

# Board Meeting Agenda

## Lake Travis Independent School District Board of Trustees

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A meeting of the Board of Trustees of Lake Travis Independent School District will be held December 17, 2025, beginning at 6:00 PM in the Educational Development Center, Live Oak Room, 607 RR 620 North, Austin, TX 78734.

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

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

If, during the course of the meeting covered by this agenda, the Board should determine that a closed session of the Board should be held or is required in relation to any item included on this agenda, then such closed session as authorized by Section 551.001 *et seq* of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this agenda or as soon after the commencement of the meeting covered by this agenda as the Board may conveniently meet in such closed session concerning any and all subjects and for any and all purposes permitted by Sections 551.071 – 551.084, inclusive, of the Open Meetings Act.

**Notice regarding Public Comments/Citizen Participation:** Participants must register to speak by either: (1) Completing and submitting the Public Participation form, available online, by 3:00 p.m. on the day of the meeting; or (2) Completing and submitting the Public Participation form in person at the designated meeting location on the scheduled meeting date, prior to the meeting's start time.

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| 9.  | <b>Closed Session in accordance with Texas Government Code 551.001 et. seq.</b><br><b>Section 551.071</b> - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.<br><b>Section 551.074</b> - For the purpose of discussing the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or to hear complaints or charges against a public officer or employee. |     |
| 10. | <b>Consideration Items Arising from Closed Session</b>  |     |
| 11. | <b>Adjournment</b>  |     |



December 17, 2025  
School Board Meeting  
Special Recognition



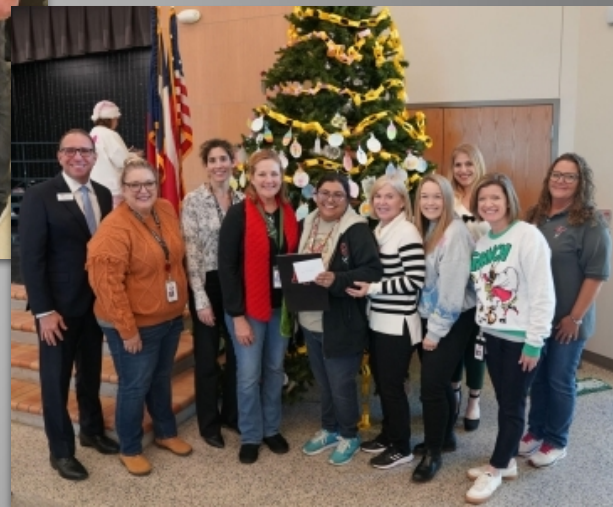
# LT High5 Award presented by High5 Round 2 Recipients



Ashley Rebold - LTE



Shannon Aguirre - LTHS



Sarai Trujillo Balderas - RHE





Lake Travis High School  
Texas State Thespians Convention &  
Festival Improv Competition



Thespian Troupe 4535



Lake Travis High School  
2025 UIL State Open Class  
Marching Band Contest



# Les Misérables: Beyond The Page

Lake Travis High School Cavalier Band





December 17, 2025  
School Board Meeting  
Special Recognition



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

LT High5 Award presented by High5 – Round 2 Recipients

### RECOMMENDED ACTION

**No action required. Recognition only.**

### RATIONALE

Five times a year, three district employees will be presented with the "LT High5 Award presented by High5." The award recognizes outstanding service beyond self that positively impacts fellow colleagues, students, parents, and/or the Lake Travis community.

All Lake Travis ISD employees are eligible for this award. There is no official nomination form. At any time throughout the school year, any Lake Travis ISD employee may nominate another employee for the award by simply sending an email directly to the District's Executive Director for Communications & Community Relations. Nominees are reviewed and award recipients are selected by the Superintendent's Cabinet.

The following employees are recipients of the second round of the "LT High5 Award" presented by High5:

- **Shannon Aguirre** – Latin Teacher, Lake Travis High School
- **Ashley Rebold** – Registrar, Lake Travis Elementary
- **Sarai Trujillo-Balderas** - FANS and Extended Care, Rough Hollow Elementary

### BUDGET PROVISIONS

None

### RESOURCE PERSONNEL

Marco Alvarado - Executive Director for Communications & Community Relations

### ATTACHMENTS

None

### MEETING DATE

December 17, 2025



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

Lake Travis High School – Texas State Thespians Convention & Festival Improv Competition

### RECOMMENDED ACTION

**No action required. Recognition only.**

### RATIONALE

Lake Travis High School Thespian Troupe 4535 earned statewide acclaim after capturing 2nd Place at the Texas Thespians State Festival Improv Competition in November. This competition saw the Improv team showcasing their artistic skills and quick-thinking abilities. The team navigated through six rigorous rounds of competition, demonstrating a remarkable ability to adapt and innovate under high stakes, reaffirming its status as one of the premier theatre programs in Texas. This extends an impressive streak of top three finishes for the program since 2023.

The Improv team is comprised of the following students:

- **Maya Block, junior**
- **Ellie Carpenter, senior**
- **Parker DeBord, senior**
- **Garrett Grant, senior**
- **Riley Kendall, junior**
- **Hanna Liberman, junior**
- **Parker Livingston, junior**
- **Vandit Rikhi, senior**

In addition, five performers earned a Superior Rank, which is the highest honor awarded and qualifies them to compete at the International Thespian Festival next summer in Indiana. These students are:

- **Alexas DeMaria, senior**
- **Zara Lion, junior**
- **Sophie McDuffie, junior**
- **Irelan Regner, sophomore**
- **Shyla Seth, junior**

Texas Thespians, an affiliate of the Texas Educational Theatre Association, is one of the largest chapters in the nation which promotes excellence in middle and high school theatre departments across the state. **Andrew Hardaway** serves as the Director of Theater Arts at Lake Travis High School.

### BUDGET PROVISIONS

None



**RESOURCE PERSONNEL**

Shannon Gill - Director of Fine Arts

James Bush - Lake Travis High School Principal

Marco Alvarado - Executive Director for Communications & Community Relations

**ATTACHMENTS**

None

**MEETING DATE**

December 17, 2025



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

Lake Travis High School - 2025 UIL State Open Class Marching Band Contest

### RECOMMENDED ACTION

**No action required. Recognition only.**

### RATIONALE

The Lake Travis High School Cavalier Band concluded its fall competitive marching season with an incredible performance at the 2025 UIL State Open Class Marching Band Contest held November 3 at the Alamodome in San Antonio. The band fielded 220 students and performed “Beyond the Page,” featuring music from the Broadway musical Les Misérables. This was the sixth consecutive appearance at the state marching contest for Lake Travis High School.

The Lake Travis Cavalier Band is under the direction of **Richard Hicks**. He is assisted by **Ben Zein, Douglas Bell, Brittany Baptista, Jordan Reddicks, Michael Fairbrother, and Christopher Maldonado**.

### BUDGET PROVISIONS

None

### RESOURCE PERSONNEL

James Bush - Lake Travis High School Principal

Shannon Gill - Director of Fine Arts

Marco Alvarado - Executive Director for Communications & Community Relations

### ATTACHMENTS

None

### MEETING DATE

December 17, 2025



## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Consideration of and Request for Approval of the Lake Travis Independent School District's Annual Financial Report for the Fiscal Year Ended August 31, 2025

### **RECOMMENDED ACTION**

**Administration recommends approval of the Annual Financial Report for the Fiscal Year Ended August 31, 2025, as presented.**

### **RATIONALE**

The District's external audit firm, Pattillo, Brown & Hill, LLP, has completed their annual audit of Lake Travis ISD for the 2024-2025 fiscal year. Paula Lowe, Audit Partner, will be present to provide an overview of the audit report to the Board of Trustees.

### **BUDGET PROVISIONS**

General Operating Fund – \$44,250

### **RESOURCE PERSONNEL**

Pam Sanchez – Assistant Superintendent of Business Services  
Brad Goerke – Director of Finance

### **ATTACHMENTS**

Annual Financial Report for the Fiscal Year Ended August 31, 2025

### **MEETING DATE**

December 17, 2025



**Lake Travis Independent School District**

One Community. One Purpose. All Heart.

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
AUGUST 31, 2025**



**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2025

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CERTIFICATE OF BOARD

Lake Travis Independent School District  
Name of School District

Travis  
County

227913  
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, 2025, at a meeting of the Board of Trustees of such school district on the 17th day of December 2025.

\_\_\_\_\_  
Signature of Vice President

\_\_\_\_\_  
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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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Lake Travis Independent School District  
Austin, Texas

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Lake Travis Independent School District, (the "District"), as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in the notes to the financial statements, in fiscal year 2025 the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, and pension and OPEB information, as listed in the table of contents, to be presented to supplement the basic financial statements. Such information is the responsibility of management and 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake Travis Independent School District’s basic financial statements. The combining statements, required TEA schedules, except for Exhibit L-1, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records 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 statements, required TEA schedules, except for Exhibit L-1, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises Exhibit L-1 Required Responses to Selected School First Indicators but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of 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.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 5, 2025

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In this section of the Annual Financial Report, we, the management of Lake Travis Independent School District (the "District"), discuss and analyze the District's financial performance for the fiscal year ended August 31, 2025. Please read it in conjunction with the District's financial statements which begin on page 11.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent period by \$179,311,826 (net position).
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$297,821,645. Approximately 9.2% of this total amount, \$27,284,776, represents unassigned fund balance in the General Fund, which is available for spending at the District's discretion or 16.3% of the total General Fund expenditures.
- At the end of the current fiscal year, fund balance for the Capital Projects Fund was \$251,929,173.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget.

The Notes to Basic Financial Statements provide narrative explanations or additional data that are an integral part for full disclosure in the government-wide statements or the fund financial statements. The combining statements and budget comparisons included as supplementary information provide detail of all nonmajor governmental funds and budgetary comparisons for the Debt Service major governmental fund and the National School Lunch and Breakfast Program nonmajor governmental fund.

The Other Schedules section provides additional supporting schedules, including a Schedule of Delinquent Taxes Receivable, Exhibit J-4 Use of Funds Report for Select State Allotment Programs, and Exhibit L-1 Required Responses to School First Indicators.

The Required Supplementary Information includes the Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions - Pensions, the Schedule of the District's Proportionate Share of the Net OPEB Liability, Schedule of District Contributions - OPEB, and the budgetary comparison schedule for the General Fund.

The Federal Awards Section contains data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

## **Reporting the District as a Whole**

### ***The Statement of Net Position and the Statement of Activities***

The analysis of the District's overall financial condition and operations of the District is primarily to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows, liabilities, and deferred inflows at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by the private sector.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as fees paid to participate in community education programs and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or through the Texas Education Agency. All the District's assets and deferred outflows are reported whether they serve the current year or future years. Liabilities and deferred inflows are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in net position. The District's net position (the difference between assets, deferred outflows, liabilities, and deferred inflows) provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's enrollment or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, the District has two types of activities:

- Governmental activities - The District's basic services are reported here, including instruction, counseling, co-curricular activities, food services, transportation, maintenance, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities - The District's community education function is reported here as the intention is to recover all or a significant portion of their costs through user fees and charges. In addition, the District's video display board operations are also reported here as the intention is to recover all costs of operating the video display board through advertising revenues.

## **Reporting the District's Most Significant Funds**

### ***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the Every Student Succeeds Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes, such as campus activities. The District uses the following funds for its accounting:

- Governmental funds - The District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. The differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in reconciliations following each of the fund financial statements.

- Proprietary funds - The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the District's Enterprise Funds (one category of proprietary funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows.

## The District as Trustee

### Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities and alumni scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. The District reports these resources from the District's other financial 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.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District has presented net position measurements as required by generally accepted accounting principles. Our analysis of comparative balances and changes therein for the current year's operations presents both current and prior year data and discusses significant changes in accounts. Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Net position of the District's governmental activities increased from \$162,762,758 to \$178,628,182. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - was a deficit of \$15,478,048 at August 31, 2025. This increase in governmental net position by \$18,265,767 as shown in Table II was the result of the District's property tax growth and capital contributions, and significant debt reduction.

Net position of the District's business-type activities decreased from \$697,851 to \$683,644. This decrease is primarily due to an increase in payroll costs and costs related to professional and contracted services.

**TABLE I  
NET POSITION**

|                                       | Governmental Activities |                | Business-type Activities |            | Totals         |                |
|---------------------------------------|-------------------------|----------------|--------------------------|------------|----------------|----------------|
|                                       | 2025                    | 2024           | 2025                     | 2024       | 2025           | 2024           |
| Current and other assets              | \$ 323,996,414          | \$ 374,180,998 | \$ 726,970               | \$ 682,682 | \$ 324,723,384 | \$ 374,863,680 |
| Capital assets                        | 490,686,312             | 454,954,323    | 419,389                  | 444,059    | 491,105,701    | 455,398,382    |
| Total assets                          | 814,682,726             | 829,135,321    | 1,146,359                | 1,126,741  | 815,829,085    | 830,262,062    |
| Deferred outflows - deferred loss     | 11,894,980              | 13,735,194     | -                        | -          | 11,894,980     | 13,735,194     |
| Deferred outflows related to pensions | 10,309,345              | 17,467,851     | -                        | -          | 10,309,345     | 17,467,851     |
| Deferred outflows related to OPEB     | 13,173,301              | 10,044,639     | -                        | -          | 13,173,301     | 10,044,639     |
| Total deferred outflows of resources  | 35,377,626              | 41,247,684     | -                        | -          | 35,377,626     | 41,247,684     |
| Current liabilities                   | 19,387,874              | 13,306,698     | 462,715                  | 428,890    | 19,850,589     | 13,735,588     |
| Long-term liabilities                 | 632,149,657             | 668,218,909    | -                        | -          | 632,149,657    | 668,218,909    |
| Total liabilities                     | 651,537,531             | 681,525,607    | 462,715                  | 428,890    | 652,000,246    | 681,954,497    |
| Deferred inflows related to leases    | 577,696                 | 658,902        | -                        | -          | 577,696        | 658,902        |
| Deferred inflows related to pensions  | 747,382                 | 1,761,027      | -                        | -          | 747,382        | 1,761,027      |
| Deferred inflows related to OPEB      | 18,569,561              | 23,674,711     | -                        | -          | 18,569,561     | 23,674,711     |
| Total deferred inflows of resources   | 19,894,639              | 26,094,640     | -                        | -          | 19,894,639     | 26,094,640     |
| Net position:                         |                         |                |                          |            |                |                |
| Net investment in capital assets      | 181,465,324             | 154,222,045    | 419,389                  | 444,059    | 181,884,713    | 154,666,104    |
| Restricted                            | 12,640,906              | 12,196,732     | -                        | -          | 12,640,906     | 12,196,732     |
| Unrestricted                          | (15,478,048)            | (3,656,019)    | 264,255                  | 253,792    | (15,213,793)   | (3,402,227)    |
| Total net position                    | \$ 178,628,182          | \$ 162,762,758 | \$ 683,644               | \$ 697,851 | \$ 179,311,826 | \$ 163,460,609 |

The cost of all governmental activities this year was \$216,817,943. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through District taxes was \$200,546,983 because some of the costs were paid by those who directly benefited from the programs (\$10,929,907), by capital grants and contributions (\$10,336,179), and operating grants or contributions (\$9,389,828), or state foundation funding (\$7,568,591).

**TABLE II  
CHANGES IN NET POSITION**

|  | Governmental Activities |                       | Business-type Activities |                    | Totals                |                       |
|--|-------------------------|-----------------------|--------------------------|--------------------|-----------------------|-----------------------|
|  | 2025                    | 2024                  | 2025                     | 2024               | 2025                  | 2024                  |
| <b>REVENUES</b>  |                         |                       |                          |                    |                       |                       |
| Program revenues:                                      |                         |                       |                          |                    |                       |                       |
| Charges for services                                   | \$ 10,929,907           | \$ 10,621,590         | \$ 4,320,786             | \$ 4,152,506       | \$ 15,250,693         | \$ 14,774,096         |
| Operating grants and contributions                     | 9,389,828               | 16,208,045            | -                        | -                  | 9,389,828             | 16,208,045            |
| Capital grants and contributions                       | 10,336,179              | 11,844,579            | -                        | -                  | 10,336,179            | 11,844,579            |
| General revenues:                                      |                         |                       |                          |                    |                       |                       |
| Maintenance and operations taxes                       | 138,835,828             | 135,791,922           | -                        | -                  | 138,835,828           | 135,791,922           |
| Debt service taxes                                     | 61,711,155              | 59,744,898            | -                        | -                  | 61,711,155            | 59,744,898            |
| Grants and contributions not restricted                | 7,568,591               | 6,146,110             | -                        | -                  | 7,568,591             | 6,146,110             |
| Investment earnings                                    | 4,511,374               | 5,558,862             | -                        | -                  | 4,511,374             | 5,558,862             |
| Miscellaneous  | 251,311                 | 144,272               | -                        | -                  | 251,311               | 144,272               |
| Total revenues   | <u>243,534,173</u>      | <u>246,060,278</u>    | <u>4,320,786</u>         | <u>4,152,506</u>   | <u>247,854,959</u>    | <u>250,212,784</u>    |
| <b>EXPENSES</b>  |                         |                       |                          |                    |                       |                       |
| Governmental activities                                |                         |                       |                          |                    |                       |                       |
| Instruction  | 79,235,431              | 88,970,429            | -                        | -                  | 79,235,431            | 88,970,429            |
| Instructional resources and media services             | 1,052,481               | 1,069,340             | -                        | -                  | 1,052,481             | 1,069,340             |
| Curriculum and instructional staff development         | 1,444,681               | 1,380,411             | -                        | -                  | 1,444,681             | 1,380,411             |
| Instructional leadership                               | 2,845,378               | 2,800,532             | -                        | -                  | 2,845,378             | 2,800,532             |
| School leadership                                      | 5,969,311               | 6,018,208             | -                        | -                  | 5,969,311             | 6,018,208             |
| Guidance, counseling and evaluation services           | 5,678,591               | 6,128,616             | -                        | -                  | 5,678,591             | 6,128,616             |
| Social work services                                   | 362,119                 | 445,004               | -                        | -                  | 362,119               | 445,004               |
| Health services  | 1,001,479               | 963,318               | -                        | -                  | 1,001,479             | 963,318               |
| Student (pupil) transportation                         | 5,213,912               | 6,949,823             | -                        | -                  | 5,213,912             | 6,949,823             |
| Food services  | 7,230,201               | 7,893,531             | -                        | -                  | 7,230,201             | 7,893,531             |
| Co-curricular/extra curricular activities              | 4,609,608               | 4,915,931             | -                        | -                  | 4,609,608             | 4,915,931             |
| General administration                                 | 5,565,536               | 5,271,964             | -                        | -                  | 5,565,536             | 5,271,964             |
| Facilities maintenance and operations                  | 15,703,378              | 16,657,875            | -                        | -                  | 15,703,378            | 16,657,875            |
| Security and monitoring services                       | 1,741,555               | 1,729,338             | -                        | -                  | 1,741,555             | 1,729,338             |
| Data processing services                               | 4,102,644               | 6,382,234             | -                        | -                  | 4,102,644             | 6,382,234             |
| Community services                                     | 1,056,071               | 1,517,408             | -                        | -                  | 1,056,071             | 1,517,408             |
| Debt service - interest on long-term debt              | 23,051,205              | 28,199,943            | -                        | -                  | 23,051,205            | 28,199,943            |
| Debt service - bond issuance costs                     | 17,766                  | 310,462               | -                        | -                  | 17,766                | 310,462               |
| Contracted instructional services between schools      | 49,849,098              | 43,205,228            | -                        | -                  | 49,849,098            | 43,205,228            |
| Payments related to shared service arrangements        | 57,809                  | 44,380                | -                        | -                  | 57,809                | 44,380                |
| Payments to juvenile justice                           |                         |                       |                          |                    |                       |                       |
| alternative education programs                         | 2,322                   | -                     | -                        | -                  | 2,322                 | -                     |
| Other intergovernmental charges                        | 1,027,367               | 1,005,541             | -                        | -                  | 1,027,367             | 1,005,541             |
| Business-type activities                               |                         |                       |                          |                    |                       |                       |
| Community education                                    | -                       | -                     | 4,306,154                | 4,286,532          | 4,306,154             | 4,286,532             |
| Video display board                                    | -                       | -                     | 28,839                   | 24,670             | 28,839                | 24,670                |
| Total expenses   | <u>216,817,943</u>      | <u>231,859,516</u>    | <u>4,334,993</u>         | <u>4,311,202</u>   | <u>221,152,936</u>    | <u>236,170,718</u>    |
| <b>SPECIAL ITEM TRANSFERS</b>                          | (8,450,463)             | -                     | -                        | -                  | (8,450,463)           | -                     |
| <b>CHANGE IN NET POSITION</b>                          | <u>18,265,767</u>       | <u>16,150,762</u>     | <u>(14,207)</u>          | <u>(2,108,696)</u> | <u>18,251,560</u>     | <u>14,042,066</u>     |
| <b>NET POSITION, BEGINNING, AS PREVIOUSLY REPORTED</b> | <u>162,762,758</u>      | <u>146,611,996</u>    | <u>697,851</u>           | <u>2,806,547</u>   | <u>163,460,609</u>    | <u>149,418,543</u>    |
| <b>CHANGE IN ACCOUNTING PRINCIPLE</b>                  | (2,400,343)             | -                     | -                        | -                  | (2,400,343)           | -                     |
| <b>NET POSITION, BEGINNING, AS RESTATED</b>            | <u>160,362,415</u>      | <u>146,611,996</u>    | <u>697,851</u>           | <u>2,806,547</u>   | <u>161,060,266</u>    | <u>149,418,543</u>    |
| <b>NET POSITION, ENDING</b>                            | <u>\$ 178,628,182</u>   | <u>\$ 162,762,758</u> | <u>\$ 683,644</u>        | <u>\$ 697,851</u>  | <u>\$ 179,311,826</u> | <u>\$ 163,460,609</u> |

## THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported a combined fund balance of \$297,821,645, which is a decrease of \$56,524,809 from the prior year's total of \$354,346,454. This overall reduction is consistent with the District's planned use of resources, particularly within the Capital Projects Fund, as voter-authorized construction and improvement projects continued throughout the year.

The General Fund experienced a decrease of \$9,527,596, reflecting higher operational expenditures, including staffing costs, recapture payments, and campus-support needs, combined with state funding levels that did not keep pace with rising costs. While the District utilized a portion of its accumulated fund balance to manage these pressures, the General Fund continues to maintain a healthy unassigned fund balance sufficient to meet the District's financial policies and operational needs.

The Debt Service Fund reported an increase of \$321,091, primarily due to tax collections and investment earnings that were sufficient to meet the current year's principal and interest obligations. The increase also reflects the timing of collections relative to scheduled debt service payments and demonstrates the District's continued ability to meet its long-term debt commitments.

The Capital Projects Fund incurred a decrease of \$47,480,133, which is directly related to ongoing capital outlay activity. During the year, the District continued major construction and renovation projects, including new facility construction, land acquisition, infrastructure improvements, and other bond-funded initiatives. These expenditures represent the planned drawdown of bond proceeds and are aligned with the multi-year capital improvement plan approved by voters. Remaining fund balances in this fund are restricted or committed for completion of projects already underway.

Overall, the decrease in total governmental fund balances is aligned with the District’s strategic financial plan and reflects the intentional use of bond proceeds and reserves to support both operational needs and long-term capital investments. Despite these decreases, the District continues to maintain strong governmental fund balances and remains well positioned to meet its ongoing operational and capital requirements.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into two categories. The first category includes amendments to appropriate additional funds earned. The second category involved amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

At the end of 2025, the District had \$491,105,701 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents an increase of \$35,707,319 from last year. This increase is related to ongoing bond projects to purchase land for \$1.4 million, elementary school construction of \$17.8 million, high school site road development \$8.8 million and Lake Travis High School improvements of \$13.2 million.

|                            | District's Capital Assets<br>(Net of Accumulated Depreciation) |                       |
|----------------------------|--|-----------------------|
|                            | 2025   | 2024                  |
| Land                       | \$ 51,535,504  | \$ 50,128,368         |
| Construction in progress   | 64,583,389   | 31,616,671            |
| Buildings and improvements | 353,410,485  | 361,041,735           |
| Furniture and equipment    | 11,911,681   | 4,056,467             |
| Vehicles                   | 7,096,886  | 5,230,817             |
| Right to use, SBITA        | 2,567,756  | 3,324,324             |
| Total capital assets, net  | <u>\$ 491,105,701</u>  | <u>\$ 455,398,382</u> |

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

***Long-term Liabilities***

At year-end, the District had \$564,173,725 in bonds outstanding versus \$607,349,478 last year. The decrease was due to the defeasance of \$7,610,000 of Unlimited Tax Refunding Bonds, Series 2017, coupled with principal payments on bonds in the amount of \$32,460,000. Other obligations of the District include compensated absences, arbitrage, subscription based IT arrangements, the District’s proportionate share of the net pension liability associated with the TRS pension plan, and the District’s proportionate share of the net OPEB liability associated with the TRS-Care plan.

More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

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

The District is located in one of the fastest growing regions of the state. The District is approximately 18 miles west of Austin, the capital city of Texas, bordered on the north by Lake Travis. Continued growth is expected for years to come as the area has major national employers and educational institutions. Assessed property values are also expected to grow in the future as the area is diverse in its economic offerings. The District anticipates student enrollment to remain flat due to above average home values and high mortgage rates.

The District's elected officials considered many factors when setting the fiscal year 2025 budget and tax rates. Those factors include property values, changes in enrollment, student attendance rates, five-year budget projections, legislative mandates and school funding changes. The District set its operating tax rate at \$0.7381 and its debt service tax rate at \$0.3275 for the 2024-2025 school year, and the Board adopted an operating tax rate of \$0.7122 and debt service tax rate of \$0.3275 for the 2025-2026 school year.

Due to projected growth in students, the 2025-2026 budget includes the following:

- The District's student attendance rate for the 2024-2025 school year increased to 94.74% from the prior year due to an emphasis by each campus on student attendance throughout the school year.
- The District experienced a decrease in enrollment of 2.3 percent for the 2024-2025 school year and reflects an overall slight decrease of 0.1 percent over the past five years.
- The District's taxable valuation has decreased by 2 percent for the 2025-2026 school year due to the new legislative approved increases in the homestead exemptions effective for the 2025 tax year. This is down from an increase of 5 percent last year.
- The District has appropriated General Fund revenues and expenditures in the 2025-2026 budgets of \$145.9 million and \$150.1 million, respectively. Significant changes to the budget include the cost of additional instructional and special education positions (\$715,000), the decrease in cost of recapture due to lower property tax values (\$18 million), cuts to nonpayroll budgets of 10% and 50% to staff travel (\$1.4 million), a salary increase of 1.0 percent for all staff (\$721,000) except for teachers with three or more years of experience. The funding of significant salary increases for teachers based on years of experience was provided through state aid.
- On the Interest and Sinking (I & S) Fund, property values throughout the District will allow the District to redeem an additional \$21.6 million of its Series 2017 current bond obligations. By paying down the District's debt requirement prior to their scheduled maturity dates, the District estimates an overall debt savings of approximately \$6 million.

The 89th Regular Legislative Session gave several minor increases in funding for teacher and support staff salaries, basic costs such as benefits, property insurance and utilities, special education evaluations and transportation costs, and safety and security mandated measures for the District. The legislation continued M&O tax rate compression and increased the amount of funds the district receives for the Basic Allotment by \$55 per student in attendance.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Assistant Superintendent of Business and Operations, Lake Travis Independent School District, 3322 Ranch Road 620 South, Austin, Texas 78738.

## **BASIC FINANCIAL STATEMENTS**

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LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT

EXHIBIT A-1

STATEMENT OF NET POSITION

AUGUST 31, 2025

| Data Control Codes                                 | 1<br>Governmental<br>Activities | 2<br>Business-type<br>Activities | 3<br>Total            |
|--|---------------------------------|----------------------------------|-----------------------|
| <b>ASSETS</b>                                      |                                 |                                  |                       |
| 1110 Cash and cash equivalents                     | \$ 317,833,414                  | \$ 732,961                       | \$ 318,566,375        |
| 1220 Property taxes receivables                    | 6,316,730                       | -                                | 6,316,730             |
| 1230 Allowance for uncollectible taxes             | (1,895,019)                     | -                                | (1,895,019)           |
| 1240 Due from other governments                    | 858,117                         | -                                | 858,117               |
| 1250 Accrued interest                              | 26,046                          | -                                | 26,046                |
| 1260 Internal balances                             | 5,991                           | (5,991)                          | -                     |
| 1290 Other receivables                             | 578,096                         | -                                | 578,096               |
| 1300 Inventories                                   | 273,039                         | -                                | 273,039               |
| Capital assets:                                    |                                 |                                  |                       |
| 1510 Land  | 51,535,504                      | -                                | 51,535,504            |
| 1520 Buildings and improvements, net               | 352,991,096                     | 419,389                          | 353,410,485           |
| 1530 Furniture and equipment, net                  | 11,911,681                      | -                                | 11,911,681            |
| 1540 Vehicles, net                                 | 7,096,886                       | -                                | 7,096,886             |
| 1553 Right to use, SBITA                           | 2,567,756                       | -                                | 2,567,756             |
| 1580 Construction in progress                      | 64,583,389                      | -                                | 64,583,389            |
| 1000 Total assets                                  | <u>814,682,726</u>              | <u>1,146,359</u>                 | <u>815,829,085</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                                 |                                  |                       |
| 1701 Deferred loss on bond refunding               | 11,894,980                      | -                                | 11,894,980            |
| 1705 Related to TRS pension                        | 10,309,345                      | -                                | 10,309,345            |
| 1706 Related to TRS other post-employment benefits | 13,173,301                      | -                                | 13,173,301            |
| 1700 Total deferred outflows of resources          | <u>35,377,626</u>               | <u>-</u>                         | <u>35,377,626</u>     |
| <b>LIABILITIES</b>                                 |                                 |                                  |                       |
| 2110 Accounts payable                              | 4,059,104                       | 4,316                            | 4,063,420             |
| 2140 Interest payable                              | 963,571                         | -                                | 963,571               |
| 2150 Payroll deductions and withholdings           | 239,769                         | -                                | 239,769               |
| 2160 Accrued wages payable                         | 8,524,405                       | 174,440                          | 8,698,845             |
| 2180 Due to other governments                      | 3,199,249                       | -                                | 3,199,249             |
| 2200 Accrued expenses                              | 1,745,227                       | -                                | 1,745,227             |
| 2300 Unearned revenue                              | 656,549                         | 283,959                          | 940,508               |
| Noncurrent liabilities:                            |                                 |                                  |                       |
| Due within one year:                               |                                 |                                  |                       |
| 2501 Long-term debt                                | 18,649,375                      | -                                | 18,649,375            |
| Due in more than one year:                         |                                 |                                  |                       |
| 2502 Long-term debt                                | 548,589,851                     | -                                | 548,589,851           |
| 2540 Net TRS pension                               | 33,759,694                      | -                                | 33,759,694            |
| 2545 Net TRS other post-employment benefits        | 22,423,134                      | -                                | 22,423,134            |
| 2590 Arbitrage                                     | 8,727,603                       | -                                | 8,727,603             |
| 2000 Total liabilities                             | <u>651,537,531</u>              | <u>462,715</u>                   | <u>652,000,246</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                                 |                                  |                       |
| 2602 Related to leases                             | 577,696                         | -                                | 577,696               |
| 2605 Related to TRS pension                        | 747,382                         | -                                | 747,382               |
| 2606 Related to TRS other post-employment benefits | 18,569,561                      | -                                | 18,569,561            |
| 2600 Total deferred inflows of resources           | <u>19,894,639</u>               | <u>-</u>                         | <u>19,894,639</u>     |
| <b>NET POSITION</b>                                |                                 |                                  |                       |
| 3200 Net investment in capital assets              | 181,465,324                     | 419,389                          | 181,884,713           |
| Restricted for:                                    |                                 |                                  |                       |
| 3820 Federal and state programs                    | 1,197,000                       | -                                | 1,197,000             |
| 3850 Debt service                                  | 11,443,906                      | -                                | 11,443,906            |
| 3900 Unrestricted                                  | (15,478,048)                    | 264,255                          | (15,213,793)          |
| 3000 Total net position                            | <u>\$ 178,628,182</u>           | <u>\$ 683,644</u>                | <u>\$ 179,311,826</u> |

The accompanying notes are an integral part of this financial statement.

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2025

| Data Control Codes        | 1  | Program Revenues<br><u>3</u> |
|---------------------------|--|------------------------------|
| Functions/Programs        | Expenses   | Charges for Services         |
| Primary government:       |  |                              |
| Governmental activities:  |  |                              |
| 11                        | \$ 79,235,431  | \$ 2,069,825                 |
| 12                        | 1,052,481  | 28,710                       |
| 13                        | 1,444,681  | -                            |
| 21                        | 2,845,378  | -                            |
| 23                        | 5,969,311  | -                            |
| 31                        | 5,678,591  | 350,380                      |
| 32                        | 362,119  | -                            |
| 33                        | 1,001,479  | -                            |
| 34                        | 5,213,912  | -                            |
| 35                        | 7,230,201  | 6,101,777                    |
| 36                        | 4,609,608  | 1,537,700                    |
| 41                        | 5,565,536  | -                            |
| 51                        | 15,703,378   | 766,874                      |
| 52                        | 1,741,555  | -                            |
| 53                        | 4,102,644  | -                            |
| 61                        | 1,056,071  | 74,641                       |
| 72                        | 23,051,205   | -                            |
| 73                        | 17,766   | -                            |
| 91                        | 49,849,098   | -                            |
| 93                        | 57,809   | -                            |
| 95                        | 2,322  | -                            |
| 99                        | 1,027,367  | -                            |
|                           | <u>216,817,943</u>   | <u>10,929,907</u>            |
|                           | [TG] Total governmental activities                           |                              |
| Business-type activities: |  |                              |
| 01                        | 4,306,154  | 4,256,286                    |
| 02                        | 28,839   | 64,500                       |
|                           | <u>4,334,993</u>   | <u>4,320,786</u>             |
|                           | [TB] Total business-type activities                          |                              |
|                           | <u>\$ 221,152,936</u>  | <u>\$ 15,250,693</u>         |
|                           | [TP] Total primary government                                |                              |
| General revenues:         |  |                              |
| Taxes:                    |  |                              |
| MT                        | Property taxes, levied for general purposes                  |                              |
| DT                        | Property taxes, levied for debt service                      |                              |
| GC                        | Grants and contributions not restricted to specific programs |                              |
| IE                        | Investment earnings  |                              |
| MI                        | Miscellaneous  |                              |
| S1                        | Special item   |                              |
| TR                        | Total general revenues and special items                     |                              |
| CN                        | Change in net position                                       |                              |
| NB                        | Net position, beginning, as previously reported              |                              |
| Restatement:              |  |                              |
|                           | Change in accounting principle                               |                              |
| NB                        | Net position, beginning, as restated                         |                              |
| NE                        | Net position, ending   |                              |

The accompanying notes are an integral part of this financial statement.

| Program Revenues                   |                                  | Net (Expenses) Revenue and Changes in<br>in Net Position |                          |                       |
|------------------------------------|----------------------------------|--|--------------------------|-----------------------|
| 4                                  | 5                                | 6  | 7                        | 8                     |
| Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                                       |                          | Total                 |
|                                    |                                  | Governmental Activities                                  | Business-type Activities |                       |
| \$ 4,320,638                       | \$ 10,336,179                    | \$ (62,508,789)  | \$ -                     | \$ (62,508,789)       |
| 23,141                             | -                                | (1,000,630)  | -                        | (1,000,630)           |
| 200,400                            | -                                | (1,244,281)  | -                        | (1,244,281)           |
| 59,080                             | -                                | (2,786,298)  | -                        | (2,786,298)           |
| 136,485                            | -                                | (5,832,826)  | -                        | (5,832,826)           |
| 851,191                            | -                                | (4,477,020)  | -                        | (4,477,020)           |
| 8,443                              | -                                | (353,676)  | -                        | (353,676)             |
| 18,754                             | -                                | (982,725)  | -                        | (982,725)             |
| 103,264                            | -                                | (5,110,648)  | -                        | (5,110,648)           |
| 924,713                            | -                                | (203,711)  | -                        | (203,711)             |
| 51,203                             | -                                | (3,020,705)  | -                        | (3,020,705)           |
| 96,102                             | -                                | (5,469,434)  | -                        | (5,469,434)           |
| 50,517                             | -                                | (14,885,987)   | -                        | (14,885,987)          |
| 38,084                             | -                                | (1,703,471)  | -                        | (1,703,471)           |
| 37,820                             | -                                | (4,064,824)  | -                        | (4,064,824)           |
| 114,760                            | -                                | (866,670)  | -                        | (866,670)             |
| 2,355,233                          | -                                | (20,695,972)   | -                        | (20,695,972)          |
| -                                  | -                                | (17,766)   | -                        | (17,766)              |
| -                                  | -                                | (49,849,098)   | -                        | (49,849,098)          |
| -                                  | -                                | (57,809)   | -                        | (57,809)              |
| -                                  | -                                | (2,322)  | -                        | (2,322)               |
| -                                  | -                                | (1,027,367)  | -                        | (1,027,367)           |
| <u>9,389,828</u>                   | <u>10,336,179</u>                | <u>(186,162,029)</u>                                     | <u>-</u>                 | <u>(186,162,029)</u>  |
| -                                  | -                                | -  | (49,868)                 | (49,868)              |
| -                                  | -                                | -  | 35,661                   | 35,661                |
| -                                  | -                                | -  | (14,207)                 | (14,207)              |
| <u>\$ 9,389,828</u>                | <u>\$ 10,336,179</u>             | <u>(186,162,029)</u>                                     | <u>(14,207)</u>          | <u>(186,176,236)</u>  |
|                                    |                                  | 138,835,828  | -                        | 138,835,828           |
|                                    |                                  | 61,711,155   | -                        | 61,711,155            |
|                                    |                                  | 7,568,591  | -                        | 7,568,591             |
|                                    |                                  | 4,511,374  | -                        | 4,511,374             |
|                                    |                                  | 251,311  | -                        | 251,311               |
|                                    |                                  | <u>(8,450,463)</u>                                       | <u>-</u>                 | <u>(8,450,463)</u>    |
|                                    |                                  | <u>204,427,796</u>                                       | <u>-</u>                 | <u>204,427,796</u>    |
|                                    |                                  | <u>18,265,767</u>  | <u>(14,207)</u>          | <u>18,251,560</u>     |
|                                    |                                  | <u>162,762,758</u>                                       | <u>697,851</u>           | <u>163,460,609</u>    |
|                                    |                                  | <u>(2,400,343)</u>                                       | <u>-</u>                 | <u>(2,400,343)</u>    |
|                                    |                                  | <u>160,362,415</u>                                       | <u>697,851</u>           | <u>161,060,266</u>    |
|                                    |                                  | <u>\$ 178,628,182</u>                                    | <u>\$ 683,644</u>        | <u>\$ 179,311,826</u> |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

BALANCE SHEET  
GOVERNMENTAL FUNDS

AUGUST 31, 2025

| Data<br>Control<br>Codes             |  | 10<br><br>General<br>Fund | 50<br><br>Debt Service<br>Fund |
|--------------------------------------|--|---------------------------|--------------------------------|
|                                      |  |                           |                                |
| <b>ASSETS</b>                        |  |                           |                                |
| 1110                                 | Cash and cash equivalents                                | \$ 43,329,261             | \$ 11,117,654                  |
| 1220                                 | Property taxes - delinquent                              | 4,384,794                 | 1,931,936                      |
| 1230                                 | Allowance for uncollectible taxes (credit)               | (1,315,438)               | (579,581)                      |
| 1240                                 | Due from other governments                               | -                         | -                              |
| 1250                                 | Accrued interest   | 23,425                    | -                              |
| 1260                                 | Due from other funds                                     | 981,934                   | -                              |
| 1290                                 | Other receivables  | 578,096                   | -                              |
| 1300                                 | Inventories  | 98,753                    | -                              |
| 1000                                 | Total assets   | 48,080,825                | 12,470,009                     |
| <b>LIABILITIES</b>                   |  |                           |                                |
| 2110                                 | Accounts payable   | 1,197,204                 | -                              |
| 2150                                 | Payroll deductions & withholdings                        | 239,769                   | -                              |
| 2160                                 | Accrued wages payable                                    | 7,988,455                 | -                              |
| 2170                                 | Due to other funds                                       | 47,740                    | -                              |
| 2180                                 | Due to other governments                                 | 3,136,717                 | 62,532                         |
| 2200                                 | Accrued expenses   | -                         | -                              |
| 2300                                 | Unearned revenues  | 233,998                   | -                              |
| 2000                                 | Total liabilities  | 12,843,883                | 62,532                         |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |  |                           |                                |
| 2601                                 | Unavailable revenue - property taxes                     | 3,047,339                 | 1,344,204                      |
| 2602                                 | Related to leases  | 577,696                   | -                              |
| 2600                                 | Total deferred inflows of resources                      | 3,625,035                 | 1,344,204                      |
| <b>FUND BALANCES</b>                 |  |                           |                                |
| Nonspendable:                        |  |                           |                                |
| 3410                                 | Inventories  | 98,753                    | -                              |
| Restricted:                          |  |                           |                                |
| 3450                                 | Federal or state grant restrictions                      | -                         | -                              |
| 3470                                 | Construction   | -                         | -                              |
| 3480                                 | Retirement of long-term debt                             | -                         | 11,063,273                     |
| Committed:                           |  |                           |                                |
| 3545                                 | Other  | -                         | -                              |
| Assigned:                            |  |                           |                                |
| 3500                                 | Subsequent year's budget                                 | 4,228,378                 | -                              |
| 3600                                 | Unassigned   | 27,284,776                | -                              |
| 3000                                 | Total fund balances                                      | 31,611,907                | 11,063,273                     |
| 4000                                 | Total liabilities, deferred inflows<br>and fund balances | \$ 48,080,825             | \$ 12,470,009                  |

The accompanying notes are an integral part of this financial statement.

60

| Capital<br>Projects   | Other<br>Funds      | Total<br>Governmental<br>Funds |
|-----------------------|---------------------|--------------------------------|
| \$ 255,987,174        | \$ 3,926,583        | \$ 314,360,672                 |
| -                     | -                   | 6,316,730                      |
| -                     | -                   | (1,895,019)                    |
| -                     | 858,117             | 858,117                        |
| -                     | 2,621               | 26,046                         |
| -                     | 47,740              | 1,029,674                      |
| -                     | -                   | 578,096                        |
| -                     | 174,286             | 273,039                        |
| <u>255,987,174</u>    | <u>5,009,347</u>    | <u>321,547,355</u>             |
| 2,809,863             | 52,037              | 4,059,104                      |
| -                     | -                   | 239,769                        |
| 98,220                | 437,730             | 8,524,405                      |
| 96,206                | 879,737             | 1,023,683                      |
| -                     | -                   | 3,199,249                      |
| 1,053,712             | -                   | 1,053,712                      |
| -                     | 422,551             | 656,549                        |
| <u>4,058,001</u>      | <u>1,792,055</u>    | <u>18,756,471</u>              |
| -                     | -                   | 4,391,543                      |
| -                     | -                   | 577,696                        |
| <u>-</u>              | <u>-</u>            | <u>4,969,239</u>               |
| -                     | 174,286             | 273,039                        |
| -                     | 1,022,714           | 1,022,714                      |
| 251,929,173           | -                   | 251,929,173                    |
| -                     | -                   | 11,063,273                     |
| -                     | 2,020,292           | 2,020,292                      |
| -                     | -                   | 4,228,378                      |
| -                     | -                   | 27,284,776                     |
| <u>251,929,173</u>    | <u>3,217,292</u>    | <u>297,821,645</u>             |
| <u>\$ 255,987,174</u> | <u>\$ 5,009,347</u> | <u>\$ 321,547,355</u>          |

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**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT C-2**

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

AUGUST 31, 2025

|   |    |                    |
|---|----|--------------------|
| Total fund balances - governmental funds  | \$ | 297,821,645        |
| <b>1</b> Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.  |    | 490,686,312        |
| <b>2</b> Uncollected property taxes are reported as unavailable resources in the governmental funds balance sheet, but are recognized as a revenue in the statement of activities.  |    | 4,391,543          |
| <b>3</b> Long-term liabilities, including bonds, SBITAs and compensated absences, are not due and payable in the current period and therefore are not reported in the funds. Also, the losses on refunding of bonds and the premium on issuance of bonds payable are not reported on the balance sheet in the funds.  |    | (564,071,849)      |
| <b>4</b> Interest payable is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.  |    | (963,571)          |
| <b>5</b> 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 pensions included a deferred resource outflow in the amount of \$10,309,345, a deferred resource inflow in the amount of \$747,382, and a net pension liability in the amount of \$33,759,694.                              |    | (24,197,731)       |
| <b>6</b> Included in the items related to debt is the recognition of the District's proportionate share of the net other post-employment benefit (OPEB) liability required by GASB 75. The net position related to the OPEB included a deferred resource outflow in the amount of \$13,173,301, a deferred resource inflow in the amount of \$18,569,561, and a net OPEB liability in the amount of \$22,423,134. |    | (27,819,394)       |
| <b>7</b> Internal Service Funds are used by management to charge the costs of certain activities, such as workers' compensation, health insurance and DSA/HSA to individual funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities.  |    | <u>2,781,227</u>   |
| <b>29</b> Net position of governmental activities   | \$ | <u>178,628,182</u> |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes              |  | 10<br><br>General<br>Fund | 50<br><br>Debt Service<br>Fund |
|---------------------------------------|--|---------------------------|--------------------------------|
|                                       |  | Fund                      | Fund                           |
| <b>REVENUES</b>                       |  |                           |                                |
| 5700                                  | Local and intermediate sources                               | \$ 144,059,192            | \$ 62,381,871                  |
| 5800                                  | State program  | 13,427,668                | 2,355,233                      |
| 5900                                  | Federal program  | 169,356                   | -                              |
| 5020                                  | Total revenues   | 157,656,216               | 64,737,104                     |
| <b>EXPENDITURES</b>                   |  |                           |                                |
| Current:                              |  |                           |                                |
| 0011                                  | Instruction  | 66,956,922                | -                              |
| 0012                                  | Instructional resources and media services                   | 1,058,104                 | -                              |
| 0013                                  | Curriculum and instructional staff development               | 1,279,901                 | -                              |
| 0021                                  | Instructional leadership                                     | 2,638,425                 | -                              |
| 0023                                  | School leadership  | 6,029,741                 | -                              |
| 0031                                  | Guidance, counseling and evaluation services                 | 4,754,118                 | -                              |
| 0032                                  | Social work services   | 373,273                   | -                              |
| 0033                                  | Health services  | 1,002,422                 | -                              |
| 0034                                  | Student (pupil) transportation                               | 5,535,903                 | -                              |
| 0035                                  | Food services  | 151,566                   | -                              |
| 0036                                  | Extracurricular activities                                   | 2,697,663                 | -                              |
| 0041                                  | General administration                                       | 5,201,327                 | -                              |
| 0051                                  | Facilities maintenance and operations                        | 12,924,788                | -                              |
| 0052                                  | Security and monitoring services                             | 1,772,627                 | -                              |
| 0053                                  | Data processing services                                     | 3,075,112                 | -                              |
| 0061                                  | Community services   | 619,085                   | -                              |
| Debt service:                         |  |                           |                                |
| 0071                                  | Principal on long term debt                                  | 139,210                   | 40,070,000                     |
| 0072                                  | Interest on long term debt                                   | 3,638                     | 24,328,247                     |
| 0073                                  | Bond issuance costs and fees                                 | -                         | 17,766                         |
| Capital outlay:                       |  |                           |                                |
| 0081                                  | Facilities acquisition and construction                      | 179,010                   | -                              |
| Intergovernmental:                    |  |                           |                                |
| 0091                                  | Contracted instructional services between schools            | 49,849,098                | -                              |
| 0093                                  | Payments to fiscal agent/member districts of SSA             | 57,809                    | -                              |
| 0095                                  | Payments to juvenile justice alternative education programs  | 2,322                     | -                              |
| 0099                                  | Other intergovernmental charges                              | 1,027,367                 | -                              |
| 6030                                  | Total expenditures   | 167,329,431               | 64,416,013                     |
| 1100                                  | Excess (deficiency) of revenues over<br>(under) expenditures | (9,673,215)               | 321,091                        |
| <b>OTHER FINANCING SOURCES (USES)</b> |  |                           |                                |
| 7940                                  | Issuance of SBITA  | 145,619                   | -                              |
|                                       | Total other financing sources (uses)                         | 145,619                   | -                              |
| 1200                                  | Net change in fund balances                                  | (9,527,596)               | 321,091                        |
| 0100                                  | Fund balance - beginning                                     | 41,139,503                | 10,742,182                     |
| 3000                                  | Fund balance - ending  | \$ 31,611,907             | \$ 11,063,273                  |

The accompanying notes are an integral part of this financial statement.

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| Capital<br>Projects   | Other<br>Funds      | Total<br>Governmental<br>Funds |
|-----------------------|---------------------|--------------------------------|
| \$ 12,690,745         | \$ 9,641,703        | \$ 228,773,511                 |
| -                     | 921,271             | 16,704,172                     |
| -                     | <u>3,530,950</u>    | <u>3,700,306</u>               |
| <u>12,690,745</u>     | <u>14,093,924</u>   | <u>249,177,989</u>             |
| -                     | 4,585,277           | 71,542,199                     |
| -                     | -                   | 1,058,104                      |
| -                     | 198,045             | 1,477,946                      |
| -                     | -                   | 2,638,425                      |
| -                     | -                   | 6,029,741                      |
| -                     | 1,050,334           | 5,804,452                      |
| -                     | -                   | 373,273                        |
| -                     | -                   | 1,002,422                      |
| -                     | -                   | 5,535,903                      |
| -                     | 6,786,587           | 6,938,153                      |
| -                     | 1,054,894           | 3,752,557                      |
| -                     | -                   | 5,201,327                      |
| -                     | 200,000             | 13,124,788                     |
| -                     | -                   | 1,772,627                      |
| -                     | -                   | 3,075,112                      |
| -                     | 56,958              | 676,043                        |
| 16,859                | -                   | 40,226,069                     |
| 961                   | -                   | 24,332,846                     |
| -                     | -                   | 17,766                         |
| 60,153,058            | -                   | 60,332,068                     |
| -                     | -                   | 49,849,098                     |
| -                     | -                   | 57,809                         |
| -                     | -                   | 2,322                          |
| -                     | -                   | <u>1,027,367</u>               |
| <u>60,170,878</u>     | <u>13,932,095</u>   | <u>305,848,417</u>             |
| <u>(47,480,133)</u>   | <u>161,829</u>      | <u>(56,670,428)</u>            |
| -                     | -                   | 145,619                        |
| -                     | -                   | <u>145,619</u>                 |
| <u>(47,480,133)</u>   | <u>161,829</u>      | <u>(56,524,809)</u>            |
| <u>299,409,306</u>    | <u>3,055,463</u>    | <u>354,346,454</u>             |
| <u>\$ 251,929,173</u> | <u>\$ 3,217,292</u> | <u>\$ 297,821,645</u>          |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT C-4**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2025

|  |                 |
|--|-----------------|
| Net change in fund balances - total governmental funds   | \$ (56,524,809) |
| Amounts reported for governmental activities in the statement of activities are different because:   |                 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.  | 44,182,452      |
| The net effect to net position for transactions involving capital assets, including disposal of capital assets.  | (8,450,463)     |
| Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  | 156,809         |
| The issuance of long-term debt (e.g., bonds and SBITAs) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and SBITA principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.  |                 |
| Issuance of SBITA  | (145,619)       |
| Principal payment on bonds   | 40,070,000      |
| Principal payment on SBITAs  | 156,069         |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.  |                 |
| Amortization of premium on bonds   | 3,105,753       |
| Amortization of deferred loss on refunding of bonds  | (1,840,214)     |
| Accrued interest on long-term debt   | 16,102          |
| Arbitrage  | (2,354,566)     |
| Compensated absences   | 145,262         |
| GASB 68 required that certain plan 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 \$3,218,290. Contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$3,112,627. Finally, the proportionate share of pension expense on the plans as a whole had to be recorded. The net pension expense decreased the change in net position by \$2,621,228. | (2,515,565)     |
| GASB 75 required that certain plan 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 \$677,332. Contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$670,514. Finally, the proportionate share of OPEB expense on the plans as a whole had to be recorded. The net OPEB expense increased the change in net position by \$2,090,394.              | 2,097,212       |
| Internal Service Funds are used by management to charge the costs of certain activities, such as workers' compensation, self-funded health insurance, and DSA/HSA to individual funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities.   | 167,344         |
| Change in net position of governmental activities  | \$ 18,265,767   |

The accompanying notes are an integral part of this financial statement.

