



Frenship

Independent School District

Has earned the

Superior Achievement

rating for 2017-18 for



**FISCAL MANAGEMENT
& FINANCIAL CONDITION**

from the

Texas Education Agency

**Dr. Michelle McCord, Superintendent
Farley Reeves, Chief Financial Officer**

Frenship Independent School District Annual Financial Accountability 2017-18 Management Report

The financial accountability rating report issued by the Texas Education Agency (TEA) is called the *Financial Integrity Rating System of Texas*, or **FIRST**. TEA issues this financial rating each year based on financial data required to be submitted to the Agency by each school district through the Public Education Information Management System (PEIMS). The PEIMS financial data of each school district is used to answer a series of specifically designed financial questions.

The primary assessment tool for the FIRST rating is the Financial Accountability Rating Worksheet. This worksheet is completed by TEA using PEIMS financial submissions and was redesigned this past fiscal year to create measurements desired by the Legislature to assess the overall financial condition of each school district, and the fiscal efficiency of district administrators.

The Financial Accountability Rating Worksheet for 2017 contains fifteen (15) questions, or indicators, assessing the 2016-2017 fiscal year of the District. This worksheet had 15 indicators the last two years and 20 indicators in the years prior. Indicator questions 1 through 5 are considered to be critical indicators of financial condition and fiscal management, and are answered as either “Yes” or “No.” Indicator questions 6 through 12 focus on financial solvency, while 13-15 center on financial competence. Each of these questions are assigned a numerical score based on the numerical measurement used. The highest possible score is to receive “Yes” on indicators 1 through 5 and a total numerical score of 100 on the remaining questions. Financial ratings are:

- A=Superior (90-100 points),
- B=Above Standard (80-89 points),
- C=Meets Standard (60-79 points), and
- F=Substandard Achievement (less than 60 points)

The 2018 School FIRST rating for Frenship ISD as reported by TEA is that of an **A** for "**Superior**"; scoring a **94** of the possible 100 points on the financial accountability rating worksheet, and receiving a “**Yes**” or “**Passed**” on all indicators. Frenship ISD received the same top rating of “Superior Achievement” in all years from 2002-2016. The official TEA 2017 ratings worksheet follows with each of the indicator questions answered for Frenship ISD.

NOTE: The wording used in the indicator questions, and the reason behind each question, can be confusing to non-accountants. Therefore, following the rating worksheet question is a brief explanation of what each indicator question means or measures, and how Frenship ISD actually scored on that indicator question.

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA

#1. Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?

This indicator question is designed to identify whether our district has problems producing financial statements for auditors; and consequently, is able to submit an independently audited Annual Financial Report to TEA in a timely manner. The audit due date was February 28, 2018 and TEA received our audit on December 29, 2017. The answer for Frenship ISD to this indicator is **YES**.

#2a. Was there an unmodified opinion in the AFR on the financial statements as a whole? (*The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.*)

A "Modified" opinion on our financial report means the District needs to correct some of its reporting or financial controls for a 'clean audit' opinion to be expressed by the independent auditors. Therefore, our district's goal is to receive an "Unmodified Opinion" on our Annual Financial Report. The answer for Frenship ISD to this indicator is **YES**, we have an Unmodified Opinion or 'clean audit'.

#2b. Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (*The AICPA defines material weakness.*)

This is based on an independent auditor's professional opinion regarding the accuracy of a districts financial statements. The disclosure of a material weakness in a districts internal controls on a financial report means a district would need to correct some of its procedures in controlling the accuracy of financial reporting. A "**material weakness**" is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a **material** misstatement of the annual or interim financial statements will not be prevented or detected. The answer for Frenship ISD to this indicator is **YES, we have the internal controls in place** to assure accurate financial reports.

#3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? *(If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (=person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)*

This indicator question is designed to make certain that our district has paid our debt obligations in a timely manner on bonds issued for school construction. The answer for Frenship ISD to this indicator is **YES**.

#4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?

The question is clearly stated regarding the responsibilities. The answer for Frenship ISD to this indicator is **YES** payments have been timely.

#5. Was the total unrestricted net position balance (net of accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? *(If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator)*

This indicator question is designed to measure whether our district has assets available for daily operations. The financial data for Frenship ISD for this indicator showed unrestricted net assets (net of accretion on CABs) totaling \$20,298,044. This indicator also considers whether the District's 5-year percentage change in students was 10% or more. In 2013 the enrollment was 7,967 and in 2017 enrollment was 9,401. This change is 15.25 % which is greater than 10%. Therefore the answer for Frenship ISD to this indicator is **YES** to either of the two questions.

