions as Needed
- B. Personnel Resignations, Leave of Absences, or Reassignments

**XXV. BOARD MEMBER COMMENTS, REPORTS, AND DISCUSSION**

**XXVI. ADJOURNMENT**