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT D-1**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

AUGUST 31, 2025

|                              | <u>Business-type<br/>Activities<br/>Nonmajor<br/>Enterprise Funds</u> | <u>Governmental<br/>Activities<br/>Internal<br/>Service Funds</u> |
|------------------------------|---|---|
| <b>ASSETS</b>                |   |   |
| Current assets:              |   |   |
| Cash and cash equivalents    | \$ 732,961  | \$ 3,472,742  |
| Total current assets         | <u>732,961</u>  | <u>3,472,742</u>  |
| Noncurrent assets:           |   |   |
| Capital assets               |   |   |
| Buildings and improvements   | 493,399   | -   |
| Accumulated depreciation     | <u>(74,010)</u>   | <u>-</u>  |
| Total noncurrent assets      | <u>419,389</u>  | <u>-</u>  |
| Total assets                 | <u>1,152,350</u>  | <u>3,472,742</u>  |
| <b>LIABILITIES</b>           |   |   |
| Current liabilities:         |   |   |
| Accounts payable             | 4,316   | -   |
| Accrued wages payable        | 174,440   | -   |
| Due to other funds           | 5,991   | -   |
| Accrued expenses             | -   | 691,515   |
| Unearned revenue             | <u>283,959</u>  | <u>-</u>  |
| Total current liabilities    | <u>468,706</u>  | <u>691,515</u>  |
| Total liabilities            | <u>468,706</u>  | <u>691,515</u>  |
| <b>NET POSITION</b>          |   |   |
| Investment in capital assets | 419,389   | -   |
| Unrestricted                 | <u>264,255</u>  | <u>2,781,227</u>  |
| Total net position           | <u>\$ 683,644</u>   | <u>\$ 2,781,227</u>   |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT D-2**

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|  | Business-type<br>Activities | Governmental<br>Activities |
|--|-----------------------------|----------------------------|
|  | Enterprise<br>Funds         | Internal<br>Service Funds  |
| <b>OPERATING REVENUES</b>                |                             |                            |
| Local and intermediate sources           | \$ 4,320,786                | \$ 11,405,167              |
| Total operating revenues                 | <u>4,320,786</u>            | <u>11,405,167</u>          |
| <b>OPERATING EXPENSES</b>                |                             |                            |
| Payroll costs                            | 3,051,188                   | -                          |
| Professional and contracted services     | 761,252                     | 166,738                    |
| Supplies and materials                   | 284,328                     | -                          |
| Claims                                   | -                           | 10,986,210                 |
| Other operating costs                    | 213,555                     | 98,313                     |
| Depreciation                             | 24,670                      | -                          |
| Total operating expenses                 | <u>4,334,993</u>            | <u>11,251,261</u>          |
| Operating income (loss)                  | <u>(14,207)</u>             | <u>153,906</u>             |
| <b>NON-OPERATING REVENUES (EXPENSES)</b> |                             |                            |
| Investment and interest income           | -                           | 13,438                     |
| Total non-operating revenues (expenses)  | <u>-</u>                    | <u>13,438</u>              |
| <b>CHANGE IN NET POSITION</b>            | <u>(14,207)</u>             | <u>167,344</u>             |
| <b>NET POSITION, BEGINNING</b>           | <u>697,851</u>              | <u>2,613,883</u>           |
| <b>NET POSITION, ENDING</b>              | <u>\$ 683,644</u>           | <u>\$ 2,781,227</u>        |

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|   | Business-type<br>Activities<br><u>Enterprise<br/>Funds</u> | Governmental<br>Activities<br><u>Internal<br/>Service Funds</u> |
|---|--|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |  |   |
| Receipts for charges for services   | \$ 4,319,141   | \$ -  |
| Receipts from contributors  | -  | 11,405,167  |
| Payments to employees   | (3,019,960)  | -   |
| Payments to suppliers   | (1,254,609)  | (265,051)   |
| Claims paid   | -  | (11,041,481)  |
| Net cash provided by operating activities   | <u>44,572</u>  | <u>98,635</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |  |   |
| Interest received   | -  | 13,438  |
| Net cash provided (used) in investing activities  | <u>-</u>   | <u>13,438</u>   |
| <b>NET INCREASE (DECREASE)<br/>IN CASH AND CASH EQUIVALENTS</b>                                   |  |   |
|   | <u>44,572</u>  | <u>112,073</u>  |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING</b>   |  |   |
|   | <u>688,389</u>   | <u>3,360,669</u>  |
| <b>CASH AND CASH EQUIVALENTS, ENDING</b>  |  |   |
|   | <u>732,961</u>   | <u>3,472,742</u>  |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</b> |  |   |
| Operating income (loss)   | (14,207)   | 153,906   |
| Adjustments to reconcile operating income to net<br>cash provided by operating activities:        |  |   |
| Depreciation  | 24,670   | -   |
| Decrease (increase) in due from other funds   | -  | -   |
| Increase (decrease) in deferred revenue   | (1,645)  | -   |
| Increase (decrease) in due to other funds   | 284  | -   |
| Increase (decrease) in accounts payable   | 4,242  | -   |
| Increase (decrease) in accrued wages payable  | 31,228   | -   |
| Increase (decrease) in accrued expenses   | -  | (55,271)  |
| Net cash provided by operating activities   | <u>\$ 44,572</u>   | <u>\$ 98,635</u>  |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT E-1**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND

AUGUST 31, 2025

|                           | <u>Custodial<br/>Fund</u> |
|---------------------------|---------------------------|
| <b>ASSETS</b>             |                           |
| Cash and cash equivalents | \$ 155,349                |
| Total assets              | <u>155,349</u>            |
| <b>LIABILITIES</b>        | <u>-</u>                  |
| <b>NET POSITION</b>       |                           |
| Restricted for:           |                           |
| Student groups            | <u>155,349</u>            |
| Total net position        | <u>\$ 155,349</u>         |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT E-2**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND

FOR THE YEAR ENDED AUGUST 31, 2025

|   | <u>Custodial<br/>Fund</u> |
|---|---------------------------|
| <b>ADDITIONS</b>                                  |                           |
| Tuition and fees                                  | \$ 324,811                |
| Total additions                                   | <u>324,811</u>            |
| <b>DEDUCTIONS</b>                                 |                           |
| Supplies and materials                            | <u>355,857</u>            |
| Total deductions                                  | <u>355,857</u>            |
| Net increase (decrease) in fiduciary net position | <u>(31,046)</u>           |
| Net position, beginning                           | <u>186,395</u>            |
| Net position, ending                              | <u>\$ 155,349</u>         |

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**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2025

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Lake Travis Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and it complies with the requirements 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.

The Board of Trustees (the "Board") is elected by the public and it has 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 the Governmental Accounting Standards Board ("GASB"). The accompanying financial statements present the District and its component unit, an entity for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

**Blended component unit.** The Lake Travis ISD Public Facility Corporation ("Lake Travis ISD PFC") was created in May 2024 under Chapter 303 of the Texas Local Government Code. Its purpose is to assist the District in providing affordable housing to the public. The Lake Travis ISD PFC is governed by a board appointed by the District's Board of Trustees, which is the same as the Board. Any loans, bond issuances and housing rates must be approved by the District's Board of Trustees. In the current year, the Lake Travis ISD PFC did not have any financial activity.

**B. Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting, and Financial Presentation**

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets, deferred outflows (inflows), and all liabilities associated with the operation of these funds are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues 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, deferred inflows/outflows of resources 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 sources 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 it 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 and 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 collectible 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. 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 considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred 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.

The District reports the following major governmental funds:

**General Fund:** This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

**Debt Service Fund:** The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

**Capital Projects Fund:** The District accounts for proceeds from the sale of bonds and other revenues to be used for authorized construction and other capital asset acquisitions.

In addition, the District reports the following fund types:

#### **Governmental Funds:**

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

#### **Proprietary Funds:**

**Enterprise Funds:** Used to account for the operations of the District's community education programs and the operations of advertising revenues generated from the District's video display board.

**Internal Service Funds:** Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The District's Internal Service Funds are the self-funded workers' compensation Fund, self-funded health insurance fund, and employee health savings account fund.

**Fiduciary Fund:**

**Custodial Fund:** The District accounts for resources held for others in a custodial capacity. The District's Custodial Fund is student activities.

During the course of operations, the District has activity between funds for various purposes. 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 the funds included in the governmental activities are eliminated.

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 the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, Deferred Inflows/Outflows of Resources, Net Position/Fund Balance, Revenues and Expenditures/Expenses**

**1. *Deposits and Investments***

The District's cash and cash equivalents are 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.

Investments for the District are reported at fair value, except for the position in investment pools. The District's investments in Pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

**2. *Inventory***

Inventories in the General Fund consist of expendable supplies held for consumption. Inventories are charged to expenditures when consumed. Supply and furniture and equipment inventory are recorded at cost (FIFO method) and are offset by a fund balance reserves which indicate that they do not represent "available expendable resources." Inventories in the Food and Nutrition Services Fund consist of commodities, purchased food and supplies. Purchased food and supplies are recorded at cost (FIFO method) and charged to expense when consumed. The commodity portion of inventory is valued at estimated market values supplied by the Texas Department of Human Services.

**3. *Property Taxes***

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real 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 are 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 within 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.

Delinquent taxes are prorated between maintenance and debt service 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. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

#### **4. Leases**

The District has entered into various lease agreements as a lessor. Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability or lease asset.

**Lessor.** The District is a lessor in arrangements allowing a lessee the right to use its property. In both the government-wide financial statements and the governmental fund financial statements, the District initially measures the lease receivable and a deferred inflow of resources for the present value of payments expected to be made during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is recognized as revenue on a systematic basis over the life of the lease.

#### **5. Subscription-Based IT Arrangements**

The District is a lessee for a noncancellable subscription-based IT arrangements (SBITAs). The District recognizes a liability and an intangible right-to-use assets in the government-wide financial statements.

At the commencement of a SBITA, the District initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

These right to use assets are reported with other capital assets and liabilities are reported with long term debt on the statement of net position.

**6. Capital Assets**

Capital assets, which include land, buildings, furniture and equipment, and right to use assets are reported in the governmental activities columns in the government-wide financial statements. 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 cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

Land and construction in progress are not depreciated. Buildings, furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

| Asset Class                | Estimated Useful Life |
|----------------------------|-----------------------|
| Buildings and improvements | 15-40                 |
| Furniture and equipment    | 3-20                  |
| Vehicles                   | 7-10                  |
| Right to use, SBITA        | 1-5                   |

**7. Long-Term Liabilities**

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 activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognized bond premiums and discounts 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.

**8. Compensated Absences**

District employees earn state, local, and flex leave in accordance with Board policy. Leave balances may accumulate and are available for use in subsequent periods. The District applies a last-in, first-out (LIFO) flow assumption for all types of accumulated leave, under which the most recently earned leave is presumed to be used first.

The District recognizes a liability for leave that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. Based on historical experience and management’s evaluation, accumulated local leave and flex leave are considered more likely than not to be used or paid; therefore, a liability for such leave (including applicable payroll-related costs) has been recorded in the governmental activities. Based on the same assumption and usage trends, accumulated state leave is not considered more likely than not to be used or paid; therefore, no liability has been recorded for accumulated state leave.

## **9. Deferred Outflows and Inflows 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 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, the results of differences between expected and actual experience, changes in actuarial assumptions and changes in proportion and difference between the employer's contributions and the proportionate share of contributions. 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.
- Deferred outflows of resources for OPEB – Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net pension liability, the differences between projected and actual investment earnings, and changes in proportion and difference between the employer's contributions and the proportionate share of contributions. The deferred outflows related to OPEB resulting to District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year.
- 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.

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 two 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 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 from differences between expected and actual economic experience, changes in actuarial assumptions, differences between projected and actual investment earnings, as well as changes in proportion and difference between the employer's contributions and the proportionate share of contributions.
- Deferred inflow of resources for OPEB – Reported in the government-wide financial statement of net position, these deferred inflows result from differences between expected and actual economic experience and changes in actuarial assumptions.
- Deferred inflow of resources for leases – Reported in the government-wide and fund financial statements the District recognizes deferred inflows related to leases for its lessor transactions. These amounts offset the receivable related to the lease and will be recognized systematically in future years over the life of the lease.

## **10. Defined Benefit Pension Plan**

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.

## **11. Other Post-Employment Benefit Plans**

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan 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 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 is a pay-as-you-go plan and all cash is held in a cash account.

## **12. Net Position**

In the government-wide financial statements, net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net position invested in capital assets, net of any related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets, and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws and regulations of other governments.

## **13. Net Position Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

## **14. Fund Balances - Governmental Funds**

Non-spendable Fund Balance - amounts that are not in spendable form, such as fund balances associated with inventories, prepaids, and long-term loans and notes receivable.

Restricted Fund Balance - amounts that can be spent only for the specific purposes stipulated by their providers, such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation.

Committed Fund Balance - amounts that can only be used for the specific purposes determined by a formal action of the District's Board of Trustees (the District's highest level of decision-making authority). These amounts cannot be used for any other purpose unless the District's Board of Trustees takes the same level of action to remove or change the constraint.

Assigned Fund Balance - amounts intended to be used by the government for specific purposes but to not meet the criteria to be classified as restricted or committed. Intent can be expressed by the District's Board of Trustees or by the Superintendent or Chief Financial Officer, to whom the Board of Trustees has delegated the authority to assign fund balances.

Unassigned Fund Balance - amounts that are available for any purpose; these amounts are reported only in the General Fund.

**15. Fund Balance Flow Assumption**

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, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**16. Data Control Codes**

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

**17. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Expenditures over Appropriations***

Expenditures in the school leadership, general administration, data processing services, community services, and facilities acquisition and construction functions in the General Fund exceeded budgeted amounts by \$71,156, \$36,133, \$108,329, \$1,076, and \$103,143 respectively for the year ended August 31, 2025. The under expending of budgets in other functions or existing fund balance covered the expenditures over budget.

Expenditures in the food services function in the National Breakfast and Lunch Program Fund exceeded budgeted amounts by \$73,262 for the year ended August 31, 2025. The under expending of budgets in other functions or existing fund balance covered the expenditures over budget.

**III. DETAILED NOTES ON ACTIVITIES AND FUNDS**

**A. Deposits and Investments**

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy, which is approved annually by the Board. The primary objectives of the District’s investment strategy for operating and agency funds, in order of priority, are safety, investment liquidity and maturity sufficient to meet anticipated cash flow requirements. The primary objective of the District’s investment strategy for Debt Service and Capital Projects Funds is sufficient investment liquidity to meet related obligations.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines established in the investment policy:

- Obligations of, or guaranteed by, governmental entities
- Certificates of deposit and share certificates
- Fully collateralized repurchase agreements
- Securities lending program
- Banker’s acceptances
- Commercial paper
- No-load money market mutual funds and no-load mutual funds
- Guaranteed investment contracts as an investment vehicle for bond proceeds
- Public funds investment pools

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 deposits for safekeeping and trust with the District’s agent approved pledged securities 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 dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance. Therefore, the District is not exposed to custodial credit risk. Under the depository contract, the District, at its own discretion, may invest funds in time deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

The District’s deposits with financial institutions at August 31, 2025 were entirely covered by FDIC insurance or by pledged collateral held by the District’s agent bank in the District’s name.

The District maintains a cash pool consisting of demand deposits. The combined pool is available for use by most Special Revenue Funds. If a fund overdraws its share of the pool, the overdraft is reported as an interfund payable in that fund. The offsetting interfund receivable is reported in the General Fund.

The District's investments at August 31, 2025 are shown below.

| <u>Description</u>                | <u>Reported Value</u> | <u>Weighted Average Maturity (Days)</u> | <u>Standard &amp; Poor's Rating</u> |
|-----------------------------------|-----------------------|---|-------------------------------------|
| Local Government Investment Pool: |                       |   |                                     |
| TexPool                           | \$ 147,876,873        | 42                                      | AAAm                                |
| MBIA Texas CLASS                  | <u>131,609,053</u>    | 44                                      | AAAm                                |
|                                   | <u>279,485,926</u>    |   |                                     |
| Prosperity Bank:                  |                       |   |                                     |
| Money market accounts             | <u>23,195,869</u>     | 1                                       | AAA                                 |
|                                   | <u>\$ 302,681,795</u> |   |                                     |

TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool’s investment policy, which is made up equally of participants and nonparticipants who do not have a business relationship with TexPool. Federated Investors manages daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool’s investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

MBIA is administered by MBIA-Municipal Investors Service Corporation ("MISC") and Wells Fargo Bank Texas. MISC is a subsidiary of MBIA Asset Management Group, one of the nation's largest providers of administrative and portfolio management services for local government investment pools. MBIA is supervised by a Board of Trustees who are elected by participants. The responsibility of the Board of Trustees includes the ability to influence operations, designation of management and accountability for fiscal matters. In addition, MBIA has an Advisory Board which provides input and feedback on the operations and direction of the program. Standard and Poor's reviews the pool on a weekly basis to ensure the pool's compliance with its rating requirements. MBIA's investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

The external local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At August 31, 2025, investments were included in external local government investment pools and money market accounts with ratings from Standard & Poor's in compliance with the District's investment policy.

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At August 31, 2025, the District was not exposed to custodial credit risk.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. Information regarding investments in any one issuer that represents five percent or more of the District's total investments must be disclosed, excluding investments issued or explicitly guaranteed by the U.S. government. At August 31, 2025, the District had 100% of its investments in money market accounts and external local government investment pools.

Interest Rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the District's investment policy requires that maturities will not exceed the weighted average maturity of 180 days for any internally created pool fund group and one year from the time of purchase for any other individual investment. The Board may specifically authorize a longer maturity for a given investment, within legal limits. The District considers the holdings in the external local government investment pools to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value. At August 31, 2025, investments were included in external local government investment pools and money market accounts which have a weighted average maturity of one day.

## **B. Property taxes**

The Texas Legislature in 1979 adopted a comprehensive Property Tax Code (the "Code") which established a county-wide appraisal district and an appraisal review board in each county in the State. The Travis Central Appraisal District (the "Appraisal District") is responsible for the recording and appraisal of all property in the District. Under the Code, the Board sets the tax rates on property and the Travis County Tax Office provides tax collection services. The Appraisal District is required under the Code to assess property at 100% of its appraised value. Further, real property must be reappraised at least every three years. Under certain circumstances, taxpayers and taxing units, including the District, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action.

Property taxes are levied as of October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes and penalties and interest that are ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period, including those property taxes expected to be collected during a 60-day period after the end of the District’s fiscal year. The assessed value at January 1, 2024, upon which the October 2024 levy was based was \$19,187,782,376. The District levied taxes based on a combined tax rate of \$1.0656 per \$100 of assessed valuation for local maintenance (general governmental services) and debt service.

The 86th session of the Texas Legislature convened in January 2019, with school finance reform as a critical priority. House Bill 3 (HB 3), passed by the 86th Texas Legislature, was one of the most transformative Texas education bills in recent history infusing more than \$11 billion into the public school system. HB 3 provided more money for Texas classrooms through an increase in the basic allotment for each student from \$5,140 to \$6,160, increased teacher compensation, funds free full-day Pre-K for eligible 4-year-olds, reduced the amount of money wealthy districts must spend to subsidize poor districts through the state’s recapture program, and cut local property taxes for Texas taxpayers. In summary, the bill focused on four major policy areas: teacher support, improving student outcomes, increasing funding, and reduction and reform of property taxes and recapture.

HB3 amended the Education Code to transfer certain sections from Chapter 41 to Chapter 49 and revised formulas used to determine excess local revenue under the Foundation School Program (FSB). The formula for recapture is now local revenue in excess of entitlement instead of wealth per weighted average daily attendance (WADA) basis. Under HB 3, recapture and non-recapture school districts are treated more equitably, and districts only pay tier one recapture on the amount above their formula entitlement. HB 3 modifies local revenue subject to recapture to be local revenue in excess of entitlement and is calculated by subtracting a district's tier one entitlement (and credit for appraisal costs) from its available school fund (ASF) distribution and local fund assignment.

During the year ended August 31, 2025, the District’s recapture cost was \$49,849,098 and this amount was incorporated into the District’s budget. Under HB 3, districts now have the option of making one lump-sum payment in August after the fiscal year ends. The payment option to submit seven equal payments from February through August remains unchanged. The District opted to make one lump-sum payment in August.

**C. Due from Other Governments**

The District participates in a variety of federal and state programs from which it receives grants to partially or fully fund certain activities. The District also receives entitlements from the State through the School Foundation and Per Capita Programs. These amounts are reported in the financial statements as due from other governments are summarized below as of August 31, 2025:

|                                  |                                   |
|----------------------------------|-----------------------------------|
|                                  | Nonmajor<br>Governmental<br>Funds |
| Federal and state programs       | \$ 858,117                        |
| Total due from other governments | <u>\$ 858,117</u>                 |

**D. Interfund Balances**

Interfund balances at August 31, 2025 consisted of the following:

| <u>Due To Fund</u>    | <u>Due From Fund</u>  | <u>Amount</u>       |
|-----------------------|-----------------------|---------------------|
| General fund          | Capital projects fund | \$ 96,206           |
| General fund          | Nonmajor governmental | 879,737             |
| General fund          | Nonmajor enterprise   | 5,991               |
| Nonmajor governmental | General fund          | <u>47,740</u>       |
| Total                 |                       | <u>\$ 1,029,674</u> |

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll and other regularly occurring charges that are paid by the General Fund and then charged back to the appropriate other fund.

**E. Other Receivables**

At year end other receivables reported in the General Fund in the amount of \$578,096 which consists of leases receivable in the amount of \$577,696 and \$400 of other receivables.

A summary of lease receivables is as follows:

| Purpose of Lease  | Interest Rate | Agreement Term | Initial Year of Lease | Amount of Initial Lease Receivable | Receivable at Year End |
|-------------------|---------------|----------------|-----------------------|------------------------------------|------------------------|
| Right to Use:     |               |                |                       |                                    |                        |
| Antenna           | 2.0%          | 20 years       | 2022                  | \$ 166,785                         | \$ 135,777             |
| Land - cell tower | 2.0%          | 25 years       | 2022                  | 494,185                            | 428,480                |
| La Cabana Grill   | 2.7%          | 3 years        | 2022                  | 155,812                            | 13,439                 |
| Totals            |               |                |                       |                                    | <u>\$ 577,696</u>      |

Future annual principal and interest payments receivable are as follows:

| Year Ended August 31, | Principal         | Interest          | Total Requirements |
|-----------------------|-------------------|-------------------|--------------------|
| 2026                  | \$ 42,351         | \$ 11,148         | \$ 53,499          |
| 2027                  | 29,494            | 10,506            | 40,000             |
| 2028                  | 30,089            | 9,911             | 40,000             |
| 2029                  | 30,694            | 9,306             | 40,000             |
| 2030                  | 31,313            | 8,687             | 40,000             |
| 2031-2035             | 166,280           | 33,719            | 199,999            |
| 2036-2040             | 183,711           | 16,290            | 200,001            |
| 2041-2045             | 63,764            | 1,236             | 65,000             |
| Totals                | <u>\$ 577,696</u> | <u>\$ 100,803</u> | <u>\$ 678,499</u>  |

**F. Capital Assets**

Governmental capital asset activity for the year ended August 31, 2025 was as follows:

|   | Beginning Balance     | Increases            | Decreases/ Transfers  | Ending Balance        |
|---|-----------------------|----------------------|-----------------------|-----------------------|
| Governmental activities:                          |                       |                      |                       |                       |
| Capital assets, not being depreciated:            |                       |                      |                       |                       |
| Land  | \$ 50,128,368         | \$ 1,407,136         | \$ -                  | \$ 51,535,504         |
| Construction in progress                          | 31,616,671            | 46,616,038           | (13,649,320)          | 64,583,389            |
| Total capital assets, not being depreciated       | <u>81,745,039</u>     | <u>48,023,174</u>    | <u>(13,649,320)</u>   | <u>116,118,893</u>    |
| Capital assets, being depreciated:                |                       |                      |                       |                       |
| Buildings and improvements                        | 521,476,123           | 2,384,731            | 5,198,857             | 529,059,711           |
| Furniture and equipment                           | 22,864,001            | 8,191,561            | -                     | 31,055,562            |
| Vehicles  | 16,496,187            | 3,072,127            | -                     | 19,568,314            |
| Right to use, SBITA                               | 4,226,395             | 145,619              | (53,774)              | 4,318,240             |
| Total capital assets, being depreciated           | <u>565,062,706</u>    | <u>13,794,038</u>    | <u>5,145,083</u>      | <u>584,001,827</u>    |
| Less accumulated depreciation for:                |                       |                      |                       |                       |
| Buildings and improvements                        | (160,878,447)         | (15,190,168)         | -                     | (176,068,615)         |
| Furniture and equipment                           | (18,807,534)          | (336,347)            | -                     | (19,143,881)          |
| Vehicles  | (11,265,370)          | (1,206,058)          | -                     | (12,471,428)          |
| Right to use, SBITA                               | (902,071)             | (902,187)            | 53,774                | (1,750,484)           |
| Total accumulated depreciation                    | <u>(191,853,422)</u>  | <u>(17,634,760)</u>  | <u>53,774</u>         | <u>(209,434,408)</u>  |
| Total governmental activities capital assets, net | <u>\$ 454,954,323</u> | <u>\$ 44,182,452</u> | <u>\$ (8,450,463)</u> | <u>\$ 490,686,312</u> |

Governmental depreciation was charged to functions as follows:

|  |                      |
|--|----------------------|
| Governmental activities:                   |                      |
| Instruction                                | \$ 9,995,397         |
| Instruction Resources & Media Services     | 31,610               |
| Instructional Leadership                   | 287,307              |
| School Leadership                          | 164,691              |
| Guidance, Counseling & Evaluation Services | 26,465               |
| Health Services                            | 23,215               |
| Student (Pupil) Transportation             | 687,843              |
| Food Services                              | 473,985              |
| Extracurricular Activities                 | 1,293,639            |
| General Administration                     | 506,130              |
| Facilities Maintenance & Operations        | 2,225,730            |
| Security and Monitoring Services           | 21,357               |
| Data Processing Services                   | 1,405,194            |
| Community services                         | <u>492,197</u>       |
| Total depreciation expense                 | <u>\$ 17,634,760</u> |

Business-type capital asset activity for the year ended August 31, 2025 was as follows:

|  | Beginning<br>Balance | Increases          | Decreases   | Ending<br>Balance |
|--|----------------------|--------------------|-------------|-------------------|
| Business-type activities:                            |                      |                    |             |                   |
| Capital assets, being depreciated:                   |                      |                    |             |                   |
| Buildings and improvements                           | \$ 493,399           | \$ -               | \$ -        | \$ 493,399        |
| Total capital assets,<br>being depreciated           | <u>493,399</u>       | <u>-</u>           | <u>-</u>    | <u>493,399</u>    |
| Less accumulated depreciation for:                   |                      |                    |             |                   |
| Buildings and improvements                           | (49,340)             | (24,670)           | -           | (74,010)          |
| Total accumulated depreciation                       | <u>(49,340)</u>      | <u>(24,670)</u>    | <u>-</u>    | <u>(74,010)</u>   |
| Total governmental activities<br>capital assets, net | <u>\$ 444,059</u>    | <u>\$ (24,670)</u> | <u>\$ -</u> | <u>\$ 419,389</u> |

During the current year, business-type activities depreciation was as follows:

|                            |                  |
|----------------------------|------------------|
| Business-type activities:  |                  |
| Video display board        | \$ 24,670        |
| Total depreciation expense | <u>\$ 24,670</u> |

## G. Unearned Revenue

At August 31, 2025, unearned revenue in the governmental funds consisted of \$422,551 for prepayments of student meals and \$233,988 in unearned state program revenues. In business-type activities, \$283,959 was for the prepayment of fall classes.

## H. Long-Term Liabilities

Governmental long-term liabilities activity for the year ended August 31, 2025, was as follows:

|                             | Beginning<br>Balance  | Additions           | Retirements          | Ending<br>Balance     | Due Within<br>One Year |
|-----------------------------|-----------------------|---------------------|----------------------|-----------------------|------------------------|
| Governmental activities:    |                       |                     |                      |                       |                        |
| General obligation bonds    | \$ 562,235,000        | -                   | \$ 40,070,000        | \$ 522,165,000        | \$ 17,970,000          |
| Premium on bonds            | 45,114,478            | -                   | 3,105,753            | 42,008,725            | -                      |
| SBITAs                      | 154,263               | 145,619             | 156,069              | 143,813               | 95,037                 |
| Compensated absences*       | 3,066,950             | -                   | 145,262              | 2,921,688             | 584,338                |
| Total long-term debt        | <u>610,570,691</u>    | <u>145,619</u>      | <u>43,477,084</u>    | <u>567,239,226</u>    | <u>18,649,375</u>      |
| Net pension liability       | 37,388,990            | -                   | 3,629,296            | 33,759,694            | -                      |
| Net OPEB liability          | 16,286,534            | 6,136,600           | -                    | 22,423,134            | -                      |
| Arbitrage                   | 6,373,037             | 2,354,566           | -                    | 8,727,603             | -                      |
| Total long-term liabilities | <u>\$ 670,619,252</u> | <u>\$ 8,636,785</u> | <u>\$ 47,106,380</u> | <u>\$ 632,149,657</u> | <u>\$ 18,649,375</u>   |

\* The change in compensated absences on the long-term liabilities' activity schedule is the net change for the year.

The beginning balance for compensated absences was restated from \$666,607 to \$3,066,950 as a change in accounting principle.

The District's General Fund generally liquidates net pension and net OPEB liabilities. The arbitrage liability will be liquidated by the District's capital projects funds.

**Bonds Payable**

The District issues Bonds to provide funds for the acquisition and construction of major capital facilities or to refund prior debt issuances. The Bonds are direct obligations and pledge the full faith and credit of the District. Bonds outstanding as of August 31, 2025 are as follows:

| Description                                       | Maturity Date | Interest Rates | Amount of Original Issue | Outstanding 8/31/25   |
|---|---------------|----------------|--------------------------|-----------------------|
| Bonds:  |               |                |                          |                       |
| Unlimited Tax Refunding Bonds, Series 2017        | 2040          | 1.50-5.00%     | \$ 82,905,000            | \$ 62,350,000         |
| Unlimited Tax School Building Bonds, Series 2018A | 2048          | 3.00-5.00%     | 108,735,000              | 45,800,000            |
| Unlimited Tax School Building Bonds, Series 2019  | 2046          | 3.75-5.00%     | 92,705,000               | 76,545,000            |
| Unlimited Tax Refunding Bonds, Series 2020        | 2036          | 1.65-5.00%     | 64,450,000               | 55,655,000            |
| Unlimited Tax School Building Bonds, Series 2023  | 2053          | 3.70-5.00%     | 287,355,000              | 266,420,000           |
| Unlimited Tax School Building Bonds, Series 2024  | 2044          | 4.00-5.00%     | 33,440,000               | 15,395,000            |
| Total   |               |                | <u>\$ 669,590,000</u>    | <u>\$ 522,165,000</u> |

Debt service requirements are as follows:

| Year Ended August 31, | Principal             | Interest              | Total Requirements    |
|-----------------------|-----------------------|-----------------------|-----------------------|
| 2026                  | \$ 17,970,000         | \$ 21,712,879         | \$ 39,682,879         |
| 2027                  | 18,750,000            | 20,794,879            | 39,544,879            |
| 2028                  | 16,935,000            | 19,902,754            | 36,837,754            |
| 2029                  | 17,910,000            | 19,031,629            | 36,941,629            |
| 2030                  | 16,835,000            | 18,176,504            | 35,011,504            |
| 2031-2035             | 108,955,000           | 78,325,078            | 187,280,078           |
| 2036-2040             | 106,995,000           | 55,545,673            | 162,540,673           |
| 2041-2045             | 88,950,000            | 36,292,261            | 125,242,261           |
| 2046-2050             | 82,890,000            | 17,617,235            | 100,507,235           |
| 2051-2055             | <u>45,975,000</u>     | <u>2,986,157</u>      | <u>48,961,157</u>     |
| Totals                | <u>\$ 522,165,000</u> | <u>\$ 290,385,049</u> | <u>\$ 812,550,049</u> |

For the general obligation bonds, the District has pledged as collateral the proceeds of a continuing, direct annual tax levied against taxable property within the District without limitation as to rate. The Texas Education Code generally limits issuance of additional ad valorem tax bonds if the tax rate needed to pay aggregate principal and interest amounts of the District's tax bond indebtedness exceeds \$0.50 per \$100 of assessed valuation of taxable property within the District. The District currently has a debt service tax rate of \$0.3275.

In June 2025, the District made early payments of \$7,995,956 on its Series 2017 bonds prior to its scheduled maturity date. This included \$7,610,000 and \$385,956 of principal and accrued interest, respectively. The Series 2017 bonds paid had maturity dates of February 2040. These early payments resulted in overall debt service savings to the District of \$1,635,193.

Since the District defeased certain Unlimited Tax School Building Bonds in prior years by placing excess district interest and sinking funds in an irrevocable trust to provide for all future debt service payments on the old bonds, the trust account assets and the liabilities for the defeased bonds are not included in the District's financial statements. At year end, \$7,610,000 of bonds outstanding are considered defeased.

**SBITA Liability**

The District entered into various subscription based IT arrangements for the use of software. The District's General Fund and Capital Projects Fund generally liquidates these liabilities. During the current year, the District paid \$156,069 in principal and \$4,599 in interest.

| Purpose                  | Interest Rate | Initial Year | Maturity Year | Amount of Initial Liability | Amounts Outstanding 08/31/25 | Amounts Due Within One Year |
|--------------------------|---------------|--------------|---------------|-----------------------------|------------------------------|-----------------------------|
| Right to Use:            |               |              |               |                             |                              |                             |
| Educational software     | 2.2753%       | 2022         | 2026          | \$ 112,316                  | \$ 30,021                    | \$ 30,021                   |
| Dell software            | 2.6560%       | 2025         | 2027          | 145,619                     | 96,459                       | 47,683                      |
| Dell loadmaster software | 2.8145%       | 2024         | 2026          | 51,955                      | 17,333                       | 17,333                      |
| Totals                   |               |              |               |                             | <u>\$ 143,813</u>            | <u>\$ 95,037</u>            |

Future annual principal and interest payments are as follows:

| Year Ended August 31, | Principal         | Interest        | Total Requirements |
|-----------------------|-------------------|-----------------|--------------------|
| 2026                  | \$ 95,037         | \$ 3,379        | \$ 98,416          |
| 2027                  | 48,776            | 1,117           | 49,893             |
| Totals                | <u>\$ 143,813</u> | <u>\$ 4,496</u> | <u>\$ 148,309</u>  |

### **Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, it could result in a substantial liability to the District. The District has engaged an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations and the District has reported an arbitrage liability at year end in the amount of \$8,727,603.

## **I. 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) and is 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 Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the TRS website at [www.trs.texas.gov/learning-resources/publications](http://www.trs.texas.gov/learning-resources/publications); by writing to TRS at attention Finance Division, PO BOX 149676, Austin, TX, 78714-0185; or by calling 1-(800)-223-8778.

**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% (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 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 above. Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living-adjustment (COLA).

### **One-Time Stipends**

Stipends, regardless of annuity amount, were paid in September 2023 to annuitants who met the qualifying age requirement on or before August 31, 2023:

- A one-time \$7,500 stipend to eligible annuitants who are 75 years of age and older.
- A one-time \$2,400 stipend to eligible annuitants age 70 to 74.

### **Cost-of-Living Adjustment**

A cost-of-living adjustment (COLA) was dependent on Texas voters approving a constitutional amendment (Proposition 9) to authorize the COLA. Voters approved the amendment in the November 2023 election and the following COLA was applied to eligible annuitants' payments beginning with their January 2024 payment:

- 2% COLA for eligible retirees who retired between September 1, 2013 through August 31, 2020.
- 4% COLA for eligible retirees who retired between September 1, 2001 through August 31, 2013.
- 6% COLA for eligible retirees who retired on or before August 31, 2001.

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.

**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 2019 thru 2025.

|  | Contribution Rates |             |
|--|--------------------|-------------|
|  | 2024               | 2025        |
| Member   | 8.25%              | 8.25%       |
| Non-employer contributing entity (State)           | 8.25%              | 8.25%       |
| Employers  | 8.25%              | 8.25%       |
| Current fiscal year employer contributions         |                    | \$3,218,290 |
| Current fiscal year member contributions           |                    | 6,755,727   |
| 2024 measurement year NECE on-behalf contributions |                    | 4,733,475   |

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 are two additional surcharges an employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.8% of the member's salary beginning in fiscal year 2024, gradually increasing to 2% 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, 2023, actuarial valuation rolled forward to August 31, 2024 was determined using the following actuarial assumptions:

|   |  |
|---|--|
| Valuation Date                                  | August 31, 2023 rolled forward to August 31, 2024  |
| Actuarial Cost Method                           | Individual Entry Age Normal  |
| Asset Valuation Method                          | Fair Value   |
| Single Discount Rate                            | 7%   |
| Long-term expected Investment Rate of Return    | 7%   |
| Municipal Bond Rate as of August 2024           | 3.87% - The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders. |
| Last year ending August 31 in Projection Period | 2123   |
| Inflation                                       | 2.3%   |
| Salary Increases Including Inflation            | 2.95% to 8.95%   |
| 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, 2023. For a full description of these assumptions please see the actuarial valuation report dated November 21, 2023.

**Discount Rate.** A single discount rate of 7% 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%. 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 9.54% of payroll in fiscal year 2025 and thereafter. 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%. 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 included in the Systems target asset allocation as of August 31, 2024 are summarized below:

| Asset Class <sup>1</sup>                   | Target Allocation <sup>2</sup> | Long-Term Expected Geometric Real Rate of Return <sup>3</sup> | Expected Contribution to Long-Term Portfolio Returns |
|--|--------------------------------|---|--|
| Global Equity                              |                                |   |  |
| U.S.                                       | 18.00%                         | 4.40%   | 1.00%  |
| Non-U.S. Developed                         | 13.00%                         | 4.20%   | 0.80%  |
| Emerging Markets                           | 9.00%                          | 5.20%   | 0.70%  |
| Private Equity                             | 14.00%                         | 6.70%   | 1.20%  |
| Stable Value                               |                                |   |  |
| Government Bonds                           | 16.00%                         | 1.90%   | 0.40%  |
| Absolute Return                            | 0.00%                          | 4.00%   | 0.00%  |
| Stable Value Hedge Funds                   | 5.00%                          | 3.00%   | 0.20%  |
| Real Return                                |                                |   |  |
| Real Estate                                | 15.00%                         | 6.60%   | 1.20%  |
| Energy, Natural Resources & Infrastructure | 6.00%                          | 5.60%   | 0.40%  |
| Commodities                                | 0.00%                          | 2.50%   | 0.00%  |
| Risk Parity                                | 8.00%                          | 4.00%   | 0.40%  |
| Asset Allocation Leverage                  |                                |   |  |
| Cash                                       | 2.00%                          | 1.00%   | 0.00%  |
| Asset Allocation Leverage                  | -6.00%                         | 1.30%   | -0.10%   |
| Inflation Expectation                      |                                |   | 2.40%  |
| Volatility Drag <sup>4</sup>               |                                |   | -0.70%   |
| Total                                      | 100.00%                        |   | 7.90%  |

<sup>1</sup> Absolute Return includes Credit Sensitive Investments.

<sup>2</sup> Target allocations are based on the FY2024 policy model.

<sup>3</sup> Capital Market Assumptions (CMA) come from 2024 SAA Study CMA Survey (as of 12/31/2023)

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the Net Pension Liability.

|  | 1% Decrease in<br>Discount Rate<br>(6.00%) | Discount Rate<br>(7.00%) | 1% Increase in<br>Discount Rate<br>(8.00%) |
|--|--|--------------------------|--|
| District's proportionate share<br>of net pension liability | \$ 53,922,785                              | \$ 33,759,694            | \$ 17,053,139                              |

**Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions.** At August 31, 2025, the District reported a liability of \$33,759,694 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 | \$ 33,759,694        |
| State's proportionate share that is associated with the District       | 51,308,297           |
| Total  | <u>\$ 85,067,991</u> |

The net pension liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 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, 2023, thru August 31, 2024.

At August 31, 2024, the District's proportion of the collective net pension liability was 0.0552674949% which was an increase of 0.0008362832% from its proportion measured as of August 31, 2023.

The actuarial assumptions and methods are the same as used in the determination of the prior year’s Net Pension Liability.

The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

For the year ended August 31, 2025, the District recognized pension expense of \$11,866,054 and revenue of \$6,132,199 for support provided by the State.

At August 31, 2025, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual economic experience  | \$ 1,860,788                      | \$ 263,579                       |
| Changes in actuarial assumptions   | 1,743,085                         | 233,688                          |
| Difference between projected and actual investment earnings  | 205,213                           | -                                |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 3,281,969                         | 250,115                          |
| Contributions paid to TRS subsequent to the measurement date   | 3,218,290                         | -                                |
| Total  | <u>\$ 10,309,345</u>              | <u>\$ 747,382</u>                |

\$3,218,290 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending August 31, 2026. Other amounts of the employer’s balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| For the<br>Year Ended<br>August 31, | Pension<br>Expense |
|-------------------------------------|--------------------|
| 2026                                | \$ 995,897         |
| 2027                                | 4,518,886          |
| 2028                                | 1,131,916          |
| 2029                                | (466,604)          |
| 2030                                | 163,578            |

**J. 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 with 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 necessary to administer the program, including minimum benefits and financing standards.

**OPEB Plan Fiduciary Net Position.** Detail information about the TRS-Cares fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the TRS website at [www.trs.texas.gov/learning-resources/publications](http://www.trs.texas.gov/learning-resources/publications); by writing to TRS at PO BOX 149676, Austin, TX 78714-0185; or by calling 1-(800)-223-8778.

**Benefits Provided.** TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all 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 the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

|  | 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% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75% of each active employee's pay for fiscal year 2025. The following table shows contributions to the TRS-Care plan by type of contributor.

|  | Contribution Rates |            |
|--|--------------------|------------|
|  | 2024               | 2025       |
| 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         |                    | \$ 677,332 |
| Current fiscal year member contributions           |                    | 532,268    |
| 2024 measurement year NECE on-behalf contributions |                    | 840,842    |

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (*regardless of whether or not they participate in the TRS-Care OPEB program*). When employers hire a TRS retiree, they are required to pay to TRS-Care, a monthly surcharge of \$535 per retiree.

**Actuarial Assumptions.** The actuarial valuation was performed as of August 31, 2023. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2024. The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2023 TRS pension actuarial valuation that was rolled forward to August 31, 2024:

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

The active mortality rates were based on PUB(2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2021.

**Additional Actuarial Methods and Assumptions**

|  |  |
|--|--|
| Valuation Date                         | August 31, 2023, rolled forward to August 31, 2024   |
| Actuarial Cost Method                  | Individual Entry Age Normal  |
| Inflation                              | 2.3%   |
| Discount Rate                          | 3.87% as of August 31, 2023  |
| 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             | 2.95% to 8.95%, including inflation  |
| Healthcare Trend Rates                 | The initial medical trend rate was 6.75 percent for non-Medicare retirees. For Medicare retirees, trend rates are higher in the first two years due to anticipated growth but thereafter match those of non-Medicare retirees. The initial prescription drug trend rate was 7.25 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 11 years. |
| Election Rates                         | Normal Retirement: 62% participation rate prior to age 65 and 25% after age 65. 30% of 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 3.87% was used to measure the Total OPEB Liability. There was a decrease of 0.26% in the discount rate since the previous year. Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the single discount rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2024 using the fixed -income municipal bonds with 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% less than and 1% more than the discount rate that was used (3.87%) in measuring the Net OPEB Liability.

|  | 1% Decrease in<br>Discount Rate<br>(2.87%) | Discount Rate<br>(3.87%) | 1% Increase in<br>Discount Rate<br>(4.87%) |
|--|--|--------------------------|--|
| Proportionate share of net<br>OPEB liability | \$ 26,639,731                              | \$ 22,423,134            | \$ 19,016,060                              |

**Healthcare Cost Trend Sensitivity Analysis.** 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 assumed healthcare cost trend rate used.

|  | 1% Decrease   | Current Healthcare<br>Cost Trend Rate | 1% Increase   |
|--|---------------|---------------------------------------|---------------|
| Proportionate share of net<br>OPEB liability | \$ 18,260,314 | \$ 22,423,134                         | \$ 27,847,704 |

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At August 31, 2025, the District reported a liability of \$22,423,134 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 | \$ 22,423,134        |
| State's proportionate share that is associated with the District    | <u>28,095,883</u>    |
| Total   | <u>\$ 50,519,017</u> |

The Net OPEB Liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 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, 2023 thru August 31, 2024.

At the August 31, 2024, the employer's proportion of the collective Net OPEB Liability was 0.0738780964% which was an increase of 0.0003108826% from its proportion measured as of August 31, 2023.

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

- The discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.
- The tables used to model the impact of aging on the underlying claims were revised.

There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2025, the District recognized OPEB expense of \$(5,071,826) and revenue of \$(3,651,946) for support provided by the State.

At August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual actuarial experiences   | \$ 4,297,762                      | \$ 11,190,360                    |
| Changes in actuarial assumptions  | 2,869,896                         | 7,316,409                        |
| Differences between projected and actual investment earnings  | -                                 | 62,792                           |
| Changes in proportion and differences between the employer's contributions and the proportionate share of contributions | 5,328,311                         | -                                |
| Contributions paid to OPEB subsequent to the measurement date   | <u>677,332</u>                    | <u>-</u>                         |
| Total   | <u>\$ 13,173,301</u>              | <u>\$ 18,569,561</u>             |

\$677,332 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability for the year ending August 31, 2026. Other amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| For the Year<br>Ended August 31, | OPEB<br>Expense |
|----------------------------------|-----------------|
| 2026                             | \$ (2,002,974)  |
| 2027                             | (987,403)       |
| 2028                             | (1,608,310)     |
| 2029                             | (1,404,107)     |
| 2030                             | (662,371)       |
| Thereafter                       | 591,573         |

#### **K. Medicare Part D – On-behalf Payments**

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) created an outpatient prescription drug benefit program (known as Medicare Part D) and a Retiree Drug Subsidy (RDS) program which were made available in 2006. The Texas Public School Retired Employee Group Insurance Program (TRS-Care) is offering a Medicare Part D Plan and is participating in the Retiree Drug Subsidy plan for eligible TRS-Care participants. Under Medicare Part D and the RDS program, TRS-Care receives payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. On-behalf payments must be recognized as equal revenues and expenditures/expenses by each reporting entity. The allocation of these on-behalf payments is based on the ratio of a reporting entity's covered payroll to the entire covered payroll reported by all participating reporting entities. These on-behalf payments made on behalf the District for fiscal years 2025, 2024, and 2023 were \$589,007, \$430,300, and \$404,405, respectively.

#### **L. Health Care Coverage**

The District uses a medical self-insurance plan to pay medical claims of District employees and their covered dependents and minimize the total cost of annual medical insurance to the District. Medical claims in any one year exceeding \$175,000 per covered individual, or approximately \$9,637,483 in the aggregate for the group are covered through a private insurance carrier. The self-insurance fund is funded by charges to employees for extended benefits at their option and operating transfers from other funds.

Estimates of claims payable and of claims incurred but not reported (IBNR) at year end, are reflected as claims payable of the Health Insurance Internal Service Fund. The estimate of the claims incurred and not reported is calculated by third party administration based on claims filed during the current year. The plan is funded to discharge liabilities of the Fund as they become due.

| Year Ended<br>August 31, | Beginning<br>Liability | Estimated Current<br>Year Claims | Claim<br>Payments | Ending<br>Liability |
|--------------------------|------------------------|----------------------------------|-------------------|---------------------|
| 2024                     | \$ 536,434             | \$ 9,885,640                     | \$ (9,862,993)    | \$ 559,081          |
| 2025                     | 559,081                | 10,627,239                       | (10,684,304)      | 502,016             |

**M. Workers' Compensation Coverage**

The District has a partially self-insured workers' compensation plan administered by Texas Public School's Workers Compensation Project ("SchoolComp") which is an insurance pool. The District established an Internal Service Fund to account for and finance this partially uninsured risk of loss. The District is obligated to pay its own claims up to \$75,000 per claim. The claim liability below is an estimate of potential loss exposure on workers' compensation claims at year end which includes incurred but not reported ("IBNR") claims and claims reported but not paid.

A reconciliation of the estimated claim liability is as follows:

| Year Ended<br>August 31, | Beginning<br>Liability | Estimated Current<br>Year Claims | Claim<br>Payments | Ending<br>Liability |
|--------------------------|------------------------|----------------------------------|-------------------|---------------------|
| 2024                     | \$ 184,921             | \$ 110,775                       | \$ (107,991)      | \$ 187,705          |
| 2025                     | 187,705                | 98,313                           | (96,519)          | 189,499             |

**N. Risk Management**

The District's risk management program includes coverages through third party insurance providers for property, automobile liability, school professional liability, crime, and other miscellaneous bonds. During the year ended August 31, 2025, there were no significant reductions in insurance coverage from coverage in the prior year. Losses in excess of the various deductible levels are covered through traditional indemnity coverage for buildings and contents, and vehicle liability with various insurance firms. Settled claims have not exceeded insurance limits for the past three years.

**O. Commitments and Contingencies**

At August 31, 2025, the District is committed under construction contracts as follows:

| Projects                                   | Spent-to-Date        | Remaining<br>Commitment |
|--|----------------------|-------------------------|
| Competition Gym & Fine Arts, Add           | \$ 6,507,368         | \$ 60,282,056           |
| Phase 1 Private Drive S Reimers Peacock PR | 1,385,226            | 10,565,173              |
| Lake Travis HS Science Wing Addition       | 2,820,550            | 13,888,863              |
| Phase II Lake Travis High School           | <u>1,932,828</u>     | <u>161,092</u>          |
| Totals                                     | <u>\$ 12,645,972</u> | <u>\$ 84,897,184</u>    |

The District is a defendant in lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**P. Other Fund Balance Commitments**

At year end other nonmajor governmental committed fund balance is as follows:

|                                    |                     |
|------------------------------------|---------------------|
| Campus activities                  | \$ 1,200,554        |
| AP testing                         | 291,672             |
| Athletics                          | 135,709             |
| Instruction                        | <u>392,357</u>      |
| Total other committed fund balance | <u>\$ 2,020,292</u> |

**Q. Special Item**

During the fiscal year ended August 31, 2025, the District transferred a capital asset classified as buildings and improvements with a net book value of \$8,450,463, to another entity. The capital asset was intended to help reduce traffic congestion and provide access to Bee Cave Middle School and will be maintained by another entity.

The District recognized a loss of \$8,450,863, which is reported as a special item in the government-wide Statement of Activities.

**R. Change in Accounting Principle**

During fiscal year 2025, the District adopted GASB Statement 101, *Compensated Absences*. In the prior year, the District reported a compensated absences liability of \$666,607. With the adoption of the new accounting standard during the reporting period, the beginning compensated absences liability for fiscal year 2025 was determined to be \$3,066,950.