#6. Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)

The Frenship ISD financial data for this indicator is used in a formula that adds together cash of \$15,711,095 and current investments of \$13,042,318 for a total of \$28,753,413. This total is then divided by the total expenditures for the year of \$69,636,864 and the result is multiplied by 365 to represent the number of days of operations. Using this indicator as written it appears Frenship ISD had sufficient cash on hand for 150.89 days of operations, which is greater than 90 days for the highest score. The question does not take into account there may be current liabilities that would reduce the asset of cash, and therefore this indicator could be misleading. The answer for Frenship ISD to this indicator is **Yes**, the general fund was sufficient to cover the operating expenses. **[Score: 10]**

10	8	6	4	2	0
>=90	<90 >=75	<74 >=60	<60 >=45	<45 >=30	<30

#7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)

This indicator question measured Frenship ISD's current assets of \$32,784,780 against the current liabilities of \$14,059,670. Current assets exceed current liabilities by a ratio of 2.3318 to 1. The answer for Frenship ISD to this indicator is **Yes**, there were assets sufficient to cover short term debt. **[Score: 6]**

10	8	6	4	2	0
>=3.00	<3.00 >=2.50	<2.50 >=2.00	<2.00 >=1.50	<1.50 >=1.00	<1.00

#8. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)

This indicator question is answered by taking the long-term liabilities of \$250,457,542 and dividing that total by the total assets of \$301,603,204. The total is 0.8304. In the past 5 years student enrollment has increased by 15.25%, therefore the answer is **Yes** on long-term solvency. **[Score: 10]**

10	8	6	4	2	0
<=0.60	>0.60 <=0.70	>0.70 <=0.80	>0.80 <=0.90	>0.90 <=1.00	>1.00

#9. Did the school district’s general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district’s number of days of cash on hand greater than or equal to 60 days?

The answer is **Yes**, Frenship ISD’s total revenues of \$73,050,692 exceeded the total expenditures of \$69,636,864 for a surplus. **[Score: 10]**

10 points if greater than 0%	0 points if less than 0%
-------------------------------------	---------------------------------

#10. Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)

This indicator question uses a formula that takes the total revenues of \$89,696,923 then subtracts the total expenditures of \$84,703,623, adds the debt service payment of \$15,208,923 and debt service fund balance of \$7,687,485. That amount divided by debt service \$15,208,923 equals 1.8392 which is greater than the high reference point of 1.20. The answer for Frenship ISD to this indicator is **yes** there was sufficient debt service coverage for the year. **[Score: 10]**

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

#11. Was the school district’s administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)

The indicator question measures the percentage of the budget that a Texas school district spends on administration based on the size of the district. This ratio takes administrative costs and divides them by instructional costs to arrive at this percentage. Frenship ISD is awarded 8 points based on an Administrative Cost Ratio of **.1061**. **“Passed,”** **[Score: 8]**

ADA Size	10	8	6	4	2	0
10,000 and Above	≤ 0.0855	$> 0.0855 \leq 0.1105$	$> 0.1105 \leq 0.1355$	$> 0.1355 \leq 0.1605$	$> 0.1605 \leq 0.1855$	> 0.1855
5,000 to 9,999	≤ 0.1000	$> 0.1000 \leq 0.1250$	$> 0.1250 \leq 0.1500$	$> 0.1500 \leq 0.1750$	$> 0.1750 \leq 0.2000$	> 0.2000
1,000 to 4,999	≤ 0.1151	$> 0.1151 \leq 0.1401$	$> 0.1401 \leq 0.1651$	$> 0.1651 \leq 0.1901$	$> 0.1901 \leq 0.2151$	> 0.2151
500 to 999	≤ 0.1311	$> 0.1311 \leq 0.1561$	$> 0.1561 \leq 0.1811$	$> 0.1811 \leq 0.2061$	$> 0.2061 \leq 0.2311$	> 0.2311
Less than 500	≤ 0.2404	$> 0.2404 \leq 0.2654$	$> 0.2654 \leq 0.2904$	$> 0.2904 \leq 0.3154$	$> 0.3154 \leq 0.3404$	> 0.3404
Sparse	≤ 0.3364	$> 0.3364 \leq 0.3614$	$> 0.3614 \leq 0.3864$	$> 0.3864 \leq 0.4114$	$> 0.4114 \leq 0.4364$	> 0.4364

12. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff?) (If the student enrollment did not decrease, the school district will automatically pass this indicator.)