During the fiscal year 2025, the change in accounting principle described above, resulted in a restatement of beginning net position of \$2,400,343, as shown below:

|                          | <u>8/31/2024<br/>As Previously<br/>Reported</u> | <u>Change in<br/>Accounting<br/>Principle</u> | <u>8/31/2024<br/>As Restated</u> |
|--------------------------|---|---|----------------------------------|
| Governmental activities  | \$ 162,762,758                                  | \$ (2,400,343)                                | \$ 160,362,415                   |
| Total primary government | \$ 162,762,758                                  | \$ (2,400,343)                                | \$ 160,362,415                   |

**S. New Accounting Standards**

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the District includes the following:

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

**REQUIRED SUPPLEMENTARY INFORMATION**

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT G-1**

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes              | Budgeted Amounts   |                      | Actual<br>Amounts    | Variance With<br>Final Budget<br>Positive or<br>(Negative) |                     |
|---------------------------------------|--|----------------------|----------------------|--|---------------------|
|                                       | Original   | Final                |                      |  |                     |
| <b>REVENUES</b>                       |  |                      |                      |  |                     |
| 5700                                  | Local and intermediate sources   | \$ 148,150,000       | \$ 144,795,000       | \$ 144,059,192   | \$ (735,808)        |
| 5800                                  | State program  | 14,126,764           | 14,126,764           | 13,427,668   | (699,096)           |
| 5900                                  | Federal program  | <u>158,500</u>       | <u>263,500</u>       | <u>169,356</u>   | <u>(94,144)</u>     |
| 5020                                  | Total revenues   | <u>162,435,264</u>   | <u>159,185,264</u>   | <u>157,656,216</u>   | <u>(1,529,048)</u>  |
| <b>EXPENDITURES</b>                   |  |                      |                      |  |                     |
| Current:                              |  |                      |                      |  |                     |
| 0011                                  | Instruction  | 67,261,000           | 67,361,152           | 66,956,922   | 404,230             |
| 0012                                  | Instructional resources and media services                             | 1,071,983            | 1,071,983            | 1,058,104  | 13,879              |
| 0013                                  | Curriculum and instructional staff development                         | 1,400,016            | 1,280,016            | 1,279,901  | 115                 |
| 0021                                  | Instructional leadership   | 2,361,963            | 2,641,963            | 2,638,425  | 3,538               |
| 0023                                  | School leadership  | 5,828,585            | 5,958,585            | 6,029,741  | (71,156)            |
| 0031                                  | Guidance, counseling and evaluation services                           | 5,784,061            | 4,784,061            | 4,754,118  | 29,943              |
| 0032                                  | Social work services   | 475,689              | 405,689              | 373,273  | 32,416              |
| 0033                                  | Health services  | 1,087,609            | 1,002,609            | 1,002,422  | 187                 |
| 0034                                  | Student (pupil) transportation   | 4,846,547            | 5,536,547            | 5,535,903  | 644                 |
| 0035                                  | Food services  | 122,601              | 152,601              | 151,566  | 1,035               |
| 0036                                  | Extracurricular activities   | 2,745,259            | 2,770,259            | 2,697,663  | 72,596              |
| 0041                                  | General administration   | 4,325,194            | 5,165,194            | 5,201,327  | (36,133)            |
| 0051                                  | Facilities maintenance and operations                                  | 12,678,467           | 12,928,467           | 12,924,788   | 3,679               |
| 0052                                  | Security and monitoring services                                       | 1,696,927            | 1,781,927            | 1,772,627  | 9,300               |
| 0053                                  | Data processing services   | 3,136,783            | 2,966,783            | 3,075,112  | (108,329)           |
| 0061                                  | Community services   | 528,009              | 618,009              | 619,085  | (1,076)             |
| Debt service:                         |  |                      |                      |  |                     |
| 0071                                  | Principal on long term debt  | 275,000              | 285,572              | 139,210  | 146,362             |
| 0072                                  | Interest on long term debt   | -                    | 3,638                | 3,638  | -                   |
| Capital outlay:                       |  |                      |                      |  |                     |
| 0081                                  | Facilities acquisition and construction                                | 40,867               | 75,867               | 179,010  | (103,143)           |
| Intergovernmental:                    |  |                      |                      |  |                     |
| 0091                                  | Contracted instructional services between schools                      | 49,786,945           | 50,193,945           | 49,849,098   | 344,847             |
| 0093                                  | Payments to fiscal agent/member districts<br>of SSA                    | 66,760               | 58,760               | 57,809   | 951                 |
| 0095                                  | Payments related to juvenile justice alternative<br>education programs | 15,000               | 5,000                | 2,322  | 2,678               |
| 0099                                  | Other intergovernmental charges  | <u>1,050,000</u>     | <u>1,028,000</u>     | <u>1,027,367</u>   | <u>633</u>          |
| 6030                                  | Total expenditures   | <u>166,585,265</u>   | <u>168,076,627</u>   | <u>167,329,431</u>   | <u>747,196</u>      |
| 1100                                  | Excess (deficiency) of revenues over<br>(under) expenditures           | <u>(4,150,001)</u>   | <u>(8,891,363)</u>   | <u>(9,673,215)</u>   | <u>(781,852)</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b> |  |                      |                      |  |                     |
| 7940                                  | Issuance of SBITA  | -                    | -                    | 145,619  | 145,619             |
|                                       | Total other financing sources (uses)                                   | -                    | -                    | 145,619  | 145,619             |
| 1200                                  | Net change in fund balance   | <u>(4,150,001)</u>   | <u>(8,891,363)</u>   | <u>(9,527,596)</u>   | <u>(636,233)</u>    |
| 0100                                  | Fund balance - Beginning   | <u>41,139,503</u>    | <u>41,139,503</u>    | <u>41,139,503</u>  | <u>-</u>            |
| 3000                                  | Fund balance - Ending  | <u>\$ 36,989,502</u> | <u>\$ 32,248,140</u> | <u>\$ 31,611,907</u>                                       | <u>\$ (636,233)</u> |

## **LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

### **NOTES TO REQUIRED BUDGETARY SCHEDULE**

**AUGUST 31, 2025**

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the National Breakfast and Lunch Program Fund which is included in the Special Revenue Funds. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District's budget is prepared and adopted on the same basis of accounting used to prepare the financial statements in accordance with generally accepted accounting principles. The District compares the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit G-1 and the other two reports are in Exhibit J-2 and J-3.

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 only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. All budget appropriations lapse at year-end.

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2025

| Measurement Year Ended August 31,  | 2024          | 2023          | 2022          |
|--|---------------|---------------|---------------|
| District's proportion of the net pension liability (asset)   | 0.055267%     | 0.054431%     | 0.048446%     |
| District's proportionate share of net pension liability (asset)  | \$ 33,759,694 | \$ 37,388,990 | \$ 28,767,943 |
| States proportionate share of the net pension liability (asset)<br>associated with the District                        | 51,308,297    | 57,938,349    | 46,325,057    |
| Total  | \$ 85,067,991 | \$ 95,327,339 | \$ 75,093,000 |
| District's covered payroll   | \$ 80,999,710 | \$ 75,798,289 | \$ 68,333,868 |
| District's proportionate share of the net pension liability (asset)<br>as a percentage of its covered employee payroll | 41.68%        | 49.33%        | 42.10%        |
| Plan fiduciary net position as a percentage of the total pension<br>liability  | 77.51%        | 73.15%        | 75.62%        |

| 2021                 | 2020                 | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 0.045520%            | 0.042667%            | 0.045454%            | 0.042582%            | 0.041541%            | 0.041082%            | 0.042513%            |
| \$ 11,592,330        | \$ 22,851,574        | \$ 23,628,295        | \$ 23,438,267        | \$ 13,282,490        | \$ 15,524,204        | \$ 15,027,850        |
| <u>22,988,683</u>    | <u>47,844,349</u>    | <u>42,672,220</u>    | <u>44,939,821</u>    | <u>26,164,741</u>    | <u>30,795,688</u>    | <u>29,615,675</u>    |
| <u>\$ 34,581,013</u> | <u>\$ 70,695,923</u> | <u>\$ 66,300,515</u> | <u>\$ 68,378,088</u> | <u>\$ 39,447,231</u> | <u>\$ 46,319,892</u> | <u>\$ 44,643,525</u> |
| \$ 63,094,897        | \$ 62,065,970        | \$ 56,691,939        | \$ 52,718,193        | \$ 50,203,725        | \$ 47,934,351        | \$ 46,310,888        |
| 18.37%               | 36.82%               | 41.68%               | 44.46%               | 26.46%               | 32.39%               | 32.45%               |
| 88.79%               | 75.54%               | 75.24%               | 73.74%               | 82.17%               | 78.00%               | 78.43%               |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2025

| For the Year Ended August 31,                                       | <u>2025</u>        | <u>2024</u>        | <u>2023</u>        |
|---|--------------------|--------------------|--------------------|
| Contractually required contribution                                 | \$ 3,218,290       | \$ 3,112,627       | \$ 2,788,946       |
| Contribution in relation to the contractually required contribution | <u>(3,218,290)</u> | <u>(3,112,627)</u> | <u>(2,788,946)</u> |
| Contribution deficiency (excess)                                    | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| District's covered payroll  | \$ 81,887,398      | \$ 80,999,710      | \$ 75,798,289      |
| Contributions as a percentage of covered employee payroll           | 3.93%              | 3.84%              | 3.68%              |

**EXHIBIT G-3**

| <u>2022</u>        | <u>2021</u>        | <u>2020</u>        | <u>2019</u>        | <u>2018</u>        | <u>2017</u>        | <u>2015</u>        |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 2,261,346       | \$ 1,942,396       | \$ 1,761,631       | \$ 1,574,129       | \$ 1,434,482       | \$ 1,361,463       | \$ 1,258,836       |
| <u>(2,261,346)</u> | <u>(1,942,396)</u> | <u>(1,761,631)</u> | <u>(1,574,129)</u> | <u>(1,434,482)</u> | <u>(1,361,463)</u> | <u>(1,258,836)</u> |
| \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| \$ 68,333,868      | \$ 65,213,249      | \$ 62,065,970      | \$ 56,691,939      | \$ 52,718,193      | \$ 50,203,725      | \$ 46,310,888      |
| 3.31%              | 2.98%              | 2.84%              | 2.78%              | 2.72%              | 2.71%              | 2.72%              |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2025

| Measurement Year Ended August 31,  | <u>2024</u>          | <u>2023</u>          | <u>2022</u>          |
|--|----------------------|----------------------|----------------------|
| District's proportion of the net OPEB liability (asset)  | 0.07388%             | 0.07357%             | 0.07006%             |
| District's proportionate share of net OPEB liability (asset)   | \$ 22,423,134        | \$ 16,286,534        | \$ 16,775,771        |
| States proportionate share of the net OPEB liability (asset) associated with the District                        | <u>28,095,883</u>    | <u>19,652,207</u>    | <u>20,463,805</u>    |
| Total  | <u>\$ 50,519,017</u> | <u>\$ 35,938,741</u> | <u>\$ 37,239,576</u> |
| District's covered employee payroll  | \$ 80,999,710        | \$ 75,798,289        | \$ 68,333,868        |
| District's proportionate share of the net OPEB liability (asset) as a percentage of its covered employee payroll | 27.68%               | 21.49%               | 24.55%               |
| Plan fiduciary net position as a percentage of the total OPEB liability  | 13.70%               | 14.94%               | 11.52%               |

Note: 10 years of information is required, but information prior to 2017 is not available.

| <u>2021</u>          | <u>2020</u>          | <u>2019</u>          | <u>2018</u>          | <u>2017</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 0.06780%             | 0.06577%             | 0.06344%             | 0.05986%             | 0.05520%             |
| \$ 26,152,651        | \$ 25,003,900        | \$ 29,999,529        | \$ 29,887,166        | \$ 24,002,534        |
| <u>35,038,724</u>    | <u>33,599,248</u>    | <u>39,862,662</u>    | <u>46,673,009</u>    | <u>40,861,087</u>    |
| <u>\$ 61,191,375</u> | <u>\$ 58,603,148</u> | <u>\$ 69,862,191</u> | <u>\$ 76,560,175</u> | <u>\$ 64,863,621</u> |
| \$ 63,094,897        | \$ 62,065,970        | \$ 56,691,939        | \$ 52,718,193        | \$ 50,203,725        |
| 41.45%               | 40.29%               | 52.92%               | 56.69%               | 47.81%               |
| 6.18%                | 4.99%                | 2.66%                | 1.57%                | 0.91%                |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2025

| For the Year Ended August 31,  | <u>2025</u>      | <u>2024</u>      | <u>2023</u>      |
|--|------------------|------------------|------------------|
| Contractually required contribution                                  | \$ 677,332       | \$ 670,514       | \$ 634,476       |
| Contribution in relation to the contractually required contributions | <u>(677,332)</u> | <u>(670,514)</u> | <u>(634,476)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| District's covered employee payroll                                  | \$81,887,398     | \$80,999,710     | \$75,798,289     |
| Contributions as a percentage of covered employee payroll            | 0.83%            | 0.83%            | 0.84%            |

| <u>2022</u>      | <u>2021</u>      | <u>2020</u>      | <u>2019</u>      | <u>2018</u>      | <u>2017</u>      | <u>2015</u>      |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 574,521       | \$ 529,390       | \$ 499,952       | \$ 441,279       | \$ 412,926       | \$ 286,963       | \$ 254,712       |
| <u>(574,521)</u> | <u>(529,390)</u> | <u>(499,952)</u> | <u>(441,279)</u> | <u>(412,926)</u> | <u>(286,963)</u> | <u>(254,712)</u> |
| <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| \$68,333,868     | \$65,213,249     | \$62,065,970     | \$56,691,939     | \$52,718,193     | \$50,203,725     | \$46,310,888     |
| 0.84%            | 0.81%            | 0.81%            | 0.78%            | 0.78%            | 0.57%            | 0.55%            |

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## **COMBINING STATEMENTS**

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

AUGUST 31, 2025

| Data<br>Control<br>Codes |                                     | Special Revenue Funds                          |                                  |                                    |
|--------------------------|-------------------------------------|--|----------------------------------|------------------------------------|
|                          |                                     | 211<br>ESEA I, A<br>Improving<br>Basic Program | 224<br>IDEA<br>Part B<br>Formula | 225<br>IDEA<br>Part B<br>Preschool |
| <b>ASSETS</b>            |                                     |  |                                  |                                    |
| 1110                     | Cash and cash equivalents           | \$ 14,164                                      | \$ 141,754                       | \$ 2,320                           |
| 1240                     | Due from other governments          | 41,208   | 393,304                          | -                                  |
| 1250                     | Accrued interest                    | -  | -                                | -                                  |
| 1260                     | Due from other funds                | -  | -                                | -                                  |
| 1300                     | Inventories                         | -  | -                                | -                                  |
| 1000                     | Total assets                        | <u>55,372</u>                                  | <u>535,058</u>                   | <u>2,320</u>                       |
| <b>LIABILITIES</b>       |                                     |  |                                  |                                    |
| 2110                     | Accounts payable                    | -  | -                                | -                                  |
| 2160                     | Accrued wages payable               | 14,164   | 141,754                          | 2,320                              |
| 2170                     | Due to other funds                  | 41,208   | 393,304                          | -                                  |
| 2300                     | Unearned revenue                    | -  | -                                | -                                  |
| 2000                     | Total liabilities                   | <u>55,372</u>                                  | <u>535,058</u>                   | <u>2,320</u>                       |
| <b>FUND BALANCES</b>     |                                     |  |                                  |                                    |
| 3410                     | Nonspendable inventory              | -  | -                                | -                                  |
|                          | Restricted for:                     |  |                                  |                                    |
| 3450                     | Federal or state grant restrictions | -  | -                                | -                                  |
|                          | Committed for:                      |  |                                  |                                    |
| 3545                     | Other                               | -  | -                                | -                                  |
| 3000                     | Total fund balances                 | <u>-</u>                                       | <u>-</u>                         | <u>-</u>                           |
| 4000                     | Total liabilities and fund balances | <u>\$ 55,372</u>                               | <u>\$ 535,058</u>                | <u>\$ 2,320</u>                    |

| Special Revenue Funds                             |   |   |   |   |
|---|---|---|---|---|
| 226<br>Special<br>Education -<br>High Cost Grants | 240<br>National<br>Breakfast and<br>Lunch Program | 244<br>Career and<br>Technical -<br>Basic Grant | 255<br>ESEA II, A<br>Training and<br>Recruiting | 263<br>Title III, A<br>English Lang.<br>Acquisition |
| \$ -  | \$ 1,723,820                                      | \$ -  | \$ -  | \$ 9,272  |
| -   | -   | 38,180  | 86,026  | 84,564  |
| -   | 2,621   | -   | -   | -   |
| -   | 47,740  | -   | -   | -   |
| -   | 174,286   | -   | -   | -   |
| -   | <u>1,948,467</u>                                  | <u>38,180</u>                                   | <u>86,026</u>                                   | <u>93,836</u>                                       |
| -   | 37,076  | -   | -   | -   |
| -   | 270,220   | -   | -   | 9,272   |
| -   | 21,620  | 38,180  | 86,026  | 84,564  |
| -   | 422,551   | -   | -   | -   |
| -   | <u>751,467</u>                                    | <u>38,180</u>                                   | <u>86,026</u>                                   | <u>93,836</u>                                       |
| -   | 174,286   | -   | -   | -   |
| -   | 1,022,714   | -   | -   | -   |
| -   | -   | -   | -   | -   |
| -   | <u>1,197,000</u>                                  | <u>-</u>  | <u>-</u>  | <u>-</u>  |
| \$ -  | \$ 1,948,467                                      | \$ 38,180                                       | \$ 86,026                                       | \$ 93,836   |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

AUGUST 31, 2025

| Data<br>Control<br>Codes |                                     | Special Revenue Funds  |  |                                    |
|--------------------------|-------------------------------------|--|--|------------------------------------|
|                          |                                     | 289<br>Student Support<br>and Academic<br>Enrichment Program | 410<br>State<br>Instructional<br>Materials | 461<br>Campus<br>Activity<br>Funds |
| <b>ASSETS</b>            |                                     |  |  |                                    |
| 1110                     | Cash and cash equivalents           | \$ -   | \$ -                                       | \$ 1,200,554                       |
| 1240                     | Due from other governments          | 4,811  | 210,024                                    | -                                  |
| 1250                     | Accrued interest                    | -  | -  | -                                  |
| 1260                     | Due from other funds                | -  | -  | -                                  |
| 1300                     | Inventories                         | -  | -  | -                                  |
| 1000                     | Total assets                        | <u>4,811</u>   | <u>210,024</u>                             | <u>1,200,554</u>                   |
| <b>LIABILITIES</b>       |                                     |  |  |                                    |
| 2110                     | Accounts payable                    | -  | -  | -                                  |
| 2160                     | Accrued wages payable               | -  | -  | -                                  |
| 2170                     | Due to other funds                  | 4,811  | 210,024                                    | -                                  |
| 2300                     | Unearned revenue                    | -  | -  | -                                  |
| 2000                     | Total liabilities                   | <u>4,811</u>   | <u>210,024</u>                             | <u>-</u>                           |
| <b>FUND BALANCES</b>     |                                     |  |  |                                    |
| 3410                     | Nonspendable inventory              | -  | -  | -                                  |
| Restricted for:          |                                     |  |  |                                    |
| 3450                     | Federal or state grant restrictions | -  | -  | -                                  |
| Committed for:           |                                     |  |  |                                    |
| 3545                     | Other                               | -  | -  | 1,200,554                          |
| 3000                     | Total fund balances                 | <u>-</u>   | <u>-</u>                                   | <u>1,200,554</u>                   |
| 4000                     | Total liabilities and fund balances | <u>\$ 4,811</u>  | <u>\$ 210,024</u>                          | <u>\$ 1,200,554</u>                |

| Special Revenue Funds |                   |                      |                             |  |                                   |
|-----------------------|-------------------|----------------------|-----------------------------|--|-----------------------------------|
| 481                   | 486               | 488                  | 489                         | 492/493                                      | Total                             |
| AP<br>Testing         | Athletic          | PTA/PTO<br>Donations | Other<br>State and<br>Local | Lake Travis<br>Ed. Foundation<br>Mini Grants | Nonmajor<br>Governmental<br>Funds |
| \$ 291,672            | \$ 150,670        | \$ 107,486           | \$ 207,606                  | \$ 77,265                                    | \$ 3,926,583                      |
| -                     | -                 | -                    | -                           | -  | 858,117                           |
| -                     | -                 | -                    | -                           | -  | 2,621                             |
| -                     | -                 | -                    | -                           | -  | 47,740                            |
| -                     | -                 | -                    | -                           | -  | 174,286                           |
| <u>291,672</u>        | <u>150,670</u>    | <u>107,486</u>       | <u>207,606</u>              | <u>77,265</u>                                | <u>5,009,347</u>                  |
| -                     | 14,961            | -                    | -                           | -  | 52,037                            |
| -                     | -                 | -                    | -                           | -  | 437,730                           |
| -                     | -                 | -                    | -                           | -  | 879,737                           |
| -                     | -                 | -                    | -                           | -  | 422,551                           |
| -                     | <u>14,961</u>     | -                    | -                           | -  | <u>1,792,055</u>                  |
| -                     | -                 | -                    | -                           | -  | 174,286                           |
| -                     | -                 | -                    | -                           | -  | 1,022,714                         |
| <u>291,672</u>        | <u>135,709</u>    | <u>107,486</u>       | <u>207,606</u>              | <u>77,265</u>                                | <u>2,020,292</u>                  |
| <u>291,672</u>        | <u>135,709</u>    | <u>107,486</u>       | <u>207,606</u>              | <u>77,265</u>                                | <u>3,217,292</u>                  |
| \$ <u>291,672</u>     | \$ <u>150,670</u> | \$ <u>107,486</u>    | \$ <u>207,606</u>           | \$ <u>77,265</u>                             | \$ <u>5,009,347</u>               |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes |  | Special Revenue Funds                          |                                  |                                    |
|--------------------------|--|--|----------------------------------|------------------------------------|
|                          |  | 211<br>ESEA I, A<br>Improving<br>Basic Program | 224<br>IDEA<br>Part B<br>Formula | 225<br>IDEA<br>Part B<br>Preschool |
| <b>REVENUES</b>          |  |  |                                  |                                    |
| 5700                     | Local and intermediate sources                   | \$ -   | \$ -                             | \$ -                               |
| 5800                     | State program                                    | -  | -                                | -                                  |
| 5900                     | Federal program                                  | <u>342,762</u>                                 | <u>1,712,746</u>                 | <u>13,468</u>                      |
| 5020                     | Total revenues                                   | <u>342,762</u>                                 | <u>1,712,746</u>                 | <u>13,468</u>                      |
| <b>EXPENDITURES</b>      |  |  |                                  |                                    |
| Current:                 |  |  |                                  |                                    |
| 0011                     | Instruction                                      | 342,762  | 980,912                          | 13,468                             |
| 0012                     | Instructional resources and<br>staff development | -  | -                                | -                                  |
| 0031                     | Guidance, counseling<br>and evaluation services  | -  | 731,834                          | -                                  |
| 0035                     | Food services                                    | -  | -                                | -                                  |
| 0036                     | Extracurricular activities                       | -  | -                                | -                                  |
| 0051                     | Facilities maintenance and operations            | -  | -                                | -                                  |
| 0061                     | Community services                               | <u>-</u>                                       | <u>-</u>                         | <u>-</u>                           |
| 6030                     | Total expenditures                               | <u>342,762</u>                                 | <u>1,712,746</u>                 | <u>13,468</u>                      |
| 1200                     | Net change in fund balances                      | <u>-</u>                                       | <u>-</u>                         | <u>-</u>                           |
| 0100                     | Fund balance - beginning                         | <u>-</u>                                       | <u>-</u>                         | <u>-</u>                           |
| 3000                     | Fund balance - ending                            | <u>\$ -</u>                                    | <u>\$ -</u>                      | <u>\$ -</u>                        |

| Special Revenue Funds                             |   |   |   |   |
|---|---|---|---|---|
| 226<br>Special<br>Education -<br>High Cost Grants | 240<br>National<br>Breakfast and<br>Lunch Program | 244<br>Career and<br>Technical -<br>Basic Grant | 255<br>ESEA II, A<br>Training and<br>Recruiting | 263<br>Title III, A<br>English Lang.<br>Acquisition |
| \$ -  | \$ 6,107,196                                      | \$ -  | \$ -  | \$ -  |
| -   | 9,815   | -   | -   | -   |
| <u>244,078</u>                                    | <u>852,477</u>                                    | <u>76,700</u>                                   | <u>135,821</u>                                  | <u>129,642</u>                                      |
| <u>244,078</u>                                    | <u>6,969,488</u>                                  | <u>76,700</u>                                   | <u>135,821</u>                                  | <u>129,642</u>                                      |
| 244,078   | -   | 76,700  | -   | 89,326  |
| -   | -   | -   | 135,821   | 40,316  |
| -   | -   | -   | -   | -   |
| -   | 6,786,587   | -   | -   | -   |
| -   | -   | -   | -   | -   |
| -   | 200,000   | -   | -   | -   |
| -   | -   | -   | -   | -   |
| <u>244,078</u>                                    | <u>6,986,587</u>                                  | <u>76,700</u>                                   | <u>135,821</u>                                  | <u>129,642</u>                                      |
| -   | (17,099)  | -   | -   | -   |
| -   | 1,214,099   | -   | -   | -   |
| <u>\$ -</u>                                       | <u>\$ 1,197,000</u>                               | <u>\$ -</u>                                     | <u>\$ -</u>                                     | <u>\$ -</u>   |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes |  | Special Revenue Funds  |  |                                    |
|--------------------------|--|--|--|------------------------------------|
|                          |  | 289<br>Student Support<br>and Academic<br>Enrichment Program | 410<br>State<br>Instructional<br>Materials | 461<br>Campus<br>Activity<br>Funds |
| <b>REVENUES</b>          |  |  |  |                                    |
| 5700                     | Local and intermediate sources                   | \$ -   | \$ -                                       | \$ 1,642,554                       |
| 5800                     | State program                                    | -  | 911,456                                    | -                                  |
| 5900                     | Federal program                                  | <u>23,256</u>  | <u>-</u>                                   | <u>-</u>                           |
| 5020                     | Total revenues                                   | <u>23,256</u>  | <u>911,456</u>                             | <u>1,642,554</u>                   |
| <b>EXPENDITURES</b>      |  |  |  |                                    |
| Current:                 |  |  |  |                                    |
| 0011                     | Instruction                                      | 23,256   | 911,456                                    | 1,158,476                          |
| 0012                     | Instructional resources and<br>staff development | -  | -  | -                                  |
| 0031                     | Guidance, counseling<br>and evaluation services  | -  | -  | -                                  |
| 0035                     | Food services                                    | -  | -  | -                                  |
| 0036                     | Extracurricular activities                       | -  | -  | 428,991                            |
| 0051                     | Facilities maintenance and operations            | -  | -  | -                                  |
| 0061                     | Community services                               | <u>-</u>   | <u>-</u>                                   | <u>-</u>                           |
| 6030                     | Total expenditures                               | <u>23,256</u>  | <u>911,456</u>                             | <u>1,587,467</u>                   |
| 1200                     | Net change in fund balances                      | <u>-</u>   | <u>-</u>                                   | <u>55,087</u>                      |
| 0100                     | Fund balance - beginning                         | <u>-</u>   | <u>-</u>                                   | <u>1,145,467</u>                   |
| 3000                     | Fund balance - ending                            | <u>\$ -</u>  | <u>\$ -</u>                                | <u>\$ 1,200,554</u>                |

| Special Revenue Funds |                   |                      |                             |  |                                   |  |
|-----------------------|-------------------|----------------------|-----------------------------|--|-----------------------------------|--|
| 481                   | 486               | 488                  | 489                         | 492/493                                      | Total                             |  |
| AP<br>Testing         | Athletic          | PTA/PTO<br>Donations | Other<br>State and<br>Local | Lake Travis<br>Ed. Foundation<br>Mini Grants | Nonmajor<br>Governmental<br>Funds |  |
| \$ 350,380            | \$ 687,236        | \$ 226,302           | \$ 178,035                  | \$ 450,000                                   | \$ 9,641,703                      |  |
| -                     | -                 | -                    | -                           | -  | 921,271                           |  |
| -                     | -                 | -                    | -                           | -  | 3,530,950                         |  |
| <u>350,380</u>        | <u>687,236</u>    | <u>226,302</u>       | <u>178,035</u>              | <u>450,000</u>                               | <u>14,093,924</u>                 |  |
| -                     | -                 | 176,046              | 53,445                      | 515,352                                      | 4,585,277                         |  |
| -                     | -                 | -                    | 21,908                      | -  | 198,045                           |  |
| 318,500               | -                 | -                    | -                           | -  | 1,050,334                         |  |
| -                     | -                 | -                    | -                           | -  | 6,786,587                         |  |
| -                     | 622,357           | -                    | 3,546                       | -  | 1,054,894                         |  |
| -                     | -                 | -                    | -                           | -  | 200,000                           |  |
| -                     | -                 | -                    | 56,958                      | -  | 56,958                            |  |
| <u>318,500</u>        | <u>622,357</u>    | <u>176,046</u>       | <u>135,857</u>              | <u>515,352</u>                               | <u>13,932,095</u>                 |  |
| <u>31,880</u>         | <u>64,879</u>     | <u>50,256</u>        | <u>42,178</u>               | <u>(65,352)</u>                              | <u>161,829</u>                    |  |
| <u>259,792</u>        | <u>70,830</u>     | <u>57,230</u>        | <u>165,428</u>              | <u>142,617</u>                               | <u>3,055,463</u>                  |  |
| <u>\$ 291,672</u>     | <u>\$ 135,709</u> | <u>\$ 107,486</u>    | <u>\$ 207,606</u>           | <u>\$ 77,265</u>                             | <u>\$ 3,217,292</u>               |  |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-3**

COMBINING STATEMENT OF NET POSITION  
ENTERPRISE FUNDS

AUGUST 31, 2025

|                              | Community<br>Education | Video Display<br>Board | Total<br>Enterprise<br>Funds |
|------------------------------|------------------------|------------------------|------------------------------|
| <b>ASSETS</b>                |                        |                        |                              |
| Current assets:              |                        |                        |                              |
| Cash and cash equivalents    | \$ 473,175             | \$ 259,786             | \$ 732,961                   |
| Total current assets         | <u>473,175</u>         | <u>259,786</u>         | <u>732,961</u>               |
| Noncurrent assets:           |                        |                        |                              |
| Capital assets               |                        |                        |                              |
| Buildings and improvements   | -                      | 493,399                | 493,399                      |
| Accumulated depreciation     | <u>-</u>               | <u>(74,010)</u>        | <u>(74,010)</u>              |
| Total noncurrent assets      | <u>-</u>               | <u>419,389</u>         | <u>419,389</u>               |
| Total assets                 | <u>473,175</u>         | <u>679,175</u>         | <u>1,152,350</u>             |
| <b>LIABILITIES</b>           |                        |                        |                              |
| Current liabilities:         |                        |                        |                              |
| Accounts payable             | 4,316                  |                        | 4,316                        |
| Accrued wages payable        | 174,440                | -                      | 174,440                      |
| Due to other funds           | 5,991                  | -                      | 5,991                        |
| Unearned revenue             | <u>283,959</u>         | <u>-</u>               | <u>283,959</u>               |
| Total current liabilities    | <u>468,706</u>         | <u>-</u>               | <u>468,706</u>               |
| Total liabilities            | <u>468,706</u>         | <u>-</u>               | <u>468,706</u>               |
| <b>NET POSITION</b>          |                        |                        |                              |
| Investment in capital assets | -                      | 419,389                | 419,389                      |
| Unrestricted                 | <u>4,469</u>           | <u>259,786</u>         | <u>264,255</u>               |
| Total net position           | <u>\$ 4,469</u>        | <u>\$ 679,175</u>      | <u>\$ 683,644</u>            |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT****EXHIBIT H-4**

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
ENTERPRISE FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|                                      | Community<br>Education | Video Display<br>Board | Total<br>Enterprise<br>Funds |
|--------------------------------------|------------------------|------------------------|------------------------------|
| <b>OPERATING REVENUES</b>            |                        |                        |                              |
| Local and intermediate sources       | \$ 4,256,286           | \$ 64,500              | \$ 4,320,786                 |
| Total operating revenues             | <u>4,256,286</u>       | <u>64,500</u>          | <u>4,320,786</u>             |
| <b>OPERATING EXPENSES</b>            |                        |                        |                              |
| Payroll costs                        | 3,051,188              | -                      | 3,051,188                    |
| Professional and contracted services | 757,083                | 4,169                  | 761,252                      |
| Supplies and materials               | 284,328                | -                      | 284,328                      |
| Other operating costs                | 213,555                | -                      | 213,555                      |
| Depreciation                         | <u>-</u>               | <u>24,670</u>          | <u>24,670</u>                |
| Total operating expenses             | <u>4,306,154</u>       | <u>28,839</u>          | <u>4,334,993</u>             |
| Total operating income (loss)        | <u>(49,868)</u>        | <u>35,661</u>          | <u>(14,207)</u>              |
| <b>CHANGE IN NET POSITION</b>        | <u>(49,868)</u>        | <u>35,661</u>          | <u>(14,207)</u>              |
| <b>NET POSITION, BEGINNING</b>       | <u>54,337</u>          | <u>643,514</u>         | <u>697,851</u>               |
| <b>NET POSITION, ENDING</b>          | <u>\$ 4,469</u>        | <u>\$ 679,175</u>      | <u>\$ 683,644</u>            |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-5**

COMBINING STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|   | Community<br>Education | Video Display<br>Board | Total<br>Enterprise<br>Funds |
|---|------------------------|------------------------|------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                        |                        |                              |
| Receipts for charges for services   | \$ 4,254,641           | \$ 64,500              | \$ 4,319,141                 |
| Payments to employees   | (3,019,960)            | -                      | (3,019,960)                  |
| Payments to suppliers   | <u>(1,250,440)</u>     | <u>(4,169)</u>         | <u>(1,254,609)</u>           |
| Net cash provided (used) by operating activities  | <u>(15,759)</u>        | <u>60,331</u>          | <u>44,572</u>                |
| <b>NET INCREASE (DECREASE) IN CASH<br/>AND CASH EQUIVALENTS</b>                                   |                        |                        |                              |
|   | <u>(15,759)</u>        | <u>60,331</u>          | <u>44,572</u>                |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING</b>   |                        |                        |                              |
|   | <u>488,934</u>         | <u>199,455</u>         | <u>688,389</u>               |
| <b>CASH AND CASH EQUIVALENTS, ENDING</b>  |                        |                        |                              |
|   | <u>473,175</u>         | <u>259,786</u>         | <u>732,961</u>               |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</b> |                        |                        |                              |
| Operating income (loss)   | (49,868)               | 35,661                 | (14,207)                     |
| Adjustments to reconcile operating income to net<br>cash provided by operating activities:        |                        |                        |                              |
| Depreciation  | -                      | 24,670                 | 24,670                       |
| Increase (decrease) in unearned revenue   | (1,645)                | -                      | (1,645)                      |
| Increase (decrease) in due to other funds   | 284                    | -                      | 284                          |
| Increase (decrease) in accounts payable   | 4,242                  | -                      | 4,242                        |
| Increase (decrease) in accrued wages payable  | <u>31,228</u>          | <u>-</u>               | <u>31,228</u>                |
| Net cash provided by operating activities   | <u>\$ (15,759)</u>     | <u>\$ 60,331</u>       | <u>\$ 44,572</u>             |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-6**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

AUGUST 31, 2025

|                           | Workers<br>Compensation | Self Funded<br>Health Insurance | DSA/HSA     | Total<br>Internal Service<br>Funds |
|---------------------------|-------------------------|---------------------------------|-------------|------------------------------------|
| <b>ASSETS</b>             |                         |                                 |             |                                    |
| Current assets:           |                         |                                 |             |                                    |
| Cash and cash equivalents | \$ 922,823              | \$ 2,549,919                    | \$ -        | \$ 3,472,742                       |
| Total current assets      | <u>922,823</u>          | <u>2,549,919</u>                | <u>-</u>    | <u>3,472,742</u>                   |
| Total assets              | <u>922,823</u>          | <u>2,549,919</u>                | <u>-</u>    | <u>3,472,742</u>                   |
| <b>LIABILITIES</b>        |                         |                                 |             |                                    |
| Current liabilities:      |                         |                                 |             |                                    |
| Accrued expenses          | <u>189,499</u>          | <u>502,016</u>                  | <u>-</u>    | <u>691,515</u>                     |
| Total current liabilities | <u>189,499</u>          | <u>502,016</u>                  | <u>-</u>    | <u>691,515</u>                     |
| Total liabilities         | <u>189,499</u>          | <u>502,016</u>                  | <u>-</u>    | <u>691,515</u>                     |
| <b>NET POSITION</b>       |                         |                                 |             |                                    |
| Unrestricted              | <u>733,324</u>          | <u>2,047,903</u>                | <u>-</u>    | <u>2,781,227</u>                   |
| Total net position        | <u>\$ 733,324</u>       | <u>\$ 2,047,903</u>             | <u>\$ -</u> | <u>\$ 2,781,227</u>                |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-7**

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|                                      | Workers<br>Compensation | Self Funded<br>Health Insurance | DSA/HSA          | Total<br>Internal Service<br>Funds |
|--------------------------------------|-------------------------|---------------------------------|------------------|------------------------------------|
| <b>OPERATING REVENUES</b>            |                         |                                 |                  |                                    |
| Local and intermediate sources       | \$ 574,563              | \$ 10,830,604                   | \$ -             | \$ 11,405,167                      |
| Total operating revenues             | <u>574,563</u>          | <u>10,830,604</u>               | <u>-</u>         | <u>11,405,167</u>                  |
| <b>OPERATING EXPENSES</b>            |                         |                                 |                  |                                    |
| Professional and contracted services | 166,738                 | -                               | -                | 166,738                            |
| Claims                               | 149,881                 | 10,570,174                      | 266,155          | 10,986,210                         |
| Other operating costs                | <u>98,313</u>           | <u>-</u>                        | <u>-</u>         | <u>98,313</u>                      |
| Total operating expenses             | <u>414,932</u>          | <u>10,570,174</u>               | <u>266,155</u>   | <u>11,251,261</u>                  |
| Operating income (loss)              | <u>159,631</u>          | <u>260,430</u>                  | <u>(266,155)</u> | <u>153,906</u>                     |
| <b>NON-OPERATING REVENUES</b>        |                         |                                 |                  |                                    |
| Investment and interest income       | <u>8,379</u>            | <u>4,750</u>                    | <u>309</u>       | <u>13,438</u>                      |
| Total non-operating revenues         | <u>8,379</u>            | <u>4,750</u>                    | <u>309</u>       | <u>13,438</u>                      |
| Change in net position               | <u>168,010</u>          | <u>265,180</u>                  | <u>(265,846)</u> | <u>167,344</u>                     |
| Net position, beginning              | <u>565,314</u>          | <u>1,782,723</u>                | <u>265,846</u>   | <u>2,613,883</u>                   |
| Net position, ending                 | <u>\$ 733,324</u>       | <u>\$ 2,047,903</u>             | <u>\$ -</u>      | <u>\$ 2,781,227</u>                |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT H-8**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED AUGUST 31, 2025

|   | Workers<br>Compensation | Self Funded<br>Health Insurance | DSA/HSA             | Total<br>Internal Service<br>Funds |
|---|-------------------------|---------------------------------|---------------------|------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                         |                                 |                     |                                    |
| Receipts from contributors  | \$ 574,563              | \$ 10,830,604                   | \$ -                | \$ 11,405,167                      |
| Payments to suppliers   | (265,051)               | -                               | -                   | (265,051)                          |
| Claims paid   | (148,087)               | (10,627,239)                    | (266,155)           | (11,041,481)                       |
| Net cash provided by (used in)<br>operating activities  | <u>161,425</u>          | <u>203,365</u>                  | <u>(266,155)</u>    | <u>98,635</u>                      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                         |                                 |                     |                                    |
| Interest received   | <u>8,379</u>            | <u>4,750</u>                    | <u>309</u>          | <u>13,438</u>                      |
| Net cash provided (used) by<br>investing activities   | <u>8,379</u>            | <u>4,750</u>                    | <u>309</u>          | <u>13,438</u>                      |
| <b>NET INCREASE (DECREASE) IN CASH<br/>AND CASH EQUIVALENTS</b>                                   | <u>169,804</u>          | <u>208,115</u>                  | <u>(265,846)</u>    | <u>112,073</u>                     |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING</b>   | <u>753,019</u>          | <u>2,341,804</u>                | <u>265,846</u>      | <u>3,360,669</u>                   |
| <b>CASH AND CASH EQUIVALENTS, ENDING</b>  | <u>922,823</u>          | <u>2,549,919</u>                | <u>-</u>            | <u>3,472,742</u>                   |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</b> |                         |                                 |                     |                                    |
| Operating income (loss)   | 159,631                 | 260,430                         | (266,155)           | 153,906                            |
| Adjustments to reconcile operating income (loss)<br>to net cash provided by operating activities: |                         |                                 |                     |                                    |
| Increase (decrease) in accrued expenses   | <u>1,794</u>            | <u>(57,065)</u>                 | <u>-</u>            | <u>(55,271)</u>                    |
| Net cash provided by<br>(used in) operating activities  | <u>\$ 161,425</u>       | <u>\$ 203,365</u>               | <u>\$ (266,155)</u> | <u>\$ 98,635</u>                   |

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## **REQUIRED TEA SCHEDULES**

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF DELINQUENT TAXES RECEIVABLE

FOR THE YEAR ENDED AUGUST 31, 2025

| Last Ten Years Ended<br>August 31, | 1           |              | 2 |  | 3   |  | 10                               |                  |
|------------------------------------|-------------|--------------|---|--|---|--|----------------------------------|------------------|
|                                    | Tax Rates   |              |   |  | Net Assessed/<br>Appraised<br>Value for School<br>Tax Purpose |  | Beginning<br>Balance<br>9/1/2024 |                  |
|                                    | Maintenance | Debt Service |   |  |   |  |                                  |                  |
| 2016 and prior years               | various     | various      |   |  | various   |  | \$                               | 683,484          |
| 2017                               | 1.040000    | 0.367500     |   |  | 9,984,903,074   |  |                                  | 126,869          |
| 2018                               | 1.060000    | 0.347500     |   |  | 10,969,867,472  |  |                                  | 252,550          |
| 2019                               | 1.060000    | 0.347500     |   |  | 12,241,356,541  |  |                                  | 274,832          |
| 2020                               | 0.990000    | 0.347500     |   |  | 13,097,820,672  |  |                                  | 335,202          |
| 2021                               | 0.976400    | 0.347500     |   |  | 13,423,952,554  |  |                                  | 388,499          |
| 2022                               | 0.882600    | 0.347500     |   |  | 14,862,248,516  |  |                                  | 551,233          |
| 2023                               | 0.884600    | 0.327500     |   |  | 18,696,132,167  |  |                                  | 1,027,188        |
| 2024                               | 0.746600    | 0.327500     |   |  | 18,699,223,257  |  |                                  | 2,089,344        |
| 2025                               | 0.738100    | 0.327500     |   |  | 19,187,782,376  |  |                                  | -                |
| 1000 Totals                        |             |              |   |  |   |  | \$                               | <u>5,729,201</u> |

8000 - Taxes refunded

**EXHIBIT J-1**

| 20                        | 31                            | 32                             | 40                        | 50                       | 99   |
|---------------------------|-------------------------------|--------------------------------|---------------------------|--------------------------|--|
| Current Year's Total Levy | Maintenance Total Collections | Debt Service Total Collections | Entire Year's Adjustments | Ending Balance 8/31/2025 | Total Taxes Refunded under Section 26.1115 (c) |
| \$ -                      | \$ 36,664                     | \$ 12,956                      | \$ (67,917)               | \$ 565,947               |  |
| -                         | 8,283                         | 2,927                          | (586)                     | 115,073                  |  |
| -                         | 9,288                         | 3,045                          | (464)                     | 239,753                  |  |
| -                         | 22,061                        | 7,232                          | 16,194                    | 261,733                  |  |
| -                         | 40,214                        | 14,115                         | 25,128                    | 306,001                  |  |
| -                         | 5,586                         | 1,988                          | (23,144)                  | 357,781                  |  |
| -                         | 23,459                        | 9,236                          | (68,620)                  | 449,918                  |  |
| -                         | (52,925)                      | (19,594)                       | (390,966)                 | 708,741                  |  |
| -                         | (203,529)                     | (80,552)                       | (1,497,415)               | 876,010                  |  |
| <u>204,465,009</u>        | <u>138,053,222</u>            | <u>61,255,155</u>              | <u>(2,720,859)</u>        | <u>2,435,773</u>         |  |
| <u>\$ 204,465,009</u>     | <u>\$ 137,942,323</u>         | <u>\$ 61,206,508</u>           | <u>\$ (4,728,649)</u>     | <u>\$ 6,316,730</u>      |  |
|                           |                               |                                |                           |                          | <u>\$ 249,272</u>                              |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-2**

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL- NATIONAL BREAKFAST AND LUNCH PROGRAM

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes | Budgeted Amounts                      |                     | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |                    |
|--------------------------|---------------------------------------|---------------------|---------------------|---|--------------------|
|                          | Original                              | Final               |                     |   |                    |
| <b>REVENUES</b>          |                                       |                     |                     |   |                    |
| 5700                     | Local and intermediate sources        | \$ 5,961,500        | \$ 6,226,500        | \$ 6,107,196  | \$ (119,304)       |
| 5800                     | State program                         | 10,000              | 10,000              | 9,815   | (185)              |
| 5900                     | Federal program                       | <u>751,825</u>      | <u>676,825</u>      | <u>852,477</u>  | <u>175,652</u>     |
| 5020                     | Total revenues                        | <u>6,723,325</u>    | <u>6,913,325</u>    | <u>6,969,488</u>  | <u>56,163</u>      |
| <b>EXPENDITURES</b>      |                                       |                     |                     |   |                    |
| Current:                 |                                       |                     |                     |   |                    |
| 0035                     | Food service                          | 6,523,325           | 6,713,325           | 6,786,587   | (73,262)           |
| 0051                     | Facilities maintenance and operations | <u>200,000</u>      | <u>200,000</u>      | <u>200,000</u>  | <u>-</u>           |
| 6030                     | Total expenditures                    | <u>6,723,325</u>    | <u>6,913,325</u>    | <u>6,986,587</u>  | <u>(73,262)</u>    |
| 1200                     | Net change in fund balances           | <u>-</u>            | <u>-</u>            | <u>(17,099)</u>   | <u>(17,099)</u>    |
| 0100                     | Fund balance - Beginning              | <u>1,214,099</u>    | <u>1,214,099</u>    | <u>1,214,099</u>  | <u>-</u>           |
| 3000                     | Fund balance - Ending                 | <u>\$ 1,214,099</u> | <u>\$ 1,214,099</u> | <u>\$ 1,197,000</u>                                     | <u>\$ (17,099)</u> |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - DEBT SERVICE FUND

FOR THE YEAR ENDED AUGUST 31, 2025

| Data<br>Control<br>Codes | Budgeted Amounts               |                      | Actual<br>Amounts    | Variance with<br>Final Budget<br>Positive<br>(Negative) |                   |
|--------------------------|--------------------------------|----------------------|----------------------|---|-------------------|
|                          | Original                       | Final                |                      |   |                   |
| <b>REVENUES</b>          |                                |                      |                      |   |                   |
| 5700                     | Local and intermediate sources | \$ 63,800,000        | \$ 62,220,000        | \$ 62,381,871   | \$ 161,871        |
| 5800                     | State program                  | <u>3,400,000</u>     | <u>2,418,000</u>     | <u>2,355,233</u>  | <u>(62,767)</u>   |
| 5020                     | Total revenues                 | <u>67,200,000</u>    | <u>64,638,000</u>    | <u>64,737,104</u>                                       | <u>99,104</u>     |
| <b>EXPENDITURES</b>      |                                |                      |                      |   |                   |
| Debt service:            |                                |                      |                      |   |                   |
| 0071                     | Principal on long-term debt    | 41,585,000           | 40,073,000           | 40,070,000  | 3,000             |
| 0072                     | Interest on long-term debt     | 24,124,690           | 24,536,690           | 24,328,247  | 208,443           |
| 0072                     | Bond issuance costs and fees   | <u>20,310</u>        | <u>28,310</u>        | <u>17,766</u>   | <u>10,544</u>     |
| 6030                     | Total expenditures             | <u>65,730,000</u>    | <u>64,638,000</u>    | <u>64,416,013</u>                                       | <u>221,987</u>    |
| 1200                     | Net change in fund balance     | <u>1,470,000</u>     | <u>-</u>             | <u>321,091</u>  | <u>321,091</u>    |
| 0100                     | Fund balance - Beginning       | <u>10,742,182</u>    | <u>10,742,182</u>    | <u>10,742,182</u>                                       | <u>-</u>          |
| 3000                     | Fund balance - Ending          | <u>\$ 12,212,182</u> | <u>\$ 10,742,182</u> | <u>\$ 11,063,273</u>                                    | <u>\$ 321,091</u> |

USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS  
FOR THE YEAR ENDED AUGUST 31, 2025

Section A: Compensatory Education Programs

|     |   |              |
|-----|---|--------------|
| AP1 | Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?                | Yes          |
| AP2 | Does the district have written policies and procedures for its state compensatory education program?                                      | Yes          |
| AP3 | Total state allotment funds received for state compensatory education programs during the district's fiscal year.                         | \$ 1,667,902 |
| AP4 | Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24, 26, 28, 29, 30) | \$ 2,025,777 |

Section B: Bilingual Education Programs

|     |   |            |
|-----|---|------------|
| AP5 | Did your district expend any bilingual education program state allotment funds during the district's fiscal year? | Yes        |
| AP6 | Does the district have written policies and procedures for its bilingual education program?                       | Yes        |
| AP7 | Total state allotment funds received for bilingual education programs during the district's fiscal year.          | \$ 585,544 |
| AP8 | Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)   | \$ 382,788 |

SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS

FOR THE YEAR ENDED AUGUST 31, 2025

|     |  |                       |
|-----|--|-----------------------|
| SF1 | Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?   | Yes                   |
| SF2 | Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?   | No                    |
| SF3 | Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?  | Yes                   |
| SF4 | Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.   | No                    |
| SF5 | Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?   | No                    |
| SF6 | Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?   | No                    |
| SF7 | Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end? | Yes                   |
| SF8 | Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?   | Yes                   |
| SF9 | Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.   | \$ <u>          -</u> |

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**FEDERAL AWARDS SECTION**

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**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  
Lake Travis Independent School District  
Austin, Texas

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 (*Government Auditing Standards*), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Lake Travis Independent School District (the "District"), as of and for the year ended August 31, 2025, 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 5, 2025.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Lake Travis Independent School 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 Lake Travis Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Lake Travis Independent School 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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Lake Travis Independent School District's financial statements are free from 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 financial statements. 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 of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lake Travis Independent School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lake Travis Independent School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 5, 2025

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Board of Trustees of  
Lake Travis Independent School District  
Austin, Texas

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

***Opinion on Each Major Federal Program***

We have audited Lake Travis Independent School District’s (the “District”) compliance with the types of compliance requirements identified as subject to audit 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, 2025. 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.

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, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District’s federal programs.

**OFFICE LOCATIONS**

**TEXAS** | Waco | Temple | Hillsboro | Houston  
**NEW MEXICO** | Albuquerque

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 over compliance* 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over 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.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 5, 2025

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT K-1**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED AUGUST 31, 2025

| (1)<br>Federal Grantor/<br>Pass-through Grantor/<br>Grantor/Program Title | (2)<br>Assistance<br>Listing<br>Number | (2A)<br>Pass-through<br>Entity Identifying<br>Number | (3)<br>Federal<br>Expenditures |
|---|--|--|--------------------------------|
| <b>U. S. DEPARTMENT OF AGRICULTURE</b>                                    |  |  |                                |
| Passed through the Texas Department of Agriculture:                       |  |  |                                |
| Local Food for Schools (LFS) Cooperative                                  | 10.185                                 | AM23CPLFS000C003                                     | \$ 134,772                     |
| Passed through the Texas Education Agency:                                |  |  |                                |
| School Breakfast Program (SBP)  | 10.553                                 | 71402401   | 10,598                         |
| School Breakfast Program (SBP)  | 10.553                                 | 71402501   | <u>45,560</u>                  |
| Total Assistance Listing Number 10.553                                    |  |  | <u>56,158</u>                  |
| National School Lunch Program (NSLP)                                      | 10.555                                 | 71302401   | 85,296                         |
| National School Lunch Program (NSLP)                                      | 10.555                                 | 71302501   | <u>378,684</u>                 |
| Total Passed through the Texas Education Agency                           |  |  | <u>520,138</u>                 |
| Passed through the Texas Department of Agriculture:                       |  |  |                                |
| National School Lunch Program - Non-Cash Assistance                       | 10.555                                 | NT4XL1YGLGC5   | <u>197,567</u>                 |
| Total Assistance Listing Number 10.555                                    |  |  | <u>661,547</u>                 |
| Total Child Nutrition Cluster   |  |  | <u>717,705</u>                 |
| <b>TOTAL U. S. DEPARTMENT OF AGRICULTURE</b>                              |  |  | <u>852,477</u>                 |
| <b>U. S. DEPARTMENT OF EDUCATION</b>                                      |  |  |                                |
| Passed through the Texas Education Agency:                                |  |  |                                |
| ESEA, Title I, Part A - Improving Basic Programs                          | 84.010A                                | 25610101227913                                       | 263,928                        |
| ESEA, Title I, 1003 - School Improvement                                  | 84.010A                                | 246101397110033                                      | <u>78,834</u>                  |
| Total Assistance Listing Number 84.010                                    |  |  | <u>342,762</u>                 |
| IDEA - Part B, High Cost Fund   | 84.027A                                | 66002512   | 244,078                        |
| IDEA - Part B, Formula  | 84.027A                                | 256600012279136000                                   | <u>1,712,746</u>               |
| Total Assistance Listing Number 84.027                                    |  |  | <u>1,956,824</u>               |
| IDEA - Part B, Preschool  | 84.173A                                | 256610012279136000                                   | <u>13,468</u>                  |
| Total Special Education Cluster (IDEA)                                    |  |  | <u>1,970,292</u>               |
| Carl D Perkins Basic Formula Grant - Career and Tech                      | 84.048A                                | 25420006227913                                       | 76,700                         |
| Title III, Part A - English Language Acquisition                          | 84.365A                                | 25671001227913                                       | 129,642                        |
| ESEA, Title II, Part A - Supporting Effective Instruction                 | 84.367A                                | 25694501227913                                       | 135,821                        |
| LEP Summer School   | 84.369A                                | 69552402   | 8,181                          |
| Title IV, Part A, Subpart 1   | 84.424A                                | 24680101227913                                       | 3,085                          |
| Title IV, Part A, Subpart 1   | 84.424A                                | 25680101227913                                       | <u>11,990</u>                  |
| Total Assistance Listing Number 84.424A                                   |  |  | <u>15,075</u>                  |
| Total Passed through the Texas Education Agency                           |  |  | <u>2,678,473</u>               |
| <b>TOTAL U. S. DEPARTMENT OF EDUCATION</b>                                |  |  | <u>2,678,473</u>               |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>                               |  |  | <u>\$ 3,530,950</u>            |

The accompanying notes are an integral part of this schedule.

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

AUGUST 31, 2025

**GENERAL**

The Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all applicable federal award programs of Lake Travis Independent School District. The District’s reporting entity is defined in Note I of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the SEFA.

**BASIS OF ACCOUNTING**

The SEFA is presented using the modified accrual basis of accounting. The District’s significant accounting policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements. The SEFA 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). Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**PASS-THROUGH EXPENDITURES**

None of the federal programs expended by the District were provided to subrecipients.

**INDIRECT COSTS**

The District did not elect to use a de minimis cost rate as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

**RECONCILIATION OF FEDERAL REVENUES AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

|  |                     |
|--|---------------------|
| Total federal revenues reported on Exhibit C-3                     | \$ 3,700,306        |
| School health and related services (SHARS)                         | <u>(169,356)</u>    |
| Total expenditures of federal awards reported on SEFA, Exhibit K-1 | <u>\$ 3,530,950</u> |

**LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2025**

**Summary of Auditor's Results**

Financial Statements:

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified,  
that were not considered a material weakness None reported

Material noncompliance to the  
financial statements noted? None

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified,  
that were not considered a material weakness None reported

Type of auditor's report on compliance  
for major programs Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with 2 CFR 200.516(a)? None

Identification of major programs:

Assistance Listing Numbers: 84.027; 84.173 Name of Federal Program or Cluster:  
Special Education (IDEA) Cluster

Dollar threshold used to distinguish between type A  
and type B programs \$750,000

Auditee qualified as low-risk auditee? Yes

**Findings Relating to the Financial Statements**

None

**Findings and Questioned Costs for Federal Awards**

None



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Lake Travis Independent School District

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

No prior year auditing findings.

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# Lake Travis ISD



## Financial Statement Audit

Presented to Board of Trustees  
December 17, 2025



CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

## **Paula Lowe, CPA**

*Partner*

## **Cameron Aaron**

*Audit Supervisor*

## **Zach Bartek**

*Audit Senior*

- Audit results
- Financial highlights
- Discussion

## Independent Auditor's Report (pages 2 – 4)

- Management responsible for financial statements
- We **express an opinion** on the financial statements.
- Audit performed in accordance with GAS and GAAS
- **Unmodified opinion**



## Federal Awards Section (pages 81 – 89)

- No material weakness or significant deficiencies
- Total federal expenditures - \$3.5 million (page 86)
- Major Program: Special Education (IDEA) Cluster
- Schedule of Findings and Questioned Costs (page 88)
- **Unmodified Opinion**



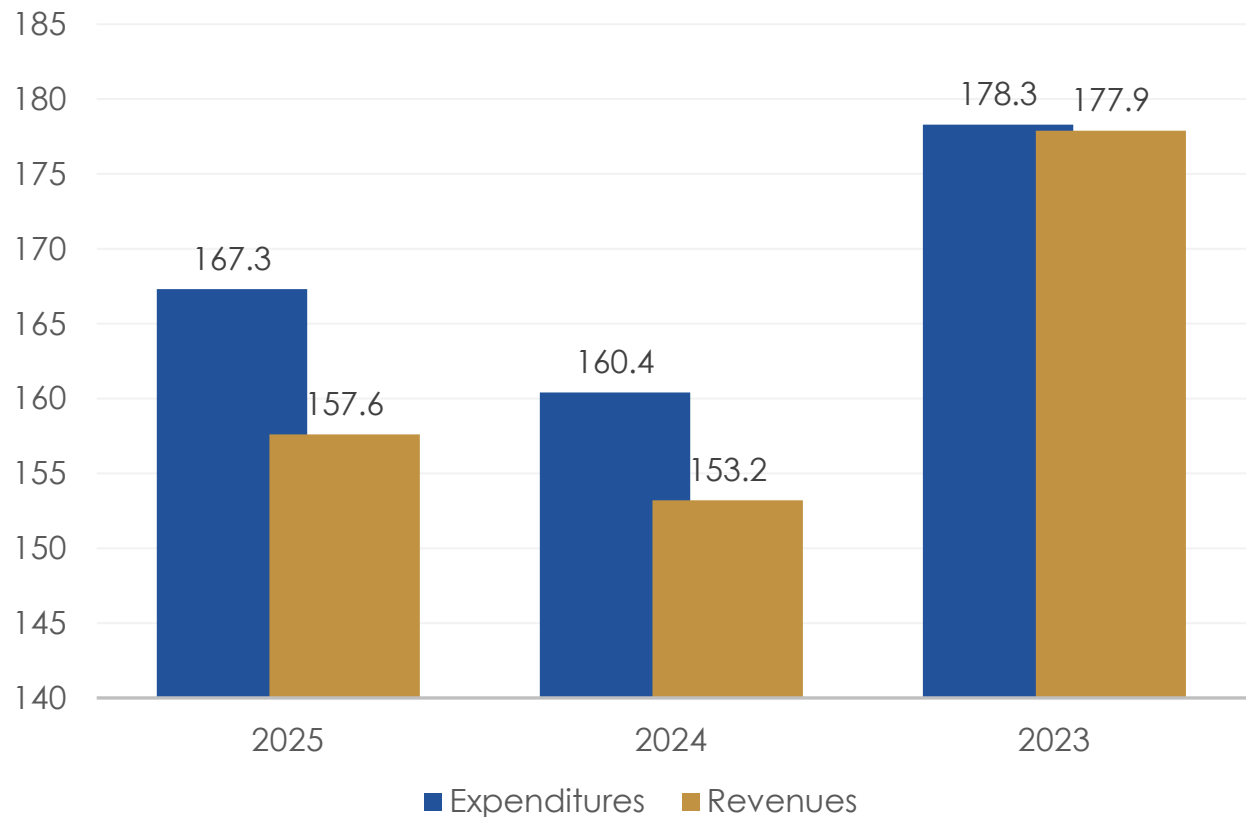
## GENERAL FUND (pages 17 and 18)

*Expenditures and Revenues (in millions)*

Decrease in  
GF Fund  
Balance in FY  
2025, \$9.5  
million.

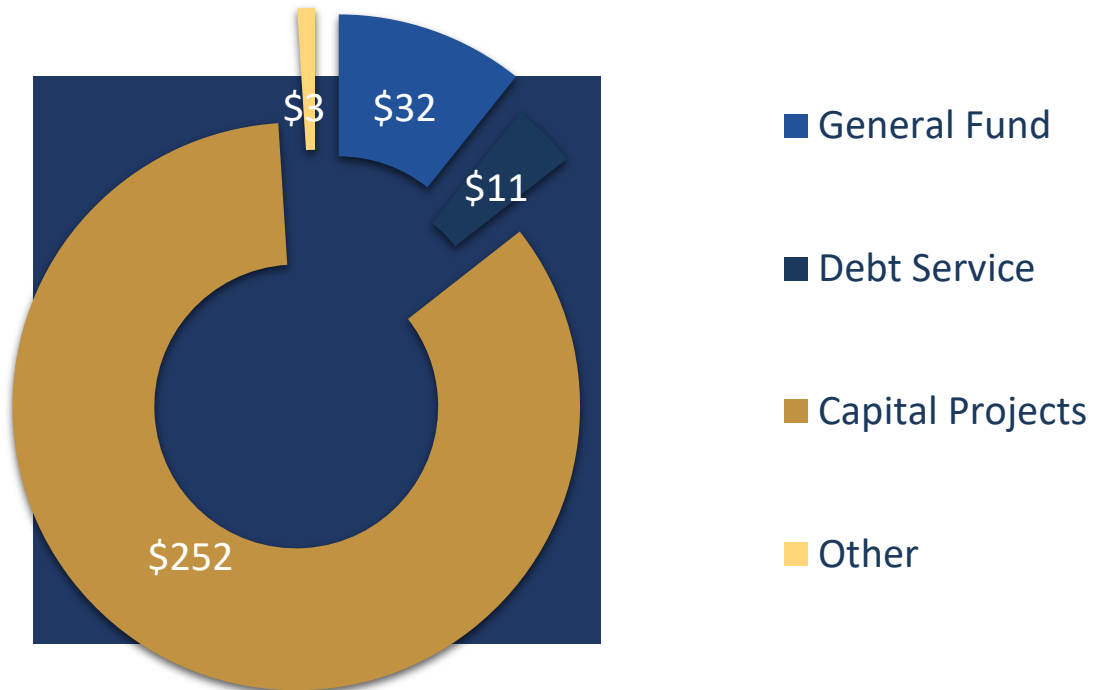
Decrease in  
GF Fund  
Balance in FY  
2024, \$4.9  
million.

Decrease in  
GF Fund  
Balance in FY  
2023, \$108  
thousand.



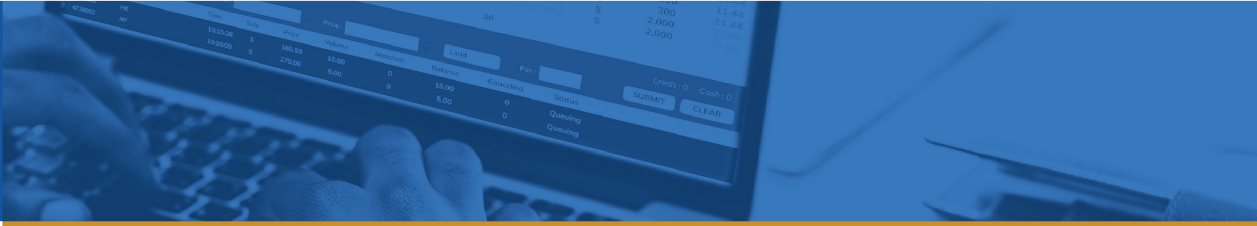
## GOVERNMENTAL FUNDS (pages 14 and 15)

*Fund Balance (in millions)*



**GENERAL FUND BALANCE AS A PERCENTAGE OF EXPENDITURES LESS RECAPTURE (pages 14 and 17)**

|                             | <b>2024</b>               | <b>2025</b>               |
|-----------------------------|---------------------------|---------------------------|
| <b>General Fund Balance</b> | <b>4.2 months<br/>35%</b> | <b>3.2 months<br/>27%</b> |



## Discussion



## Thank you!



## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Presentation and Discussion of Potential LTISD Pre-K Expansion for 2026-2027

### **RECOMMENDED ACTION**

**No action is required. Item is for information and discussion only.**

### **RATIONALE**

LTISD currently serves approximately 194 Pre-Kindergarten (Pre-K) students across three campuses—Serene Hills Elementary, Lake Pointe Elementary, and Lake Travis Elementary. This includes students eligible for free Pre-K under TEC 29.153, Early Childhood Special Education (ECSE) students, and students attending through our tuition-based Pre-K program. Historically, the limited spaces available in the tuition-based program have left many LTISD families on a waitlist each year.

LTISD administration will present data about the Pre-K program and information about a proposed expansion of the Pre-K program to West Cypress Hills Elementary and Lakeway Elementary in the 2026-2027 school year.

### **BUDGET PROVISIONS**

None

### **RESOURCE PERSONNEL**

Dr. Lyndsae Benton - Executive Director of Curriculum & Instruction  
Stefani Vickery - Assistant Superintendent for Curriculum & Instruction

### **ATTACHMENTS**

Presentation

### **MEETING DATE**

December 17, 2025

# **LTISD Pre-K Program Update**

**December 17, 2025**



## Pre-K in LTISD

LTISD offers full-day Pre-K for students who turn 4 years old on or before September 1st:

- Students eligible for free Pre-K under TEC §29.153
- Community tuition-based program
- Early Childhood Special Education (ECSE) 4-year-olds

LTISD also offers half-day Pre-K for 3-year-old ECSE students.

# Eligibility for Free Pre-K

## TEC §29.153

- Unable to speak and comprehend the English language
- Eligible for the national school lunch program
- Homeless
- Foster care (present or past)
- Child of active duty military
- Child of a person eligible for the Star of Texas Award
- Child of a classroom teacher

# Pre-K Funding

- LTISD uses the Blended Model, serving both students eligible for free Pre-K as well as students who do not qualify.
- Funding for Pre-K programming can come from three sources:

| <b>Enrollment/ADA</b>   | <b>District Funds</b>   | <b>Tuition</b>  |
|---|---|---|
| Texas districts receive half-day ADA funds for enrolled, eligible students. | Examples:<br>IDEA Part B, Early Childhood Allotment, State Comp Ed, Title I Part A, Local Funds | Texas districts may charge tuition for students who do not qualify for free Pre-K. (No ADA) |

# LTISD Community Tuition-Based Pre-K Program

- **Tuition is \$6,500; paid in installments Aug-May**
- **Applications for the tuition-based program open annually April 1st**
- **Facilitated by a computer-aided lottery system**

Note: Tuition-based programs cannot interfere with a district's ability to provide free Pre-K to eligible students.

|   | <b>Lake Pointe</b><br>3 classrooms | <b>Lake Travis</b><br>6 classrooms | <b>Serene Hills</b><br>5 classrooms | <b>Total</b> |
|---|------------------------------------|------------------------------------|-------------------------------------|--------------|
| <b>Eligible for free Pre-K (4yo)</b> <ul style="list-style-type: none"> <li>• Language</li> <li>• Eligible for national school lunch program</li> <li>• Homeless</li> <li>• Foster</li> <li>• Child of active military</li> <li>• Child of a person eligible for Star of Texas</li> <li>• Child of a classroom teacher</li> </ul> | <b>22</b>                          | <b>45</b>                          | <b>30</b>                           | <b>97</b>    |
| <b>Early Childhood Special Education (4yo)</b>  | <b>0</b>                           | <b>7</b>                           | <b>22</b>                           | <b>29</b>    |
| <b>Early Childhood Special Education (3yo)</b>  | <b>0</b>                           | <b>10</b>                          | <b>9</b>                            | <b>19</b>    |
| <b>Community Tuition Based (4yo)</b>  | <b>29*</b>                         | <b>16*</b>                         | <b>4*</b>                           | <b>49*</b>   |
| <b>Total</b>  | <b>51*</b>                         | <b>78*</b>                         | <b>65*</b>                          | <b>194*</b>  |

\* Includes students scheduled to start in January 2026

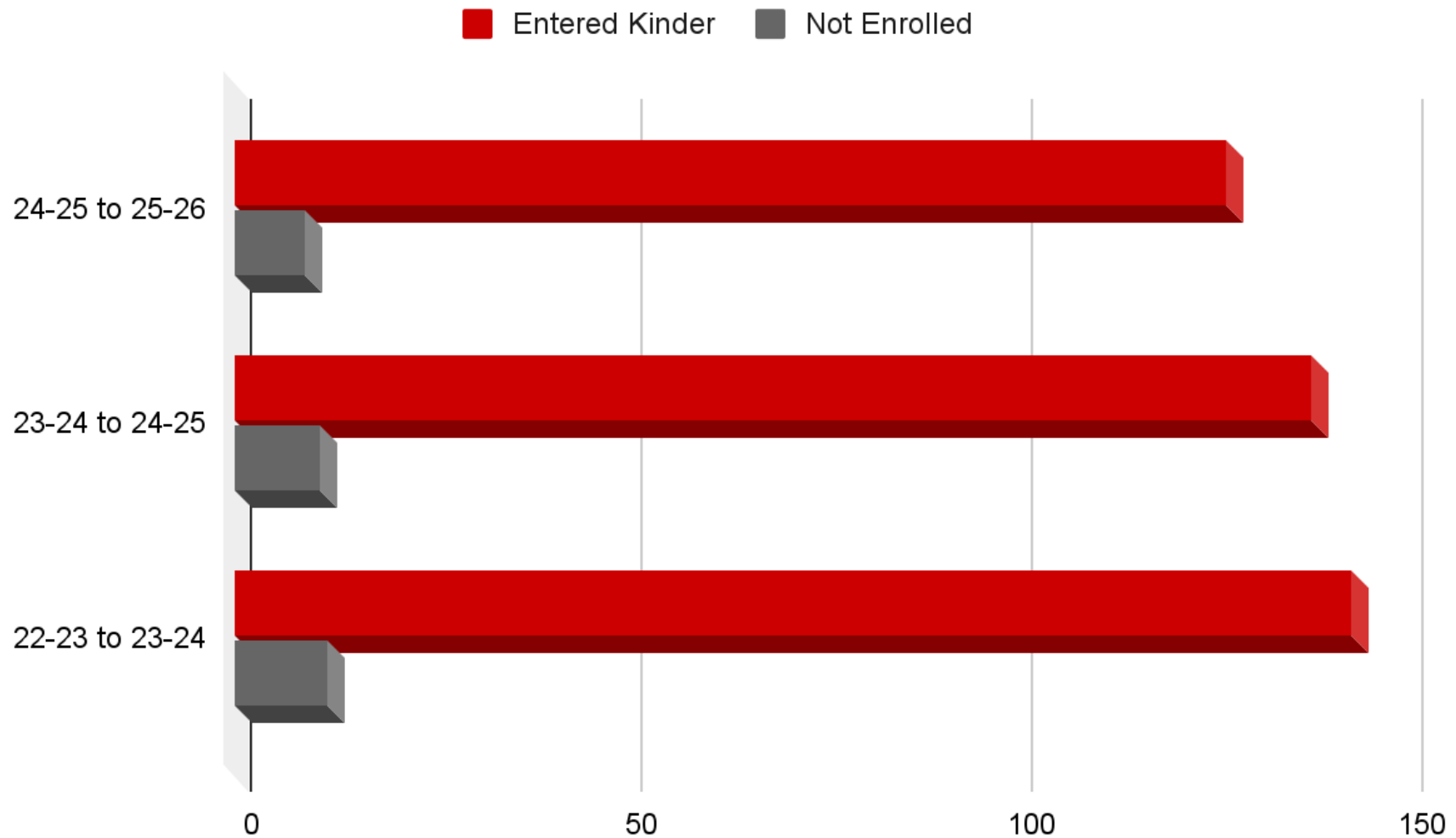
# Waitlist History for Tuition-Based Pre-K Program

|                | Waitlist for LTISD Community Tuition-Based Program |
|----------------|--|
| <b>2021-22</b> | <b>72</b>  |
| <b>2022-23</b> | <b>64</b>  |
| <b>2023-24</b> | <b>142</b>   |
| <b>2024-25</b> | <b>121</b>   |
| <b>2025-26</b> | <b>119</b>   |

← Added 1 class at SHE and 1 at LPE

← Added 1 class at LPE

# Retention from Pre-K to Kindergarten in LTISD



# Planned Pre-K Expansion for 2026-27

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## **West Cypress Hills Elementary**

**New program; Multiple classrooms**

## **Lakeway Elementary**

**New program; Multiple classrooms**

## **Serene Hills/ Lake Pointe/Lake Travis Elem**

**Additional classrooms according to capacity and need**

Questions?





## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Presentation and Discussion of LTISD Enrollment Overview

### **RECOMMENDED ACTION**

**No action required. Items is for information and discussion only.**

### **RATIONALE**

As enrollment trends, student transfers, and school choice increasingly influence district planning, funding, and staffing, this presentation will provide an overview of the available public school enrollment options. Additionally, it will include a current update on enrollment and elementary seat availability to facilitate an informed discussion.

### **BUDGET PROVISIONS**

None

### **RESOURCE PERSONNEL**

Dr. Bethany Medford – Assistant Superintendent of School Leadership

### **ATTACHMENTS**

LTISD Overview

### **MEETING DATE**

December 17, 2025

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# LTISD Enrollment Overview



# Campus Enrollment Types



- ❖ Open Enrollment Charter School
- ❖ Selective Enrollment School (Criteria-Based)
- ❖ Selective Enrollment School (Special Programs Based)
- ❖ Zoned School (no transfers accepted)
- ❖ **Zoned School (transfers accepted)**
- ❖ Combined Enrollment Type School
- ❖ Special Assignment School

# Central Texas Districts



- ❖ Austin ISD
- ❖ Eanes ISD
- ❖ Elgin ISD
- ❖ Lago Vista ISD
- ❖ Leander ISD
- ❖ Pflugerville ISD
- ❖ Round Rock ISD
- ❖ San Marcos ISD
- ❖ Wimberley ISD

# Other Texas Districts



- ❖ Allen ISD
- ❖ Arlington ISD
  
- ❖ Calallen ISD
- ❖ Gregory Portland ISD
  
- ❖ Galena Park ISD
- ❖ Humble ISD
- ❖ Klein ISD

# Current Open Elementary Seats



Kinder: 94

1st: 72

2nd: 102

3rd: 55

4th: 52

5th: 83

Total: 548

**Approx. \$3.4M**

# Campus Capacity



| Campus                               | Current Capacity | Draft 26-27<br>Projected Capacity |
|--------------------------------------|------------------|-----------------------------------|
| <b>Bee Cave Elementary</b>           | 93.9%            | 94%                               |
| <b>Lake Pointe Elementary</b>        | 83.8%            | 79.8%                             |
| <b>Lake Travis Elementary</b>        | 72.4%            | 69.9%                             |
| <b>Lakeway Elementary</b>            | 57.6%            | 62.1% (57.4%)                     |
| <b>Rough Hollow Elementary</b>       | 93.6%            | 95.2%                             |
| <b>Serene Hills Elementary</b>       | 84%              | 81.1%                             |
| <b>West Cypress Hills Elementary</b> | 64.1%            | 66% (61.3%)                       |
| <b>Bee Cave Middle</b>               | 71.7%            | 71.7%                             |
| <b>Hudson Bend Middle</b>            | 62.7%            | 62.5%                             |
| <b>Lake Travis Middle</b>            | 84.3%            | 79.3%                             |
| <b>Lake Travis High</b>              | 97.3%            | 97.3%                             |

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# Considerations



- ❖ Intradistrict vs Interdistrict
  - ❖ Eligibility Requirements
  - ❖ Grade levels
  - ❖ Time period
  - ❖ Policy Updates
  - ❖ Interest Survey
  - ❖ Marketing/ Advertising
  - ❖ Analyze current systems
-

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Questions?





## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

Presentation and Discussion of the 2026-2027 Preliminary Budget Overview

### RECOMMENDED ACTION

**No action required. Item is for information and discussion only.**

### RATIONALE

Sections 44.002 through 44.006 of the Texas Education Code establish the legal framework for school district budget development. With the recent change to LTISD's fiscal year, the Board of Trustees must adopt the budget prior to the start of the fiscal year on July 1, 2026.

The primary purpose of this budget document is to provide timely information about the District's past, current, and projected financial status for general operations, in order to facilitate financial decisions aligned with the District's educational goals. This document is intended to serve as a starting point for 2026-2027 general operating budget discussions and development.

### BUDGET PROVISIONS

None

### RESOURCE PERSONNEL

Pam Sanchez – Assistant Superintendent of Business Services

Brad Goerke – Director of Finance

### ATTACHMENTS

Five Year Budget Model

### MEETING DATE

December 17, 2025

| <b>Lake Travis ISD</b>   |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Five Year Budget Model: 2025-2026 thru 2029-2030</b>  |                      |                      |                      |                      |                      |
| <b>Basic Assumptions (BA=\$6,215)</b>  |                      |                      |                      |                      |                      |
| <b>December 17, 2025</b>   |                      |                      |                      |                      |                      |
|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|  | <b>2025-26</b>       | <b>2026-27</b>       | <b>2027-28</b>       | <b>2028-29</b>       | <b>2029-30</b>       |
| Change in Student Enrollment   | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection)   | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| Percent Change in Student Enrollment   | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Weighted ADA (WADA)  | 12,546.866           | 12,451.376           | 12,350.991           | 12,251.610           | 12,153.223           |
| Percent Change in Taxable Property Value   | -2.78%               | 2.00%                | 3.00%                | 4.00%                | 4.00%                |
| Net Freeze Unadjusted Taxable Property Value   | 19,933,706,606       | 20,332,380,738       | 20,942,352,160       | 21,780,046,247       | 22,651,248,097       |
| Tax Collection Rate  | 98.50%               | 98.50%               | 98.50%               | 98.50%               | 98.50%               |
| Total Tax Rate   | 1.0397               | 1.0323               | 1.0256               | 1.019                | 1.0124               |
| State Equalization Payments (Recapture)  | 33,451,320           | 35,631,479           | 36,892,410           | 41,423,793           | 42,984,793           |
| Local Optional Homestead Exemption (LOHE) Value  | 3,429,697,942        | 3,498,291,901        | 3,603,240,658        | 3,747,370,284        | 3,897,265,096        |
| LTISD Local Tax Relief due to 20% LOHE   | 35,658,570           | 36,112,867           | 36,954,836           | 38,185,703           | 39,455,912           |
| Revenues   | 146,373,343          | 149,152,706          | 150,305,296          | 156,729,224          | 158,048,746          |
| Appropriations   | 150,869,980          | 153,296,961          | 154,956,681          | 162,363,989          | 164,253,173          |
| <b>Change In Fund Balance</b>  | <b>-4,496,637</b>    | <b>-4,144,255</b>    | <b>-4,651,385</b>    | <b>-5,634,765</b>    | <b>-6,204,427</b>    |
| Beginning Fund Balance   | 31,611,907           | 37,115,270           | 32,971,015           | 28,319,630           | 22,684,865           |
| <b>Ending Fund Balance</b>   | <b>37,115,270</b>    | <b>32,971,015</b>    | <b>28,319,630</b>    | <b>22,684,865</b>    | <b>16,480,438</b>    |
| Minimum Fund Balance (TEA/Rating Agencies)   | 29,354,665           | 29,416,370           | 29,516,068           | 30,235,049           | 30,317,095           |
| <b>Assumptions-</b>  |                      |                      |                      |                      |                      |
| Salaries for New Postions-Growth   | 715,000              | 0                    | 0                    | 0                    | 0                    |
| Salary Increases (3%-2023/24, 1%-2024/25, 1%,4%,7%-2025/26)  | 3,257,931            | 0                    | 0                    | 0                    | 0                    |
| Salaries & Benefits - New Campus   | 0                    | 0                    | 200,000              | 2,300,000            | 0                    |
| TRS On-Behalf Payments   | 0                    | 0                    | 0                    | 50,000               | 0                    |
| Payroll Efficiencies   | -3,004,000           | 0                    | 0                    | 0                    | 0                    |
| Substitutes/Stipends/Other Adjustments   | 276,700              | 0                    | 0                    | 0                    | 0                    |
| <b>Estimated Change in Salaries</b>  | <b>1,245,631</b>     | <b>0</b>             | <b>200,000</b>       | <b>2,350,000</b>     | <b>0</b>             |
| Change in Non-Payroll Operating Costs-Inflation  | -1,271,453           | 196,822              | 198,790              | 225,925              | 228,184              |
| Change in Recapture Costs  | -16,612,625          | 2,180,159            | 1,260,931            | 4,531,383            | 1,561,000            |
| Change in Start-Up/Incremental Costs of New Campuses   | 0                    | 0                    | 0                    | 300,000              | 100,000              |
| <b>Total Assumptions Included in Budget Model</b>  | <b>-16,638,447</b>   | <b>2,376,981</b>     | <b>1,659,721</b>     | <b>7,407,308</b>     | <b>1,889,184</b>     |
| Adjusted Basic Allotment   | 6,215                | 6,215                | 6,215                | 6,215                | 6,215                |
| State & Net Local Revenue per Student  | 10,483               | 10,667               | 10,764               | 11,054               | 11,142               |
| Net Local Expenditure per Student  | 10,900               | 11,057               | 11,206               | 11,594               | 11,743               |
| <i>- Change in fiscal year beginning 7/1/2026; 2025-26 reflects a 10-month expenditure budget ending 6/30/2026</i> |                      |                      |                      |                      |                      |

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# 2026-2027 Preliminary Budget Overview

December 17, 2025

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# 2026-2027 Budget Calendar

## Highlights:

**Jan/Feb** - Budget packets distributed to campuses/departments

**March 13** - Non-payroll budget submission deadline

**April 1** - Board Budget Workshop #1

**April 6** - Finalize proposed staffing and compensation plan

**May 6** - Board Budget Workshop #2

**May 20 Board Meeting**

- Present proposed General Fund, Food Service, Debt Service Budgets
- Approve the Compensation Plan

**June 17 Board Meeting** - Adoption of budgets

**August 19 Board Meeting** - Adoption of tax rate



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## Budget Goals

- ❖ Meet the instructional and operational needs of the 2026–2027 school year
- ❖ Reduce the budget deficit to ensure the long-term financial stability of the district
- ❖ Maintain programs that make LT a “Destination District”
- ❖ Identify cost savings and revenue opportunities to enhance employee compensation to retain and attract high-quality employees



| Lake Travis ISD  |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Five Year Budget Model: 2025-2026 thru 2029-2030       |                      |                      |                      |                      |                      |
| Basic Assumptions (BA=\$6,215)                         |                      |                      |                      |                      |                      |
| December 17, 2025                                      |                      |                      |                      |                      |                      |
|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|  | <u>2025-26</u>       | <u>2026-27</u>       | <u>2027-28</u>       | <u>2028-29</u>       | <u>2029-30</u>       |
| → Change in Student Enrollment                         | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection) | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| → Percent Change in Student Enrollment                 | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Weighted ADA (WADA)                                    | 12,546.866           | 12,451.376           | 12,350.991           | 12,251.610           | 12,153.223           |

## Budget Assumptions:

- Enrollment decline of 130 students from prior year October PEIMS
- Next 3 years projections of 1% decline in enrollment each year



**Lake Travis ISD**

**Five Year Budget Model: 2025-2026 thru 2029-2030**

**Basic Assumptions (BA=\$6,215)**

**December 17, 2025**

|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| Change in Student Enrollment                           | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection) | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| Percent Change in Student Enrollment                   | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Percent Change in Taxable Property Value               | -2.78%               | 2.00%                | 3.00%                | 4.00%                | 4.00%                |
| Total Tax Rate   | 1.0397               | 1.0323               | 1.0256               | 1.019                | 1.0124               |
| State Equalization Payments (Recapture)                | 33,451,320           | 35,631,479           | 36,892,410           | 41,423,793           | 42,984,793           |

**Budget Assumptions:**

- Change in taxable property values of 2%
- Next 3 years projections of taxable values of 3% and 4%
- Continued tax compression due to projected property value increases
- Increase to recapture payment due to projected increase in wealth per student



| Lake Travis ISD   |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
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| Basic Assumptions (BA=\$6,215)                              |                      |                      |                      |                      |                      |
| December 17, 2025   |                      |                      |                      |                      |                      |
|   | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|   | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| <b>Assumptions-</b>   |                      |                      |                      |                      |                      |
| Salaries for New Postions-Growth                            | 715,000              | 0                    | 0                    | 0                    | 0                    |
| Salary Increases (3%-2023/24, 1%-2024/25, 1%,4%,7%-2025/26) | 3,257,931            | 0                    | 0                    | 0                    | 0                    |
| Salaries & Benefits - New Campus                            | 0                    | 0                    | 200,000              | 2,300,000            | 0                    |
| TRS On-Behalf Payments                                      | 0                    | 0                    | 0                    | 50,000               | 0                    |
| Payroll Efficiencies  | -3,004,000           | 0                    | 0                    | 0                    | 0                    |
| Substitutes/Stipends/Other Adjustments                      | 276,700              | 0                    | 0                    | 0                    | 0                    |
| <b>Estimated Change in Salaries</b>                         | <b>1,245,631</b>     | <b>0</b>             | <b>200,000</b>       | <b>2,350,000</b>     | <b>0</b>             |
| Change in Non-Payroll Operating Costs-Inflation             | -1,271,453           | 196,822              | 198,790              | 225,925              | 228,184              |
| Change in Recapture Costs                                   | -16,612,625          | 2,180,159            | 1,260,931            | 4,531,383            | 1,561,000            |
| Change in Start-Up/Incremental Costs of New Campuses        | 0                    | 0                    | 0                    | 300,000              | 100,000              |

## Budget Assumptions:

- Staffing and salaries remaining constant, no increases
- Slight increase in fixed costs due to inflation



| Lake Travis ISD   |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Five Year Budget Model: 2025-2026 thru 2029-2030            |                      |                      |                      |                      |                      |
| Basic Assumptions (BA=\$6,215)                              |                      |                      |                      |                      |                      |
| December 17, 2025   |                      |                      |                      |                      |                      |
|   | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|   | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| <b>Assumptions-</b>   |                      |                      |                      |                      |                      |
| Salaries for New Postions-Growth                            | 715,000              | 0                    | 0                    | 0                    | 0                    |
| Salary Increases (3%-2023/24, 1%-2024/25, 1%,4%,7%-2025/26) | 3,257,931            | 0                    | 0                    | 0                    | 0                    |
| Salaries & Benefits - New Campus                            | 0                    | 0                    | 200,000              | 2,300,000            | 0                    |
| TRS On-Behalf Payments                                      | 0                    | 0                    | 0                    | 50,000               | 0                    |
| Payroll Efficiencies  | -3,004,000           | 0                    | 0                    | 0                    | 0                    |
| Substitutes/Stipends/Other Adjustments                      | 276,700              | 0                    | 0                    | 0                    | 0                    |
| <b>Estimated Change in Salaries</b>                         | <b>1,245,631</b>     | <b>0</b>             | <b>200,000</b>       | <b>2,350,000</b>     | <b>0</b>             |
| Change in Non-Payroll Operating Costs-Inflation             | -1,271,453           | 196,822              | 198,790              | 225,925              | 228,184              |
| Change in Recapture Costs                                   | -16,612,625          | 2,180,159            | 1,260,931            | 4,531,383            | 1,561,000            |
| Change in Start-Up/Incremental Costs of New Campuses        | 0                    | 0                    | 0                    | 300,000              | 100,000              |

## Budget Assumptions:

- Start-up costs and increase in staffing for High School #2 starting in 2027-28
- Slight increase in fixed costs due to inflation
- Start-up costs and increase in staffing for High School #2 starting in 2027-28



| Lake Travis ISD  |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Five Year Budget Model: 2025-2026 thru 2029-2030       |                      |                      |                      |                      |                      |
| Basic Assumptions (BA=\$6,215)                         |                      |                      |                      |                      |                      |
| December 17, 2025                                      |                      |                      |                      |                      |                      |
|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|  | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| Change in Student Enrollment                           | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection) | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| Percent Change in Student Enrollment                   | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Percent Change in Taxable Property Value               | -2.78%               | 2.00%                | 3.00%                | 4.00%                | 4.00%                |
| Total Tax Rate   | 1.0397               | 1.0323               | 1.0256               | 1.019                | 1.0124               |
| State Equalization Payments (Recapture)                | 33,451,320           | 35,631,479           | 36,892,410           | 41,423,793           | 42,984,793           |
| Revenues   | 146,373,343          | 149,152,706          | 150,305,296          | 156,729,224          | 158,048,746          |
| Appropriations   | 150,869,980          | 153,296,961          | 154,956,681          | 162,363,989          | 164,253,173          |
| <b>Change in Fund Balance</b>                          | <b>-4,496,637</b>    | <b>-4,144,255</b>    | <b>-4,651,385</b>    | <b>-5,634,765</b>    | <b>-6,204,427</b>    |
| Beginning Fund Balance                                 | 31,611,907           | 37,115,270           | 32,971,015           | 28,319,630           | 22,684,865           |
| <b>Ending Fund Balance</b>                             | <b>37,115,270</b>    | <b>32,971,015</b>    | <b>28,319,630</b>    | <b>22,684,865</b>    | <b>16,480,438</b>    |
| Remaining Fund Balance After TEA Minimum (25%)         | 7,760,605            | 3,554,645            | -1,196,438           | -7,550,184           | -13,836,657          |

## 5 Year Budget Forecast:

- Expenditures exceeding revenue; no change to state funding
- Ending fund balance \$4.1 million; increasing in future years



| Lake Travis ISD  |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Five Year Budget Model: 2025-2026 thru 2029-2030       |                      |                      |                      |                      |                      |
| Basic Assumptions (BA=\$6,215)                         |                      |                      |                      |                      |                      |
| December 17, 2025                                      |                      |                      |                      |                      |                      |
|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|  | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| Change in Student Enrollment                           | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection) | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| Percent Change in Student Enrollment                   | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Percent Change in Taxable Property Value               | -2.78%               | 2.00%                | 3.00%                | 4.00%                | 4.00%                |
| Total Tax Rate   | 1.0397               | 1.0323               | 1.0256               | 1.019                | 1.0124               |
| State Equalization Payments (Recapture)                | 33,451,320           | 35,631,479           | 36,892,410           | 41,423,793           | 42,984,793           |
| Revenues   | 146,373,343          | 149,152,706          | 150,305,296          | 156,729,224          | 158,048,746          |
| Appropriations   | 150,869,980          | 153,296,961          | 154,956,681          | 162,363,989          | 164,253,173          |
| <b>Change in Fund Balance</b>                          | <b>-4,496,637</b>    | <b>-4,144,255</b>    | <b>-4,651,385</b>    | <b>-5,634,765</b>    | <b>-6,204,427</b>    |
| Beginning Fund Balance                                 | 31,611,907           | 37,115,270           | 32,971,015           | 28,319,630           | 22,684,865           |
| <b>Ending Fund Balance</b>                             | <b>37,115,270</b>    | <b>32,971,015</b>    | <b>28,319,630</b>    | <b>22,684,865</b>    | <b>16,480,438</b>    |
| Remaining Fund Balance After TEA Minimum (25%)         | 7,760,605            | 3,554,645            | -1,196,438           | -7,550,184           | -13,836,657          |

## 5 Year Budget Forecast:

- Change in fiscal year 2025-26 school year
- One-time surplus to fund balance of approx. \$10 million
- Fund balance level below TEA minimum starting in 2027-28 school year



# 2026-2027 Preliminary Budget Overview

| Lake Travis ISD  |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Five Year Budget Model: 2025-2026 thru 2029-2030   |                      |                      |                      |                      |                      |
| Basic Assumptions (BA=\$6,215)   |                      |                      |                      |                      |                      |
| December 17, 2025  |                      |                      |                      |                      |                      |
|  | (Budget Model-Yr. 1) | (Budget Model-Yr. 2) | (Budget Model-Yr. 3) | (Budget Model-Yr. 4) | (Budget Model-Yr. 5) |
|  | 2025-26              | 2026-27              | 2027-28              | 2028-29              | 2029-30              |
| Change in Student Enrollment   | -238                 | -130                 | -106                 | -105                 | -104                 |
| Student Enrollment (October PEIMS/Moderate Projection)   | 10,772               | 10,642               | 10,536               | 10,431               | 10,327               |
| Percent Change in Student Enrollment   | -2.16%               | -1.21%               | -1.00%               | -1.00%               | -1.00%               |
| Percent Change in Taxable Property Value   | -2.78%               | 2.00%                | 3.00%                | 4.00%                | 4.00%                |
| Total Tax Rate   | 1.0397               | 1.0323               | 1.0256               | 1.019                | 1.0124               |
| State Equalization Payments (Recapture)  | 33,451,320           | 35,631,479           | 36,892,410           | 41,423,793           | 42,984,793           |
| Revenues   | 146,373,343          | 149,152,706          | 150,305,296          | 156,729,224          | 158,048,746          |
| Appropriations   | 150,869,980          | 153,296,961          | 154,956,681          | 162,363,989          | 164,253,173          |
| <b>Change In Fund Balance</b>  | <b>-4,496,637</b>    | <b>-4,144,255</b>    | <b>-4,651,385</b>    | <b>-5,634,765</b>    | <b>-6,204,427</b>    |
| Beginning Fund Balance   | 31,611,907           | 37,115,270           | 32,971,015           | 28,319,630           | 22,684,865           |
| <b>Ending Fund Balance</b>   | <b>37,115,270</b>    | <b>32,971,015</b>    | <b>28,319,630</b>    | <b>22,684,865</b>    | <b>16,480,438</b>    |
| Remaining Fund Balance After TEA Minimum (25%)   | 7,760,605            | 3,554,645            | -1,196,438           | -7,550,184           | -13,836,657          |
| <b>Assumptions-</b>  |                      |                      |                      |                      |                      |
| Salaries for New Postions-Growth   | 715,000              | 0                    | 0                    | 0                    | 0                    |
| Salary Increases (3%-2023/24, 1%-2024/25, 1%,4%,7%-2025/26)  | 3,257,931            | 0                    | 0                    | 0                    | 0                    |
| Salaries & Benefits - New Campus   | 0                    | 0                    | 200,000              | 2,300,000            | 0                    |
| TRS On-Behalf Payments   | 0                    | 0                    | 0                    | 50,000               | 0                    |
| Payroll Efficiencies   | -3,004,000           | 0                    | 0                    | 0                    | 0                    |
| Substitutes/Stipends/Other Adjustments   | 276,700              | 0                    | 0                    | 0                    | 0                    |
| <b>Estimated Change in Salaries</b>  | <b>1,245,631</b>     | <b>0</b>             | <b>200,000</b>       | <b>2,350,000</b>     | <b>0</b>             |
| Change in Non-Payroll Operating Costs-Inflation  | -1,271,453           | 196,822              | 198,790              | 225,925              | 228,184              |
| Change in Recapture Costs  | -16,612,625          | 2,180,159            | 1,260,931            | 4,531,383            | 1,561,000            |
| Change in Start-Up/Incremental Costs of New Campuses   | 0                    | 0                    | 0                    | 300,000              | 100,000              |
| <i>- Change in fiscal year beginning 7/1/2026; 2025-26 reflects a 10-month expenditure budget ending 6/30/2026</i> |                      |                      |                      |                      |                      |

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Questions?





## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Approval of the November 19, 2025, Regular Board Meeting Minutes

### **RECOMMENDED ACTION**

**Administration recommends approval of the November 19, 2025.**

### **RATIONALE**

Minutes for each Board meeting shall be approved and on file in the Superintendent's office.

### **BUDGET PROVISIONS**

None

### **RESOURCE PERSONNEL**

Suzanne Kelbaugh - Executive Assistant to the Superintendent of Schools

### **ATTACHMENTS**

November 19, 2025, Regular Board Meeting Minutes

### **MEETING DATE**

December 17, 2025

**Minutes of Board Meeting**  
**The Board of Trustees**  
**Lake Travis Independent School District**

A meeting of the Board of Trustees of Lake Travis Independent School District was held on November 19, 2025, beginning at 6:00 p.m. in the Educational Development Center, Live Oak Room, 607 RR 620 North, Austin, Texas 78734.

**Call to Order**

Board President Lauren White called the meeting to order at 6:00 p.m.

**Quorum Determination**

Trustees in attendance were Erin Archer, Robert Aird, Kristen Woodcock, Lauren White, Keely Cano, Jonathan Bove and Phillip Davis.

**Pledge of Allegiance and Moment of Silence**

Chief Merritt led the Pledge of Allegiance. A moment of silence was then observed.

**Recognition**

- **2026 National Merit Scholarship Program Qualifying Students**  
Lake Travis High School principal James Bush is pleased to announce that 48 students have been recognized by the 2026 National Merit Scholarship Program. These students entered the program by taking the Preliminary SAT/National Merit Scholarship Qualifying Test (NMSQT) as high school juniors. Among 1.3 million students from roughly 16,000 schools nationwide, these students are in the top 50,000. Texas also earned the second-highest number of Commended Scholars (3,517) and Semifinalists (1,334) in the U.S. According to the National Merit Scholarship Program, these students show exceptional academic ability and potential for success in rigorous college studies. Lake Travis High School proudly recognizes 14 National Merit Semifinalists and 34 Commended Scholars.

| <b>National Merit Semifinalist</b> | <b>National Merit Commended Scholars</b> |                   |
|------------------------------------|--|-------------------|
| Pedro Alvarez-Gutierrez            | Sirisha Agarwal                          | Duoyi Liang       |
| Aradhana Arora                     | Peyton Bell                              | Hayden Linyard    |
| Kiran Baburajendran                | Maxwell Davila                           | Eden Loderus      |
| Matthew Bondurant                  | Sabrina Defranco                         | Kensington McEwen |
| Carter Davis                       | Griffin Donnelly                         | Ethan Perumalla   |
| Jackson Finney                     | Reed Elder                               | Coral Popa        |
| Audrey Huang                       | Henry Files                              | Patrick Rach      |
| John Menfi                         | Nicole Flegas                            | Aditya Rao        |
| Emma Radza                         | Paige Gentry                             | Rori Reynolds     |
| David Revay                        | Andrew Glaeser                           | Vandit Rikhi      |
| Vaishnavi Senthil                  | Seren Hall                               | Tyler Schulenberg |
| Caitlyn Vandermeer                 | Olivia Han                               | Emma Sciaraffia   |

|                |                  |                 |
|----------------|------------------|-----------------|
| Alexander Wong | Alyssa Harris    | Elliott Shah    |
| Cynthia Zimin  | Anthony Hatcher  | Matthew Shtaih  |
|                | Adam Hellinger   | Kasey Swenson   |
|                | Srihari Kadathur | Nicholas Turner |
|                | Ashdin Khambatta | Jacob Wilks     |

Recognition Only.

- **Lake Travis High School – 2025 UIL Cross Country State Meet**

Lake Travis High School student-athletes Lucas Kranz and Olivia Laudicina, both sophomores, proudly represented the Cavaliers at the 2025 UIL Class 6A Cross Country State Championships held November 1 at Old Settlers Park in Round Rock.

Lucas finished the 5K course with an impressive time of 15:45.9, while Olivia crossed the line at 18:30.2, earning top-35 placements among the state’s fastest runners.

Congratulations to Lucas, Olivia, and the Lake Travis High School Cross Country coaching staff—Head Coach Aaron Macik and assistants Courtney Lord, Delaney Stulce, and Sean Trombly—for an outstanding season.

Recognition Only.

- **Lake Travis High School Esports – State High School Finals**

Lake Travis High School’s inaugural Esports team, Team Cavalier 9, made history with its first tournament victory and qualification for the 2026 Texas Scholastic Esports Federation (TexSEF) State High School Finals in April.

Competing in Marvel Rivals (6v6) at the Fall 2025 ESC Region 13 Esports Tournament in Austin on October 31, these talented student-athletes showcased teamwork, strategy, and skill on the virtual stage.

Team members include Julian Adnan, Reed Elder, Waylon Eurie, Travis Johnson, Jackson King, and Connor Sottek. They are coached by Ethan Crouse, Alex Martinez, Troy Noland, Andrew Rodriguez, and Michael Thomas.

Congratulations to Team Cavalier 9 for representing Lake Travis ISD at the state level.

Recognition Only.

**Public Comments/Citizen Participation –**

1. Carter Davis – In School Suspension

**Discussion/Presentation Items**

- **Presentation and Discussion of 2025-2026 Student Attendance Update**

Betsy Russell, Director of Quality Assurance, presented that the district understands that attendance is key to academic success. To improve this, it has created strategies to address challenges, improve communication with families, and create engaging learning environments. With the help of data and community support, these efforts have made noticeable progress and set the stage for future success. This presentation will outline the district's work to boost student attendance, covering the strategies used, progress made, and ongoing projects. This aligns with the district's commitment to fostering academic success and ensuring equitable access to education for all students.

Presentation Only.

- **Presentation and Discussion of High School No. 2 Update**

On September 17, 2025, the Board of Trustees approved the construction contract for the site work and utility infrastructure (Phase 1) of High School No. 2. Pam Sanchez, Assistant Superintendent of Business Services, shared an update on the status of the Travis County permit process and reviewed the construction timeline.

Additionally, Lake Travis ISD introduced the community to the process of naming and selecting school colors for High School No. 2. In alignment with Board Policy CW (LOCAL), facilities shall be named for local residential or geographic areas, or for regional, state, or national landmarks and historical events.

Marco Alvarado, Executive Director of Communications and Community Relations, presented that the community members will be invited to submit suggestions via an online Google Form. The form will be available on the district website and promoted through multiple communication channels, including direct email to parents, students, and staff; district and campus newsletters; Peachjar e-Flyers; and district social media platforms.

The Google Form will open December 3, 2025 and remain available for community input through January 12, 2026. An initial list of suggested names and color combinations will be presented to the Board of Trustees at the January 21, 2026 regular meeting. Final action to approve the school name and colors will be requested at the February 18, 2026 regular meeting.

Presentation Only.

- **Presentation and Discussion of Proposed Local Policy Updates – First Reading**

LTISD Administration recommends adjustments to the following LOCAL policies in accordance with guidance received from TASB in Numbered Policy Update 126.

#### BE(LOCAL) – BOARD MEETINGS

Several recommended revisions have been made to this policy on board meetings. SB 12 prompted new language at Meeting Place and Time indicating that board meetings will be held outside of typical work hours. Language at Notice to Members has been adjusted to reflect HB 1522, which requires board agendas to be posted for three business days, rather than 72 hours, before the meeting. This recommended revision appropriately adjusts when the notice of the meeting will be provided to board members.

SB 413 requires roll call voting, so the language at Record Vote has been revised accordingly. A paragraph in the Minutes section has been removed, as the statement is true for all district records and it is not necessary to separately address retention in this policy.

#### BED(LOCAL) – BOARD MEETINGS: PUBLIC PARTICIPATION

Recommended revisions comply with the SB 12 requirement that public comment occur at the beginning of board meetings.

#### CFB(LOCAL) – ACCOUNTING INVENTORIES

Changes to federal regulations require a policy change addressing the capitalization of assets threshold. The proposed revision helps offset the effects of the significant increases in costs over the last five years.

#### CJ(LOCAL) – CONTRACTED SERVICES

Recommended new provisions reflect that contractors may not engage in or assign instructional activities prohibited by law or diversity, equity, and inclusion (DEI) duties under SB 12. Violations will result in termination of the contract.

#### CJA(LOCAL) – CONTRACTED SERVICES: BACKGROUND CHECKS AND REQUIRED REPORTING

The subtopic name has been adjusted to Background Checks and Required Reporting to more accurately describe the contents of the legal framework at this code. No other changes have been made.

#### CLE(LOCAL) – BUILDINGS, GROUNDS, AND EQUIPMENT MANAGEMENT: REQUIRED DISPLAYS

The subtopic name has been adjusted to Required Displays to more accurately describe the contents of the legal framework at this code. No other changes have been made.

#### CQB(LOCAL) – TECHNOLOGY RESOURCES: CYBERSECURITY

Recommended revisions comply with HB 150, which moves cybersecurity training requirements from the Department of Information Resources to the Texas Cyber

Command and includes details about notifications for cybersecurity incidents in addition to security breaches.

CQD(LOCAL) – TECHNOLOGY RESOURCES: ARTIFICIAL INTELLIGENCE

This new recommended policy addresses artificial intelligence training requirements based on HB 150 and HB 1500, as well as the use of artificial intelligence by district employees and students.

CSA(LOCAL) – FACILITY STANDARDS: SAFETY AND SECURITY

SB 8 from the Second Special Session prompted the inclusion of a section on Designation and Use of Private Spaces. The superintendent is directed to designate private spaces in accordance with law and to develop regulations to ensure compliance.

CV (LOCAL) – FACILITIES CONSTRUCTION

As reflected in CH(LEGAL), the competitive purchasing threshold established in law has changed from \$50,000 to \$100,000. The language at Construction Contracts is recommended for revision here to refer to the legal threshold rather than a specific dollar amount. Policy BJA(LOCAL) establishes the superintendent's delegation authority; therefore "or designee" is recommended for deletion at Project Administration.

DBD(LOCAL) – EMPLOYMENT REQUIREMENTS AND RESTRICTIONS:  
CONFLICT OF INTEREST

A new recommended section on Personal Services Performed by an Administrator includes language relating to administrator work from HB 3372.

DEC(LOCAL) – COMPENSATION AND BENEFITS: LEAVES AND ABSENCES

HB 2 prompted recommended revisions to include Daily Rate of Pay under the Definitions section, as well as a section regarding Concurrent Use of Paid Leave during Family and Medical Leave for classroom teachers.

DFBB(LOCAL) – TERM CONTRACTS: NONRENEWAL

Based on SB 12, engaging or assigning diversity, equity, and inclusion duties, as well as instructional activities prohibited by law, are recommended for inclusion in the list of reasons a term contract employee may be nonrenewed. The item related to disability and the ability to perform the essential functions of the job has been amended for clarity.

DGBA(LOCAL) – PERSONNEL-MANAGEMENT RELATIONS: EMPLOYEE  
COMPLAINTS/GRIEVANCES

We recommend for your consideration this revised policy regarding employee complaints, which includes revisions prompted by the applicable portions of SB 12.

#### DH(LOCAL) – EMPLOYEE STANDARDS OF CONDUCT

The recommended revision to the text at Weapons Prohibited – Exceptions reflects changes under SB 706 regarding reciprocity with a handgun license from another state. Sections on Prohibited Classroom Instruction or Activities; Prohibited Diversity, Equity, and Inclusion Duties; and Social Transitioning are recommended for inclusion pursuant to SB 12. At Relationships with Students, the recommended revision addresses the requirement under SB 571 regarding notice of suspected misconduct by an educator or district service provider.

#### EEP(LOCAL) – INSTRUCTIONAL ARRANGEMENTS: LESSON PLANS

This new local policy includes recommended language from SB 12 on instructional plans and course syllabi.

#### EFA(LOCAL) – INSTRUCTIONAL RESOURCES: INSTRUCTIONAL MATERIALS

In accordance with SB 12, a section on Parent Request for Instructional Material Review is recommended for inclusion. The policy requires the superintendent to develop administrative regulations to ensure that parents or guardians can request review of instructional materials individually or through a petition process with other parents.

#### EHBAF(LOCAL) – SPECIAL EDUCATION: VIDEO/AUDIO MONITORING

The enclosed revisions are recommended to update language regarding special education classrooms in accordance with HB 2 and to update the timeframe for reporting suspected misconduct or child abuse as required by SB 571.

#### EIA(LOCAL) – ACADEMIC ACHIEVEMENT: GRADING/PROGRESS REPORTS TO PARENTS

Recommended revisions reflect the SB 12 requirement that each parent of a student be afforded the opportunity for at least two in-person conferences with the student's teacher per year. At Academic Dishonesty, language is recommended that indicates the use of artificial intelligence without permission constitutes academic dishonesty.