This indicator measured the student to staff ratio for 2016-2017 at 8.4948 students to 1 staff. Compared to three years earlier the 2014-2015 student to staff ratio was 8.5481 students to 1 staff. Also student enrollment did not decrease so Frenship ISD automatically passes and the answer to this indicator is **Yes**. **[Score: 10]**

10 points if YES	0 points if NO
------------------	----------------

#13. Did the comparison of Public Education Information Management (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?

This indicator measures whether the data reported in our PEIMS submission and our Annual Financial Report 'matches up' to within 3 percent. Frenship ISD reported a total of \$69,636,976 in expenditures in all funds, and had a total data submission matching error of \$170. This is well below the 3% variance, and the answer for Frenship ISD to this indicator is **Yes**. **[Score: 10]**

10 points if YES	0 points if NO
------------------	----------------

#14. Did the external independent auditor indicate that the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)

Material noncompliance identified in an audit report indicates funds were expended that were not allowable by the grant or law. The answer for Frenship ISD to this indicator is **Yes**, our independent auditors have not identified and reported material noncompliance. **[Score: 10]**

10 points if YES	0 points if NO
------------------	----------------

#15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?

The district did not receive an adjusted repayment schedule. **Yes**. **[Score: 10]**

10 points if YES	0 points if NO
------------------	----------------

SUMMARY

The Financial Integrity Rating System of Texas for 2018 uses fifteen financial indicator questions to assess the quality of fiscal management and the financial condition of our school district. A “Yes” or “No” answer is determined for every indicator question and ten questions receive a numerical score to indicate the level of realization. Frenship ISD received a **“Passed”** answer on all 15 indicator questions and a numerical score of 94 of 100 possible points in the FIRST rating. This score released by the Texas Education Agency officially confirms the financial management practices and fiscal condition of Frenship ISD are sound and the district has passed this financial review.

The FIRST rating is the tool used by the Texas Education Agency to actually measure fiscal management and condition. However, this assessment tool does not examine the quality of financial reporting and disclosure to user groups. For the benefit of the public being served, understandable and descriptive annual financial reports that have been independently audited for accuracy should be provided by the district.

The District has been reviewed financially by the national rating agencies of Fitch Rating, Inc. and Moody’s Investor Service. As a much stronger indicator of actual financial condition, Fitch, on August 8, 2018, recognized Frenship ISD’s financial strength as an ‘AA’ rating, up from the previously assigned ‘AA-.’ Moody’s Investor Services recognizes Frenship ISD’s financial strength as an ‘Aa3’ based on the key credit factors including a robust financial position, a strong wealth and income profile, a sizable tax base, a small pension liability, but an outsized debt burden.

User: Farley Reeves
 User Role: District

RATING YEAR DISTRICT NUMBER



Financial Integrity Rating System of Texas

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

Name: FRENSHIP ISD(152907)	Publication Level 1: 8/6/2018 2:48:24 PM
Status: Passed	Publication Level 2: 8/8/2018 12:11:29 PM
Rating: A = Superior	Last Updated: 8/8/2018 12:11:29 PM
District Score: 94	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	4/20/2018 9:11:20 AM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A, or to both indicators 2.A and 2.B.		
2.A	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	4/20/2018 9:11:21 AM	Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	4/20/2018 9:11:21 AM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	4/20/2018 9:11:21 AM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	4/20/2018 9:11:21 AM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)</u>	4/20/2018 9:11:21 AM	Yes
			1

			Multiplier Sum
6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?</u>	4/20/2018 9:11:22 AM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?</u>	4/20/2018 9:11:22 AM	6
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)</u>	4/20/2018 9:11:22 AM	10
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?</u>	4/20/2018 9:11:22 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? </u>	4/20/2018 9:11:23 AM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio?</u>	4/20/2018 9:11:23 AM	8
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	6/19/2018 11:21:33 AM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	4/20/2018 9:11:24 AM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	4/20/2018 9:11:24 AM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	4/20/2018 9:11:24 AM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

F.I.R.S.T. Current and Previous Years' Comparisons

<u>Indicator</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
#1. Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#2a. Was there an unmodified opinion in the AFR on the financial statements as a whole?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#2b. Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#5. Was the total unrestricted net position balance (net of accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero?	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
#6. Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? <i>(See ranges below.)</i>	<u>10</u>	<u>10</u>	<u>10</u>
#7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? <i>(See ranges below.)</i>	<u>4</u>	<u>6</u>	<u>6</u>
#8. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?	<u>10</u>	<u>10</u>	<u>10</u>
#9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?	<u>10</u>	<u>10</u>	<u>10</u>