#### FA(LOCAL) – PARENT RIGHTS AND RESPONSIBILITIES

This new local policy is recommended for inclusion in the district's manual to address the SB 12 requirement to establish a parent portal on the district's website, through which parents may submit comments to administrators or the board.

#### FEF(LOCAL) – ATTENDANCE: RELEASED TIME

This local policy is recommended for inclusion in the district's manual to reflect SB 1049 requirements regarding released time courses.

FFAC(LOCAL) – WELLNESS AND HEALTH SERVICES: MEDICAL TREATMENT

A recommended revision at Medication Provided by Parent has been made due to SB 920, which now allows school employees, including nurses, to administer nonprescription medication in accordance with legal requirements.

At Epinephrine, references to “epinephrine auto-injector” have been updated to “epinephrine delivery system” in accordance with SB 1619.

FFB(LOCAL) – STUDENT WELFARE: CRISIS INTERVENTION

As required by HB 2, a provision is recommended for inclusion addressing the required notification that must be provided to teaching staff when a threat is made against the campus.

FFF(LOCAL) – STUDENT WELFARE: CAMPUS SAFETY

HB 2 prompted recommended revisions to this local policy regarding notifying a parent of a student with whom an employee or service provider is alleged to have engaged in misconduct.

FFG(LOCAL) – STUDENT WELFARE: CHILD ABUSE AND NEGLECT

A recommended change at Reporting Child Abuse or Neglect reflects that SB 571 requires reporting within 24 hours of learning of the facts giving rise to suspicion of abuse or neglect of a child.

FNG(LOCAL) – STUDENT RIGHTS AND RESPONSIBILITIES: STUDENT AND PARENT COMPLAINTS/GRIEVANCES

We recommend for your consideration this revised student and parent complaint policy, which includes revisions prompted by the applicable portions of SB 12.

FO(LOCAL) – STUDENT DISCIPLINE

We recommend for inclusion in this policy new provisions at Video and Audio Monitoring. The provisions provide guidance on using video and audio recording equipment and the notification requirements if the equipment is in use. The language also addresses access to recordings made by this equipment.

FOB(LOCAL) – STUDENT DISCIPLINE: SUSPENSION

This policy is recommended for deletion since HB 6 removed a district's authority to exempt itself from student discipline requirements through a District of Innovation plan.

### GF(LOCAL) – PUBLIC COMPLAINTS

We recommend for your consideration this revised public complaint policy, which includes revisions prompted by the applicable portions of SB 12.

### GKA(LOCAL) – COMMUNITY RELATIONS: CONDUCT ON SCHOOL PREMISES

HB 6 no longer permits District of Innovation exemptions to Chapter 37; therefore, provisions related to Education Code 37.105 have been adjusted. Language regarding handguns is recommended for revision due to SB 706.

### Consideration Items

- **Consideration of and Request for Approval of 2026-2027 Lake Travis ISD Proposed Instructional Calendar**

The proposed 2026-2027 instructional calendar satisfies state requirements by delivering at least 75,600 operational minutes for students and aligning with the 187-day work calendar for professional staff. It preserves core instructional time, balances semesters to the extent possible, and provides built-in flexibility to manage unforeseen disruptions.

The calendar banks sufficient additional minutes to absorb up to two full bad-weather days without extending the school year. It also anticipates the Texas Education Agency's spring waiver process for staff development minutes; upon approval, the District will allocate up to 2,100 waiver minutes for high-quality professional learning that supports student outcomes, using the following full-day dates: September 21, 2026; October 30, 2026; January 5, 2027; and February 11, 2027. These staff development days preserve instructional continuity while investing in teacher effectiveness.

Overall, the calendar protects instructional time, supports staff development, and maintains operational flexibility, with no additional budget impact.

**A MOTION** was made by Trustee Erin Archer and seconded by Trustee Keely Cano to approve the 2026-2027 Lake Travis ISD Proposed Instructional Calendar, as presented.

The motion passed by a vote of 7 - 0.

- **Consideration of and Request for Approval of the 2025-2026 District and Campus Improvement Plan Goals and Performance Objectives**

School Board Policies BQ (LEGAL) and BQ (LOCAL) establish that the District will create a District Improvement Plan with the district's vision, mission, and goals to improve student performance. The Board shall approve the process under which the educational goals are developed and shall ensure that input is gathered from the district-level committee. Using the district's goals as a guide, district and campus leadership created priorities in the form of performance objectives for each of the six goals. These goals and performance objectives are consistent in the District Improvement Plan and every Campus Improvement Plan.

According to School Board Policy BQA (LOCAL), the District shall establish an Advisory Committee for Education (ACE) to review the District Improvement Plan (DIP). The ACE met and added suggestions and edits to the District Improvement Plan. Campus Advisory Teams (CAT) review Campus Improvement Plans.

A **MOTION** was made by Trustee Phillip Davis and seconded by Trustee Erin Archer to approve the District and Campus Improvement Plan Goals and Performance Objectives, as presented.

The motion passed by a vote of 7 - 0.

- **Consideration of and Request for Approval for Innovative Courses Offerings for the 2026-2027 School Year**

The Texas Administrative Code, Section 74.27, Innovative Courses and Programs, allows districts to offer state-approved innovative courses to enable students to master knowledge, skills, and competencies not included in the essential knowledge and skills of the required curriculum.

With the approval of the local Board of Trustees, school districts may offer any state-approved innovative course for state elective credit only. Innovative courses may not meet any other specific graduation requirement. No application is required for a district or school to offer one of these courses. Currently, with the approval of the Board of Trustees, students enrolled in the courses listed below would earn state elective credit which would be applied toward these graduation requirements.

| Course Name                                 | PEIMS #              | Course Name                                  | PEIMS #                                      |
|---|----------------------|--|--|
| Advanced Legal Skills & Professions         | N1303016             | Methodology of Academic and Personal Success | N1130021                                     |
| Forensic Psychology                         | N1303012             | Multivariable Calculus                       | N1110018                                     |
| Fundamentals of Real Estate                 | N1301120             | Path College Career I-IV                     | N1290051<br>N1290052<br>N1290053<br>N1290054 |
| General Employability Skills                | N1270153             | Peer Assistance & Leadership I-II            | N1290005<br>N1290006                         |
| Human Body Systems                          | N1302093             | Principles of Biomedical Science             | N1302092                                     |
| Internetworking Technologies I              | N1302803             | Principles of Exercise & Wellness            | N1303107                                     |
| Introduction to C# Programming Applications | N1302812             | Retail Management                            | N1303420                                     |
| Kinesiology I<br>Kinesiology II             | N1302104<br>N1302124 | Sports & Entertainment Marketing II          | N1303422                                     |
| Linear Algebra                              | N1110021             | Sports Medicine I                            | N1150040                                     |

|                       |          |                                    |          |
|-----------------------|----------|------------------------------------|----------|
| Making Connections I  | N1290332 | Strategic Learning for High School | N1110030 |
| Making Connections II | N1290333 | Math                               |          |
| Marketing             | N1303424 | Student Leadership                 | N1290010 |
| Medical Interventions | N1302094 | Team Sport Officiating             | N1160012 |

A **MOTION** was made by Trustee Erin Archer and seconded by Trustee Phillip Davis to approve the Innovative Course Offerings for 2026-2027, as presented.

The motion passed by a vote of 7 - 0.

- **Consideration of and Request for Approval of Updates to the Locally Approved Course List for UIL No Pass/No Play Exemptions (2025-2026)**

Certain advanced courses are identified under TEC §33.081(d-1) as exempt from the UIL No-Pass/No-Play regulations concerning extracurricular activities. Local school districts are permitted to establish additional honors courses in the subject areas of English language arts, mathematics, science, social studies, economics, or a language other than English to be considered exempt from UIL No-Pass/No-Play regulations. These locally determined courses must be approved by the Board of Trustees prior to the semester in which any exemptions related to extracurricular activities occur.

On January 15, 2025, the LTISD Board of Trustees approved a list of locally identified courses for UIL No-Pass/No-Play exempt status for the 2025-2026 school year. However, updates to the Texas Education Agency’s list of approved innovative courses available for state elective credit included the removal of course codes for the courses AP Seminar and AP Research. This change occurred after the school year began, requiring districts across the state of Texas to make significant adjustments related to courses that were already underway for students.

LTISD administration elected to follow the College Board recommendation of using the Special Topics course code for Independent Study in English (19 TAC §110.46). While the use of College Board curriculum for AP Seminar and AP Research is still allowable using the course codes for Independent Study in English, this change requires an update to the previously approved list of courses exempt from UIL No-Pass/No-Play regulations.

The attached document includes updates to the list of courses that the Board of Trustees approved for UIL No-Pass/No-Play exempt status for the 2025-2026 school year. The updated list notes the reclassification of the courses AP Seminar and AP Research as “Advanced Honors” courses for the 2025-2026 school year and includes language clarifying them as Independent Study in English. These courses will retain their current weighted grade multiplier under Policy EIC (LOCAL). Administration has verified that

no UIL exemptions related to AP Seminar nor AP Research were utilized by any student during the first marking period of 2025-2026.

**A MOTION** was made by Trustee Keely Cano and seconded by Trustee Kris Woodcock to approve the updated list of locally approved courses for UIL No Pass/No Play Exemptions for the 2025-2026 school year, as presented.

The motion passed by a vote of 7 - 0.

- **Consideration of and Potential Adoption of Resolution 111925-01 regarding Travis Central Appraisal District Board of Directors Election**

Lake Travis Independent School District is located in the western part of Travis County. This jurisdiction votes for candidates to serve on the Board of Directors of the Travis Central Appraisal District. The terms of two appointed members will expire at the end of this year. Accordingly, the election of two members to the Board must be conducted this fall to select the individuals who will serve in that capacity for a term beginning January 1, 2026, serving a four-year term.

Lake Travis ISD is entitled to 70 votes that can be split among any of the nominees on the ballot. Votes must be formalized by resolution approved by the school district's Board of Trustees. The resolution with voting allotment must be approved and received by the Chief Appraiser of the Travis Central Appraisal District by December 14, 2025.

Before December 31, 2025, the Chief Appraiser will count the votes submitted by participating entities, declare the results, and submit the results to both the school district and each of the nominated candidates.

**A MOTION** was made by Trustee Rob Aird and seconded by Trustee Keely Cano to adopt Resolution No. 111925-01 to assign 70 votes to one or more of the candidates listed on the official Travis Central Appraisal District ballot as follows:

70 votes for Deborah Cartwright.

The motion passed by a vote of 7 - 0.

- **Consideration of and Request for Approval of Amendment No.1 to the 2025-2026 Budget**

The general operating revenue budget amendment includes:

- Increase in Available School Fund of \$216,981 to account for an increase of \$21.19 per prior year student in attendance.
- Increase in Foundation School Program of \$241,674 due to hold harmless adjustment for the new increase in homestead exemptions from the 89<sup>th</sup> Legislative Session.

The general operating expenditures budget amendment includes:

- The preliminary PEIMS enrollment snapshot data of 10,772 is a decline of 236 students from snapshot last year and budgeted enrollment for 2025-26. The decline in students results in an increase of \$726,914 in State Recapture payment. The overall impact to budget is an increase to the deficit of \$268,259.

The overall impact to the General Fund is an increase in the budget deficit of \$268,259, resulting in an estimated deficit of \$4,496,637 for the 2025-2026 fiscal year.

**A MOTION** was made by Trustee Rob Aird and seconded by Trustee Phillip Davis to approve Amendment No. 1 to the 2025-2026 Budget, as presented.

The motion passed by a vote of 7 - 0.

- **Consideration of and Request for Award of RFP #26-004 – Construction Manager At-Risk for Millwork Replacement at Various Campuses**  
Per Board Policy CV (LOCAL), the Board shall determine the project delivery/contract award method to be used for each construction contract valued at or above \$100,000. To assist the Board, the Superintendent shall recommend the project delivery/contract award method that provides the best value to the District. The Business Office, Purchasing, Facilities & Construction and Legal Departments work to ensure that all bond projects have been competitively procured and meet all legal and local purchasing policies and guidelines.

Lake Travis ISD issued RFP #26-004 for Construction Manager At-Risk (CMR) for the replacement of millwork at various campuses and received four responses. Based on the total points scored in the evaluation process, Braun & Butler Construction ranks highest among the respondents.

After considering the scale and complexity of the project scope, along with relevant experience, capability to manage work at multiple sites, established working relationship with the District and demonstrated performance, Administration recommends awarding the construction manager contract for the millwork replacement project to Braun & Butler Construction.

**A MOTION** was made by Trustee Erin Archer and seconded by Trustee Jonathan Bove to award the Construction Manager At-Risk contract for the replacement of millwork at various campuses to Braun & Butler Construction, and to authorize the Superintendent or designee to negotiate and execute the contract.

The motion passed by a vote of 7-0.

- **Consideration of and Request for Award of RFP #26-006 – Construction Manager At-Risk for Lake Travis High School Baseball Field, Softball Field, and Track Stadium Renovations**  
Per Board Policy CV (LOCAL), the Board shall determine the project delivery/contract award method to be used for each construction contract valued at or above \$100,000. To

assist the Board, the Superintendent shall recommend the project delivery/contract award method that provides the best value to the District. The Business Office, Purchasing, Facilities & Construction and Legal Departments work to ensure that all bond projects have been competitively procured and meet all legal and local purchasing policies and guidelines.

Lake Travis ISD issued RFP #26-006 for Construction Manager At-Risk (CMR) for the replacement of the Lake Travis High School baseball field press box, concession stand and restrooms, softball field restrooms, track stadium restrooms and fencing, and cabinets in the men's field house. Based on the total points scored in the evaluation process and the experience in K-12 renovation and addition projects, Lott Brothers Construction ranks highest among the seven responses.

Administration recommends awarding the construction manager contract for the baseball field, softball field and track stadium renovations project to Lott Brothers Construction.

**A MOTION** was made by Trustee Rob Aird and seconded by Trustee Keely Cano to award the Construction Manager At-Risk contract for the baseball field, softball field, and track stadium renovations to Lott Brothers Construction, and to authorize the Superintendent or designee to negotiate and execute the contract.

The motion passed by a vote of 7 - 0.

- **Consideration of and Potential Adoption of Resolution 111925-02 regarding the Sale of Surplus Real Property**

The Lake Travis ISD Board of Trustees is required, by resolution, to authorize the sale of district-owned property prior to offering the property for bid as outlined in Sections 11.151 and 11.154 of the Texas Education Code. The District owns approximately 20 acres of unimproved land located at 1701 Lohmans Crossing Road, Austin, Texas, adjacent to Lakeway Elementary. The Board may determine that the property is no longer needed for school district purposes and is therefore considered surplus.

Once the property is declared surplus and approved for sale, the District's administration is authorized, under Section 272.001 of the Texas Local Government Code, to publish notice of the proposed sale, solicit sealed bids, and take all further actions as permitted by law.

**A MOTION** was made by Trustee Rob Aird and seconded by Trustee Jonathan Bove to adopt Resolution No. 111925-02 declaring approximately 20 acres of land located at 1701 Lohmans Crossing Road, Austin, TX as real property surplus and approving sale of the land.

The motion passed by a vote of 7 - 0.

### **Consent Agenda**

- A. Approval of the Advisory Committee on Education (ACE) to begin the Renewal Process for LTISD's District of Innovation Plan
- B. Approval of Locally Approved Courses for UIL No Pass/No Play Exemptions 2026-2027

- C. Approval of the 2025-2026 TEA Application for Bilingual Exception / ESL Waiver
- D. Approval of the October 15, 2025 Regular Board Meeting Minutes
- E. Approval of Partnership Agreements and Addendum between Austin Community College District and Lake Travis ISD for Dual Credit and Educational Programs
- F. Approval of a Letter of Agreement between LTISD and AT&T for the Reimer's Road Private Drive Project

**A MOTION** was made by Trustee Rob Aird and seconded by Trustee Erin Archer to approve the consent agenda, as presented.

The motion passed by a vote of 7 - 0.

### **Information Items**

- **October 2025 Monthly Financial Reports**

Pam Sanchez, Assistant Superintendent of Business Services, provided a financial update to the Board and community regarding the financial position of the school district.

The financial highlights for the period ending October 31, 2025, include the following:

- The financial reports reflect activity through 16.67% of the fiscal year with recorded General Fund expenditures of 17% of the budget.
- The cash and temporary investments balance for all governmental and proprietary funds totals \$288,142,137. Investment instruments, focused on security and liquidity, include Local Government Investment Pools and money market funds approved under the Public Funds Investment Act.
- Monthly tax collections totaled \$203,897 representing prior year taxes (TY 2024).
- The total 2018 bond expenditures are approximately \$260.2 million with remaining funds of approximately \$141,369.
- The total 2023 bond expenditures are approximately \$121 million with remaining funds of approximately \$216.2 million.
- The total 2024 bond expenditures are approximately \$7.4 million with remaining funds of approximately \$30.4 million.

Information Only.

- **Board Notification Under Board Policy CH (LOCAL) – Replacement of HVAC Automated System Controls**

The Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$100,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. The Superintendent shall not be required to obtain Board approval for the following types of budgeted purchases that cost \$100,000 or more, but shall subsequently report them to the Board:

1. A purchase made pursuant to a Board-approved interlocal contract, in accordance with law.
2. A purchase made through a cooperative purchasing program, in accordance with law.
3. A purchase made through a state purchasing program that satisfies the District's obligation for competitive purchasing;
4. A purchase for produce or fuel.

Lake Travis ISD has a budgeted purchase that requires Board notification for replacement of District HVAC JACE controllers at multiple facilities by R4 Efficiency Engineering, LLC in the amount of \$110,857.30. The scope of work includes:

- Removal and disposal of existing HVAC JACE controllers.
- Replacement of old controllers with new hardware, and installation.

Information Only.

### **Closed Session**

Trustees recessed into a closed session at 7:56 p.m. to discuss a Level Three grievance (considered on written submission in accordance with Board Policy FNG) and other legally appropriate matters as defined below.

- **Closed Session in accordance with Texas Government Code 551.001 et. seq.**  
**Section 551.071** - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law, including private consultation with the Board's attorney to provide legal advice regarding a Level Three grievance pending before the Board.  
**Section 551.072** - For the purpose of deliberating the purchase, exchange, lease or value of real property.  
**Section 551.074** - For the purpose of discussing the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or to hear complaints or charges against a public officer or employee, including discussion of a pending Level Three grievance hearing and to deliberate the evaluation, goals, and duties of the superintendent.

**Section 551.0821** - For the purpose of deliberation on a matter regarding a public school student in which personally identifiable information about the student will necessarily be revealed by the deliberation, including discussion of a pending Level Three grievance.

**Open Session**

Time reconvened 9:20 p.m. on November 19, 2025

**Decision regarding pending Level Three Grievance**

- The Board has heard a Level Three appeal originally filed on, April 15, 2025 by Kara Bell which was conducted in closed session pursuant to Sections 551.074 and 551.0821 of the Texas Government Code. In accordance with Chapter 551 of the Texas Government Code, any action regarding this matter must be taken in open session.

**A MOTION** was made by Trustee Rob Aird and Seconded by Trustee Jonathan Bove that the Board affirm the decision of the administration at the Level Two grievance hearing and deny the specific relief requested by the complainant therein.

And, with regard to the additional remedies requested by the complainant in accordance with newly-revised Texas Education Code section 26A.001(e) (as defined by Senate Bill 12), in supplemental materials submitted by the complainant to the Board for consideration after the delivery of the District's official Level Two response and prior to tonight's Level Three hearing, I further move that the Board grant the relief in part and deny the relief in part as follows:

1. Deny the request for the immediate production of metadata related to this incident as previously explained in the administration's official Level Two response;
2. Grant the request for written assurance that no record of this anonymous tip will be retained in the student's file in accordance with Lake Travis ISD's official records management and retention policies; and
3. Deny the request for expungement of any reference to this incident from all district records accessible to staff or third parties in accordance with Lake Travis ISD's official records management and retention policies.

The motion was passed by a vote of 7- 0.

**Adjournment**

There being no further action, the November 19, 2025 Board of Trustees' meeting adjourned on November 19, 2025 at 9:23 p.m.

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Lauren White, President

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Erin Archer, Secretary



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

Approval of Proposed Local Policy Updates

### RECOMMENDED ACTION

**Administration recommends approval of the proposed local policy updates, as presented.**

### RATIONALE

LTISD Administration recommends adjustments to the following LOCAL policies in accordance with guidance received from TASB in Numbered Policy Update 126.

#### BE(LOCAL) – BOARD MEETINGS

Several recommended revisions have been made to this policy on board meetings. SB 12 prompted new language at Meeting Place and Time indicating that board meetings will be held outside of typical work hours. Language at Notice to Members has been adjusted to reflect HB 1522, which requires board agendas to be posted for three business days, rather than 72 hours, before the meeting. This recommended revision appropriately adjusts when the notice of the meeting will be provided to board members.

SB 413 requires roll call voting, so the language at Record Vote has been revised accordingly. A paragraph in the Minutes section has been removed, as the statement is true for all district records and it is not necessary to separately address retention in this policy.

#### BED(LOCAL) – BOARD MEETINGS: PUBLIC PARTICIPATION

Recommended revisions comply with the SB 12 requirement that public comment occur at the beginning of board meetings.

#### CJ(LOCAL) – CONTRACTED SERVICES

Recommended new provisions reflect that contractors may not engage in or assign instructional activities prohibited by law or diversity, equity, and inclusion (DEI) duties under SB 12. Violations will result in termination of the contract.

#### CJA(LOCAL) – CONTRACTED SERVICES: BACKGROUND CHECKS AND REQUIRED REPORTING

The subtopic name has been adjusted to Background Checks and Required Reporting to more accurately describe the contents of the legal framework at this code. No other changes have been made.

#### CLE(LOCAL) – BUILDINGS, GROUNDS, AND EQUIPMENT MANAGEMENT: REQUIRED DISPLAYS

The subtopic name has been adjusted to Required Displays to more accurately describe the contents of the legal framework at this code. No other changes have been made.

#### CQB(LOCAL) – TECHNOLOGY RESOURCES: CYBERSECURITY



Recommended revisions comply with HB 150, which moves cybersecurity training requirements from the Department of Information Resources to the Texas Cyber Command and includes details about notifications for cybersecurity incidents in addition to security breaches.

CQD(LOCAL) – TECHNOLOGY RESOURCES: ARTIFICIAL INTELLIGENCE

This new recommended policy addresses artificial intelligence training requirements based on HB 150 and HB 1500, as well as the use of artificial intelligence by district employees and students.

CSA(LOCAL) – FACILITY STANDARDS: SAFETY AND SECURITY

SB 8 from the Second Special Session prompted the inclusion of a section on Designation and Use of Private Spaces. The superintendent is directed to designate private spaces in accordance with law and to develop regulations to ensure compliance.

CV (LOCAL) – FACILITIES CONSTRUCTION

As reflected in CH(LEGAL), the competitive purchasing threshold established in law has changed from \$50,000 to \$100,000. The language at Construction Contracts is recommended for revision here to refer to the legal threshold rather than a specific dollar amount. Policy BJA(LOCAL) establishes the superintendent’s delegation authority; therefore “or designee” is recommended for deletion at Project Administration.

DBD(LOCAL) – EMPLOYMENT REQUIREMENTS AND RESTRICTIONS: CONFLICT OF INTEREST

A new recommended section on Personal Services Performed by an Administrator includes language relating to administrator work from HB 3372.

DEC(LOCAL) – COMPENSATION AND BENEFITS: LEAVES AND ABSENCES

HB 2 prompted recommended revisions to include Daily Rate of Pay under the Definitions section, as well as a section regarding Concurrent Use of Paid Leave during Family and Medical Leave for classroom teachers.

DFBB(LOCAL) – TERM CONTRACTS: NONRENEWAL

Based on SB 12, engaging or assigning diversity, equity, and inclusion duties, as well as instructional activities prohibited by law, are recommended for inclusion in the list of reasons a term contract employee may be nonrenewed. The item related to disability and the ability to perform the essential functions of the job has been amended for clarity.

DGBA(LOCAL) – PERSONNEL-MANAGEMENT RELATIONS: EMPLOYEE COMPLAINTS/GRIEVANCES

We recommend for your consideration this revised policy regarding employee complaints, which includes revisions prompted by the applicable portions of SB 12.

DH(LOCAL) – EMPLOYEE STANDARDS OF CONDUCT

The recommended revision to the text at Weapons Prohibited – Exceptions reflects changes under SB 706 regarding reciprocity with a handgun license from another state. Sections on Prohibited Classroom Instruction or Activities; Prohibited Diversity, Equity, and Inclusion Duties; and Social Transitioning are



recommended for inclusion pursuant to SB 12. At Relationships with Students, the recommended revision addresses the requirement under SB 571 regarding notice of suspected misconduct by an educator or district service provider.

EEP(LOCAL) – INSTRUCTIONAL ARRANGEMENTS: LESSON PLANS

This new local policy includes recommended language from SB 12 on instructional plans and course syllabi.

EFA(LOCAL) – INSTRUCTIONAL RESOURCES: INSTRUCTIONAL MATERIALS

In accordance with SB 12, a section on Parent Request for Instructional Material Review is recommended for inclusion. The policy requires the superintendent to develop administrative regulations to ensure that parents or guardians can request review of instructional materials individually or through a petition process with other parents.

EHBAF(LOCAL) – SPECIAL EDUCATION: VIDEO/AUDIO MONITORING

The enclosed revisions are recommended to update language regarding special education classrooms in accordance with HB 2 and to update the timeframe for reporting suspected misconduct or child abuse as required by SB 571.

EIA(LOCAL) – ACADEMIC ACHIEVEMENT: GRADING/PROGRESS REPORTS TO PARENTS

Recommended revisions reflect the SB 12 requirement that each parent of a student be afforded the opportunity for at least two in-person conferences with the student's teacher per year. At Academic Dishonesty, language is recommended that indicates the use of artificial intelligence without permission constitutes academic dishonesty.

FA(LOCAL) – PARENT RIGHTS AND RESPONSIBILITIES

This new local policy is recommended for inclusion in the district's manual to address the SB 12 requirement to establish a parent portal on the district's website, through which parents may submit comments to administrators or the board.

FEF(LOCAL) – ATTENDANCE: RELEASED TIME

This local policy is recommended for inclusion in the district's manual to reflect SB 1049 requirements regarding released time courses.

FFAC(LOCAL) – WELLNESS AND HEALTH SERVICES: MEDICAL TREATMENT

A recommended revision at Medication Provided by Parent has been made due to SB 920, which now allows school employees, including nurses, to administer nonprescription medication in accordance with legal requirements.

At Epinephrine, references to "epinephrine auto-injector" have been updated to "epinephrine delivery system" in accordance with SB 1619.

FFB(LOCAL) – STUDENT WELFARE: CRISIS INTERVENTION

As required by HB 2, a provision is recommended for inclusion addressing the required notification that must be provided to teaching staff when a threat is made against the campus.



FFF(LOCAL) – STUDENT WELFARE: CAMPUS SAFETY

HB 2 prompted recommended revisions to this local policy regarding notifying a parent of a student with whom an employee or service provider is alleged to have engaged in misconduct.

FFG(LOCAL) – STUDENT WELFARE: CHILD ABUSE AND NEGLECT

A recommended change at Reporting Child Abuse or Neglect reflects that SB 571 requires reporting within 24 hours of learning of the facts giving rise to suspicion of abuse or neglect of a child.

FNG(LOCAL) – STUDENT RIGHTS AND RESPONSIBILITIES: STUDENT AND PARENT COMPLAINTS/GRIEVANCES

We recommend for your consideration this revised student and parent complaint policy, which includes revisions prompted by the applicable portions of SB 12.

FO(LOCAL) – STUDENT DISCIPLINE

We recommend for inclusion in this policy new provisions at Video and Audio Monitoring. The provisions provide guidance on using video and audio recording equipment and the notification requirements if the equipment is in use. The language also addresses access to recordings made by this equipment.

FOB(LOCAL) – STUDENT DISCIPLINE: SUSPENSION

This policy is recommended for deletion since HB 6 removed a district's authority to exempt itself from student discipline requirements through a District of Innovation plan.

GF(LOCAL) – PUBLIC COMPLAINTS

We recommend for your consideration this revised public complaint policy, which includes revisions prompted by the applicable portions of SB 12.

GKA(LOCAL) – COMMUNITY RELATIONS: CONDUCT ON SCHOOL PREMISES

HB 6 no longer permits District of Innovation exemptions to Chapter 37; therefore, provisions related to Education Code 37.105 have been adjusted. Language regarding handguns is recommended for revision due to SB 706.

**BUDGET PROVISIONS**

Minimal TASB Processing Fee

**RESOURCE PERSONNEL**

Chad Crowson – General Counsel

**ATTACHMENTS**

Proposed Policies Redlined Language

**MEETING DATE**

December 17, 2025

BOARD MEETINGS

BE  
(LOCAL)

**Meeting Place and Time**

Board meetings shall be held during a time that is outside of typical work hours. [See FA(LEGAL)]

The notice for a Board meeting shall reflect the date, time, and location of the meeting.

**Regular Meetings**

Regular meetings of the Board shall normally be held on the third Wednesday of each month at 6:00 p.m. When determined necessary and for the convenience of Board members, the Board President may change the date, time, or location of a regular meeting with proper notice.

**Special or Emergency Meetings**

The Board President shall call special meetings at the Board President's discretion or on request by two members of the Board.

The Board President shall call an emergency meeting when it is determined by the Board President or two members of the Board that an emergency or urgent public necessity, as defined by law, warrants the meeting.

**Agenda**

Deadline

The deadline for submitting items for inclusion on the agenda is the ~~third business~~ 10th calendar day before regular meetings and the ~~third business~~ 10th calendar day before special meetings.

Preparation

In consultation with the Board President, the Superintendent shall prepare the agenda for all Board meetings. Any Board member may request that a subject be included on the agenda for a meeting, and the Superintendent shall include on the preliminary agenda of the meeting all topics that have been timely submitted by a Board member.

Before the official agenda is finalized for any meeting, the Superintendent shall consult the Board President to ensure that the agenda and the topics included meet with the Board President's approval. In reviewing the preliminary agenda, the Board President shall ensure that any topics the Board or individual Board members have requested to be addressed are either on that agenda or scheduled for deliberation at an appropriate time in the near future. The Board President shall not have authority to remove from the agenda a subject requested by a Board member without that Board member's specific authorization.

**Notice to Members**

Members of the Board shall be given notice of regular and special meetings at least ~~72 hours~~ three business days prior to the scheduled ~~time~~ date of the meeting and at least one hour prior to the time of an emergency meeting.

**Closed Meeting**

Notice of all meetings shall provide for the possibility of a closed meeting during an open meeting, in accordance with law.

BOARD MEETINGS

BE  
(LOCAL)

The Board may conduct a closed meeting when the agenda subject is one that may properly be discussed in closed meeting. [See BEC]

**Order of Business**

The order of business for regular Board meetings shall be as set out in the agenda accompanying the notice of the meeting. At the meeting, the order in which posted agenda items are taken may be changed by consensus of Board members.

**Rules of Order**

The Board shall observe the parliamentary procedures as found in *Robert's Rules of Order, Newly Revised*, except as otherwise provided in Board procedural rules or by law. Procedural rules may be suspended at any Board meeting by majority vote of the members present.

~~Voting~~ Record Vote

Voting on any item shall be ~~by voice~~ a record vote ~~or~~ by show of hands or roll call, as directed by the Board President. Any member may abstain from voting on an item, and a member's vote or failure to vote shall be recorded upon that member's request in the minutes. [See BDAA(LOCAL) for the Board President's voting rights]

Consent Agenda

When the agenda is prepared, the Board President shall determine items, if any, that qualify to be placed on the consent agenda. A consent agenda shall include items of a routine and/or recurring nature grouped together under one action item. For each item listed as part of a consent agenda, the Board shall be furnished with background material. All such items shall be acted upon by one vote without separate discussion, unless a Board member requests that an item be withdrawn for individual consideration. The remaining items shall be adopted under a single motion and vote.

**Minutes**

Board action shall be carefully recorded by the Board Secretary or clerk; when approved, these minutes shall serve as the legal record of official Board actions. The written minutes of all meetings shall be approved by vote of the Board and signed by the Board President and the Board Secretary.

~~The official minutes of the Board shall be retained on file in the office of the Superintendent and shall be available for examination during regular office hours.~~ [See CPC regarding retention of records.]

**Discussions and Limitation**

Discussions shall be addressed to the Board President and then the entire membership. Discussion shall be directed solely to the business currently under deliberation, and the Board President shall halt discussion that does not apply to the business before the Board.

The Board President shall also halt discussion if the Board has agreed to a time limitation for discussion of an item, and that time

limit has expired. Aside from these limitations, the Board President shall not interfere with debate so long as members wish to address themselves to an item under consideration.

**Limit on Participation**

Audience participation at a Board meeting is limited to the portion of the meeting designated to receive public comment in accordance with this policy. At all other times during a Board meeting, the audience shall not enter into discussion or debate on matters being considered by the Board, unless requested by the presiding officer.

**Public Comment**

Public comment shall occur at the beginning of the meeting. [See FA]

Regular Meetings

At regular Board meetings, the Board shall permit public comment, regardless of whether the topic is an item on the agenda posted with notice of the meeting.

Special Meetings

At all other Board meetings, public comment shall be limited to items on the agenda posted with notice of the meeting.

Procedures

Individuals who wish to participate during the portion of the meeting designated for public comment shall sign up with the presiding officer or designee before the meeting begins as specified in the Board's procedures on public comment and shall indicate the agenda item or topic on which they wish to address the Board.

~~Public comment shall occur at the beginning of the meeting.~~

Except as permitted by this policy and the Board's procedures on public comment, an individual's comments to the Board shall not exceed three minutes per meeting.

Meeting Management

When necessary for effective meeting management or to accommodate large numbers of individuals wishing to address the Board, the presiding officer may ~~make adjustments to public comment procedures, including adjusting when public comment will occur during the meeting, reordering agenda items, deferring public comment on nonagenda items, continuing agenda items to a later meeting, providing expanded opportunity for public comment, or establishing an overall time limit for public comment and adjusting~~ adjust the time allotted to each speaker. However, no individual shall be given less than one minute to make comments.

Board's Response

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting.

**Complaints and Concerns**

The presiding officer or designee shall determine whether an individual addressing the Board has attempted to solve a matter administratively through resolution channels established by policy. If not, the individual shall be referred to the appropriate policy to seek resolution:

- Employee complaints: DGBA
- Student or parent complaints: FNG
- Public complaints: GF

**Disruption**

The Board shall not tolerate disruption of the meeting by members of the audience. If, after at least one warning from the presiding officer, any individual continues to disrupt the meeting by his or her words or actions, the presiding officer may request assistance from law enforcement officials to have the individual removed from the meeting.

**Capitalization  
Threshold**

The capitalization threshold for purposes of classifying individual capital assets shall be ~~\$5,000~~ \$10,000.

The Superintendent shall determine the capitalization threshold for a group of assets, the individual cost of which does not exceed the capitalization threshold above but for which the cost in the aggregate is significant.

**Employment  
Assistance  
Prohibited**

No District employee shall assist a contractor or agent of the District or of any other school district in obtaining a new job if the employee knows, or has probable cause to believe, that the contractor or agent engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative file does not violate this prohibition.

No District contractor or agent shall assist an employee, contractor, or agent of the District or of any other school district in obtaining a new job if the contractor or agent knows, or has probable cause to believe, that the individual engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition.

[See also DC for prohibitions relating to employees.]

**Prohibited  
Classroom  
Instruction or  
Activities**

A District contractor is prohibited from intentionally or knowingly engaging in or assigning to another individual instruction, guidance, activities, or programming prohibited by law [see EMB(LEGAL)]. Violation of this policy shall result in termination of the contract. A District contractor shall be permitted to appeal this action in accordance with GF(LOCAL).

**Prohibition on  
Diversity, Equity,  
and Inclusion**

A contract is subject to termination if the District contractor intentionally or knowingly:

- Engages in diversity, equity, and inclusion (DEI) duties.
- Assigns to another individual DEI duties.

A District contractor shall be permitted to appeal this action in accordance with GF(LOCAL).

[See BT(LEGAL)]

CONTRACTED SERVICES  
~~CRIMINAL HISTORY~~BACKGROUND CHECKS AND REQUIRED REPORT-  
ING

CJA  
(LOCAL)

**Emergencies**

In an emergency due to a health or safety concern, a reasonably unforeseeable situation, or other exigent circumstance, the District employee who is in charge of the facility shall be authorized to determine whether an employee of a contracting or subcontracting entity who does not have the required criminal history record information (CHRI) review or who has a disqualifying conviction will be permitted to enter a District facility.

If allowed to enter the facility, the employee of the contracting or subcontracting entity shall be accompanied by a District employee at all times.

The U.S. and Texas flags shall be prominently displayed in each classroom to which a student is assigned during the time that the pledges of allegiance to those flags are recited.

**Plan** The District shall develop a cybersecurity plan to secure the District's cyberinfrastructure against a cyberattack or any other cybersecurity incidents, determine cybersecurity risk, and implement appropriate mitigation planning.

**Coordinator** The Superintendent shall designate a cybersecurity coordinator. The cybersecurity coordinator shall serve as the liaison between the District and the Texas Education Agency in cybersecurity matters.

**Training** The Board delegates to the Superintendent the authority to:

1. Determine the cybersecurity training program to be used in the District;
2. Verify and report compliance with training requirements in accordance with guidance from the [Department of Information Resources Texas Cyber Command](#); and
3. Remove access to the District's computer systems and databases for noncompliance with training requirements as appropriate.

The District shall complete periodic audits to ensure compliance with the cybersecurity training requirements.

**Security Breach and Cybersecurity Incident Notifications** Upon discovering or receiving notification of a breach of system security or a [security](#) [cybersecurity](#) incident, as defined by law, the District shall disclose the breach or incident to affected persons or entities [and provide any other notices](#) in accordance with the time frames established by law. The District shall give notice by using one or more of the following methods:

1. Written notice.
2. Email, if the District has email addresses for the affected persons.
3. Conspicuous posting on the District's websites.
4. Publication through broadcast media.

The District shall disclose a breach or incident involving sensitive, protected, or confidential student information as required by law.

**Training**

The Board delegates to the Superintendent the authority to:

1. Determine the artificial intelligence (AI) training program to be used in the District;
2. Verify and report compliance with training requirements in accordance with guidance from the Department of Information Resources; and
3. Remove access to the District's computer systems and databases for noncompliance with training requirements as appropriate.

The District shall complete periodic audits to ensure compliance with the AI training requirements.

**Use in District**

Employees and students shall be permitted to explore AI and implement its use in and out of the classroom in accordance with policy and administrative regulations. The use of AI shall only be as a support tool to enhance student outcomes and shall never take the place of teacher and student decision-making. Any use of AI must comply with law, policy, and administrative regulations relating to student and employee privacy and data security.

A student shall only use AI tools with teacher permission and shall be expected to produce original work and properly credit sources, including AI tools used in creating the work. Students who use AI tools to deceptively harm, bully, or harass others shall be disciplined in accordance with the Student Code of Conduct and policy. [See EIA(LOCAL), FFH, FFI, and the FO series]

**Building Access  
Control**

Audits of building access control shall include weekly inspections of instructional facilities during school hours to certify all exterior doors are, by default, set to closed, latched, and locked status and cannot be opened from the outside without a key.

The Superintendent shall ensure that the findings of the weekly inspections are:

1. Reported to the District safety and security committee; and
2. Reported to the campus principal or lead administrator of the instructional facility to ensure awareness of any deficiencies identified.

The campus principal or lead administrator shall assign appropriate staff to take action to reduce the likelihood of similar deficiencies in the future.

The results of the weekly reports shall be kept for review as part of the required safety and security audit.

The District's building access control procedures shall not be interpreted as discouraging parents or guardians who have been properly verified as authorized visitors from visiting their student's campus. [See GKC]

**Designation and Use  
of Private Spaces**

The Board shall ensure that the Superintendent, or appropriate staff as determined by the Superintendent, designates private spaces in accordance with law.

The Superintendent shall develop administrative regulations to ensure compliance with law and policy regarding the use of private spaces in District facilities.

**Compliance with Law**

The Superintendent shall establish procedures that ensure that all school facilities within the District comply with applicable laws and local building codes.

Building Code Adoption

All construction projects shall be designed to meet the most current International Building Code edition with the latest amendments, in addition to requirements set out at ~~policy~~ CS(LEGAL).

**Construction Contracts**

Prior to advertising, the Board shall determine the project delivery/contract award method to be used for each construction contract valued at or above ~~\$100,000~~ the competitive purchasing threshold established in law. To assist the Board, the Superintendent shall recommend the project delivery/contract award method that he or she determines provides the best value to the District. [See CV series generally and CBB(LEGAL) for requirements if federal funds are involved.]

For construction contracts valued at or above \$100,000, the Superintendent shall also submit the resulting contract to the Board for approval. Lesser expenditures for construction and construction-related materials or services shall be at the discretion of the Superintendent and consistent with law and policy. [See also CH and CBB(LEGAL)]

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**Note:** For provisions regarding delegation of authority for construction contracts in the event of a catastrophe, emergency, or natural disaster affecting the District, see CH(LOCAL).

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**Change Orders**

Change orders permitted by law shall be approved prior to any changes being made in the approved plans or the actual construction of the facility.

Change orders valued at or above \$100,000 shall require Board approval. The Superintendent ~~or designee~~ shall be authorized to approve change orders of a lesser amount.

**Extension of Time**

The Superintendent ~~or designee~~ shall approve any extensions of time to construction contracts without requiring Board approval.

**Project Administration**

All construction projects shall be administered by the Superintendent ~~or designee~~.

The Superintendent shall keep the Board informed concerning construction projects and also shall provide information to the general public.

**Final Payment**

The District shall not make final payments for construction or the supervision of construction until the work has been completed and the Superintendent ~~or designee~~ has accepted the work.

EMPLOYMENT REQUIREMENTS AND RESTRICTIONS  
CONFLICT OF INTEREST

DBD  
(LOCAL)

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**Note:** For conflicts of interest and gifts and gratuities related to federal grants and awards, see CB and CBB.

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~~Disclosure—~~  
~~General Disclosure —~~  
General Standard

An employee shall disclose to his or her immediate supervisor a personal financial interest, a business interest, or any other obligation or relationship that in any way creates a potential conflict of interest with the proper discharge of assigned duties and responsibilities or with the best interest of the District.

**Specific Disclosures**  
Substantial Interest

The Superintendent shall file an affidavit with the Board President disclosing a substantial interest, as defined by Local Government Code 171.002, in any business or real property that the Superintendent or any of his or her relatives in the first degree may have.

Any other employee who is in a position to affect a financial decision involving any business entity or real property in which the employee has a substantial interest, as defined by Local Government Code 171.002, shall file an affidavit with the Superintendent; however, the employee shall not be required to file an affidavit for the substantial interest of a relative.

Interest in Property

The Superintendent shall be required to file an affidavit disclosing interest in property in accordance with Government Code 553.002.

Annual Financial  
Management  
Report

The Superintendent, as the executive officer of the District, shall provide to the District in a timely manner information necessary for the District's annual financial management report.

[See BBFA]

**Gifts**

An employee shall not accept or solicit any gift, favor, service, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities. [See CAA, CB, and CBB]

**Endorsements**

An employee shall not recommend, endorse, or require students to purchase any product, material, or service in which the employee has a financial interest or that is sold by a company that employs or retains the District employee during nonschool hours. No employee shall require students to purchase a specific brand of school supplies if other brands are equal and suitable for the intended instructional purpose.

**Sales**

An employee shall not use his or her position with the District to attempt to sell products or services.

EMPLOYMENT REQUIREMENTS AND RESTRICTIONS  
CONFLICT OF INTEREST

DBD  
(LOCAL)

**Nonschool  
Employment**

An employee shall disclose in writing to his or her immediate supervisor any outside employment that in any way creates a potential conflict of interest with the proper discharge of assigned duties and responsibilities or with the best interest of the District.

Private Tutoring

An employee shall disclose in writing to his or her immediate supervisor any private tutoring of District students for pay.

**Personal Services  
Performed by an  
Administrator**

An administrator, as defined in law, shall not receive any financial benefit for the performance of personal services except as permitted by and in accordance with law.

An administrator, other than a Superintendent or an assistant superintendent, who wishes to seek Board approval to perform personal services permitted by law shall submit that request to the Superintendent in accordance with administrative regulations.

**Leave  
Administration**

The Superintendent shall develop administrative regulations addressing employee leaves and absences to implement the provisions of this policy.

**Definitions**

The term “immediate family” is defined as:

Immediate Family

1. Spouse.
2. Son or daughter, including a biological, adopted, or foster child, a son- or daughter-in-law, a stepchild, a legal ward, or a child for whom the employee stands *in loco parentis*.
3. Parent, stepparent, parent-in-law, or other individual who stands *in loco parentis* to the employee.
4. Sibling, stepsibling, and sibling-in-law.
5. Grandparent and grandchild.
6. Any person residing in the employee’s household at the time of illness or death.

For purposes of the Family and Medical Leave Act (FMLA), the definitions of spouse, parent, son or daughter, and next of kin are found in DECA(LEGAL).

Family Emergency

The term “family emergency” shall be limited to disasters and life-threatening situations involving the employee or a member of the employee’s immediate family.

Leave Day

A “leave day” for purposes of earning, using, or recording leave shall mean the number of hours per day equivalent to the employee’s usual assignment, whether full-time or part-time.

School Year

A “school year” for purposes of earning, using, or recording leave, except the sick leave bank, shall mean the term of the employee’s annual employment as set by the District, whether full-time or part-time.

For purposes of the sick leave bank, the term “school year” shall mean September 1 through August 31.

Daily Rate of Pay

The “daily rate” of a contract employee, including a teacher, school counselor, or librarian, shall be computed by dividing the employee’s annual salary by the number of duty days in the employee’s contract year.

Catastrophic Illness  
or Injury

A catastrophic illness or injury is a severe condition or combination of conditions affecting the mental or physical health of the employee that requires the services of a licensed practitioner for a prolonged period of time and that forces the employee to exhaust all leave time earned by that employee and to lose compensation

from the District. Such conditions typically require prolonged hospitalization or recovery or are expected to result in disability or death. Conditions related to pregnancy or childbirth shall be considered catastrophic if they meet the requirements of this paragraph.

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**Note:** For District contribution to employee insurance during leave, see CRD(LOCAL).

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**Availability**

The District shall make state personal leave and local leave for the current year available for use at the beginning of the school year.

**Earning Local Leave**

Each employee shall earn paid leave days in accordance with administrative regulations.

An employee shall not earn any local leave when he or she is in unpaid status. An employee using full or proportionate paid leave shall be considered to be in paid status.

Local leave shall accumulate without limit. Upon resignation, all unused and nonreimbursable local sick leave shall be lost.

**State and Local Leave Proration**

If an employee separates from employment with the District before his or her last duty day of the school year or begins employment after the first duty day of the school year, leave shall be prorated based on the actual time employed.

If an employee uses more leave than he or she earned and remains employed with the District through his or her last duty day, the District shall deduct the cost of the excess leave days from the employee's pay in accordance with administrative regulations.

**Medical Certification**

An employee shall submit medical certification of the need for leave if:

1. The employee is absent more than five consecutive workdays because of personal illness or illness in the immediate family;
2. The District requires medical certification due to a questionable pattern of absences or when deemed necessary by the supervisor or Superintendent; or
3. The employee requests FMLA leave for the employee's serious health condition; a serious health condition of the employee's spouse, parent, or child; or for military caregiver leave.

In each case, medical certification shall be made by a health-care provider as defined by the FMLA. [See DECA(LEGAL)]

**State Personal Leave**

The Board requires employees to differentiate the manner in which state personal leave is used.

COMPENSATION AND BENEFITS  
LEAVES AND ABSENCES

DEC  
(LOCAL)

Nondiscretionary  
Use

Nondiscretionary use of state personal leave shall be for the same reasons and in the same manner as state sick leave accumulated before May 30, 1995. [See DEC(LEGAL)]

Nondiscretionary use includes leave related to the birth or placement of a child and taken within the first year after the child's birth, adoption, or foster placement.

Discretionary Use

Discretionary use of state personal leave is at the individual employee's discretion, subject to limitations set out below.

*Request for  
Leave*

In deciding whether to approve or deny a request for discretionary use of state personal leave, the supervisor shall not seek or consider the reasons for which an employee requests to use leave. The supervisor shall, however, consider the duration of the requested absence in conjunction with the effect of the employee's absence on the educational program and District operations, as well as the availability of substitutes.

Discretionary use of state personal leave shall not exceed three consecutive workdays and a total of six days in a school year, except in extenuating circumstances in accordance with administrative regulations.

**Catastrophic Sick  
Leave Bank**

The District shall establish a catastrophic sick leave bank that employees may join through contribution of local or state personal leave.

Leave contributed to the bank shall be solely for the use of participating employees. An employee who is a member of the bank may request leave from the bank if the employee experiences a catastrophic illness or injury and the employee has exhausted all paid leave.

The Superintendent or designee shall develop regulations for the operation of the catastrophic sick leave bank that address the following:

1. Membership in the catastrophic sick leave bank, including the number of days an employee must contribute to become a member;
2. Procedures to request leave from the catastrophic sick leave bank;
3. The maximum number of days per school year a member employee may receive from the catastrophic sick leave bank;
4. The committee or administrator authorized to consider requests for leave from the catastrophic sick leave bank and criteria for granting requests; and

COMPENSATION AND BENEFITS  
LEAVES AND ABSENCES

DEC  
(LOCAL)

5. Other procedures deemed necessary for the operation of the catastrophic sick leave bank.

Appeal

An employee may appeal a decision regarding the sick leave bank in accordance with DGBA(LOCAL).

**Mental Health Leave**

A District peace officer who experiences a traumatic event in the scope of employment shall be granted a maximum of three days of mental health leave per traumatic event, with a maximum of two extensions under certain circumstances. Such leave shall be provided in accordance with administrative regulations and shall not be deducted from the employee's pay or leave balance.

The Superintendent shall develop regulations regarding mental health leave that address the following:

1. Circumstances or reasons under which a peace officer may use mental health leave and be eligible for an extension;
2. Procedures for requesting mental health leave and maintaining the anonymity of the requestor;
3. The administrator authorized to approve requests for mental health leave; and
4. Other procedures deemed necessary for administering this provision.

**Communicable Disease Leave**

A District peace officer shall be granted quarantine leave when ordered by the local health authority or the peace officer's supervisor to quarantine or isolate due to possible or known exposure to a communicable disease while on duty. Such leave shall be provided in accordance with administrative regulations and shall not be deducted from the employee's pay or leave balance.

The Superintendent shall develop regulations regarding quarantine leave that address the following:

1. Continuation of all employment benefits and compensation for the duration of the leave;
2. Reimbursement for reasonable costs related to the quarantine; and
3. Other procedures deemed necessary for administering this provision.

**Line of Duty Illness or Injury Leave of Absence**

Following a leave of absence with full pay as required by law, the District shall not extend the leave of absence for a peace officer's line of duty illness or injury. In accordance with law, the peace officer may use accumulated leave.

**Family and Medical Leave**

The District shall make FMLA leave available to employees in accordance with DECA(LEGAL) and the following provisions.

**Concurrent Use of Paid Leave**

FMLA leave shall run concurrently with applicable paid leave and compensatory time, as applicable, **except as provided below.**

**Note:**— See DECA(LEGAL) for provisions addressing

**Twelve-Month FMLA Exception Period**

A teacher shall notify the appropriate administrator if they choose not to use paid leave concurrently with FMLA leave for an absence related to pregnancy or the birth or adoption of child.

For purposes of an employee's entitlement to FMLA leave, the 12-month period shall be measured forward from the date an individual employee's first FMLA leave begins.

**Combined Leave for Spouses**

When both spouses are employed by the District, the District shall limit FMLA leave for the birth, adoption, or placement of a child, or to care for a parent with a serious health condition, to a combined total of 12 weeks. The District shall limit military caregiver leave to a combined total of 26 weeks.

**Intermittent or Reduced Schedule Leave**

The District shall permit use of intermittent or reduced schedule FMLA leave for the care of a newborn child or for the adoption or placement of a child with the employee.

**Certification of Leave**

When an employee requests leave, the employee shall provide certification, in accordance with FMLA regulations, of the need for leave.

**Fitness-for-Duty Certification**

In accordance with administrative regulations, when an employee takes FMLA leave due to the employee's own serious health condition, the employee shall provide, before resuming work, a fitness-for-duty certification.

**Leave at the End of Semester**

When a teacher takes leave near the end of the semester, the District may require the teacher to continue leave until the end of the semester.

**Temporary Disability Leave**

Any full-time employee whose position requires educator certification by the State Board for Educator Certification or by the District shall be eligible for temporary disability leave. The maximum length of temporary disability leave shall be 180 calendar days. [See DBB(LOCAL) for temporary disability leave placement and DEC(LEGAL) for return to active duty.]

An employee's notification of need for extended absence due to the employee's own medical condition shall be forwarded to the Superintendent as a request for temporary disability leave.

COMPENSATION AND BENEFITS  
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DEC  
(LOCAL)

The District shall require the employee to use temporary disability leave and paid leave, including any compensatory time, concurrently with FMLA leave, except that an employee receiving workers' compensation income benefits may choose to receive those benefits in lieu of using paid leave.

**Workers'  
Compensation**

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**Note:** Workers' compensation is not a form of leave. The workers' compensation law does not require the continuation of the District's contribution to health insurance.

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An absence due to a work-related injury or illness shall be designated as FMLA leave, temporary disability leave, and/or assault leave, as applicable.

Paid Leave Offset

The District shall permit the option for paid leave offset in conjunction with workers' compensation income benefits. [See CRE]

**Court Appearances**

Absences due to compliance with a valid subpoena or for jury duty shall be fully compensated by the District and shall not be deducted from the employee's pay or leave balance.

Absences for court appearances related to an employee's personal business shall be deducted from the employee's personal leave or shall be taken by the employee as leave without pay.

**Moonlighting or  
Other Work While on  
Leave**

Taking another job or working at another job during normal District work hours while on FMLA leave or any other paid or unpaid leave pursuant to District policy is prohibited and shall be grounds for disciplinary action, up to and including termination in accordance with applicable policy.

**Neutral Absence  
Control**

Until June 30, 2024, the District may allow for up to 10 days of unpaid leave as a grace period after an employee has exhausted all paid or official unpaid leave. If an employee does not return to work after exhausting all paid leave, official unpaid leave if available (FMLA or temporary disability leave), and the grace period, the District shall automatically pursue termination of the employee, regardless of the reason for the absence [see DF series]. The employee's eligibility for reasonable accommodations, as required by the Americans with Disabilities Act [see DAA(LEGAL)], shall be considered before termination. If terminated, the employee may apply for reemployment with the District.

Effective July 1, 2024, the neutral absence control provisions above will no longer be effective. After that date, an employee's leave allowances, use of leave and employment status shall be guided by all relevant Board policies.

Lake Travis ISD  
227913

COMPENSATION AND BENEFITS  
LEAVES AND ABSENCES

DEC  
(LOCAL)

**Reasons**

The recommendation to the Board and its decision not to renew a contract under this policy shall not be based on an employee's exercise of Constitutional rights or based unlawfully on an employee's race, color, religion, sex, gender, national origin, age, disability, or any other basis prohibited by law. Reasons for proposed nonrenewal of an employee's term contract shall be:

1. Deficiencies pointed out in observation reports, appraisals or evaluations, supplemental memoranda, or other communications.
2. Failure to fulfill duties or responsibilities.
3. Incompetency or inefficiency in the performance of duties.
4. Inability to maintain discipline in any situation in which the employee is responsible for the oversight and supervision of students.
5. Insubordination or failure to comply with official directives.
6. Failure to comply with Board policies or administrative regulations.
7. Excessive absences.
8. Conducting personal business during school hours when it results in neglect of duties.
9. Reduction in force because of financial exigency. [See DFFA]
10. Reduction in force because of a program change. [See DFFB]
11. The employee is not retained at a campus in accordance with the provisions of a campus turnaround plan. [See AIC]
12. Drunkenness or excessive use of alcoholic beverages; or possession, use, or being under the influence of alcohol or alcoholic beverages while on District property, while working in the scope of the employee's duties, or while attending any school- or District-sponsored activity.
13. The illegal possession, use, manufacture, or distribution of a controlled substance, a drug, a dangerous drug, hallucinogens, or other substances regulated by state statutes.
14. Failure to meet the District's standards of professional conduct.
15. Failure to report any arrest, indictment, conviction, no contest or guilty plea, or other adjudication for any felony, any crime

involving moral turpitude, or other offense listed at DH(LOCAL). [See DH]

16. Conviction of or deferred adjudication for any felony, any crime involving moral turpitude, or other offense listed at DH(LOCAL); or conviction of a lesser included offense pursuant to a plea when the original charged offense is a felony. [See DH]
17. Failure to comply with reasonable District requirements regarding advanced coursework or professional improvement and growth.
18. Disability, not otherwise protected by law, that prevents the employee from performing the essential functions of the job, [with or without reasonable accommodation](#).
19. Any activity, school-connected or otherwise, that, because of publicity given it, or knowledge of it among students, faculty, or the community, impairs or diminishes the employee's effectiveness in the District.
20. Any breach by the employee of an employment contract or any reason specified in the employee's employment contract.
21. Failure to maintain an effective working relationship, or maintain good rapport, with parents, the community, or colleagues.
22. A significant lack of student progress attributable to the educator.
23. Behavior that presents a danger of physical harm to a student or to other individuals.
24. Assault on a person on District property or at a school-related function, or on an employee, student, or student's parent regardless of time or place.
25. Use of profanity in the course of performing any duties of employment, whether on or off school premises, in the presence of students, staff, or members of the public, if reasonably characterized as unprofessional.
26. Falsification of records or other documents related to the District's activities.
27. Falsification or omission of required information on an employment application.
28. Misrepresentation of facts to a supervisor or other District official in the conduct of District business.

29. Failure to fulfill requirements for state licensure or certification, including passing certification or licensing examinations required by state or federal law or by the District, for the employee's assignment.
30. Failure to maintain licensing and certification requirements, including the completion of required continuing education hours, for the employee's assignment.
31. Failure to complete certification or permit renewal requirements, or failure to fulfill the requirements of a deficiency plan, under an Emergency Permit or a Temporary Classroom Assignment Permit.
32. Any attempt to encourage or coerce a child to withhold information from the child's parent or from other District personnel.
33. Any reason that makes the employment relationship void or voidable, such as a violation of federal, state, or local law.
34. Engaging in or assigning to another individual, whether intentionally or knowingly, an instruction, guidance, activities, or programming prohibited by law. [See EMB]
35. Engaging in or assigning to another individual, whether intentionally or knowingly, diversity, equity, and inclusion duties prohibited by law.
- ~~34-36.~~ Any reason constituting good cause for terminating the contract during its term.

Recommendations  
from Administration

Administrative recommendations for renewal or proposed nonrenewal of term contracts shall be submitted to the Superintendent. A recommendation for proposed nonrenewal shall be supported by any relevant documentation. The final decision on the administrative recommendation to the Board on each employee's contract rests with the Superintendent.

Superintendent's  
Recommendation

The Superintendent shall prepare lists of employees whose contracts are recommended for renewal or proposed nonrenewal by the Board. Supporting documentation, if any, and reasons for the recommendation shall be submitted for each employee recommended for proposed nonrenewal.

The Board shall consider such information, as appropriate, in support of recommendations for proposed nonrenewal and shall then act on all recommendations.

Notice of Proposed  
Nonrenewal

After the Board votes to propose nonrenewal, the Superintendent or designee shall deliver written notice of proposed nonrenewal in accordance with law.

If the notice of proposed nonrenewal does not contain a statement of the reason or all the reasons for the proposed action, and the employee requests a hearing, the District shall give the employee notice of all reasons for the proposed nonrenewal at a reasonable time before the hearing. The initial notice or any subsequent notice shall contain the hearing procedures.

**Request for Hearing**

If the employee desires a hearing after receiving the notice of proposed nonrenewal, the employee shall notify the Board in writing not later than the 15th day after the date the employee received the notice of proposed nonrenewal.

When a timely request for a hearing on a proposed nonrenewal is received by the presiding officer, the Board shall notify the employee whether the hearing will be conducted by the Board [see Hearing by the Board, below] or an attorney designated by the Board [see Hearing by an Attorney Designated by the Board, below].

In either case, the hearing shall be held not later than the 15th day after receipt of the request, unless the parties mutually agree to a delay. The employee shall be given notice of the hearing date as soon as it is set.

**Hearing by the Board**

Unless the employee requests that the hearing be open, the hearing shall be conducted in closed meeting with only the members of the Board, the employee, the Superintendent, their representatives, and such witnesses as may be called in attendance. Witnesses may be excluded from the hearing until called to present evidence. The employee and the administration may choose a representative. Notice, at least five days in advance of the hearing, shall be given by each party intending to be represented, including the name of the representative. Failure to give such notice may result in postponement of the hearing.

**Hearing Procedures**

The conduct of the hearing shall be under the presiding officer's control and shall generally follow the steps listed below:

1. After consultation with the parties, the presiding officer shall impose reasonable time limits for presentation of evidence and closing arguments.
2. The hearing shall begin with the administration's presentation, supported by such proof as it desires to offer.
3. The employee may cross-examine any witnesses for the administration.

4. The employee may then present such testimonial or documentary proof, as desired, to offer in rebuttal or general support of the contention that the contract be renewed.
5. The administration may cross-examine any witnesses for the employee and offer rebuttal to the testimony of the employee's witnesses.
6. Closing arguments may be made by each party.

A record of the hearing shall be made so that a certified transcript can be prepared, if required.

**Board Decision**

The Board may consider only evidence presented at the hearing. After all the evidence has been presented, if the Board determines that the reasons given in support of the recommendation to not renew the employee's contract are lawful, supported by the evidence, and not arbitrary or capricious, it shall so notify the employee by a written notice not later than the 15th day after the date on which the hearing is concluded. This notice shall also include the Board's decision on renewal, which decision shall be final.

**Hearing by an  
Attorney Designated  
by the Board**

The hearing must be private unless the employee requests in writing that the hearing be public, except that the attorney may close the hearing to maintain decorum. If the employee does not request a public hearing, only the attorney designated by the Board, the employee, the Superintendent, their representatives, and witnesses shall be permitted to be in attendance, and witnesses may be excluded from the hearing until called to present evidence. The employee and the administration may choose a representative. Notice, at least five days in advance of the hearing, shall be given by each party intending to be represented, including the name of the representative. Failure to give such notice may result in postponement of the hearing.

The conduct of the hearing shall be under the control of the attorney designated by the Board and shall generally follow the steps listed at Hearing by the Board.

Not later than the 15th day after the completion of the hearing, the attorney shall provide to the Board a record of the hearing and his or her recommendation on renewal.

**Board Review**

The Board shall consider the record of the hearing and the attorney's recommendation at the first Board meeting for which notice can be posted, unless the parties agree in writing to a different date. The Board shall notify the employee of the meeting date as soon as it is set. At the meeting, the Board shall allow each party an equal amount of time to present oral arguments. The Board

shall notify the employee in writing of the Board's decision on re-  
newal not later than the 15th day after the date of the meeting.

**No Hearing**

If the employee fails to request a hearing, the Board shall take the  
appropriate action and notify the employee in writing of that action  
not later than the 30th day after the date the notice of proposed  
nonrenewal was sent.

## Complaints

In this policy, the terms “complaint” and “grievance” shall have the same meaning.

### Other Complaint Processes

Employee complaints shall be filed in accordance with this policy, except as required by the policies listed below. Some of these policies require appeals to be submitted in accordance with DGBA after the relevant complaint process [has been followed](#):

1. Complaints alleging discrimination, including violations of Title IX (gender), Title VII (sex, race, color, religion, national origin), ADEA (age), or Section 504 (disability), shall be submitted in accordance with ~~the DIA series~~.
2. Complaints alleging certain forms of harassment, including harassment by a supervisor and violation of Title VII, shall be submitted in accordance with ~~the DIA series~~.
3. Complaints concerning retaliation ~~relating~~[related](#) to discrimination and harassment shall be submitted in accordance with ~~the DIA series~~.
4. Complaints concerning instructional resources shall be submitted in accordance with the EF series.
5. Complaints concerning a commissioned peace officer who is an employee of the District shall be submitted in accordance with the CKE series.
6. Complaints concerning the proposed nonrenewal of a term contract issued under Chapter 21 of the Education Code shall be submitted in accordance with DFBB.
7. Complaints concerning the proposed termination or suspension without pay of an employee on a probationary, term, or continuing contract issued under Chapter 21 of the Education Code during the contract term shall be submitted in accordance with DFAA, DFBA, or DFCA.

## Notice to Employees

The District shall inform employees of this policy through appropriate District publications [and on the District's website](#).

## ~~Guiding Principles~~ Informal Process

The Board encourages employees to discuss their concerns with their supervisor, principal, or other appropriate [campus or District administrator](#) who has the authority to address the concerns. Concerns should be expressed as soon as possible to allow early resolution at the lowest possible administrative level.

Informal resolution shall be encouraged but shall not extend any deadlines in this policy, except by mutual written consent.

PERSONNEL-MANAGEMENT RELATIONS  
EMPLOYEE COMPLAINTS/GRIEVANCES

DGBA  
(LOCAL)

Direct  
Communication with  
Board Members  
~~Employees shall not  
be prohibited from  
communicating with  
a member of the  
Board regarding  
District operations  
Formal Process  
communication  
between an  
employee and a  
Board member  
would be  
inappropriate  
because of a  
pending hearing or  
appeal related to the  
employee. However,  
employees are  
encouraged to utilize  
the District's  
procedures for  
resolving  
issues~~  
Filing  
Deadlines

If an employee has engaged in the informal process in an attempt to resolve the complaint with the District and has not reached a resolution during the process, the employee must file a complaint within 15 business days of the date the employee first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance.

All deadlines shall be strictly followed unless otherwise required by law or modified by mutual written consent.

An employee may initiate the formal process described below by timely filing a written complaint form.

~~Even after initiating the formal complaint process, employees are encouraged to seek informal resolution of their concerns. An employee whose concerns are resolved may withdraw a formal complaint at any time.~~

~~The process described in this policy shall not be construed to create new or additional rights beyond those granted by law or Board policy, nor to require a full evidentiary hearing or "mini-trial" at any level.~~ The process described in this policy shall not be construed to create new or additional rights beyond those granted by law or Board policy, nor to require a full evidentiary hearing or "mini-trial" at any level.

The complaint form shall be filed with the lowest level administrator who has the authority to remedy the alleged problem. In most circumstances, the employee shall file Level One complaints with the campus principal for any complaint on a matter related to a campus. For a complaint that arises on a matter that is unrelated to a campus, the complaint shall be filed with the appropriate District-level administrator.

If the subject matter of the complaint requires a Board decision, is a complaint about a Board member, or is a complaint about the Superintendent, the complaint shall be initiated at the Board level. A preliminary hearing to develop a record or recommendation for the Board may be conducted by an appropriate administrator.

If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint form was received and immediately forward the complaint form to the appropriate administrator.

Option to Continue  
Informal Process

Even after initiating the formal complaint process, the employee is encouraged to seek informal resolution of their concerns. An employee whose concerns are resolved may withdraw a formal complaint at any time.

|   |   |
|---|---|
| Notice of Complaint                     | A District employee against whom a complaint has been filed shall be provided notice of the complaint in accordance with administrative regulations. The employee shall have sufficient opportunity to submit a written response to the complaint that shall be included in the record of the complaint.  |
| Freedom from Retaliation                | Neither the Board nor any District employee shall unlawfully retaliate against an employee for bringing a concern or complaint.   |
| Whistleblower Complaints                | Whistleblower complaints shall be filed within the time specified by law and may be made <del>to the Superintendent or designee</del> beginning at Level Two. Timelines for the employee and the District set out in this policy may be shortened to allow the Board to make a final decision within 60 calendar days of the initiation of the complaint.<br>[See DG]   |
| Complaints Against Supervisors          | Complaints alleging a violation of law by a supervisor may be made to the <del>next level supervisor. Complaint forms</del> Superintendent. Complaints alleging a violation of law by the Superintendent may be submitted directly to the Board or Board's designee.  |
| Direct Communication with Board Members | Employees shall not be prohibited from communicating with a member of the Board regarding District operations except when communication between an employee and a Board member would be inappropriate because of a pending hearing or appeal related to the employee.   |
| General Provisions<br>Filing            | Complaint forms and appeal notices may be filed by hand-delivery, by electronic communication, <del>including email and fax,</del> or by U.S. Mail. Hand-delivered filings shall be timely filed if received by the appropriate administrator or designee by the close of business on the deadline. Filings submitted by electronic communication shall be timely filed if they are received by the close of business on the deadline, as indicated by the date/time shown on the electronic communication. Mail filings shall be timely filed if they are post-marked by U.S. Mail on or before the deadline and received by the appropriate administrator or designated representative no more than three business days after the deadline. |
| Scheduling<br>Conferences<br>Hearings   | The District shall make reasonable attempts to schedule <del>conferences</del> hearings at a mutually agreeable time. If the employee fails to appear at a scheduled <del>conference</del> hearing, the District may <del>dismiss the complaint. If the complaint is dismissed, it may be refiled, but only within the original time period for filing a complaint</del> hold the hearing and issue a decision in the employee's absence.   |
| Decision                                | A "decision" shall mean a written communication to the employee from the appropriate administrator that provides an explanation of the basis of the decision, an indication of each document that sup-  |

ports the decision, and any relief or redress to be provided. A decision shall be issued on the merits of the concern raised in the complaint notwithstanding any procedural errors or the type of relief or redress requested.

Response

~~At Levels One and Two, "response" shall mean a written communication to the employee from the appropriate administrator. Responses~~The decision shall also include information regarding the filing of an appeal in accordance with this policy. After a hearing at Level Three, the decision shall include information on submitting an appeal to the commissioner.

A decision may be hand-delivered, sent by electronic communication to the employee's email address of record, or sent by U.S. Mail to the employee's mailing address of record. Mailed ~~responses~~decisions shall be timely if they are postmarked by U.S. Mail on or before the deadline.

Days

~~"Days" shall mean District business days, unless otherwise noted. In calculating timelines under this policy, the day a document is filed is "day zero." The following business day is "day one."~~

Representative  
Representative

"Representative" shall mean any person who or an organization that does not claim the right to strike and is designated by the employee to represent ~~him or her~~the employee in the complaint process.

The employee may designate a representative through written notice to the District at any level of this process. The representative may participate in person or by telephone conference call. If the employee designates a representative with fewer than three ~~business~~ days' notice to the District before a scheduled ~~conference or~~ hearing, the District may reschedule the ~~conference or~~ hearing to a later date, if desired, in order to include the District's counsel. ~~A representative may not represent the employee/grievant without the grievant present unless the grievant has designated the representative through written notice to the District.~~The District may be represented by counsel at any level of the process.

Consolidating  
Complaints

~~Complaints arising out of an event or a series of related events shall be addressed in one complaint. Employees shall not file~~To promote efficiency in addressing complaints, the appropriate administrator shall determine if separate or serial complaints arising from ~~any~~an event or series of ~~events that have been or could have been addressed in a previous complaint.~~If the District determines a complaint has been or could have been addressed in a previous complaint, the complaint shall be dismissed by written notice to the ~~employee~~related events shall be consolidated.

|  |  |
|--|--|
|  | <p><del>When two or more complaints are sufficiently similar in nature and remedy sought to permit their resolution through one proceeding, the District may consolidate the complaints.</del></p>   |
| <p>Untimely Filings</p>  | <p><del>All time limits shall be strictly followed unless modified by mutual written consent.</del></p> <p><del>If a complaint form or appeal notice is not timely filed, the complaint may be dismissed, on written notice to the employee, at any point during the complaint process. The employee may appeal the dismissal by seeking review in writing within ten days from the date of the written dismissal notice, starting at the level at which the complaint was dismissed. Such appeal shall be limited to the issue of timeliness.</del></p>   |
| <p><del>Costs</del><br/>Incurred Costs<br/>Incurred<br/>Complaint and<br/>Appeal Forms</p> | <p>Each party shall pay its own costs incurred in the course of the complaint.</p> <p>Complaints and appeals under this policy shall be submitted <del>in writing</del> on a form provided by the District.</p> <p>Copies of any documents that support the complaint should be <del>attached to</del> included with the complaint form. If the employee does not have copies of these documents <del>at the time of filing, they,</del> copies may be presented at the Level One <del>conference</del> hearing. After the Level One <del>conference, no new documents may be submitted by the employee unless the employee did not know the documents existed before the Level One conference, or unless requested by the administrator hearing the complaint</del> hearing, the employee may supplement the record with additional documents or include additional claims.</p> |
| <p>Record</p>  | <p>A record of each complaint hearing shall be created and retained in accordance with this policy. The record shall include documents submitted by the employee who filed the complaint, documents determined relevant by District personnel, and the decision.</p>   |
| <p>Remand</p>  | <p>A complaint or appeal form that is incomplete in any material aspect <del>may</del> shall be <del>dismissed but may be refiled with all the required information if the refiling is within the designated time for filing.</del> re-filed, if at Level One, and remanded at all other levels in order to develop an adequate record of the complaint.</p> <p>If an adequate record has not been developed, the appropriate administrator may remand the complaint to a lower level. The Board or Board committee may remand a complaint to a lower level if at the Board level of review an adequate record has not been developed.</p>   |

**Assignment of  
Hearing Officer**

When a District employee is the subject of a complaint, the hearing shall be conducted by an administrator who is in a supervisory or higher organizational role. The District employee who is the subject of the complaint shall recuse themselves from reviewing the complaint at any level in the process.

**Investigation**

The District may conduct an investigation at any level in the complaint process. If the District and the employee mutually agree, all deadlines shall be suspended during an investigation.

**Audio Recording**

As provided by law, an employee shall be permitted to make an audio recording of a ~~conference or~~ hearing under this policy at which the substance of the employee's complaint is discussed. ~~Prior to the start of any audio recording, the~~ The employee shall notify all attendees present ~~of his or her intent to that an audio record the conference~~ recording is taking place.

**Complaint Levels**

Level One

~~Complaint forms must be filed:~~

- ~~8. Within ten days of the date the employee first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance; and~~
- ~~9. With the lowest level administrator who has the authority to remedy the alleged problem.~~

~~In most circumstances, employees on a school campus shall file Level One complaints with the campus principal. Other District employees shall file Level One complaints with their immediate supervisor.~~

~~All complaints shall be filed at Level One. Upon review, the Superintendent or designee, at his or her sole discretion, shall assign the appropriate administrator to hear the complaint, and shall determine whether the complaint can be more appropriately addressed at Level Two based on the information submitted and relief sought.~~

~~If the only administrator who has authority to remedy the alleged problem is the Superintendent or designee, the complaint may, at the Superintendent or designee's discretion, begin at Level Two following the procedure, including deadlines, for filing the complaint form at Level One.~~

~~If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint form was received and immediately forward the complaint form to the appropriate administrator.~~

~~The appropriate administrator shall investigate as necessary and schedule a conference with the employee within ten days after receipt of the written complaint. The administrator may set reasonable time limits for the conference.~~

~~Absent extenuating circumstances, the administrator shall provide the employee a written response within ten days following the conference. The written response shall set forth the basis of the decision. In reaching a decision, the administrator may consider information provided at the Level One conference and any other relevant documents or information the administrator believes will help resolve the complaint. At Level One, the appropriate hearing officer shall hold a hearing with the employee within 10 calendar days after receipt of the written complaint. The hearing officer may set reasonable time limits for the hearing.~~

The hearing officer shall provide the employee a decision within 20 calendar days following the hearing. In reaching a decision, the hearing officer may consider information provided with the complaint form and any other relevant documents or information the hearing officer believes will help resolve the complaint.

#### Level Two

If the employee did not receive the relief requested at Level One or if the time for a ~~response~~ decision has expired ~~and an extension due to extenuating circumstances has not been agreed upon~~, the employee may request a ~~conference with the Superintendent or designee~~ hearing at Level Two to appeal the Level One decision.

The appeal notice must be filed in writing ~~to the Superintendent or designee~~, on a form provided by the District, within ~~ten~~ 20 calendar days of the date of the ~~written~~ Level One ~~response~~ decision or, if no ~~response was received and no extension was agreed upon, within ten~~ decision has been communicated to the employee, within 20 calendar days of the Level One ~~response~~ decision deadline.

After receiving notice of the appeal, the Level One ~~administrator~~ hearing officer shall prepare and forward a record of the Level One complaint to the Level Two ~~administrator~~. ~~The employee may request~~ hearing officer and provide a copy of the Level One record to the employee.

The Level One record shall include:

1. The original complaint form and any attachments.
2. ~~All~~ Any other documents submitted by the employee at Level One.
3. ~~The~~ If the complaint is against a District employee, the written response of the District employee, if any.

~~3.4.~~ The decision issued at Level One and any attachments.

~~4.5.~~ All other documents relied upon by the Level One ~~administra-~~  
~~tor~~hearing officer in reaching the Level One decision.

The ~~Level Two administrator shall schedule a conference within~~  
~~ten~~hearing officer shall hold a hearing within 10 calendar days after  
the appeal notice is filed. The ~~conference shall be limited to the is-~~  
~~sues and documents considered at Level One. At the conference,~~  
~~the employee may provide information concerning any documents~~  
~~or information relied upon by the administration for the Level One~~  
~~decision. The Level Two administrator may set reasonable time~~  
~~limits for the conference. The Level Two administrator shall not be~~  
~~required to consider documentation not submitted or issues not~~  
~~presented at Level One~~hearing officer may set reasonable time  
limits for the hearing.

The ~~Level Two administrator~~hearing officer shall provide the em-  
ployee a ~~written response~~decision within ~~ten~~20 calendar days fol-  
lowing the ~~conference. The written response shall set forth the ba-~~  
~~sis of the decision~~hearing. In reaching a decision, the ~~Level Two~~  
~~administrator~~hearing officer may consider the Level One record,  
any additional information provided ~~at~~prior to the Level Two ~~confer-~~  
~~ence~~hearing, and any other relevant documents or information the  
~~Level Two administrator~~hearing officer believes will help resolve  
the complaint.

Recordings of the Level One and Level Two ~~conferences~~hearings,  
if any, shall be maintained with the Level One and Level Two  
records.

### Level Three

If the employee did not receive the relief requested at Level Two or  
if the time for a ~~response~~decision has expired ~~and an extension~~  
~~due to extenuating circumstances has not been agreed upon~~, the  
employee may appeal the decision to the Board.

The appeal notice must be filed in writing, on a form provided by  
the District, within ~~ten~~20 calendar days of the date of the ~~written~~  
Level Two ~~response~~decision or, if no ~~response was received and~~  
~~no extension was agreed upon, within ten~~decision has been com-  
municated to the employee, within 20 calendar days of the Level  
Two ~~response~~decision deadline.

~~The Level Two administrator shall prepare and forward to the Su-~~  
~~perintendent or designee the record of the Level Two appeal. The~~  
~~Superintendent or designee shall provide a copy of the Level Two~~  
~~record to the Board~~Unless the Board delegates a committee in ac-  
cordance with law, the Board shall hear the appeal of the Level  
Two decision.

After receiving notice of the appeal, the Board or Board committee shall hold a meeting to discuss the complaint no later than 60 calendar days after the date on which the Level Two decision was made.

The Superintendent shall inform the employee whether the Board or a Board committee will hear the appeal and of the date, time, and place of the meeting at which the complaint will be on the agenda for presentation to the Board or Board committee.

At least five business days before the Board or Board committee meeting, the Superintendent shall provide the employee a description of any information the Board intends to rely on that is not contained in the record created at the previous hearing levels, including any preliminary hearing.

The Superintendent shall provide the Board the record of the Level Two appeal. The employee may request a copy of the Level Two record.

The Level Two record shall include:

1. The Level One record.
2. The notice of appeal from Level One to Level Two.
3. ~~The written response~~ Any other documents submitted by the employee at Level Two.
- 3.4. The decision issued at Level Two and any attachments.
- 4.5. All other documents relied upon by the administration in reaching the Level Two decision.

~~The Superintendent or designee shall inform the employee of the date, time, and place of the Board meeting at which the complaint will be on the agenda for presentation to the Board.~~

~~The appeal shall be limited to the issues and documents considered at Level Two, except that if at the Level Three hearing the administration intends to rely on evidence not included in the Level Two record, the administration shall provide the employee notice of the nature of the evidence at least three days before the hearing. The Board shall not be required to consider documentation not previously submitted or issues not previously presented.~~

~~The District shall determine whether the complaint will be presented in open or closed meeting in accordance with the Texas Open Meetings Act and other applicable law~~ may request that the complaint be heard in open or closed meeting. The District shall

honor that request unless the Texas Open Meetings Act or other applicable law requires otherwise. [See BE]

~~At the Board's discretion, the Board may hear the complaint based on an oral presentation or upon written submission. If the complaint is heard on oral presentation~~meeting, the presiding officer may set reasonable time limits and guidelines for the presentation, including an opportunity for the employee and administration to each make a presentation and provide rebuttal and an opportunity for questioning by the Board.~~The Board shall hear the complaint and may request that the administration provide an explanation for the decisions at the preceding levels.~~ members.

In addition to any other record of the ~~Board~~ meeting required by law, the Board or Board committee shall prepare a separate record of the Level Three presentation ~~if the complaint is heard on oral presentation~~. The Level Three presentation, including the presentation by the employee or the employee's representative, any presentation from the administration, and questions from ~~the~~ Board members with responses, shall be recorded by audio recording, video/audio recording, or court reporter.

~~If the complaint is heard on oral presentation, the Board~~The Board or Board committee shall then consider the complaint. It ~~may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting. If the Board does not make a decision regarding the complaint by the end of the next regularly scheduled meeting, the lack of a response by the Board upholds the administrative decision at Level Two.~~

~~If the complaint is heard on written submission, the Board shall consider the complaint based on written submission at a scheduled Board meeting. It may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting after the Board considers the complaint. The written submission shall serve as the record of the Level Three proceeding before the Board, except that the Board is not required to consider documentation not previously submitted or issues not previously addressed~~shall make a decision no later than 30 calendar days after the date of the Board or Board committee meeting at which the complaint was presented. The employee shall be provided a decision in accordance with this policy and state law.

Each District employee shall perform his or her duties in accordance with state and federal law, District policy, and ethical standards. The District holds all employees accountable to the Educators' Code of Ethics. [See DH(EXHIBIT)]

Each District employee shall recognize and respect the rights of students, parents, other employees, and members of the community and shall work cooperatively with others to serve the best interests of the District.

An employee wishing to express concern, complaints, or criticism shall do so through appropriate channels. [See DGBA]

**Violations of Standards of Conduct**

Each employee shall comply with the standards of conduct set out in this policy and with any other policies, regulations, and guidelines that impose duties, requirements, or standards attendant to his or her status as a District employee. Violation of any policies, regulations, or guidelines, including intentionally making a false claim, offering a false statement, or refusing to cooperate with a District investigation, may result in disciplinary action, including termination of employment. [See DCD, [DCE](#), and DF series]

**Weapons Prohibited**

The District prohibits the use, possession, or display of any firearm, location-restricted knife, club, or prohibited weapon, as defined at FNCG, on District property at all times.

Exceptions

No violation of this policy occurs when:

1. Use or possession of a firearm by a specific employee is authorized by Board action [see the CKE series];
2. A District employee who holds a ~~Texas~~ handgun license [in accordance with state law](#) stores a handgun or other firearm in a locked vehicle in a parking lot, parking garage, or other parking area provided by the District, provided the handgun or other firearm is not in plain view; or
3. The use, possession, or display of an otherwise prohibited weapon takes place as part of a District-approved activity supervised by proper authorities. [See FOD]

**Electronic Communication**

Use with Students

A certified employee, licensed employee, or any other employee designated in writing by the Superintendent or a campus principal may use electronic communication, as this term is defined by law, with currently enrolled students only about matters within the scope of the employee's professional responsibilities.

Unless an exception has been made in accordance with the employee handbook or other administrative regulations, an employee

EMPLOYEE STANDARDS OF CONDUCT

DH  
(LOCAL)

shall not use a personal electronic communication platform, application, or account to communicate with currently enrolled students.

Unless authorized above, all other employees are prohibited from using electronic communication directly with students who are currently enrolled in the District. The employee handbook or other administrative regulations shall further detail:

1. Exceptions for family and social relationships;
2. The circumstances under which an employee may use text messaging to communicate with individual students or student groups;
3. Hours of the day during which electronic communication is discouraged or prohibited; and
4. Other matters deemed appropriate by the Superintendent.

In accordance with ethical standards applicable to all District employees [see DH(EXHIBIT)], an employee shall be prohibited from using electronic communications in a manner that constitutes prohibited harassment or abuse of a District student; adversely affects the student's learning, mental health, or safety; includes threats of violence against the student; reveals confidential information about the student; or constitutes an inappropriate communication with a student, as described in the Educators' Code of Ethics.

An employee shall have no expectation of privacy in electronic communications with students. Each employee shall comply with the District's requirements for records retention and destruction to the extent those requirements apply to electronic communication. [See CPC]

|                                  |   |
|----------------------------------|---|
| Personal Use                     | All employees shall be held to the same professional standards in their public use of electronic communication as for any other public conduct. If an employee's use of electronic communication violates state or federal law or District policy, or interferes with the employee's ability to effectively perform his or her job duties, the employee is subject to disciplinary action, up to and including termination of employment. |
| Reporting Improper Communication | In accordance with administrative regulations, an employee shall notify his or her supervisor when a student engages in improper electronic communication with the employee.  |
| Disclosing Personal Information  | An employee shall not be required to disclose his or her personal email address or personal phone number to a student.  |

**Prohibited Classroom Instruction or Activities** An employee is prohibited from intentionally or knowingly engaging in or assigning to another individual instruction, guidance, activities, or programming prohibited by law [see EMB].

**Prohibited Diversity, Equity, and Inclusion Duties** An employee shall be subject to disciplinary action, including termination of employment, if the employee, intentionally or knowingly:

- Engages in diversity, equity, and inclusion (DEI) duties.
- Assigns to another individual DEI duties.

[See BT(LEGAL)]

**Social Transitioning** An employee shall be prohibited from assisting a District student with social transitioning, as the term is defined in law. This prohibition includes providing any information to a District student about social transitioning or guidelines intended to assist a District student with social transitioning.

**Safety Requirements** Each employee shall adhere to District safety rules and regulations and shall report unsafe conditions or practices to the appropriate supervisor.

**Harassment or Abuse** An employee shall not engage in prohibited harassment, including sexual harassment, of:

1. Other employees. [See DIA]
2. Students. [See FFH; see FFG regarding child abuse and neglect.]

While acting in the course of employment, an employee shall not engage in prohibited harassment, including sexual harassment, of other persons, including Board members, vendors, contractors, volunteers, or parents.

An employee shall report child abuse or neglect as required by law. [See FFG]

**Relationships with Students** An employee shall not form romantic or other inappropriate social relationships with students. Any sexual relationship between a student and a District employee is always prohibited, even if consensual. ~~[See FFH]~~

As required by law, the District shall notify the parent of a student with whom ~~an educator~~ a District employee or person acting as a service provider for the District is alleged to have engaged in certain misconduct. ~~[See FFF]~~

[See FFF for parent notification requirements and DHB and DHC for reporting requirements.]

EMPLOYEE STANDARDS OF CONDUCT

DH  
(LOCAL)

**Tobacco and  
Nicotine Products  
and E-Cigarettes**

An employee is prohibited from possessing or using any type of tobacco product, e-cigarette, or any other electronic vaporizing device while on school property, in a District vehicle, or while attending an off-campus school-related activity. An employee is also prohibited from possessing or using any type of nicotine product, including nicotine pouches, regardless of whether the product contains tobacco, while on District property, in a District vehicle, or while attending an off-campus school-related activity.

An employee's supervisor is authorized to approve an exception to this policy for a smoking cessation product.

**Alcohol and Drugs /  
Notice of Drug-Free  
Workplace**

As a condition of employment, an employee shall abide by the terms of the following drug-free workplace provisions. An employee shall notify the Superintendent in writing if the employee is convicted for a violation of a criminal drug statute occurring in the workplace in accordance with Arrests, Indictments, Convictions, and Other Adjudications, below.

An employee shall not manufacture, distribute, dispense, possess, use, or be under the influence of any of the following substances during working hours while on District property or at school-related activities during or outside of usual working hours:

1. Any controlled substance or dangerous drug as defined by law, including but not limited to marijuana, any narcotic drug, hallucinogen, stimulant, depressant, amphetamine, or barbiturate.
2. Alcohol or any alcoholic beverage.
3. Any abusable glue, aerosol paint, or any other chemical substance for inhalation.
4. Any other intoxicant or mood-changing, mind-altering, or behavior-altering drug.

An employee need not be legally intoxicated to be considered "under the influence" of a controlled substance.

Exceptions

It shall not be considered a violation of this policy if the employee:

1. Manufactures, possesses, or dispenses a substance listed above as part of the employee's job responsibilities;
2. Uses or possesses a controlled substance or drug authorized by a licensed physician prescribed for the employee's personal use; or

EMPLOYEE STANDARDS OF CONDUCT

DH  
(LOCAL)

3. Possesses a controlled substance or drug that a licensed physician has prescribed for the employee's child or other individual for whom the employee is a legal guardian.

Sanctions

An employee who violates these drug-free workplace provisions shall be subject to disciplinary sanctions. Sanctions may include:

1. Referral to drug and alcohol counseling or rehabilitation programs;
2. Referral to employee assistance programs;
3. Termination from employment with the District; and
4. Referral to appropriate law enforcement officials for prosecution.

Notice

Employees shall receive a copy of this policy.

**Arrests, Indictments, Convictions, and Other Adjudications**

An employee shall notify his or her principal or immediate supervisor within three calendar days of any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the employee for any felony, any offense involving moral turpitude, and any of the other offenses as indicated below:

1. Crimes involving school property or funds;
2. Crimes involving attempt by fraudulent or unauthorized means to obtain or alter any certificate or permit that would entitle any person to hold or obtain a position as an educator;
3. Crimes that occur wholly or in part on school property or at a school-sponsored activity;
4. Crimes involving drugs or alcohol; or
5. Crimes involving moral turpitude, which include, but are not limited to:
  - Dishonesty, fraud, deceit, theft, or misrepresentation;
  - Deliberate violence;
  - Base, vile, or depraved acts that are intended to arouse or gratify the sexual desire of the actor; or
  - Acts constituting abuse or neglect under the Texas Family Code.

**Dress and Grooming**

An employee's dress and grooming shall be clean, neat, in a manner appropriate for his or her assignment, and in accordance with any additional standards established by his or her supervisor and approved by the Superintendent.

**Instructional Plan  
and Course Syllabus**

Prior to the beginning of each semester, each teacher shall provide a copy of the teacher's instructional plan or course syllabus for each class for which the teacher provides instruction.

The teacher shall provide this information to the District administration ~~and the parent of each student enrolled in the teacher's class~~ to be posted on the District's website. ~~Additional-Printed~~ copies of the instructional plan or course syllabus shall be made available to a parent of a student enrolled upon that parent's request.

District Website

The Superintendent shall develop administrative procedures for the posting of the instructional plans ~~and or~~ course syllabi for each class offered in the District on the District's website.

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**Note:** For information related to the accounting of instructional materials, as this term is defined by state law and rule, see CMD.

For information related to the selection process of library materials, see EFB.

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The District shall provide instructional materials designed to teach the Texas Essential Knowledge and Skills and further the District's educational mission. Although the Superintendent shall ensure that professional staff select instructional materials in accordance with District policy and administrative regulations, the ultimate authority for determining and approving the curriculum and instructional program of the District lies with the Board.

**Objectives**

In this policy, "instructional materials" may include textbooks, supplementary resources for classroom use, and any other instructional resources, including electronic resources, used for formal or informal teaching and learning purposes. The primary objectives of instructional materials are to implement, enrich, and support the District's educational program.

**Selection**

Instructional materials that are textbooks and related supplemental materials shall be chosen from the list of resources adopted by the State Board of Education in accordance with administrative regulations and the objectives above.

The Board shall rely on District professional staff to select and acquire instructional materials that:

1. Enrich and support the curriculum consistent with the general educational goals of the state and District, the aims and objectives of individual schools and specific courses, and the District and campus improvement plans.
2. Are appropriate for the subject area and for the age, ability level, learning styles, interests, and social and emotional development of the students for whom they are selected.
3. Meet high standards for artistic quality, literary style, authenticity, educational significance, factual content, physical format, presentation, readability, and technical quality.
4. Present various sides of controversial issues so that students have an opportunity to develop, under guidance, skills in critical analysis and in making informed judgments in their daily lives. [See also EMB regarding instruction about controversial issues.]
5. Promote literacy.

District professional staff may select additional instructional materials in accordance with administrative regulations and the criteria above.

Administrators, teachers, other District personnel, parents, and community members, as appropriate, may recommend instructional materials for selection. Gifts of instructional materials shall be evaluated according to these criteria and accepted or rejected in accordance with CDC(LOCAL).

Selection of instructional materials is an ongoing process that includes the removal of materials no longer appropriate and the periodic replacement or repair of materials that still have educational value.

**Parent Request for Instructional Material Review**

The Superintendent shall develop administrative regulations to ensure compliance with state law and rules that a parent or guardian of a District student may request an instructional materials review for a subject area in the grade level in which their student is enrolled on the basis of the following:

1. The material is not aligned with District-adopted materials; or
2. The material does not have the appropriate rigor for the grade level for the subject area in which the instructional material is used.

The regulations shall also address procedures for submitting a parent petition to review instructional materials, the appeal process if a petition for review is denied, criteria for reviewing any appeal, and timelines for each step in the process.

**Challenged Resources**

A parent of a District student, a student who is 18 years of age or older, an individual employee, or any District resident may challenge an instructional material used in the District's educational program on the basis that the instructional material fails to meet the standards set forth in this policy.

**Guiding Principles**

The following principles shall guide the Board and staff in responding to challenges of instructional materials:

1. A complainant may raise an objection to an instructional material used in a school's educational program, despite the fact that the professional staff selecting the materials were qualified to make the selection, followed the proper procedure, and adhered to the objectives for instructional materials set out in this policy.

2. A parent's ability to exercise control over instruction extends only to his or her own child as set forth in Education Code Chapter 26.
3. Access to a challenged material shall not be restricted during the reconsideration process, except the District may deny access to a child if requested by the child's parent.

The major criterion for the final decision on challenged instructional materials is the appropriateness of the material for its intended educational use. No challenged instructional material shall be removed solely because of the ideas expressed therein.

Informal  
Reconsideration

When the District or a campus receives an objection to the appropriateness of an instructional material, the appropriate administrator shall try to resolve the matter informally. The administrator shall explain the selection process and discuss the intended educational purpose for the instructional material. If appropriate, the administrator may offer a concerned parent an alternative instructional material to be used by that parent's child in place of the challenged material.

If the complainant wishes to make a formal challenge, the administrator shall provide the complainant a copy of this policy and a form to request a formal reconsideration of the instructional material.

Formal  
Reconsideration

A complainant shall make any formal challenge to an instructional material on the form provided by the District and shall submit the completed and signed digital form available on the District's library services website. Upon receipt of the form, District curriculum and instruction staff shall appoint a reconsideration committee.

The reconsideration committee shall include at least one member of the instructional staff who has experience using the challenged material with students or is familiar with the challenged material's content. Other members of the committee may include District-level staff, secondary-level students, parents, and any other appropriate individuals.

All members of the committee shall review the challenged instructional material in its entirety. As soon as reasonably possible, the committee shall meet and determine whether the challenged material conforms to the principles of selection set out in this policy and whether the challenged material will continue to be used in the educational program. The committee shall prepare a written report of its findings. The Superintendent, other appropriate administrators, and the complainant shall receive copies of the report.

INSTRUCTIONAL RESOURCES  
INSTRUCTIONAL MATERIALS

EFA  
(LOCAL)

|                            |  |
|----------------------------|--|
| <i>Frequency of Review</i> | After an instructional material has been reviewed through formal reconsideration, it shall not be reviewed again until it is evaluated in the periodic local selection process.        |
| Appeal                     | The complainant may appeal the decision of the reconsideration committee in accordance with appropriate complaint policies, starting at the appropriate level. [See DGBA, FNG, and GF] |

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**Note:** Unless otherwise noted, the terms “video recording,” “video surveillance,” and “video monitoring” shall also include any associated audio recordings. In addition, the term “classroom” shall also include other special education settings subject to video and audio recording required by law.

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To promote student safety, the District shall comply with requests for video and audio monitoring of certain **self-contained** special education classrooms as required by law. Regular or continual monitoring of video recordings shall be prohibited. Video recordings shall not be used for teacher evaluation or monitoring or for any purpose other than the promotion of student safety.

The **Superintendent** is responsible for coordinating the provision of equipment to campuses in compliance with the law.

The Superintendent shall ensure that administrative regulations are developed to implement this policy.

### Requests

For Following Year

A parent of a student receiving special education services and whose placement for the following school year will be in a **self-contained** special education classroom eligible for video surveillance may request in writing that a video camera be placed in the classroom by the end of the current school year or by the **tenth** 10th business day after the student’s admission, review, and dismissal (ARD) committee determines the student’s placement, whichever is later. If such a request is made, the campus shall begin operation of the camera by the deadlines in law.

For Current Year

Written requests from a parent, assistant principal, principal, staff member, or the Board shall be submitted and processed in accordance with the procedures in law.

Response

As required by law, the District shall provide a response to the requester not later than the seventh business day after receipt of the request.

### Notice

Before a camera is activated, the principal shall provide advance written notice to staff on the campus and to parents of the students assigned to or engaging in school activities in the classroom that video and audio surveillance will be conducted in the classroom.

### Installation and Operation

The classroom subject to the request shall begin operation of video surveillance not later than the time frames required in law, except when the District is granted an extension of time.

When the District has installed video cameras in a classroom as required by law, the District shall operate the cameras during the instructional day at all times when one or more students are in the classroom. For purposes of this policy, the instructional day shall be defined as the portion of a school day during which instruction is taking place in the classroom.

For the school year in which a campus receives a request for video and audio surveillance, the campus shall continue to operate and maintain any video cameras placed in the classroom for as long as the classroom continues to satisfy the requirements in Education Code 29.022(a). However, the campus may discontinue operation of the video camera during the year if the requester withdraws the request in writing and no request is submitted to continue the surveillance. Before a camera is deactivated, the principal shall provide advance written notice to staff on the campus and to parents of the students assigned to or engaging in school activities in the classroom that video and audio surveillance will be discontinued in the classroom and of the opportunity to request continued video and audio surveillance.

Video cameras must be capable of recording video and audio of all areas of the classroom, including a room attached to the classroom used for time out as defined by law. No visual monitoring, other than incidental coverage, shall be conducted of the inside of a bathroom or other area used for changing a student's clothes.

The District shall post notice at the entrance to a classroom in which video cameras are placed stating that video and audio surveillance is conducted in that classroom.

**Retention of Recordings**

Video recordings shall be retained for at least three months after the date of the recording but may be retained for a longer period in accordance with the District's records management program, or as required by law. [See CPC]

**Confidentiality of Recordings**

Video recordings made in accordance with this policy shall be confidential and shall only be released or viewed by the individuals and in the limited circumstances permitted by law. The following individuals shall have authority to view video recordings to the extent permitted by the Family Educational Rights and Privacy Act (FERPA):

1. A District employee or a parent of a student who is involved in an alleged incident documented by a recording and reported to the District;
2. Appropriate Department of Family and Protective Services (DFPS) personnel as part of an investigation of alleged abuse or neglect of a child;

3. A peace officer, school nurse, District administrator trained in de-escalation and restraint techniques, or human resource staff member in response to a report of an alleged incident or an investigation of an employee or a report of alleged abuse committed by a student; and
4. Appropriate Texas Education Agency or State Board for Educator Certification personnel or their agents as part of an investigation.

For purposes of this policy, the term “human resource staff member” shall include the Superintendent, a principal, an assistant principal or other campus administrator, and any supervisory position within the District’s human resources office. If an individual listed in items ~~2-42-4~~, above, believes that a recording shows a violation of District policy or campus procedures, the individual may allow access to the recording by appropriate legal and human resources personnel designated by the District for the purpose of determining whether a policy or procedure has been violated.

Any person who suspects that child abuse or neglect has occurred shall report this suspicion as required by law and District policy.  
[See FFG]

#### Reporting an Incident

A person alleging that an incident, as defined by law, has occurred in a classroom in which video surveillance is conducted shall file a report on the form provided by the District with the principal as soon as possible after the person suspects the alleged incident. If possible, an incident report form shall be filed within ~~48~~24 hours of the facts giving rise to the allegation. The principal shall promptly view, or direct an authorized individual to view, the video surveillance footage to identify the relevant portion of the recording. No later than ~~ten District business days~~10 District business days after the report is filed, the principal or designee shall respond by notifying the person whether the alleged incident was recorded in the District’s video surveillance footage and shall initiate other steps as required by law, District policy, or local procedures.

#### Complaints

Complaints related to video and audio recordings under this policy shall be filed in accordance with DGBA, FNG, or GF, as applicable. A complainant who is dissatisfied with the outcome of the District’s complaint process may appeal in writing to the commissioner of education in accordance with Education Code 7.057 and 19 Administrative Code 103.1303. A parent, staff member, or District administrator may request an expedited review in accordance with 19 Administrative Code 103.1303.

**Relation to Essential Knowledge and Skills**

The District shall establish instructional objectives that relate to the essential knowledge and skills for grade-level subjects or courses. These objectives shall address the skills needed for successful performance in the next grade or next course in a sequence of courses.

Assignments, tests, projects, classroom activities, and other instructional activities shall be designed so that each student's performance indicates the level of mastery of the designated District objectives.

**Guidelines for Grading**

The Superintendent or designee shall ensure that each campus or instructional level develops guidelines for teachers to follow in determining grades for students. These guidelines shall ensure that grading reflects a student's relative mastery of an assignment and that a sufficient number of grades are taken to support the grade average assigned. Guidelines for grading shall be clearly communicated to students and parents.

The District shall permit a student who meets the criteria detailed in the grading guidelines a reasonable opportunity to redo an assignment or retake a test for which the student received a failing grade.

**Progress Reporting**

The District shall issue grade reports/report cards every ~~nine~~nine weeks on a form approved by the Superintendent or designee. Performance shall be measured in accordance with this policy and the standards established in EIE.

**Interim Reports**

Interim progress reports shall be issued in accordance with law for a student who demonstrates consistent unsatisfactory performance. Other interim reports shall be issued as established by campus grading guidelines. Supplemental progress reports may be issued at the teacher's discretion.

**Conferences**

~~In addition to conferences scheduled on the campus calendar,~~Each year, the District shall provide at least two opportunities for in-person conferences between each parent and the student's teacher. Additional conferences may be requested by a teacher or parent as needed.

**Academic Dishonesty**

A student found to have engaged in academic dishonesty shall be subject to grade penalties on assignments or tests and disciplinary penalties in accordance with the Student Code of Conduct. Academic dishonesty includes cheating or copying the work of another student, plagiarism, the use of artificial intelligence to complete an assignment in part or in whole unless approved by the classroom teacher [see CQD], and unauthorized communication between students during an examination. The determination that a student

has engaged in academic dishonesty shall be based on the judgment of the classroom teacher or another supervising professional employee, taking into consideration written materials, observation, ~~or~~ information from students, ~~or the use of an artificial intelligence detection tool selected by the District.~~

PARENT RIGHTS AND RESPONSIBILITIES

FA  
(LOCAL)

**Parent Portal**

The District shall establish a parent portal on the District's website through which parents may submit comments to campus administrators, District administrators, and the Board.

The Superintendent shall develop administrative regulations related to the portal, including placement on the District or campus websites and how campus or District administrators are to address comments received from parents through the portal.

**Release from School**

A student shall not be released from school at times other than regular dismissal hours except with the permission of the principal of the school. The teacher shall determine that such permission has been granted before allowing the student to leave.

Exception for  
Released Time  
Course

For purposes of this policy, a “released time course” shall have the same definition as provided in law.

A student shall be permitted to attend a released time course in accordance with the following requirements:

1. The parent or guardian has provided written consent for the student to attend the released time course;
2. The private entity offering the released time course maintains attendance records and will make those records available to the District;
3. The private entity, parent or guardian, or student assumes responsibility for transportation, including transportation for a student with a disability, to and from the location at which the released course is offered;
4. The private entity assumes liability for the student enrolled in the released time course while the student is under the private entity’s care; and
5. The student is responsible for any school work and assignments issued during the student’s absence from the District.

The District shall be prohibited from using District funds, excluding de minimis costs, to facilitate the student attending a released time course.

A private entity shall be prohibited from offering the released time course on District property unless the use is in accordance with policy GKD.

The District shall not interfere with a parent’s or guardian’s ability to request or access a released time course for the student.

No employee shall give any student prescription medication, non-prescription medication, herbal substances, anabolic steroids, or dietary supplements of any type, except as authorized by this or other District policy.

**Medication Provided by Parent**

The Superintendent shall designate the employees who are authorized to administer medication that has been provided by a student's parent. An authorized employee is permitted to administer the following medication in accordance with administrative regulations:

1. Prescription medication in accordance with legal requirements.
2. Nonprescription medication, ~~upon a parent's written request, when properly labeled and in the original container~~ in accordance with legal requirements.
3. Herbal substances or dietary supplements provided by the parent and only if required by the individualized education program or Section 504 plan for a student with disabilities.

**Medication Provided by District**

Except as required by law and provided by this policy, the District shall not purchase medication to administer to a student.

*Athletic Program*

The District shall purchase nonprescription medication that may be used to prevent or treat illness or injury in the District's athletic program. Only a licensed athletic trainer or a physician licensed to practice medicine in the state of Texas may administer this medication and may do so only if:

1. The District has prior written consent for medication to be administered [see Medical Treatment, below]; and
2. The administration of a medication by an athletic trainer is in accordance with a standing order or procedures approved by a physician licensed to practice medicine in the state of Texas.

*Epinephrine*

The District authorizes school personnel who have agreed in writing and been adequately trained to administer an unassigned epinephrine **delivery system, such as an auto-injector or nasal spray**, in accordance with law and this policy. Administration of epinephrine shall only be permitted when an authorized and trained individual reasonably believes a person is experiencing anaphylaxis.