#10. Was the debt service coverage ratio sufficient to meet the required debt service?	<u>10</u>	<u>10</u>	<u>10</u>
#11. Was the school district's administrative cost ratio equal to or less than the threshold ratio?	<u>8</u>	<u>8</u>	<u>8</u>
#12. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff?)	<u>10</u>	<u>10</u>	<u>10</u>
#13. Did the comparison of Public Education Information Management (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?	<u>10</u>	<u>10</u>	<u>10</u>
#14. Did the external independent auditor indicate that the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	<u>10</u>	<u>10</u>	<u>10</u>
#15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	<u>10</u>	<u>10</u>	<u>10</u>
Total Score	<u>92</u>	<u>94</u>	<u>94</u>

DISCLOSURES

Annual disclosures in accordance with Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, *Commissioner's Rules Concerning Financial Accountability Rating System* have been added for increased "transparency". The Commissioner's Rule concluded that TEA has the discretionary authority to add to the specific disclosures if desired. The disclosures and the format that are included in the financial management report are those required by the Commissioner for the year of review and are:

(A) A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's internet site. If published on the internet, the contract is to remain accessible for twelve months. At the below link the Superintendent's contract is posted online.

<https://4.files.edl.io/0621/07/17/18/202051-702c678a-e5fe-49f7-95ee-07bc18fe2e7a.pdf>;

(B) A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member. The summary schedule separately reports reimbursements for meals, lodging, transportation, motor fuel, and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the school district);

Reimbursements for the 12-month period ending August 31, 2018	Dr. Michelle McCord, Superintendent	Brad Draper, President	David Miller, Vice President	Kyle Rogers, Secretary	Greg Robinson, Trustee	Jamey Phillips, Trustee	Brandon Autrey, Trustee	Mikella Newsom, Trustee	Kelly Grimes, Trustee	Troy Vanderburg, Secretary
<i>Meals</i>	768.32	76.55	95.40	113.48	117.46	5.21	184.70	128.91	35.51	0
<i>Lodging</i>	4092.35	221.25	442.50	659.69	221.25	251.56	503.12	442.50	434.38	0
<i>Transportation</i>	3833.93	0	0	472.28	0	0	0	0	279.90	0
<i>Motor Fuel</i>	95.51	0	0	15.57	0	0	23.58	23.57	0	0
<i>Other</i>	2989.94	470	390	710	335	335	335	335	375	75
TOTAL	11,780.05	767.80	927.90	1124.79	673.71	591.77	1046.40	929.98	1124.79	75

(C) A summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional consulting and/or other personal services. The schedule separately reports the amount received from each entity;

Name(s) of Entity (ies) paying compensation or fees to the Superintendent for services for the 12-month period ending August 31, 2018	Dr. Michelle McCord, Superintendent
<i>Summary Amounts</i>	\$ 0

(D) A summary schedule for the fiscal year of the total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year. This reporting requirement only applies to gifts received by the school district's executive officers and board members (and

their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or explore matters directly related to the duties of an executive officer or board member, or matters related to attendance at education-related conferences and seminars whose primary purpose is to provide continuing education (this exclusion does not apply to trips for entertainment related purposes or pleasure trips). This reporting requirement excludes an individual gift or a series of gifts from a single outside entity that had an aggregate economic value of less than \$250 per executive officer or board member;

Gifts that aggregate at or over \$250 for the 12-month period ending August 31, 2018	Dr. Michelle McCord, Superintendent	Brad Draper, President	David Miller, Vice President	Kyle Rogers, Secretary	Greg Robinson, Trustee	Jamey Phillips, Trustee	Brandon Autrey, Trustee	Mikella Newsom, Trustee	Kelly Grimes, Trustee	Troy Vanderburg, Secretary
<i>TOTAL</i>	0	0	0	0	0	0	0	0	0	0

(E) A summary schedule for the fiscal year of the dollar amount by board member for the aggregate amount of business transactions with the school district. This reporting requirement does not duplicate the items disclosed in the summary schedule of reimbursements received by board members;

Business Transactions between Board Members and the school district for the 12-month period ending August 31, 2018	Dr. Michelle McCord, Superintendent	Brad Draper, President	David Miller, Vice President	Kyle Rogers, Secretary	Greg Robinson, Trustee	Jamey Phillips, Trustee	Brandon Autrey, Trustee	Mikella Newsom, Trustee	Kelly Grimes, Trustee	Troy Vanderburg, Secretary
<i>TOTAL</i>	0	0	0	0	0	0	0	0	0	0