*On Campus*

Authorized and trained individuals may administer an unassigned epinephrine **auto-injector delivery system** at any time to a person experiencing anaphylaxis on a school campus.

The District shall ensure that at each campus a sufficient number of authorized individuals are trained to administer epinephrine so that at least one trained individual is present on campus during all hours the campus is open. In accordance with state rules, the campus shall be considered open for this purpose during regular on-campus school hours and whenever school personnel are physically on site for school-sponsored activities.

*Maintenance,  
Availability, and  
Training*

The Superintendent shall develop administrative regulations designating a coordinator to manage policy implementation and addressing annual training of authorized individuals in accordance with law; procedures for ~~auto-injector~~ **delivery system** use; and acquisition or purchase, maintenance, expiration, disposal, and availability of unassigned epinephrine ~~auto-injectors~~.

*Notice to Parents*

In accordance with law, the District shall provide notice of the policy to parents regarding the epinephrine program, including notice of any change to or discontinuation of this program.

Opioid Antagonist

This provision shall be applicable to every campus.

*On Campus*

The District authorizes school personnel who have been adequately trained to administer an opioid antagonist in accordance with law and this policy. Administration of an opioid antagonist shall only be permitted when an authorized and trained individual reasonably believes a person is experiencing an opioid-related overdose.

Each applicable campus shall have at least one individual who is authorized and trained to administer an opioid antagonist present during regular school hours.

*Maintenance,  
Availability,  
Training, and  
Reporting*

Each applicable campus shall have at least two unused, unexpired opioid antagonist doses available.

All opioid antagonists shall be stored in a secure location and shall be easily accessible by individuals who are authorized and trained to administer an opioid antagonist.

The Superintendent shall develop administrative regulations addressing acquisition, maintenance, expiration, and disposal of opioid antagonists in the District, as well as reporting, employee training, and emergency notification requirements.

**Psychotropics**

Except as permitted by law, an employee shall not:

1. Recommend to a student or a parent that the student use a psychotropic drug;
2. Suggest a particular diagnosis; or

3. Exclude the student from a class or a school-related activity because of the parent's refusal to consent to psychiatric evaluation or examination or treatment of the student.

**Medical Treatment**

A student's parent, legal guardian, or other person having lawful control shall annually complete and sign a form that provides emergency information and addresses authorization regarding medical treatment. A student who has reached age 18 shall be permitted to complete this form.

The District shall seek appropriate emergency care for a student as required or deemed necessary.

**Threat Assessment  
and Safe and  
Supportive Team**

In compliance with law, the Superintendent shall ensure that a multidisciplinary threat assessment and safe and supportive team is established to serve each campus. The Superintendent shall appoint team members. The team shall be responsible for developing and implementing a safe and supportive school program at each campus served by the team and shall support the District in implementing its multi-hazard emergency operations plan.

Training

Each team shall complete training provided by an approved provider on evidence-based threat assessment programs.

Student Reports

Each campus shall establish a clear procedure for a student to report concerning behavior exhibited by another student for assessment by the team or other appropriate District employee.

Employee  
Confidentiality

A District employee who reports a potential threat may elect for the employee's identity to remain confidential and not be subject to disclosure under the state's public information law. The employee's identity shall only be revealed when necessary for the team, the District, or law enforcement to investigate the reported threat.

The District shall maintain a record of the identity of a District employee who elects for the employee's identity to remain confidential.

Notification to  
Teaching Staff of  
Threat

As soon as safe and practicable after an administrator or team receives information regarding a threat against a campus, including a threat made through social media, the appropriate administrator or the team shall immediately provide to each member of the teaching staff, including teacher aides, who may be directly affected by the threat a statement containing the following information:

1. The existence of the threat;
2. The nature of the threat; and
3. Any other pertinent detail to ensure student and staff safety.

The Superintendent shall develop administrative regulations to ensure that the required notice is provided to the teaching staff in accordance with law. The administrative regulations may also address notification of other appropriate employees on the affected campus.

Imminent Threats or  
Emergencies

A member of the team or any District employee may act immediately to prevent an imminent threat or respond to an emergency, including contacting law enforcement directly.

Threat Assessment  
Process

The District shall develop procedures as recommended by the Texas School Safety Center. In accordance with those procedures,

the threat assessment and safe and supportive team shall conduct threat assessments using a process that includes:

1. Identifying individuals, based on referrals, tips, or observations, whose behavior has raised concerns due to threats of violence or exhibition of behavior that is harmful, threatening, or violent.
2. Conducting an individualized assessment based on reasonably available information to determine whether the individual poses a threat of violence or poses a risk of harm to self or others and the level of risk.
3. Implementing appropriate intervention and monitoring strategies, if the team determines an individual poses a threat of harm to self or others. These strategies may include referral of a student for a mental health assessment and escalation procedures as appropriate.

For a student or other individual the team determines poses a serious risk of violence to self or others, the team shall immediately report to the Superintendent, who shall immediately attempt to contact the student's parent or guardian. Additionally, the Superintendent shall coordinate with law enforcement authorities as necessary and take other appropriate action in accordance with the District's multihazard emergency operations plan.

For a student the team identifies as at risk of suicide, the team shall follow the District's suicide prevention program.

For a student the team identifies as having a substance abuse issue, the team shall follow the District's substance abuse program.

For a student whose conduct may constitute a violation of the District's Student Code of Conduct, the team shall make a referral to the campus behavior coordinator or other appropriate administrator to consider disciplinary action.

As appropriate, the team may refer a student:

1. To a local mental health authority or health-care provider for evaluation or treatment; or
2. For a full individualized and initial evaluation for special education services.

The team shall not provide any mental health-care services, except as permitted by law.

STUDENT WELFARE  
CRISIS INTERVENTION

FFB  
(LOCAL)

Guidance to School  
Community

The team shall provide guidance to students and District employees on recognizing harmful, threatening, or violent behavior that may pose a threat to another person, the campus, or the community and methods to report such behavior to the team, including through anonymous reporting.

Reports

The team shall provide reports to the Texas Education Agency as required by law.

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**Note:** See policies DHB and DHC for information on other required reports regarding alleged misconduct against a student.

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The District shall notify a parent of a student with whom ~~an educa-~~  
~~tor~~ a District employee or a person acting as a service provider for  
the District is alleged to have engaged in misconduct, informing the  
parent:

1. As soon as feasible that the alleged misconduct may have occurred;
2. Whether the ~~educator~~ individual was terminated following an investigation of the alleged misconduct or resigned before completion of the investigation; and
3. Whether a report was submitted to the Texas Education Agency or State Board for Educator Certification (~~SBEC~~) concerning the alleged misconduct.

For purposes of this policy, misconduct is defined as an ~~educa-~~  
~~tor's~~ individual's alleged abuse or commission of an otherwise un-  
lawful act with ~~the~~ student or involvement in a romantic relation-  
ship, or soliciting or engaging in sexual contact with ~~the~~ student.

#### Notice of Suspected Criminal Offense

Except as provided by state law regarding child abuse investiga-  
tions, the District shall notify a parent not later than one business  
day after the date an employee first suspects that a criminal of-  
fense has been committed against the parent's child.

[See also FFG for reporting requirements related to child abuse  
and FFH for parental notification requirements regarding prohibited  
conduct as defined by that policy.]

**Program to Address  
Child Sexual Abuse,  
Trafficking, and  
Maltreatment**

The District's program to address child sexual abuse, trafficking, and other maltreatment of children, as included in the District improvement plan and the student handbook, shall include:

1. Methods for increasing staff, student, and parent awareness regarding these issues, including prevention techniques and knowledge of likely warning signs indicating that a child may be a victim;
2. Age-appropriate, research-based antivictimization programs for students;
3. Actions that a child who is a victim should take to obtain assistance and intervention; and
4. Available counseling options for affected students.

Training

The District shall provide training to employees as required by law and District policy. Training shall address techniques to prevent and recognize sexual abuse, trafficking, and all other maltreatment of children, including children with significant cognitive disabilities. [See DMA]

[See BBD for Board member training requirements and BJCB for Superintendent continuing education requirements.]

**Reporting Child  
Abuse and Neglect**

Any person who has reasonable cause to believe that a child's physical or mental health or welfare has been adversely affected by abuse or neglect has a legal responsibility, under state law, to immediately report the suspected abuse or neglect to an appropriate authority.

As defined in state law, child abuse and neglect include both sex and labor trafficking of a child.

The following individuals have an additional legal obligation to submit a written or oral report within ~~48~~<sup>24</sup> hours of learning of the facts giving rise to the suspicion of abuse or neglect:

1. Any District employee, agent, or contractor who suspects a child's physical or mental health or welfare has been adversely affected by abuse or neglect.
2. A professional who has reasonable cause to believe that a child has been or may be abused or neglected or may have been a victim of indecency with a child. A professional is anyone licensed or certified by the state who has direct contact with children in the normal course of duties for which the individual is licensed or certified.

A person is required to make a report if the person has reasonable cause to believe that an adult was a victim of abuse or neglect as a

child and the person determines in good faith that disclosure of the information is necessary to protect the health and safety of another child or an elderly or disabled person.

[For parental notification requirements regarding an allegation of ~~educator~~ misconduct with a student, see FFF.]

Oral Reports

As required by law, an oral report made to the Texas Department of Family and Protective Services (DFPS) is recorded.

**Restrictions on Reporting**

In accordance with law, an employee is prohibited from using or threatening to use a parent's refusal to consent to administration of a psychotropic drug or to any other psychiatric or psychological testing or treatment of a child as the sole basis for making a report of neglect, unless the employee has cause to believe that the refusal:

1. Presents a substantial risk of death, disfigurement, or bodily injury to the child; or
2. Has resulted in an observable and material impairment to the growth, development, or functioning of the child.

**Making a Report**

Reports may be made to any of the following:

1. A ~~state or local~~ law enforcement agency, [as defined in law](#);
2. The Child Protective Services (CPS) division of DFPS at 800-252-5400 or the [Texas Abuse Hotline website](#)<sup>1</sup>;
3. A local CPS office; or
4. If applicable, the state agency operating, licensing, certifying, or registering the facility in which the suspected abuse or neglect occurred.

However, if the suspected abuse or neglect involves a person responsible for the care, custody, or welfare of the child, the report must be made to DFPS, unless the report is to the state agency that operates, licenses, certifies, or registers the facility where the suspected abuse or neglect took place; or the report is to the Texas Juvenile Justice Department as a report of suspected abuse or neglect in a juvenile justice program or facility. As defined by law, a person responsible for the care, custody, or welfare of a child includes school personnel and volunteers and day-care workers. [See FFG(LEGAL)]

An individual does not fulfill his or her responsibilities under the law by only reporting suspicion of abuse or neglect to a campus principal, school counselor, or another District staff member. Furthermore, the District is prohibited from requiring an employee to first report his or her suspicion to a District or campus administrator.

In accordance with law, an individual must provide their name and telephone number when making a report. If the individual making the report is a school employee, agent, or contractor, they must also provide their business address and profession.

**Confidentiality**

The identity of a person making a report of suspected child abuse or neglect shall be kept confidential and disclosed only in accordance with the law and the rules of the investigating agency.

**Immunity**

A person who in good faith reports or assists in the investigation of a report of child abuse or neglect is immune from civil or criminal liability.

**Failing to Report  
Suspected Child  
Abuse or Neglect**

By failing to report suspicion of child abuse or neglect, an employee:

1. May be placing a child at risk of continued abuse or neglect;
2. Violates the law and may be subject to legal penalties, including criminal sanctions for knowingly failing to make a required report;
3. Violates Board policy and may be subject to disciplinary action, including possible termination of employment; and
4. May have his or her certification from the State Board for Educator Certification suspended, revoked, or canceled in accordance with 19 Administrative Code Chapter 249.

It is a criminal offense to coerce someone into suppressing or failing to report child abuse or neglect.

**Responsibilities  
Regarding  
Investigations**

In accordance with law, District officials shall be prohibited from:

1. Denying an investigator's request to interview a child at school in connection with an investigation of child abuse or neglect;
2. Requiring that a parent or school employee be present during the interview; or
3. Coercing someone into suppressing or failing to report child abuse or neglect.

District personnel shall cooperate fully and without parental consent, if necessary, with an investigation of reported child abuse or neglect. [See GKA]

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<sup>1</sup> Texas Abuse Hotline website: <http://www.txabusehotline.org>

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**Note:** ~~This local policy has been revised in accordance with the District's innovation plan.<sup>1</sup>~~

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~~In accordance with the District's innovation plan, complaints regarding refusal of entry to or ejection from District property based on Education Code 37.105 shall be filed in accordance with this policy. [See GKA]~~

## Complaints

In this policy, the terms "complaint" and "grievance" shall have the same meaning.

### Other Complaint Processes

Student or parent complaints shall be filed in accordance with this policy, except as required by the policies listed below. Some of these policies require appeals to be submitted in accordance with FNG after the relevant complaint process **has been followed**:

1. Complaints alleging discrimination or harassment based on race, color, religion, sex, gender, national origin, age, or disability shall be submitted in accordance with ~~the FFH-series~~.
2. Complaints concerning dating violence shall be submitted in accordance with ~~the FFH-series~~.
3. Complaints concerning retaliation related to discrimination and harassment shall be submitted in accordance with ~~the FFH-series~~.
4. Complaints concerning bullying or retaliation related to bullying shall be submitted in accordance with FFI.
5. Complaints concerning failure to award credit or a final grade on the basis of attendance shall be submitted in accordance with FEC.
6. Complaints concerning expulsion shall be submitted in accordance with FOD and the Student Code of Conduct.
7. Complaints concerning any final decisions of the gifted and talented selection committee regarding selection for or exit from the gifted program shall be submitted in accordance with EHBB.
8. Complaints within the scope of Section 504, including complaints concerning identification, evaluation, or educational placement of a student with a disability, shall be submitted in accordance with FB and the procedural safeguards handbook.
9. Complaints within the scope of the Individuals with Disabilities Education Act, including complaints concerning identification,

evaluation, educational placement, or discipline of a student with a disability, shall be submitted in accordance with EHBAE, FOF, and the procedural safeguards handbook provided to parents of all students referred to special education.

10. Complaints concerning instructional resources shall be submitted in accordance with the EF series.
11. Complaints concerning a commissioned peace officer who is an employee of the District shall be submitted in accordance with the CKE series.
12. Complaints concerning intradistrict transfers or campus assignment shall be submitted in accordance with FDB.
13. Complaints concerning admission, placement, or services provided for a homeless student shall be submitted in accordance with FDC.
14. Complaints concerning disputes regarding a student's eligibility for free or reduced-priced meal programs shall be submitted in accordance with COB.

Complaints regarding refusal of entry to or ejection from District property based on Education Code 37.105 shall be filed in accordance with this policy. However, the timelines shall be adjusted as necessary to permit the complainant to address the Board in person within 90 calendar days of filing the initial complaint, unless the complaint is resolved before the Board considers it. [See GKA(LEGAL)]

#### Notice to Students and Parents

The District shall inform students and parents of this policy through appropriate District publications and on the District's website.

#### Guiding Principles Informal Process

The Board encourages students and parents to discuss their concerns with the appropriate teacher, principal, or other appropriate campus or District administrator who has the authority to address the concerns. Concerns should be expressed as soon as possible to allow early resolution at the lowest possible administrative level.

#### Informal resolution shall be encouraged but shall not extend any deadlines in this policy, except Filing Deadlines

If a student or parent has engaged in the informal process in an attempt to resolve the complaint with the District and has not reached a resolution during the process, the student or parent shall have the later of:

After Informal Process

- Ninety calendar days to file a complaint from the date the student or parent first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint; or

- Thirty calendar days to file a complaint from the date on which the District provided information to the student or parent regarding how to file a grievance.

[See Formal Process, below]

**No Prior Informal Process**

If the student or parent has not engaged in the informal process, the student or parent shall have no more than 60 calendar days from the date the student or parent first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance to file a complaint using the appropriate forms.

**Deadline Extensions**

All deadlines shall be strictly followed unless otherwise required by law or modified by mutual written consent.

**Formal Process**

A student or parent may initiate the formal process described below by timely filing a written complaint form.

~~Even after initiating the formal complaint process, students and parents are encouraged to seek informal resolution of their concerns. A student or parent whose concerns are resolved may withdraw a formal complaint at any time.~~

The process described in this policy shall not be construed to create new or additional rights beyond those granted by law or Board policy, nor to require a full evidentiary hearing or “mini-trial” at any level.

~~Freedom from Retaliation~~The complaint form shall be filed with the lowest level administrator who has the authority to remedy the alleged problem. In most circumstances, students and parents shall file Level One complaints with the campus principal for any complaint on a matter related to a campus. For a complaint that arises on a matter that is unrelated to a campus, the complaint shall be filed with the appropriate District-level administrator.

If the subject matter of the complaint requires a Board decision, is a complaint about a Board member, or is a complaint about the Superintendent, the complaint shall be initiated at the Board level. A preliminary hearing to develop a record or recommendation for the Board may be conducted by an appropriate administrator.

A Board member shall be permitted to file a complaint under this policy, but, if the complaint is considered by the Board or Board committee, the Board member shall be prohibited from voting on the Board’s or Board committee’s decision.

If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint

STUDENT RIGHTS AND RESPONSIBILITIES  
STUDENT AND PARENT COMPLAINTS/GRIEVANCES

FNG  
(LOCAL)

|  |   |
|--|---|
|  | <p>form was received and immediately forward the complaint form to the appropriate administrator.</p>   |
| <p>Option to Continue Informal Process</p>           | <p>Even after initiating the formal complaint process, the complainant is encouraged to seek informal resolution of their concerns. A complainant whose concerns are resolved may withdraw a formal complaint at any time.</p>  |
| <p>Notice of Complaint</p>                           | <p>A District employee against whom a complaint has been filed shall be provided notice of the complaint in accordance with administrative regulations. The employee shall have sufficient opportunity to submit a written response to the complaint that shall be included in the record of the complaint.</p>   |
| <p><b>Freedom from Retaliation</b></p>               | <p>Neither the Board nor any District employee shall <b>unlawfully</b> retaliate against any student or parent for bringing a concern or complaint.</p>   |
| <p><b>General Provisions</b><br/>Filing</p>          | <p>Complaint forms and appeal notices may be filed by hand-delivery, by electronic communication, <del>including email and fax,</del> or by U.S. Mail. Hand-delivered filings shall be timely filed if received by the appropriate administrator or designee by the close of business on the deadline. Filings submitted by electronic communication shall be timely filed if they are received by the close of business on the deadline, as indicated by the date/time shown on the electronic communication. Mail filings shall be timely filed if they are post-marked by U.S. Mail on or before the deadline and received by the appropriate administrator or designated representative no more than three <b>business</b> days after the deadline.</p> |
| <p>Scheduling<br/><del>Conferences</del>Hearings</p> | <p>The District shall make reasonable attempts to schedule <del>conferences</del>hearings at a mutually agreeable time. <del>If the parent or student a complainant fails to appear at a scheduled conferencehearing, the District may dismiss the complaint. If the complaint is dismissed, it may be refiled, but only within the original time period for filing a complaint</del>hold the hearing and issue a decision in the complainant's absence.</p>  |
| <p>Decision</p>                                      | <p>A "decision" shall mean a written communication to the complainant from the appropriate administrator that provides an explanation of the basis of the decision, an indication of each document that supports the decision, and any relief or redress to be provided. A decision shall be issued on the merits of the concern raised in the complaint notwithstanding any procedural errors or the type of relief or redress requested.</p>  |
| <p>Response</p>                                      | <p><del>At Levels One and Two, "response" shall mean a written communication to the student or parent from the appropriate administrator.</del><br/>ResponsesThe decision shall also include information regarding</p>  |

the filing of an appeal in accordance with this policy. After a hearing at Level Three, the decision shall include information on submitting an appeal to the commissioner.

A decision may be hand-delivered, sent by electronic communication to the ~~student's or parent's~~complainant's email address of record, or sent by U.S. Mail to the ~~student's or parent's~~complainant's mailing address of record. Mailed ~~responses~~decisions shall be timely if they are postmarked by U.S. Mail on or before the deadline.

~~Days~~ "Days" shall mean ~~District business days, unless otherwise noted.~~ In calculating timelines under this policy, the day a document is filed is "day zero." The following business day is "day one."

~~Representative~~ "Representative" shall mean any person who or organization that is designated by the ~~student or parent~~complainant to represent the ~~student or parent~~complainant in the complaint process. A student may be represented by an adult at any level of the complaint.

The ~~student or parent~~complainant may designate a representative through written notice to the District at any level of this process. ~~If the student or parent~~The representative may participate in person or by telephone conference call. If the complainant designates a representative with fewer than three business days' notice to the District before a scheduled ~~conference or~~hearing, the District may reschedule the ~~conference or~~hearing to a later date, if desired, in order to include the District's counsel. ~~A representative may not represent the student or parent without the complainant present unless the complainant has designated the representative through written notice to the District.~~The District may be represented by counsel at any level of the process.

~~Consolidating Complaints~~ ~~Complaints arising out of an event or a series of related events shall be addressed in one complaint. A student or parent shall not file~~To promote efficiency in addressing complaints, the appropriate administrator shall determine if separate or serial complaints arising from ~~any~~an event or series of ~~events that have been or could have been addressed in a previous complaint.~~ If the District determines a complaint has been or could have been addressed in a previous complaint, the complaint shall be dismissed by written notice to the ~~student or parent~~related events shall be consolidated.

~~When two or more complaints are sufficiently similar in nature and remedy sought to permit their resolution through one proceeding, the District may consolidate the complaints.~~

~~Untimely Filings~~ All time limits shall be strictly followed unless modified by mutual written consent.

STUDENT RIGHTS AND RESPONSIBILITIES  
STUDENT AND PARENT COMPLAINTS/GRIEVANCES

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(LOCAL)

~~If a complaint form or appeal notice is not timely filed, the complaint may be dismissed, on written notice to the student or parent, at any point during the complaint process. The student or parent may appeal the dismissal by seeking review in writing within ten days from the date of the written dismissal notice, starting at the level at which the complaint was dismissed. Such appeal shall be limited to the issue of timeliness.~~

Costs Incurred

Each party shall pay its own costs incurred in the course of the complaint.

Complaint and Appeal Forms

Complaints and appeals under this policy shall be submitted ~~in writing~~ on a form provided by the District.

Copies of any documents that support the complaint should be ~~attached to~~ included with the complaint form. If the ~~student or parent-complainant~~ does not have copies of these documents ~~at the time of filing~~, copies may be presented at the Level One ~~conference-hearing~~. After the Level One ~~conference~~, ~~no new documents may be submitted by the student or parent, unless the student or parent did not know the documents existed before the Level One conference, or unless requested by the administrator hearing the complaint~~ hearing, the complainant may supplement the record with additional documents or include additional claims.

Record

A record of each complaint hearing shall be created and retained in accordance with this policy. The record shall include documents submitted by the complainant, documents determined relevant by District personnel, and the decision.

Remand

A complaint or appeal form that is incomplete in any material aspect ~~may~~ shall be ~~dismissed but may be refiled with all the required information if the re-filing is within the designated time for filing~~ re-filed, if at Level One, and remanded at all other levels in order to develop an adequate record of the complaint.

If an adequate record has not been developed, the appropriate administrator may remand the complaint to a lower level. The Board or Board committee may remand a complaint to a lower level if at the Board level of review an adequate record has not been developed.

Assignment of Hearing Officer

When a District employee is the subject of a complaint, the hearing shall be conducted by an administrator who is in a supervisory or higher organizational role. The District employee who is the subject of the complaint shall recuse themselves from reviewing the complaint at any level in the process.

Level One

~~Complaint forms must be filed:~~

- ~~1. Within ten days of the date the student or parent first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance; and~~
- ~~2. With the lowest level administrator who has the authority to remedy the alleged problem.~~

~~All complaints shall be filed at Level One. Upon review, the Superintendent or designee, at his or her sole discretion, shall assign the appropriate administrator to hear the complaint, and shall determine whether the complaint can be more appropriately addressed at Level Two based on the information submitted and relief sought.~~

~~If the only administrator who has authority to remedy the alleged problem is the Superintendent or designee, the complaint may, at the Superintendent or designee's discretion, begin at Level Two following the procedure, including deadlines, for filing the complaint form at Level One.~~

~~If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint form was received and immediately forward the complaint form to the appropriate administrator.~~

~~The appropriate administrator shall investigate as necessary and schedule a conference with the student or parent within ten days after receipt of the written complaint. The administrator may set reasonable time limits for the conference.~~

~~Absent extenuating circumstances, the administrator shall provide the student or parent a written response within ten days following the conference. The written response shall set forth the basis of the decision. In reaching a decision, the administrator may consider information provided at the Level One conference and any other relevant documents or information the administrator~~  
**Complaint Levels**  
**Level One**  
**Level Two**  
**Investigation**

The District may conduct an investigation at any level in the complaint process. If the District and the complainant mutually agree, all deadlines shall be suspended during an investigation.

At Level One, the appropriate hearing officer shall hold a hearing with the complainant within 10 calendar days after receipt of the written complaint. The hearing officer may set reasonable time limits for the hearing.

The hearing officer shall provide the complainant a decision within 20 calendar days following the hearing. In reaching a decision, the hearing officer may consider information provided with the complaint form and any other relevant documents or information the hearing officer believes will help resolve the complaint.

If the ~~student or parent~~ complainant did not receive the relief requested at Level One or if the time for a ~~response~~ decision has expired ~~and an extension due to extenuating circumstances has not been agreed upon, the employee may request a conference with the Superintendent or designee, the complainant may request a hearing at Level Two~~ to appeal the Level One decision.

The appeal notice must be filed in writing ~~to the Superintendent or designee~~, on a form provided by the District, within ~~ten~~ 20 calendar days of the date of the ~~written~~ Level One ~~response~~ decision or, if no ~~response was received and no extension was agreed upon, within ten~~ decision has been communicated to the complainant, within 20 calendar days of the Level One ~~response~~ decision deadline.

After receiving notice of the appeal, the Level One ~~administrator~~ hearing officer shall prepare and forward a record of the Level One complaint to the Level Two ~~administrator~~. ~~The student or parent may request~~ hearing officer and provide a copy of the Level One record ~~to the complainant~~.

The Level One record shall include:

1. The original complaint form and any attachments.
2. ~~All~~ Any other documents submitted by the ~~student or parent~~ complainant at Level One.
3. ~~The~~ If the complaint is against a District employee, the written response of the District employee, if any.
- ~~3.4.~~ 4. The decision issued at Level One and any attachments.
- ~~4.5.~~ 5. All other documents relied upon by the Level One ~~administra-~~ tor hearing officer in reaching the Level One decision.

The ~~Level Two administrator shall schedule a conference within ten~~ hearing officer shall hold a hearing within 10 calendar days after the appeal notice is filed. The ~~conference shall be limited to the issues and documents considered at Level One. At the conference, the student or parent may provide information concerning any documents or information relied upon by the administration for the Level One decision. The Level Two administrator may set reasonable time limits for the conference. The Level Two administrator shall not be required to consider documentation not submitted or issues not presented at Level One~~ hearing officer may set reasonable time limits for the hearing.

The ~~Level Two administrator~~ hearing officer shall provide the ~~student or parent a written response within ten~~ complainant a decision within 20 calendar days following the ~~conference. The written response shall set forth the basis of the decision~~ hearing. In reaching a decision, the ~~Level Two administrator~~ hearing officer may consider the Level One record, any additional information provided ~~at prior to the Level Two conference~~ hearing, and any other relevant documents or information the ~~Level Two administrator~~ hearing officer believes will help resolve the complaint.

Recordings of the Level One and Level Two ~~conferences~~ hearings, if any, shall be maintained with the Level One and Level Two records.

### Level Three

If the ~~student or parent~~ complainant did not receive the relief requested at Level Two or if the time for a ~~response~~ decision has expired ~~and an extension due to extenuating circumstances has not been agreed upon, the student or parent, the complainant~~ may appeal the decision to the Board.

The appeal notice must be filed in writing, on a form ~~provide~~ provided by the District, within ~~ten~~ 20 calendar days of the date of the ~~written response, Level Two decision~~ or, if no ~~response was received and no extension was agreed upon, within ten~~ decision has been communicated to the complainant, within 20 calendar days of the Level Two ~~response~~ decision deadline.

~~The Level Two administrator shall prepare and forward to the Superintendent or designee the record of the Level Two appeal. The Superintendent or designee shall provide a copy of the Level Two appeal to the Board. The student or parent~~ Unless the Board delegates a committee in accordance with law, the Board shall hear the appeal of the Level Two decision.

After receiving notice of the appeal, the Board or Board committee shall hold a meeting to discuss the complaint no later than 60 cal-

endar days after the date on which the Level Two decision was made.

The Superintendent shall inform the complainant whether the Board or a Board committee will hear the appeal and of the date, time, and place of the meeting at which the complaint will be on the agenda for presentation to the Board or Board committee.

At least five business days before the Board or Board committee meeting, the Superintendent shall provide the complainant a description of any information the Board intends to rely on that is not contained in the record created at the previous hearing levels, including any preliminary hearing.

The Superintendent shall provide the Board the record of the Level Two appeal. The complainant may request a copy of the Level Two record.

The Level Two record shall include:

1. The Level One record.
2. The notice of appeal from Level One to Level Two.
3. ~~The written response~~ Any other documents submitted by the complainant at Level Two.
- ~~3.4.~~ ~~The decision~~ issued at Level Two and any attachments.
- ~~4.5.~~ All other documents relied upon by the administration in reaching the Level Two decision.

~~The Superintendent or designee shall inform the student or parent of the date, time, and place of the Board meeting at which the complaint will be on the agenda for presentation to the Board.~~

~~The appeal shall be limited to the issues and documents considered at Level Two, except that if at the Level Three hearing the administration intends to rely on evidence not included in the Level Two record, the administration shall provide the student or parent notice of the nature of the evidence at least three days before the hearing. The Board shall not be required to consider documentation not previously submitted or issues not previously presented.~~

~~The District shall determine whether the complaint will be presented in open or closed meeting in accordance with the Texas Open Meetings Act and other applicable law~~ complainant may request that the complaint be heard in open or closed meeting. The District shall honor that request unless the Texas Open Meetings Act or other applicable law requires otherwise. [See BE]

At the ~~Board's discretion, the Board may hear the complaint based on an oral presentation or upon written submission. If the complaint is heard on oral presentation~~meeting, the presiding officer may set reasonable time limits and guidelines for the presentation, including an opportunity for the ~~student or parent~~complainant and administration to each make a presentation and provide rebuttal and an opportunity for questioning by ~~the Board. The Board shall hear the complaint and may request that the administration provide an explanation for the decisions at the preceding levels.~~ members.

In addition to any other record of the ~~Board~~meeting required by law, the Board ~~or Board committee~~ shall prepare a separate record of the Level Three presentation ~~if the complaint is heard on oral presentation~~. The Level Three presentation, including the presentation by the ~~student~~complainant or ~~parent or the student's~~the complainant's representative, any presentation from the administration, and questions from ~~the Board~~ members with responses, shall be recorded by audio recording, video/audio recording, or court reporter.

~~If the complaint is heard on oral presentation, the Board~~The Board ~~or Board committee~~ shall then consider the complaint. It ~~may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting. If the Board does not make a decision regarding the complaint by the end of the next regularly scheduled meeting, the lack of a response by the Board upholds the administrative decision at Level Two.~~

~~If the complaint is heard on written submission, the Board shall consider the complaint based on written submission at a scheduled Board meeting. It may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting after the Board considers the complaint. The written submission shall serve as the record of the Level Three proceeding before the Board, except that the Board is not required to consider documentation not previously submitted or issues not previously addressed~~shall make a decision no later than 30 calendar days after the date of the Board or Board committee meeting at which the complaint was presented. The complainant shall be provided a decision in accordance with this policy and state law.

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~~Innovation Plan: <https://www.ltidschools.org/>~~

**Student Code of Conduct**

The District's rules of discipline are maintained in the Board-adopted Student Code of Conduct and are established to support an environment conducive to teaching and learning.

Rules of conduct and discipline shall not have the effect of discriminating on the basis of gender, race, color, disability, religion, ethnicity, or national origin.

At the beginning of the school year and throughout the school year as necessary, the Student Code of Conduct shall be:

1. Posted and prominently displayed at each campus or made available for review in the principal's office, as required by law; and
2. Made available on the District's website and/or as a hard copy to students, parents, teachers, administrators, and others on request.

Revisions

Revisions to the Student Code of Conduct approved by the Board during the year shall be made available promptly to students and parents, teachers, administrators, and others.

**Extracurricular Standards of Behavior**

With the approval of the principal and director of extracurricular programs, a sponsor, a coach of an extracurricular activity, or another staff member responsible for supervision shall develop and enforce standards of behavior that are higher than the District-developed Student Code of Conduct and may condition membership or participation in the activity on adherence to those standards.

A student who elects to participate in extracurricular or cocurricular activities shall be subject to the expectations of the staff member who is responsible for supervising the activity.

**"Parent" Defined**

Throughout the Student Code of Conduct and discipline policies, the term "parent" includes a parent, legal guardian, or other person having lawful control of the child.

**General Discipline Guidelines**

A District employee shall adhere to the following general guidelines when imposing discipline:

1. A student shall be disciplined when necessary to improve the student's behavior, to maintain order, or to protect other students, school employees, or property.
2. A student shall be treated fairly and equitably. Discipline shall be based on an assessment of the circumstances of each case. Factors to consider shall include:
  - a. The seriousness of the offense;

- b. The student's age;
  - c. The frequency of misconduct;
  - d. The student's attitude;
  - e. The potential effect of the misconduct on the school environment;
  - f. Requirements of Chapter 37 of the Education Code; and
  - g. The Student Code of Conduct adopted by the Board.
3. Before a detention is served, a school staff member shall attempt to contact the student's parent to inform him or her of the reason for the detention and permit arrangements for necessary transportation. The student's parents may be required to provide transportation when the student has been assigned to detention.

**Corporal  
Punishment**

The Board prohibits the use of corporal punishment in the District. Students shall not be spanked, paddled, or subjected to other physical force as a means of discipline for violations of the Student Code of Conduct.

**Physical Restraint**

**Note:** A District employee may restrain a student with a disability who receives special education services only in accordance with law. [See FOF(LEGAL)]

Within the scope of an employee's duties, a District employee may physically restrain a student if the employee reasonably believes restraint is necessary in order to:

1. Protect a person, including the person using physical restraint, from physical injury.
2. Obtain possession of a weapon or other dangerous object.
3. Protect property from serious damage.
4. Remove a student refusing a lawful command of a school employee from a specific location, including a classroom or other school property, in order to restore order or to impose disciplinary measures.

**Video and Audio  
Monitoring**

Video and audio recording equipment may be used for safety purposes to monitor student behavior on District property.

When video and audio recording equipment is in use, the District shall post signs notifying students and parents about the District's

STUDENT DISCIPLINE

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(LOCAL)

use of video and audio recording equipment. Students shall not be notified when the equipment is turned on.

Use of Recordings

The principal shall review recordings as needed, and evidence of student misconduct shall be documented. A student found to be in violation of the District's Student Code of Conduct shall be subject to appropriate discipline.

Access to Recordings

Recordings shall remain in the custody of the campus principal and shall be maintained as required by law. A parent or student who wishes to view a recording in response to disciplinary action taken against the student may request such access under the procedures set out by law. [See FL(LEGAL)]

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**Note:** — This local policy has been revised in accordance with the District's innovation plan.<sup>1</sup>

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**Students Below  
Grade 3**

In accordance with the District's innovation plan, a student who is enrolled in a grade level below grade 3 may be placed in out-of-school suspension in accordance with the District's established protocol to facilitate appropriate student behavior.

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<sup>1</sup> Innovation Plan: <https://www.ltidschools.org/>

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**Note:** — This local policy has been revised in accordance with the District's innovation plan.<sup>1</sup>

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~~In accordance with the District's innovation plan, complaints regarding refusal of entry to or ejection from District property based on Education Code 37.105 shall be filed in accordance with this policy. [See GKA]~~

## Complaints

In this policy, the terms "complaint" and "grievance" shall have the same meaning.

### Other Complaint Processes

Complaints by members of the public shall be filed in accordance with this policy, except as required by the policies listed below. Some of these policies require appeals to be submitted in accordance with GF after the relevant complaint process:

1. Complaints concerning instructional resources shall be ~~filed-~~ **submitted** in accordance with the EF series.
2. Complaints concerning a commissioned peace officer who is an employee of the District shall be ~~filed~~**submitted** in accordance with the CKE series.

~~Guiding Principles~~ Complaints regarding refusal of entry to or ejection from District property based on Education Code 37.105 shall be filed in accordance with this policy. However, the timelines shall be adjusted as necessary to permit the complainant to address the Board in person within 90 calendar days of filing the initial complaint, unless the complaint is resolved before the Board considers it. [See GKA(LEGAL)]

## Informal Process

The Board encourages the public to discuss concerns with an appropriate administrator who has the authority to address the concerns. Concerns should be expressed as soon as possible to allow early resolution at the lowest possible administrative level.

Informal resolution shall be encouraged but shall not extend any deadlines in this policy, except by mutual written consent.

## Filing Deadlines

If a member of the public has engaged in the informal process in an attempt to resolve the complaint with the District and has not reached a resolution during the process, the individual must file a complaint within 15 business days of the date the individual first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance.

## Deadline Extensions

All deadlines shall be strictly followed unless otherwise required by law or modified by mutual written consent.

**Formal Process**

An individual may initiate the formal process described below by timely filing a written complaint form.

~~Even after initiating the formal complaint process, individuals are encouraged to seek informal resolution of their concerns. An individual whose concerns are resolved may withdraw a formal complaint at any time.~~

~~The process described in this policy shall not be construed to create new or additional rights beyond those granted by law or Board policy, nor to require a full evidentiary hearing or “mini-trial” at any level.~~ The process described in this policy shall not be construed to create new or additional rights beyond those granted by law or Board policy, nor to require a full evidentiary hearing or “mini-trial” at any level.

The complaint form shall be filed with the lowest level administrator who has the authority to remedy the alleged problem. In most circumstances, the individual shall file a Level One complaint with the campus principal for any complaint on a matter related to a campus. For a complaint that arises on a matter that is unrelated to a campus, the complaint shall be filed with the appropriate District-level administrator.

If the subject matter of the complaint requires a Board decision, is a complaint about a Board member, or is a complaint about the Superintendent, the complaint shall be initiated at the Board level. A preliminary hearing to develop a record or recommendation for the Board may be conducted by an appropriate administrator.

A Board member shall be permitted to file a complaint under this policy, but, if the complaint is considered by the Board or Board committee, the Board member shall be prohibited from voting on the Board’s or Board committee’s decision.

If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint form was received and immediately forward the complaint form to the appropriate administrator.

Option to Continue Informal Process

Even after initiating the formal complaint process, the complainant is encouraged to seek informal resolution of their concerns. A complainant whose concerns are resolved may withdraw a formal complaint at any time.

Notice of Complaint

A District employee against whom a complaint has been filed shall be provided notice of the complaint in accordance with administrative regulations. The employee shall have sufficient opportunity to submit a written response to the complaint that shall be included in the record of the complaint.

**Freedom from Retaliation**

Neither the Board nor any District employee shall unlawfully retaliate against any individual for bringing a concern or complaint.

**General Provisions**

Filing

Complaint forms and appeal notices may be filed by hand-delivery, by electronic communication, ~~including email and fax,~~ or by U.S. Mail. Hand-delivered filings shall be timely filed if received by the appropriate administrator or designee by the close of business on the deadline. Filings submitted by electronic communication shall be timely filed if they are received by the close of business on the deadline, as indicated by the date/time shown on the electronic communication. Mail filings shall be timely filed if they are post-marked by U.S. Mail on or before the deadline and received by the appropriate administrator or designated representative no more than three **business** days after the deadline.

Scheduling  
~~Conferences~~ Hearings

The District shall make reasonable attempts to schedule ~~conferences~~ **hearings** at a mutually agreeable time. If the ~~individual~~ **complainant** fails to appear at a scheduled ~~conference~~ **hearing**, the District may ~~dismiss the complaint. If the complaint is dismissed, it may be refiled, but only within the original time period for filing a complaint~~ **hold the hearing and issue a decision in the complainant's absence.**

Decision

A "decision" shall mean a written communication to the complainant from the appropriate administrator that provides an explanation of the basis of the decision, an indication of each document that supports the decision, and any relief or redress to be provided. A decision shall be issued on the merits of the concern raised in the complaint notwithstanding any procedural errors or the type of relief or redress requested.

~~Response~~

~~At Levels One and Two, "response" shall mean a written communication to the individual from the appropriate administrator. Responses~~ **The decision shall also include information regarding the filing of an appeal in accordance with this policy. After a hearing at Level Three, the decision shall include information on submitting an appeal to the commissioner.**

**A decision** may be hand-delivered, sent by electronic communication to the ~~individual's~~ **complainant's** email address of record, or sent by U.S. Mail to the ~~individual's~~ **complainant's** mailing address of record. Mailed ~~responses~~ **decisions** shall be timely if they are postmarked by U.S. Mail on or before the deadline.

~~Days~~

~~"Days" shall mean District business days, unless otherwise noted. In calculating timelines under this policy, the day a document is filed is "day zero." The following business day is "day one."~~

|                            |  |
|----------------------------|--|
| Representative             | <p>“Representative” shall mean any person who or organization that is designated by <del>an individual</del> <b>a complainant</b> to represent the <del>individual</del> <b>complainant</b> in the complaint process.</p> <p>The <del>individual</del> <b>complainant</b> may designate a representative through written notice to the District at any level of this process. <del>If the individual</del> <b>The representative may participate in person or by telephone conference call.</b> If the <del>complainant</del> <b>complainant</b> designates a representative with fewer than three <del>business</del> <b>business</b> days’ notice to the District before a scheduled <del>conference or</del> <b>conference or</b> hearing, the District may reschedule the <del>conference or</del> <b>conference or</b> hearing to a later date, if desired, in order to include the District’s counsel. <del>A representative shall not represent the complainant/grievant without the complainant present unless the complainant has designated the representative through written notice to the District.</del> The District may be represented by counsel at any level of the process.</p> |
| Consolidating Complaints   | <p><del>Complaints arising out of an event or a series of related events shall be addressed in one complaint. An individual shall not file</del> <b>To promote efficiency in addressing complaints, the appropriate administrator shall determine if</b> separate or serial complaints arising from <del>any</del> <b>an</b> event or series of <del>events that have been or could have been addressed in a previous complaint.</del> <b>If the District determines a complaint has been or could have been addressed in a previous complaint, the complaint shall be dismissed by written notice to the individual</b> <del>related events shall be consolidated.</del></p> <p><del>When two or more complaints are sufficiently similar in nature and remedy sought to permit their resolution through one proceeding, the District may consolidate the complaints.</del></p>   |
| Untimely Filings           | <p><del>All time limits shall be strictly followed unless modified by mutual written consent.</del></p> <p><del>If a complaint form or appeal notice is not timely filed, the complaint may be dismissed, on written notice to the individual, at any point during the complaint process. The individual may appeal the dismissal by seeking review in writing within ten days from the date of the written dismissal notice, starting at the level at which the complaint was dismissed. Such appeal shall be limited to the issue of timeliness.</del></p>   |
| Costs Incurred             | <p>Each party shall pay its own costs incurred in the course of the complaint.</p>   |
| Complaint and Appeal Forms | <p>Complaints and appeals under this policy shall be submitted <del>in</del> <b>writing</b> on a form provided by the District.</p> <p>Copies of any documents that support the complaint should be <del>at-</del> <b>tached to</b> <del>included with</del> <b>included with</b> the complaint form. If the <del>individual</del> <b>com-</b></p>   |

complainant does not have copies of these documents ~~at the time of filing, they, copies~~ may be presented at the Level One ~~conference-hearing~~. After the Level One ~~conference, no new documents may be submitted, unless the individual did not know the documents existed before the Level One conference, or unless requested by the administrator hearing the complaint~~hearing, the complainant may supplement the record with additional documents or include additional claims.

Record

A record of each complaint hearing shall be created and retained in accordance with this policy. The record shall include documents submitted by the complainant, documents determined relevant by District personnel, and the decision.

Remand

A complaint or appeal form that is incomplete in any material aspect ~~may~~shall be ~~dismissed but may be refiled with all the required information if the re-filing is within the designated time for filing~~re-filed, if at Level One, and remanded at all other levels in order to develop an adequate record of the complaint.

If an adequate record has not been developed, the appropriate administrator may remand the complaint to a lower level. The Board or Board committee may remand a complaint to a lower level if at the Board level of review an adequate record has not been developed.

Assignment of Hearing Officer

When a District employee is the subject of a complaint, the hearing shall be conducted by an administrator who is in a supervisory or higher organizational role. The District employee who is the subject of the complaint shall recuse themselves from reviewing the complaint at any level in the process.

Level One

~~Complaint forms must be filed:~~

- ~~3. Within ten days of the date the individual first knew, or with reasonable diligence should have known, of the decision or action giving rise to the complaint or grievance; and~~
- ~~4. With the lowest level administrator who has the authority to remedy the alleged problem.~~
- ~~5. All complaints shall be filed at Level One. Upon review, the Superintendent or designee, at his or her sole discretion, shall assign an administrator to hear the complaint, and shall determine whether the complaint can be more appropriately addressed at Level Two based on the information submitted and relief sought.~~

~~If the only administrator who has authority to remedy the alleged problem is the Superintendent or designee, the com-~~

~~plaint may, at the Superintendent or designee's discretion, begin at Level Two following the procedure, including deadlines, for filing the complaint form at Level One.~~

~~If the complaint is not filed with the appropriate administrator, the receiving administrator must note the date and time the complaint form was received and immediately forward the complaint form to the appropriate administrator.~~

~~The appropriate administrator shall investigate as necessary and schedule a conference with the individual within ten days after receipt of the written complaint. The administrator may set reasonable time limits for the conference.~~

~~Absent extenuating circumstances, the administrator shall provide the individual a written response within ten days following the conference. The written response shall set forth the basis of the decision. In reaching a decision, the administrator may collect information provided at the Level One conference and any other relevant documents or information the administrator~~  
**Complaint Levels**  
**Investigation**

The District may conduct an investigation at any level in the complaint process. If the District and the complainant mutually agree, all deadlines shall be suspended during an investigation.

At Level One, the appropriate hearing officer shall hold a hearing with the complainant within 10 calendar days after receipt of the written complaint. The hearing officer may set reasonable time limits for the hearing.

The hearing officer shall provide the complainant a decision within 20 calendar days following the hearing. In reaching a decision, the hearing officer may consider information provided with the complaint form and any other relevant documents or information the hearing officer believes will help resolve the complaint.

If the ~~individual~~complainant did not receive the relief requested at Level One or if the time for a ~~response~~decision has expired ~~and an extension due to extenuating circumstances has not been agreed upon,~~ the individual may request a conference with the Superintendent or designee, the complainant may request a hearing at Level Two to appeal the Level One decision.

The appeal notice must be filed in writing ~~with the Superintendent or designee,~~ on a form provided by the District, within ~~ten~~20 calendar days of the date of the ~~written~~Level One ~~response~~decision or, if no ~~response was received and no extension was agreed upon,~~ within ~~ten~~decision has been communicated to the complainant, within 20 calendar days of the Level One ~~response~~decision deadline.

After receiving notice of the appeal, the Level One ~~administrator~~hearing officer shall prepare and forward a record of the Level One complaint to the Level Two ~~administrator.~~The individual may ~~request~~hearing officer and provide a copy of the Level One record to the complainant.

The Level One record shall include:

1. The original complaint form and any attachments.
2. ~~All~~Any other documents submitted by the ~~individual~~complainant at Level One.
3. ~~The~~If the complaint is against a District employee, the written response of the ~~District employee~~, if any.
- ~~3.4.~~ The decision issued at Level One and any attachments.
- ~~4.5.~~ All other documents relied upon by the Level One ~~administra-~~tor~~hearing officer~~ in reaching the Level One decision.

The ~~Level Two administrator shall schedule a conference within ten~~hearing officer shall hold a hearing within 10 calendar days after the appeal notice is filed. The ~~conference shall be limited to the issues and documents considered at Level One. At the conference, the individual may provide information concerning any documents or information relied upon by the administration for the Level One decision. The Level Two administrator may set reasonable time limits for the conference. The Level Two administrator shall not be required to consider documentation not submitted or issues not presented at Level One~~hearing officer may set reasonable time limits for the hearing.

The ~~Level Two administrator~~hearing officer shall provide the ~~individual a written response within ten~~complainant a decision within 20 calendar days following the ~~conference. The written response shall set forth the basis of the decision~~hearing. In reaching a decision, the ~~Level Two administrator~~hearing officer may consider the Level One record, any additional information provided ~~at~~prior to the Level Two ~~conference~~hearing, and any other relevant documents or information the ~~administrator or designee~~hearing officer believes will help resolve the complaint.

Recordings of the Level One and Level Two ~~conferences~~hearings, if any, shall be maintained with the Level One and Level Two records.

### Level Three

If the ~~individual~~complainant did not receive the relief requested at Level Two or if the time for a ~~response~~decision has expired ~~and an extension due to extenuating circumstances has not been agreed upon, the individual, he or she~~ may appeal the decision to the Board.

The appeal notice must be filed in writing, on a form provided by the District, within ~~ten~~20 calendar days of the date of the ~~written response, Level Two decision~~ or, if no ~~response was received and no extension was agreed upon, within ten~~decision has been communicated to the complainant, within 20 calendar days of the Level Two ~~response~~decision deadline.

~~The Level Two administrator shall prepare and forward to the Superintendent or designee the record of the Level Two appeal. The Superintendent or designee shall provide a copy of the Level Two appeal to the Board. The individual~~Unless the Board delegates a committee in accordance with law, the Board shall hear the appeal of the Level Two decision.

After receiving notice of the appeal, the Board or Board committee shall hold a meeting to discuss the complaint no later than 60 calendar days after the date on which the Level Two decision was made.

The Superintendent shall inform the complainant whether the Board or a Board committee will hear the appeal and of the date, time, and place of the meeting at which the complaint will be on the agenda for presentation to the Board or Board committee.

At least five business days before the Board or Board committee meeting, the Superintendent shall provide the complainant a description of any information the Board intends to rely on that is not contained in the record created at the previous hearing levels, including any preliminary hearing.

The Superintendent shall provide the Board the record of the Level Two appeal. The complainant may request a copy of the Level Two record.

The Level Two record shall include:

1. The Level One record.
2. The notice of appeal from Level One to Level Two.
- ~~3. The written response issued at Level Two and any attachments.~~
- ~~4.3. All~~Any other documents ~~relied upon~~submitted by the ~~administration in reaching the~~complainant at Level Two ~~decision.~~
- ~~5.4. The Superintendent or designee shall inform the individual of the date, time, and place of the Board meeting at which the complaint will be on the agenda for presentation to the Board decision issued at Level Two and any attachments.~~
- ~~6.5. The appeal shall be limited to the issues and~~All other documents considered at Level Two, except that if at the Level Three hearing the administration intends to rely on evidence not included in the Level Two record, the administration shall provide the individual notice of the nature of the evidence at least three days before the hearing. The Board shall not be required to consider documentation not previously submitted

~~or issues not previously presented~~relied upon by the administration in reaching the Level Two decision.

The ~~District shall determine whether~~complainant may request that the complaint ~~will be presented~~heard in open or closed meeting. ~~in accordance with~~The District shall honor that request unless the Texas Open Meetings Act ~~and~~other applicable law ~~requires otherwise~~. [See BE]

~~The Board may, at its discretion, hear the complaint on an oral presentation or upon written submission. If the complaint is heard on oral presentation~~At the meeting, the presiding officer may set reasonable time limits and guidelines for the presentation, including an opportunity for the ~~individual~~complainant and administration to each make a presentation and provide rebuttal and an opportunity for questioning by ~~the~~Board. ~~The Board shall hear the complaint and may request that the administration provide an explanation for the decisions at the preceding levels.~~ members.

In addition to any other record of the ~~Board~~meeting required by law, the Board ~~or Board committee~~ shall prepare a separate record of the Level Three presentation ~~if the complaint is heard on oral presentation~~. The Level Three presentation, including the presentation by the ~~individual~~complainant or ~~his or her~~the complainant's representative, any presentation from the administration, and questions from ~~the~~Board ~~members~~ with responses, shall be recorded by audio recording, video/audio recording, or court reporter.

~~If the complaint is heard on oral presentation, the Board~~The Board ~~or Board committee~~ shall then consider the complaint. It ~~may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting. If the Board does not make a decision regarding the complaint by the end of the next regularly scheduled meeting, the lack of a response by the Board upholds the administrative decision at Level Two.~~

~~If the complaint is heard on written submission, the Board shall consider the complaint based on written submission at a scheduled Board meeting. It may give notice of its decision orally or in writing at any time up to and including the next regularly scheduled Board meeting after the Board considers the complaint. The written submission shall serve as the record of the Level Three proceeding before the Board, except that the Board is not required to consider documentation not previously submitted or issues not previously addressed~~shall make a decision no later than 30 calendar days after the date of the Board or Board committee meeting at which the complaint was presented. The complainant shall be provided a decision in accordance with this policy and state law.

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Innovation Plan: <https://www.ltisdschools.org/>

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**Note:** ~~This local policy has been revised in accordance with the District's innovation plan.<sup>1</sup>~~

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**Access to District Property**

Authorized District officials, including school resource officers and District police officers if applicable, may refuse to allow a person access to property under the District's control in accordance with law.

District officials may request assistance from law enforcement in an emergency or when a person is engaging in behavior rising to the level of criminal conduct.

**Ejection or Exclusion from District Property under Education Code 37.105**

In accordance with ~~the District's innovation plan, the District is exempt from the state law regarding refusal of entry to or ejection from District property. A District official shall not be required to~~ Education Code 37.105, a District official shall provide a person refused entry to or ejected from property under the District's control ~~prior verbal warning or~~ written information explaining the right to appeal such refusal of entry or ejection ~~under the District's grievance process.~~

A person ~~may appeal refusal of entry to or ejection from District property in accordance with the District's grievance process~~ appealing under the District's grievance process shall be permitted to address the Board in person within 90 calendar days of filing the initial complaint, unless the complaint is resolved before the Board considers it. [See FNG and GF]

**Off-Campus Activities**

Employees shall be designated to ensure appropriate conduct of participants and others attending a school-related activity at non-District or out-of-District facilities. Those so designated shall coordinate their efforts with persons in charge of the facilities.

**Prohibitions**

Tobacco and E-Cigarettes

The District prohibits smoking and the use of tobacco products, e-cigarettes, or other electronic vaporizing devices on District property, in District vehicles, or at school-related activities.

Weapons

The District prohibits the unlawful use, possession, or display of any firearm, location-restricted knife, club, or prohibited weapon, as defined at FNCG, on all District property at all times.

*Exceptions*

No violation of this policy occurs when:

1. ~~A Texas~~ An individual who holds a handgun license holder in accordance with state law stores a handgun or other firearm in a locked vehicle in a parking lot, parking garage, or other parking area provided by the District, as long as the handgun or other firearm is not in plain view; or

2. The use, possession, or display of an otherwise prohibited weapon takes place as part of a District-approved activity supervised by proper authorities. [See FOD]

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~~i~~Innovation Plan: <https://www.ltsdschools.org/>



## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Approval of 2026 Lake Travis ISD Public Information Act (PIA) Calendar including Board-Designated Non-Business Days

### **RECOMMENDED ACTION**

**Administration recommends approval of the 2026 Public Information Act (PIA) Calendar, as presented.**

### **RATIONALE**

Lake Travis Independent School District is a public school district subject to the Texas Public Information Act (referred to as PIA). The 88th Texas Legislature authorized the passage of HB 3033 which revised the Act by adding section 552.0031 to the Government Code, defining “business days” for purposes of the PIA. Effective September 1, 2023, the section defines “business day” to mean any day other than a Saturday or Sunday, a national holiday, or a state holiday and establishes that a school district Board of Trustees may designate up to ten (10) additional days per calendar year as non-business days.

Designating additional nonbusiness days will allow school staff to better align with the district’s academic calendar when responding to public information requests. The Administration has designated the specific dates listed in the attachment as “non-business days” for purposes of the Public Information Act for the 2026 calendar year. Future action by the Board will be required to designate non-business days for each subsequent calendar year.

### **BUDGET PROVISIONS**

None

### **RESOURCE PERSONNEL**

Chad Crowson – General Counsel

### **ATTACHMENTS**

2026 LTISD Public Information Act (PIA) Calendar

### **MEETING DATE**

December 17, 2025



# 2026 Open Records Calendar

## Lake Travis Independent School District

### JANUARY

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    |    |    | 1  | 2  |
| 5  | 6  | 7  | 8  | 9  |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |

### FEBRUARY

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
| 2  | 3  | 4  | 5  | 6  |
| 9  | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |

### MARCH

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
| 2  | 3  | 4  | 5  | 6  |
| 9  | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |
| 30 | 31 |    |    |    |

### APRIL

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    |    | 1  | 2  | 3  |
| 6  | 7  | 8  | 9  | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 |    |

### MAY

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    |    |    |    | 1  |
| 4  | 5  | 6  | 7  | 8  |
| 11 | 12 | 13 | 14 | 15 |
| 18 | 19 | 20 | 21 | 22 |
| 25 | 26 | 27 | 28 | 29 |

### JUNE

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  |
| 8  | 9  | 10 | 11 | 12 |
| 15 | 16 | 17 | 18 | 19 |
| 22 | 23 | 24 | 25 | 26 |
| 29 | 30 |    |    |    |

### JULY

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    |    | 1  | 2  | 3  |
| 6  | 7  | 8  | 9  | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 | 31 |

### AUGUST

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
| 3  | 4  | 5  | 6  | 7  |
| 10 | 11 | 12 | 13 | 14 |
| 17 | 18 | 19 | 20 | 21 |
| 24 | 25 | 26 | 27 | 28 |
| 31 |    |    |    |    |

### SEPTEMBER

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  |
| 7  | 8  | 9  | 10 | 11 |
| 14 | 15 | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 |    |    |

### OCTOBER

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    |    |    | 1  | 2  |
| 5  | 6  | 7  | 8  | 9  |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |

### NOVEMBER

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
| 2  | 3  | 4  | 5  | 6  |
| 9  | 10 | 11 | 12 | 13 |
| 16 | 17 | 18 | 19 | 20 |
| 23 | 24 | 25 | 26 | 27 |
| 30 |    |    |    |    |

### DECEMBER

| MO | TU | WE | TH | FR |
|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  |
| 7  | 8  | 9  | 10 | 11 |
| 14 | 15 | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 |    |

  State/Federal Holiday  
  LTISD Non-Business Day



## **AGENDA ITEM ACTION SHEET**

### **AGENDA ITEM**

Selection of American Constructors as Contractor for JOC #23-132 for Restroom and Storage Area Renovations at Lake Travis High School Annex

### **RECOMMENDED ACTION**

**Administration recommends approval of the selection of American Constructors as Contractor for JOC #23-132 for the restroom and storage area renovations at the Lake Travis High School Annex.**

### **RATIONALE**

The District administration is recommending American Constructors as the General Contractor for the Lake Travis High School Annex restroom renovation project. It is expected that the contract with American Constructors for this project will exceed \$100,000. According to Board Policy CV(LOCAL), the Board must approve construction contracts valued at or above \$100,000.

The Cost of Work for renovations to the men's and women's restroom and storage area includes new plumbing, framing, floor and wall tile, painting, and fixtures.

### **BUDGET PROVISIONS**

2023 Bond Program – \$180,791

### **RESOURCE PERSONNEL**

Pam Sanchez – Assistant Superintendent of Business Services  
Robert Winovitch – Director of Facilities and Construction  
Cristy Soares – Director of Purchasing

### **ATTACHMENTS**

American Constructors Pricing – LTHS Annex Restroom and Storage Area Renovations

### **MEETING DATE**

December 17, 2025



# PROPOSAL

Date: 12/01/25

Owner: Lake Travis ISD  
16101 Hwy 71, Bldg B  
Austin, TX 78738

Contractor: American Constructors  
11900 West Parmer Lane  
Cedar Park, Texas 78613  
JOC Contract #21-021

Project: Lake Travis HS Annex Restroom Renovation

### Scope of Work Includes:

1. Remove and dispose of existing drywall and tile
2. Installation of new drywall for restroom, classroom and storage
3. Installation of new plumbing fixtures and piping. All in-wall waste piping to be replaced.
4. Installation of new lighting and flush valve connections
5. Installation of new air devices
6. Install new floor and wall tile
7. Install new toilet partitions and accessories

### List of Plans / Specifications:

LAKE TRAVIS HIGH SCHOOL ANNEX RESTROOM RENOVATION issued on 11/21/25 by Haddon + Cowan Architects

### Exclusions / Clarifications

1. Excludes testing, removal or abatement of existing hazardous materials
2. Excludes permitting and material testing
3. Excludes moving of existing furniture, fixtures and equipment.
4. Contractor is not responsible for any FF&E left in the work area
5. Relocation or repair of underground utilities that are not shown
6. All work during normal business hours

**Total Amount of Proposal**

**\$180,791**

*Proposal is valid for 30 days from the date listed. Proposal assumes all areas will be available so work can proceed, uninterrupted to completion. All work to be done during normal hours unless otherwise noted in the proposal.*

Accepted by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed name

\_\_\_\_\_  
Title

| <b>Item</b> | <b>Description</b>                                  | <b>Amount</b>    |
|-------------|---|------------------|
| <b>1</b>    | <b>Wall and Tile Demolition</b>                     | <b>\$2,600</b>   |
| <b>2</b>    | <b>Classroom Drywall Installation</b>               | <b>\$6,500</b>   |
| <b>3</b>    | <b>Floor Tile Demolition</b>                        | <b>\$2,358</b>   |
| <b>4</b>    | <b>Drywall and ceilings</b>                         | <b>\$15,950</b>  |
| <b>5</b>    | <b>Wall and floor tile</b>                          | <b>\$24,815</b>  |
| <b>6</b>    | <b>Plumbing and HVAC</b>                            | <b>\$66,034</b>  |
| <b>7</b>    | <b>Electrical</b>                                   | <b>\$7,519</b>   |
| <b>8</b>    | <b>Painting</b>                                     | <b>\$5,500</b>   |
| <b>9</b>    | <b>Fire alarm and fire suppression</b>              | <b>\$2,850</b>   |
| <b>10</b>   | <b>Toilets and toilet partitions</b>                | <b>\$14,108</b>  |
| <b>11</b>   | <b>Construction dumpsters and temporary toilets</b> | <b>\$3,250</b>   |
| <b>12</b>   | <b>Final clean</b>                                  | <b>\$875</b>     |
| <b>13</b>   | <b>Supervision</b>                                  | <b>\$12,500</b>  |
|             |   | \$164,859        |
|             |   | \$8,243          |
|             |   | \$173,102        |
|             | Bonds & Insurance                                   | \$7,689          |
|             | <b>Total</b>  | <b>\$180,791</b> |



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

2026-2027 Budget Calendar

### RECOMMENDED ACTION

**No action required. Item is provided for the Board's information.**

### RATIONALE

To provide the Board with a timeline of events concerning the budget process for 2026-2027. The budget calendar reflects the change in fiscal year from a September 1 to July 1 start date. A few changes include:

- Board budget workshops are held one month earlier in April and May.
- Public hearing to “*Discuss Budget and Proposed Tax Rate*” has moved from August to June.
- Budget must be adopted by June 30.
- Tax rate adoption remains in August after certified property tax values are received.

### BUDGET PROVISIONS

None

### RESOURCE PERSONNEL

Pam Sanchez – Assistant Superintendent of Business Services

Brad Goerke – Director of Finance

### ATTACHMENTS

2026-2027 Budget Calendar

### MEETING DATE

December 17, 2025

# LAKE TRAVIS ISD 2026-27 BUDGET CALENDAR

11/10/2025

|                 |      |  |
|-----------------|------|--|
| <b>DECEMBER</b> |      |  |
| 12/10/2025      | ACDP | Review Budget Calendar and Preliminary Overview with the Executive Leadership Team.      |
| 12/17/2025      | B    | Include Budget Calendar and Preliminary Overview as a presentation item on board agenda. |

## JANUARY

|           |      |  |
|-----------|------|--|
| 1/7/2026  | ACDP | Begin gathering feedback from campuses, departments and programs on personnel needs.   |
| 1/21/2026 | B    | Include Budget Projection as a Presentation/Discussion item on board agenda.   |
| 1/28/2026 | ACDP | Review the Budget Projection. Disseminate and discuss enrollment projections and allocations with the Executive Leadership Team. |

## FEBRUARY

|           |     |   |
|-----------|-----|---|
| 2/4/2026  | CDP | Disseminate Budget Packets to campuses and departments.   |
| 2/4/2026  | CDP | Review budget procedures and guidelines with administrative assistants.   |
| 2/18/2026 | B   | Present updated information, as needed, including enrollment projections, property values, potential financial constraints and options as a Presentation/Discussion item on board agenda. |

## MARCH

|           |     |  |
|-----------|-----|--|
| 3/13/2026 | CDP | All campus, department, and program budget books submitted to the Business Office. |
| 3/23/2026 | D   | Budget Review Teams review departmental budgets.                                   |
| 3/23/2026 | CP  | Budget Review Teams review campus and instructional program budgets.               |
| 3/25/2026 | B   | Review budget procedures, guidelines and staffing with Board.                      |

## APRIL

|           |   |   |
|-----------|---|---|
| 4/1/2026  | B | Board Workshop. Update budget.  |
| 4/6/2026  | A | District Review Team review budgets and instructional and non-instructional staffing recommendations. |
| 4/15/2026 | B | Board Meeting. Review staffing recommendations, employee salary and benefit adjustments.              |
| 4/24/2026 | A | Receive preliminary property values from appraisal district.  |

## MAY

|           |   |   |
|-----------|---|---|
| 4/27/2026 | A | District Review Team review budgets, staffing, employee salary and benefit adjustments. |
| 5/6/2026  | B | Board Workshop. Update budget. Proposed Compensation Plan.                              |
| 5/20/2026 | B | Board Meeting. Present Proposed Budgets. Review and approve Compensation Plan.          |

## JUNE

|           |   |  |
|-----------|---|--|
| 6/3/2026  | B | Publish "Notice of Public Meeting to Discuss Budget and Proposed Tax Rate" in local newspaper. |
| 6/17/2026 | B | Board Meeting. Conduct Public Hearing on Budget and Proposed Tax Rate. Adoption of Budget.     |

## JULY

|           |   |   |
|-----------|---|---|
| 7/15/2026 | B | Board Meeting.  |
| 7/24/2026 | A | Certified appraisal value from Travis Central Appraisal District. |

## AUGUST

|           |   |  |
|-----------|---|--|
| 8/1/2026  | A | Prepare Truth in Taxation Publication. |
| 8/19/2026 | B | Board Meeting. Adoption of Tax Rate.   |



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

November 2025 Monthly Financial Reports

### RECOMMENDED ACTION

**No action required. Item is provided for the Board's information.**

### RATIONALE

To provide a financial update to the Board and community regarding the financial position of the school district.

The financial highlights for the period ending November 30, 2025, include the following:

- The financial reports reflect activity through 25% of the fiscal year with recorded General Fund expenditures of 23% of the budget.
- Salaries and benefits paid during summer months to the 10-month employees (teachers, aides, professionals, auxiliary staff) are accrued monthly and are included in recorded expenditures. The total of \$12,763,698 is held in the accrued wages payable account on the balance sheet representing days worked but not paid out since their contract start date in July/August.
- The cash and temporary investments balance for all governmental and proprietary funds totals \$278,893,420. Investment instruments, focused on security and liquidity, include Local Government Investment Pools and money market funds approved under the Public Funds Investment Act.
- Investments are reported to the Board on a quarterly basis. For quarter ending November 30, 2025, the interest earnings on deposits totaled \$2,946,183. Average yield on investments dropped from 4.3% to 4% during the first quarter of the fiscal year.
- Monthly tax collections totaled \$4,947,164 representing a collection rate of 2.71% of 2025 total adjusted tax levy, in comparison to the prior year of 0.87%.
- The total 2018 bond expenditures are approximately \$260.2 million with remaining funds of approximately \$141,369.
- The total 2023 bond expenditures are approximately \$127.3 million with remaining funds of approximately \$210.6 million.
- The total 2024 bond expenditures are approximately \$7.8 million with remaining funds of approximately \$30.2 million.



**BUDGET PROVISIONS**

None

**RESOURCE PERSONNEL**

Pam Sanchez – Assistant Superintendent of Business Services

Brad Goerke – Director of Finance

**ATTACHMENTS**

1. Statement of Revenues and Expenditures – November 2025
2. Balance Sheet – November 2025
3. Tax Statement – November 2025
4. 2018 Capital Projects Report – November 2025
5. 2023 Capital Projects Report – November 2025
6. 2024 Capital Projects Report – November 2025
7. Quarterly Investment Report – November 2025

**MEETING DATE**

December 17, 2025

**Lake Travis ISD**  
**STATEMENT OF REVENUE AND EXPENDITURES**  
**GENERAL FUND**

11/30/2025

Current Year

Prior Year

| <i>Revenues</i>      |                          | Current Year          |                     |                       |                   | Prior Year          |                   |
|----------------------|--------------------------|-----------------------|---------------------|-----------------------|-------------------|---------------------|-------------------|
|                      |                          | Budget                | Actual              | Balance               | Percent of Budget | Cumulative Actual   | Percent of Actual |
| 5711                 | Current Year Tax Revenue | \$ 127,165,000        | \$ 3,223,329        | \$ 123,941,671        | 2.53%             | \$ 1,450,796        | 1.05%             |
| 5700                 | Other Local Revenues     | 6,663,000             | 1,026,867           | 5,636,133             | 15.41%            | 727,467             | 12.11%            |
| 5800                 | State Program Revenue    | 12,386,843            | 3,998,466           | 8,388,377             | 32.28%            | 4,078,308           | 30.37%            |
| 5900                 | Federal Revenue          | 158,500               | 501                 | 157,999               | 0.32%             | 2,843               | 1.68%             |
| <b>Total Revenue</b> |                          | <b>\$ 146,373,343</b> | <b>\$ 8,249,163</b> | <b>\$ 138,124,180</b> | <b>5.64%</b>      | <b>\$ 6,259,414</b> | <b>3.97%</b>      |

*Expenditures*

|                           |                              |                       |                      |                       |               |                      |               |
|---------------------------|------------------------------|-----------------------|----------------------|-----------------------|---------------|----------------------|---------------|
| 11                        | Instruction                  | \$ 68,524,148         | \$ 20,575,082        | \$ 47,949,066         | 30.03%        | \$ 19,913,700        | 29.74%        |
| 12                        | Instructional Resources      | 1,073,267             | 298,382              | 774,885               | 27.80%        | 315,374              | 29.81%        |
| 13                        | Staff Development            | 1,109,437             | 290,870              | 818,567               | 26.22%        | 372,101              | 29.07%        |
| 21                        | Instructional Administration | 2,163,620             | 608,942              | 1,554,678             | 28.14%        | 678,588              | 25.72%        |
| 23                        | School Administration        | 6,118,653             | 1,701,874            | 4,416,779             | 27.81%        | 1,618,025            | 26.83%        |
| 31                        | Guidance & Counseling        | 5,543,707             | 1,323,079            | 4,220,628             | 23.87%        | 1,279,146            | 26.91%        |
| 32                        | Social Work Services         | 331,186               | 101,729              | 229,458               | 30.72%        | 147,167              | 39.43%        |
| 33                        | Health Services              | 1,077,410             | 322,159              | 755,251               | 29.90%        | 316,780              | 31.60%        |
| 34                        | Transportation               | 4,835,415             | 1,667,806            | 3,167,609             | 34.49%        | 1,715,176            | 30.98%        |
| 35                        | Food Service                 | 122,601               | 30,651               | 91,950                | 25.00%        | 30,651               | 20.22%        |
| 36                        | Co-Curricular Account        | 2,663,157             | 772,207              | 1,890,950             | 29.00%        | 754,085              | 27.95%        |
| 41                        | General Administration       | 4,305,742             | 1,064,367            | 3,241,375             | 24.72%        | 1,134,350            | 21.81%        |
| 51                        | Plant & Maint. Operation     | 13,041,493            | 4,194,963            | 8,846,530             | 32.17%        | 3,992,369            | 30.89%        |
| 52                        | Security                     | 1,699,736             | 416,169              | 1,283,567             | 24.48%        | 438,171              | 24.72%        |
| 53                        | Non-Inst. Data Processing    | 2,849,451             | 921,082              | 1,928,369             | 32.32%        | 849,184              | 27.61%        |
| 61                        | Community Services           | 537,010               | 134,153              | 402,857               | 24.98%        | 131,078              | 21.17%        |
| 71                        | Debt Service                 | 150,000               | -                    | 150,000               | 0.00%         | -                    | 0.00%         |
| 81                        | Facilities/Construction      | 40,867                | 10,218               | 30,649                | 25.00%        | 10,218               | 5.71%         |
| 91                        | State Transfers              | 33,451,320            | -                    | 33,451,320            | 0.00%         | -                    | 0.00%         |
| 92                        | Incremental Cost WADA        | -                     | -                    | -                     | 0.00%         | -                    | 0.00%         |
| 93                        | SPED TRF-Regular Day         | 116,760               | -                    | 116,760               | 0.00%         | -                    | 0.00%         |
| 95                        | JJAEF Transfer Payments      | 15,000                | -                    | 15,000                | 0.00%         | -                    | 0.00%         |
| 99                        | Travis County Appraisal      | 1,100,000             | 257,409              | 842,591               | 23.40%        | 255,139              | 24.83%        |
| <b>Total Expenditures</b> |                              | <b>\$ 150,869,980</b> | <b>\$ 34,691,141</b> | <b>\$ 116,178,839</b> | <b>22.99%</b> | <b>\$ 33,951,302</b> | <b>20.29%</b> |

*Other Resources and (Uses)*

|                                   |                 |             |             |             |          |             |          |
|-----------------------------------|-----------------|-------------|-------------|-------------|----------|-------------|----------|
| 7990                              | Other Resources | -           | -           | -           | -        | -           | -        |
| 8990                              | Other Uses      | -           | -           | -           | -        | -           | -        |
| 8911                              | Transfers-Out   | -           | -           | -           | -        | -           | -        |
| <b>Total Resources &amp; Uses</b> |                 | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>-</b> | <b>\$ -</b> | <b>-</b> |

*Fund Balance*

|      |   |                      |                 |
|------|---|----------------------|-----------------|
| 1200 | Excess (Deficiency) Of Revenues Over Expenditures | \$ (4,496,637)       | \$ (26,441,978) |
| 3000 | Beginning Fund Balance 9/1                        | \$ 31,611,907        |                 |
| 3000 | Ending Fund Balance 8/31                          | <b>\$ 27,115,270</b> |                 |
| 3590 | Committed Fund Balance                            | <b>\$ 632,162</b>    |                 |
| 3600 | Unassigned Fund Balance                           | <b>\$ 26,483,108</b> |                 |

**Lake Travis ISD**  
**COMBINED INTERIM BALANCE SHEET - ALL FUND TYPES**  
AS OF: November 30, 2025

| <i>Assets</i>                             | General Fund          | Special Revenue Funds | Debt Service Fund     | Capital Projects Fund | Internal Svc., Trust & Agency Funds | Total Funds             |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------------------|-------------------------|
| <b>Current Assets:</b>                    |                       |                       |                       |                       |                                     |                         |
| 1101 Cash                                 | \$ 2,928,465          | \$ 2,259,316          | \$ 1,847,529          | \$ 1,884,173          | \$ 5,453,597                        | \$ 14,373,081           |
| 1103 Temporary Investments                | 12,626,537            |                       | 11,058,548            | 240,622,040           | 213,213                             | 264,520,339             |
| <b>Total Cash and Investments</b>         | <b>\$ 15,555,003</b>  | <b>\$ 2,259,316</b>   | <b>\$ 12,906,077</b>  | <b>\$ 242,506,213</b> | <b>\$ 5,666,811</b>                 | <b>\$ 278,893,420</b>   |
| <b>Receivables:</b>                       |                       |                       |                       |                       |                                     |                         |
| 1210 Property Taxes-Current               | \$ 129,525,235        | \$ -                  | \$ 59,534,015         | \$ -                  | \$ -                                | \$ 189,059,250          |
| 1220 Property Taxes-Delinquent            | 2,152,287             | -                     | 954,984               | -                     | -                                   | 3,107,271               |
| 1230 Allowance-Uncollected Taxes          | (1,315,438)           | -                     | (579,581)             | -                     | -                                   | (1,895,019)             |
| 1240 Due From Federal Agencies            | -                     | (8,181)               | -                     | -                     | -                                   | (8,181)                 |
| 1250 Sundry Receivables                   | 23,388                | 2,821                 | -                     | -                     | -                                   | 26,209                  |
| 1260 Due From Funds                       | 1,292,517             | -                     | -                     | -                     | -                                   | 1,292,517               |
| 1280 Due From Other Funds Warehouse Items | -                     | -                     | -                     | -                     | (2,343,649)                         | (2,343,649)             |
| 1290 Other Receivables                    | 578,096               | -                     | -                     | -                     | -                                   | 578,096                 |
| 1300 Inventories, At Cost                 | 59,237                | 174,286               | -                     | -                     | -                                   | 233,523                 |
| <b>Total Receivables</b>                  | <b>\$ 132,315,322</b> | <b>\$ 168,926</b>     | <b>\$ 59,909,418</b>  | <b>\$ -</b>           | <b>\$ (2,343,649)</b>               | <b>\$ 190,050,017</b>   |
| 1400 Other Current Assets                 |                       |                       | -                     | -                     | 419,389.44                          | 419,389.44              |
| <b>Total Assets</b>                       | <b>\$ 147,870,325</b> | <b>\$ 2,428,242</b>   | <b>\$ 72,815,496</b>  | <b>\$ 242,506,213</b> | <b>\$ 3,742,551</b>                 | <b>\$ 469,362,826</b>   |
| <b>Resources</b>                          |                       |                       |                       |                       |                                     |                         |
| 5010 Estimated Revenue                    | \$ 146,373,343        | \$ 11,495,804         | \$ 62,700,000         | \$ 444,494,997        | \$ 17,995,011                       | \$ 683,059,155          |
| 5030 Less: Realized Revenue               | 8,249,163             | 2,733,544             | 1,795,924             | 2,565,383             | 2,828,249                           | 18,172,263              |
| 5000 Revenues to be Received              | 138,124,180           | 8,762,260             | 60,904,076            | 441,929,614           | 15,166,762                          | 664,886,892             |
| <b>Total Assets &amp; Resources</b>       | <b>\$ 285,994,505</b> | <b>\$ 11,190,502</b>  | <b>\$ 133,719,572</b> | <b>\$ 684,435,827</b> | <b>\$ 18,909,314</b>                | <b>\$ 1,134,249,719</b> |
| <b>Liabilities</b>                        |                       |                       |                       |                       |                                     |                         |
| <b>Current Liabilities:</b>               |                       |                       |                       |                       |                                     |                         |
| 2110 Accounts Payable                     | \$ 1,126              | \$ 478                | \$ -                  | \$ -                  | \$ 1,320,348                        | \$ 1,321,951            |
| 2160 Accrued Wages Payable                | 11,778,575            | 661,697               | -                     | 98,817                | 224,609                             | 12,763,698              |
| 2170 Due To Other Funds                   | -                     | -                     | -                     | -                     | (1,058,713)                         | (1,058,713)             |
| 2180 Due To Other Govt's                  | 2,933                 | -                     | -                     | -                     | -                                   | 2,933                   |
| 2190 Due To Student Groups                | -                     | -                     | -                     | -                     | -                                   | -                       |
| 2150 Payroll Deduct & Withhold            | -                     | -                     | -                     | -                     | 450,607                             | 450,607                 |
| <b>Total Current Payables</b>             | <b>\$ 11,782,633</b>  | <b>\$ 662,175</b>     | <b>\$ -</b>           | <b>\$ 98,817</b>      | <b>\$ 936,851</b>                   | <b>\$ 13,480,476</b>    |
| 2210 Accrued Expenses                     | -                     | -                     | -                     | 1,537,371             | 691,515                             | 2,228,886               |
| 2300 Deferred Revenue                     | -                     | 422,551               | -                     | -                     | -                                   | 422,551                 |
| 2400 Payable From Restricted Assets       | -                     | -                     | -                     | -                     | -                                   | -                       |
| 2600 Deferred Inflows                     | 130,917,762           | -                     | 59,901,267            | -                     | -                                   | 190,819,030             |
| <b>Total Liabilities</b>                  | <b>\$ 142,700,396</b> | <b>\$ 1,084,726</b>   | <b>\$ 59,901,267</b>  | <b>\$ 1,636,187</b>   | <b>\$ 1,628,366</b>                 | <b>\$ 206,950,943</b>   |
| <b>Fund Equity</b>                        |                       |                       |                       |                       |                                     |                         |
| 6010 Appropriations                       | \$ 150,869,980        | \$ 13,191,632         | \$ 61,712,680         | \$ 686,213,952        | \$ 17,995,011                       | \$ 929,983,255          |
| 6050 Less: Expenditures                   | (34,691,141)          | (3,406,766)           | (7,500)               | (13,624,532)          | (4,178,933)                         | (55,908,872)            |
| 6030 Encumbrances                         | -                     | -                     | -                     | -                     | -                                   | -                       |
| <b>Available Appropriations</b>           | <b>\$ 116,178,839</b> | <b>\$ 9,784,866</b>   | <b>\$ 61,705,180</b>  | <b>\$ 672,589,420</b> | <b>\$ 13,816,078</b>                | <b>\$ 874,074,383</b>   |
| 4310 Reserve For Encumbrances             | -                     | -                     | -                     | -                     | -                                   | -                       |
| 3600 Unassigned Fund Balance              | 26,483,108            | 320,910               | 12,113,124            | 10,210,219            | 3,464,870                           | 52,592,231              |
| 3590 Committed Fund Balance - Accr. Leave | 632,162               | -                     | -                     | -                     | -                                   | 632,162                 |
| <b>Total Liability &amp; Fund Equity</b>  | <b>\$ 285,994,505</b> | <b>\$ 11,190,502</b>  | <b>\$ 133,719,572</b> | <b>\$ 684,435,827</b> | <b>\$ 18,909,314</b>                | <b>\$ 1,134,249,719</b> |

SUMMARY OF TAX COLLECTIONS  
AS OF NOVEMBER 2025

|  |                       |
|--|-----------------------|
| 2025-26 Original Tax Levy .....                    | \$ 191,562,699.91     |
| Delinquent Taxes as of 8/31/2025 .....             | 6,316,729.71          |
| <br>Total Receivables for 2025-26 .....            | <br>\$ 197,879,429.62 |
| Current Year Adjustments .....                     | (233,669.20)          |
| Prior Year Adjustments .....                       | (298,499.12)          |
| <br>Adjusted Receivables.....                      | <br>\$ 197,347,261.30 |
| Total Net Collections To Date .....                | (5,364,282.61)        |
| <br>Outstanding Receivables as of ..... 11/30/2025 | <br>\$ 191,982,978.69 |

| <u>SUMMARY OF BUDGETED COLLECTIONS</u> | <u>BUDGETED</u>       | <u>NET COLLECTED</u> | <u>BUDGETED DIFFERENCE</u> | <u>% OF BUDGET COLLECTED</u> |
|--|-----------------------|----------------------|----------------------------|------------------------------|
| Maintenance - Current Tax              | \$ 127,165,000.00     | \$ 3,223,329.15      | \$ 123,941,670.85          | 2.53%                        |
| Maintenance - Prior Year Tax           | 200,000.00            | 329,143.29           | (129,143.29)               | 164.57%                      |
| Maintenance - Penalties & Interest     | 850,000.00            | 127,149.19           | 722,850.81                 | 14.96%                       |
| Sub-total                              | \$ 128,215,000.00     | \$ 3,679,621.63      | \$ 124,535,378.37          | 2.87%                        |
| <br>Debt Service - Current Tax         | <br>\$ 58,500,000.00  | <br>\$ 1,482,224.51  | <br>\$ 57,017,775.49       | <br>2.53%                    |
| Debt Service - Prior Year Tax          | 0.00                  | 146,043.11           | (146,043.11)               | 0.00%                        |
| Debt Service - Penalties & Interest    | 300,000.00            | 56,393.36            | 243,606.64                 | 18.80%                       |
| Sub-total                              | \$ 58,800,000.00      | \$ 1,684,660.98      | \$ 57,115,339.02           | 2.87%                        |
| <br>Total Collections                  | <br>\$ 187,015,000.00 | <br>\$ 5,364,282.61  | <br>\$ 181,650,717.39      | <br>2.87%                    |

Tax Collection Comparison with 2025-26: Adjusted Tax Roll

|  | <u>2025-26</u> | <u>2024-25</u> | <u>2023-24</u> |
|--|----------------|----------------|----------------|
| Percent of Current Year Taxes Collected    | 2.46%          | 1.03%          | 2.07%          |
| Percent of Total Taxes Collected           | 2.71%          | 0.87%          | 2.07%          |
| Percent of Total Taxes and P & I Collected | 2.80%          | 0.95%          | 2.13%          |

Tax Collection Comparison with 2025-26: Original Tax Roll

|  |       |       |       |
|--|-------|-------|-------|
| Percent of Current Year Taxes Collected    | 2.46% | 1.02% | 2.07% |
| Percent of Total Taxes Collected           | 2.70% | 0.87% | 2.06% |
| Percent of Total Taxes and P & I Collected | 2.80% | 0.94% | 2.13% |

**Lake Travis ISD  
2018 Bond Program Summary  
November 30, 2025**

| <b>Resources</b>                       | <b>Original<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Total<br/>Resources</b> | <b>Balance</b> |
|--|----------------------------|---------------------------|----------------------------|----------------|
| 1 Bond Proceeds                        | 253,000,000.00             | 236,305,111.00            | 236,305,111.42             | (0.42)         |
| 2 Interest Revenue                     | 0.00                       | 5,389,663.00              | 5,389,155.71               | 507.29         |
| 3 Interest Subject to Arbitrage Rebate | 0.00                       | 0.00                      | 0.00                       | 0.00           |
| 4 Bond Premiums                        | 0.00                       | 18,631,178.00             | 18,631,178.35              | (0.35)         |
| <b>Total Resources</b>                 | <b>253,000,000.00</b>      | <b>260,325,952.00</b>     | <b>260,325,445.48</b>      | <b>506.52</b>  |

| <b>Appropriations</b>                  | <b>Original<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Total<br/>Expended</b> | <b>Balance to<br/>Complete</b> |
|--|----------------------------|---------------------------|---------------------------|--------------------------------|
| 10 Elementary School #7                | 31,511,000.00              | 34,600,445.00             | 34,600,444.21             | 0.79                           |
| 20 Elementary School (Bee Creek Rd)    | 3,979,000.00               | 7,594,145.00              | 7,594,144.33              | 0.67                           |
| 30 Secondary School #2                 | 13,802,000.00              | 7,225,995.00              | 7,225,994.01              | 0.99                           |
| 40 Middle School #3                    | 75,980,710.00              | 77,314,012.00             | 77,314,011.66             | 0.34                           |
| 50 FCA Projects                        | 36,610,132.00              | 60,382,651.00             | 60,274,054.92             | 108,596.08                     |
| 60/70 Small Renovation Improvements    | 16,927,133.00              | 11,828,948.00             | 11,828,947.58             | 0.42                           |
| <b>Construction/Renovation</b>         | <b>178,809,975.00</b>      | <b>198,946,196.00</b>     | <b>198,837,596.71</b>     | <b>108,599.29</b>              |
| 81 Instructional Materials & Equipment | 5,707,000.00               | 4,169,372.00              | 4,169,371.01              | 0.99                           |
| 82 Technology                          | 29,901,700.00              | 25,608,118.00             | 25,608,117.83             | 0.17                           |
| 83 Copy Machines                       | 750,000.00                 | 1,093,944.00              | 1,093,943.97              | 0.03                           |
| 84 Maintenance                         | 600,000.00                 | 793,831.00                | 793,830.93                | 0.07                           |
| 85 Food & Nutrition Services           | 3,950,789.00               | 1,948,974.00              | 1,948,973.36              | 0.64                           |
| 86 Transportation                      | 13,300,000.00              | 8,939,816.00              | 8,939,815.11              | 0.89                           |
| 87 District Furniture & Equipment      | 6,000,000.00               | 6,959,895.00              | 6,959,894.41              | 0.59                           |
| 88 Police                              | 0.00                       | 590,596.00                | 590,595.95                | 0.05                           |
| 90 Land                                | 1,270,000.00               | 576,465.00                | 576,464.50                | 0.50                           |
| 91 Bond Closing                        | 2,000,000.00               | 1,918,024.00              | 1,918,023.77              | 0.23                           |
| 94 Contingency                         | 7,510,536.00               | 4,400,116.00              | 4,400,116.00              | 0.00                           |
| 95 Program Administration              | 3,200,000.00               | 3,918,027.00              | 3,918,026.83              | 0.17                           |
| 97 LTMS Wastewater Expansion           | 0.00                       | 462,578.00                | 429,812.48                | 32,765.52                      |
| <b>Other Programs</b>                  | <b>74,190,025.00</b>       | <b>61,379,756.00</b>      | <b>61,346,986.15</b>      | <b>32,769.85</b>               |
| <b>Total 2018 Bond Program</b>         | <b>253,000,000.00</b>      | <b>260,325,952.00</b>     | <b>260,184,582.86</b>     | <b>141,369.14</b>              |

**Lake Travis ISD  
2023 Bond Program  
November 30, 2025**

| <b>Resources</b>          | <b>Original Budget</b> | <b>Amended Budget</b> | <b>Total Resources</b> | <b>Balance</b>        |
|---------------------------|------------------------|-----------------------|------------------------|-----------------------|
| Bond Proceeds -Prop A     | 548,410,330.00         | 548,410,330.00        | 246,715,051.13         | 301,695,278.87        |
| Bond Proceeds -Prop B     | 60,790,110.00          | 60,790,110.00         | 40,639,386.23          | 20,150,723.77         |
| Interest Revenue - Prop A | 0.00                   | 38,700,000.00         | 30,797,254.02          | 7,902,745.98          |
| Interest Revenue - Prop B | 0.00                   | 6,300,000.00          | 5,013,506.46           | 1,286,493.54          |
| Positive Bond Arbitrage   | 0.00                   | (8,064,527.00)        | 0.00                   | (8,064,527.00)        |
| Bond Premiums             | 0.00                   | 14,705,427.00         | 14,705,427.00          | 0.00                  |
| <b>Total Resources</b>    | <b>609,200,440.00</b>  | <b>660,841,340.00</b> | <b>337,870,624.84</b>  | <b>322,970,715.16</b> |

| <b>Appropriations</b>               | <b>Original Budget</b> | <b>Amended Budget</b> | <b>Total Expended</b> | <b>Balance to Complete</b> |
|-------------------------------------|------------------------|-----------------------|-----------------------|----------------------------|
| Elementary School (Bee Creek Rd)    | 50,917,526.00          | 50,917,526.00         | 172,706.74            | 50,744,819.26              |
| Elementary School #8 (HPR)          | 55,517,521.00          | 55,517,521.00         | 5,688,128.62          | 49,829,392.38              |
| Secondary School #2                 | 179,990,620.00         | 179,990,620.00        | 19,867,654.93         | 160,122,965.07             |
| Campus/District Facilities Projects | 177,393,335.00         | 173,760,436.00        | 37,509,369.27         | 136,251,066.73             |
| FCA Projects                        | 36,312,528.00          | 36,258,577.00         | 7,230,398.87          | 29,028,178.13              |
| Technology Improvements             | 60,790,110.00          | 60,790,110.00         | 30,439,764.52         | 30,350,345.48              |
| <b>Construction/Renovation</b>      | <b>560,921,640.00</b>  | <b>557,234,790.00</b> | <b>100,908,022.95</b> | <b>456,326,767.05</b>      |

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
| Curriculum and Instructional Materials | 1,800,000.00  | 5,452,003.00  | 1,739,923.46  | 3,712,079.54  |
| Copy Machines                          | 585,300.00    | 585,300.00    | 321,827.23    | 263,472.77    |
| Maintenance                            | 273,500.00    | 298,500.00    | 249,746.90    | 48,753.10     |
| Transportation                         | 9,620,000.00  | 9,641,850.00  | 3,304,556.37  | 6,337,293.63  |
| District Furniture & Equipment         | 1,500,000.00  | 1,655,366.00  | 603,220.70    | 1,052,145.30  |
| FANS Equipment                         | 0.00          | 3,879,972.00  | 348,393.37    | 3,531,578.63  |
| Land                                   | 15,000,000.00 | 17,095,439.00 | 16,497,302.46 | 598,136.54    |
| Bond Closing                           | 4,000,000.00  | 4,000,000.00  | 2,059,864.36  | 1,940,135.64  |
| Contingency                            | 12,000,000.00 | 56,883,120.00 | 0.00          | 56,883,120.00 |
| Program Management                     | 3,500,000.00  | 3,600,000.00  | 764,783.40    | 2,835,216.60  |
| Miscellaneous                          | 0.00          | 515,000.00    | 494,310.38    | 20,689.62     |

|                       |                      |                       |                      |                      |
|-----------------------|----------------------|-----------------------|----------------------|----------------------|
| <b>Other Programs</b> | <b>48,278,800.00</b> | <b>103,606,550.00</b> | <b>26,383,928.63</b> | <b>77,222,621.37</b> |
|-----------------------|----------------------|-----------------------|----------------------|----------------------|

|                                |                       |                       |                       |                       |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total 2023 Bond Program</b> | <b>609,200,440.00</b> | <b>660,841,340.00</b> | <b>127,291,951.58</b> | <b>533,549,388.42</b> |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|

**Lake Travis ISD  
2024 Bond Program - Athletics  
November 30, 2025**

| <b>Resources</b>                       | <b>Original<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Total<br/>Resources</b> | <b>Balance</b>        |
|--|----------------------------|---------------------------|----------------------------|-----------------------|
| 1 Bond Proceeds -Athletics             | 143,093,994.00             | 143,093,994.00            | 33,440,000.00              | 109,653,994.00        |
| 2 Interest Revenue                     | 0.00                       | 3,000,000.00              | 2,650,297.58               | 349,702.42            |
| 3 Interest Subject to Arbitrage Rebate | 0.00                       | (663,076.00)              | 0.00                       | (663,076.00)          |
| 4 Bond Premiums                        | 0.00                       | 1,855,303.00              | 1,855,303.30               | (0.30)                |
| <b>Total Resources</b>                 | <b>143,093,994.00</b>      | <b>147,286,221.00</b>     | <b>37,945,600.88</b>       | <b>109,340,620.12</b> |

| <b>Appropriations</b>          | <b>Original<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Total<br/>Expended</b> | <b>Balance to<br/>Complete</b> |
|--------------------------------|----------------------------|---------------------------|---------------------------|--------------------------------|
| 10 Lake Travis High School     | 35,638,190.00              | 35,638,190.00             | 7,283,369.26              | 28,354,820.74                  |
| 20 High School No. 2           | 102,748,000.00             | 102,748,000.00            | 0.00                      | 102,748,000.00                 |
| 30 Lake Travis Middle School   | 1,200,000.00               | 1,200,000.00              | 0.00                      | 1,200,000.00                   |
| 40 Hudson Bend Middle School   | 2,307,804.00               | 2,307,804.00              | 202,013.00                | 2,105,791.00                   |
| 50 Bee Cave Middle School      | 1,200,000.00               | 1,200,000.00              | 0.00                      | 1,200,000.00                   |
| 91 Bond Closing                | 0.00                       | 500,000.00                | 295,303.30                | 204,696.70                     |
| 94 Contingency                 | 0.00                       | 3,692,227.00              | 0.00                      | 3,692,227.00                   |
| <b>Construction/Renovation</b> | <b>143,093,994.00</b>      | <b>147,286,221.00</b>     | <b>7,780,685.56</b>       | <b>139,505,535.44</b>          |
| <b>Total 2024 Bond Program</b> | <b>143,093,994.00</b>      | <b>147,286,221.00</b>     | <b>7,780,685.56</b>       | <b>139,505,535.44</b>          |

LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT  
 QUARTERLY INVESTMENT SCHEDULE  
 For the Quarter Ending 11/30/2025

**INVESTMENTS BY POOLED FUND GROUP**

|                          | Beginning Book Value For Period | Increase (Decrease) For Period | Ending Book Value For Period | Beginning Market Value For Period | Increase (Decrease) For Period | Ending Market Value For Period | Accrued Interest - Period | Accrued Interest - FYTD |
|--------------------------|---------------------------------|--------------------------------|------------------------------|-----------------------------------|--------------------------------|--------------------------------|---------------------------|-------------------------|
| Local Maintenance        | 38,671,616                      | (29,634,089)                   | 9,037,527                    | 38,671,616                        | (29,634,089)                   | 9,037,527                      | 263,964                   | 263,964                 |
| Debt Service             | 10,816,326                      | 215,142                        | 11,031,468                   | 10,816,326                        | 215,142                        | 11,031,468                     | 111,094                   | 111,094                 |
| Capital Projects 2023    | 221,011,610                     | (9,626,531)                    | 211,385,079                  | 221,011,610                       | (9,626,531)                    | 211,385,079                    | 2,255,596                 | 2,255,596               |
| Capital Projects 2024    | 31,769,061                      | (2,532,101)                    | 29,236,961                   | 31,769,061                        | (2,532,101)                    | 29,236,961                     | 308,316                   | 308,316                 |
| Tax Clearing             | 201,107                         | 5,030,023                      | 5,231,129                    | 201,107                           | 5,030,023                      | 5,231,129                      | 5,548                     | 5,548                   |
| Workers Comp Fund        | 212,078                         | 1,665                          | 213,743                      | 212,078                           | 1,665                          | 213,743                        | 1,665                     | 1,665                   |
| <b>TOTAL INVESTMENTS</b> | <b>302,681,798</b>              | <b>(36,545,891)</b>            | <b>266,135,907</b>           | <b>302,681,798</b>                | <b>(36,545,891)</b>            | <b>266,135,907</b>             | <b>2,946,183</b>          | <b>2,946,183</b>        |

**MONEY MARKET ACCOUNTS**

| Yield (%)                  | Beginning Book Value For Period | Increase (Decrease) For Period | Ending Book Value For Period | Beginning Market Value For Period | Increase (Decrease) For Period | Ending Market Value For Period | Accrued Interest - Period | Accrued Interest - FYTD |
|----------------------------|---------------------------------|--------------------------------|------------------------------|-----------------------------------|--------------------------------|--------------------------------|---------------------------|-------------------------|
| <b>TexPool</b>             |                                 |                                |                              |                                   |                                |                                |                           |                         |
| Local Maintenance          | 3.99%                           | 17,001,335                     | (16,836,389)                 | 164,946                           | 17,001,335                     | (16,836,389)                   | 164,946                   | 61,664                  |
| Debt Service               | 3.99%                           | 10,376,863                     | 212,061                      | 10,588,924                        | 10,376,863                     | 212,061                        | 10,588,924                | 108,013                 |
| Capital Projects 2023      | 3.99%                           | 92,587,977                     | (18,986,795)                 | 73,601,182                        | 92,587,977                     | (18,986,795)                   | 73,601,182                | 895,332                 |
| Capital Projects 2024      | 3.99%                           | 27,578,950                     | (1,562,081)                  | 26,016,870                        | 27,578,950                     | (1,562,081)                    | 26,016,870                | 278,336                 |
| Tax Clearing               | 3.99%                           | 201,107                        | 5,030,023                    | 5,231,129                         | 201,107                        | 5,030,023                      | 5,231,129                 | 5,548                   |
| Workers Comp Fund          | 3.99%                           | 130,642                        | 1,349                        | 131,991                           | 130,642                        | 1,349                          | 131,991                   | 1,349                   |
| <b>Total TexPool</b>       |                                 | <b>147,876,874</b>             | <b>(32,141,832)</b>          | <b>115,735,042</b>                | <b>147,876,874</b>             | <b>(32,141,832)</b>            | <b>115,735,042</b>        | <b>1,350,242</b>        |
| <b>TEXAS CLASS</b>         |                                 |                                |                              |                                   |                                |                                |                           |                         |
| Local Maintenance          | 4.19%                           | 17,942,327                     | (9,822,609)                  | 8,119,718                         | 17,942,327                     | (9,822,609)                    | 8,119,718                 | 177,391                 |
| Capital Projects 2023      | 4.19%                           | 113,666,726                    | 11,222,483                   | 124,889,209                       | 113,666,726                    | 11,222,483                     | 124,889,209               | 1,222,483               |
| <b>Total MBIA</b>          |                                 | <b>131,609,053</b>             | <b>1,399,874</b>             | <b>133,008,927</b>                | <b>131,609,053</b>             | <b>1,399,874</b>               | <b>133,008,927</b>        | <b>1,399,874</b>        |
| <b>Prosperity</b>          |                                 |                                |                              |                                   |                                |                                |                           |                         |
| Local Maintenance          | 4.07%                           | 3,727,953                      | (2,975,091)                  | 752,863                           | 3,727,953                      | (2,975,091)                    | 752,863                   | 24,909                  |
| Debt Service               | 2.75%                           | 439,463                        | 3,081                        | 442,544                           | 439,463                        | 3,081                          | 442,544                   | 3,081                   |
| Capital Projects 2023      | 4.07%                           | 14,756,907                     | (1,862,219)                  | 12,894,688                        | 14,756,907                     | (1,862,219)                    | 12,894,688                | 137,781                 |
| Capital Projects 2024      | 3.01%                           | 4,190,111                      | (970,020)                    | 3,220,091                         | 4,190,111                      | (970,020)                      | 3,220,091                 | 29,980                  |
| Workers Comp Fund          | 1.47%                           | 81,435                         | 316                          | 81,752                            | 81,435                         | 316                            | 81,752                    | 316                     |
| <b>Total Prosperity</b>    |                                 | <b>23,195,870</b>              | <b>(5,803,933)</b>           | <b>17,391,937</b>                 | <b>23,195,870</b>              | <b>(5,803,933)</b>             | <b>17,391,937</b>         | <b>196,067</b>          |
| <b>Total Money Markets</b> |                                 | <b>302,681,798</b>             | <b>(36,545,891)</b>          | <b>266,135,907</b>                | <b>302,681,798</b>             | <b>(36,545,891)</b>            | <b>266,135,907</b>        | <b>2,946,183</b>        |
| <b>TOTAL INVESTMENTS</b>   |                                 | <b>302,681,798</b>             | <b>(36,545,891)</b>          | <b>266,135,907</b>                | <b>302,681,798</b>             | <b>(36,545,891)</b>            | <b>2,946,183</b>          | <b>2,946,183</b>        |

The district's investment strategy for the above funds is as follows:

- Operational Funds** - Shall have as their primary objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- Debt Service Fund** - Shall have sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents.
- Capital Projects Funds** - Shall have sufficient investment liquidity to timely meet capital project obligations.

This report is prepared in compliance with Lake Travis ISD Investment Policies CDA(Legal) and CDA(Local) and with the Public Funds Investment Act, TX Govt Code Ch. 2256.

  
 Pam Sanchez, Assistant Supt. For Business and Financial Services

12/4/25  
 Date

  
 Brad Goerke, Director of Finance

12/4/2025  
 Date



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

2026-2027 Board Meeting Dates

### RECOMMENDED ACTION

**No action required. Item is provided for Board's information.**

### RATIONALE

Board meeting calendar for the 2026-2027 school year.

### BUDGET PROVISIONS

None

### RESOURCE PERSONNEL

Dr. Curtis Null – Superintendent of Schools

### ATTACHMENTS

Draft Board Meeting Dates for 2026-2027

### MEETING DATE

December 17, 2025



2026 - 2027 Board Meeting Dates

*Regular Monthly Meetings are held on the third Wednesday of each month (except as noted\*), 6:00 p.m., at the LTISD Educational Development Center, located at 607 RR 620 North, Austin, 78734.*

**August 2026**

Regular Monthly Meeting – August 19

**September 2026**

Regular Monthly Meeting – September 16

**October 2026**

Regular Monthly Meeting – October 21

**November 2026**

Regular Monthly Meeting – November 18

**December 2026**

Regular Monthly Meeting – December 16

**January 2027**

Regular Monthly Meeting – January 20  
Superintendent’s Summative Conference – January 27

**February 2027**

Regular Monthly Meeting – February 17

**March 2027**

Regular Monthly Meeting – March 24\*  
(4<sup>th</sup> Wednesday due to Spring Break)

**April 2027**

Budget Workshop – April 7  
Regular Monthly Meeting – April 21

**May 2027**

Budget Workshop – May 5  
Regular Monthly Meeting – May 19

**June 2027**

Regular Monthly Meeting – June 16

**July 2027**

Regular Monthly Meeting – July 21



## AGENDA ITEM ACTION SHEET

### AGENDA ITEM

Board Notification under Board Policy CH(LOCAL) - Installation and Migration of HVAC Controls and Wall Sensors

### RECOMMENDED ACTION

**No action required. Item is provided for the Board's information.**

### RATIONALE

The Board delegates to the Superintendent or designee the authority to make budgeted purchases for goods or services. However, any single, budgeted purchase of goods or services that costs \$100,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. The Superintendent shall not be required to obtain Board approval for the following types of budgeted purchases that cost \$100,000 or more, but shall subsequently report them to the Board:

1. A purchase made pursuant to a Board-approved interlocal contract, in accordance with law;
2. A purchase made through a cooperative purchasing program, in accordance with law;
3. A purchase made through a state purchasing program that satisfies the District's obligation for competitive purchasing; or
4. A purchase for produce or fuel.

Lake Travis ISD has a budgeted purchase that requires Board notification for replacement of the HVAC automated system controls and wall sensors at multiple facilities by R4 Efficiency Engineering, LLC in the amount of \$469,988. The project scope includes:

- Replacement of LON Controllers with new Honeywell Optimizer BACnet controllers.
- Install new TC100 wall sensors with temperature and humidity.
- Programming, installation and commissioning of new controllers.

### BUDGET PROVISIONS

2023 Bond Program

### RESOURCE PERSONNEL

Pam Sanchez – Assistant Superintendent of Business Services

Robert Winovitch – Director of Facilities and Construction

Cristy Soares – Director of Purchasing

### ATTACHMENTS

None

### MEETING DATE

December 17, 2025