

Notice of Regular Meeting

The Board of Trustees Devine ISD

A Regular Meeting of the Board of Trustees of Devine ISD will be held October 21, 2024, beginning at 6:30 PM in the Devine Student Activity Center (DSAC), 194 Arabian Way, Devine, TX 78016.

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

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

1. Call to Order, Roll Call and Declaration of Quorum	
2. Pledge of Allegiance and Invocation	
3. Recognition and Presentations	
A. Principal's Month	
4. Citizen Communication	
A. Public Comment for Non-Agenda Items	
B. Public Address for Items on the Agenda	
5. Action Item (s)	
A. Consider and take possible action to Approve the Annual Financial Audit Report	4
B. Consider and Take Possible Action to Approve Coleman, Horton & Company, LLP 2024-25 Contract	137
6. Annual ESL Report	162
7. Intermediate Campus Report	
8. Administrative Reports and Discussion	
A. Central Office Reports	
1. Superintendent's Reports, Todd Grandjean	
a. Monthly Report on Board Priorities: 1. Increase student success and continue a tradition of student achievement 2. Continue successful partnerships with the community, teachers and parents to support our schools and achieve student success 3. Align facilities and technology improvements with needs and career opportunities 4. Maintain Highly Qualified teachers and retain staff 5. Increase trade career opportunities and continue to develop enhanced technology resources for all students	
b. 2023 Bond Project Update	
c. Consider and Discuss Intruder Detection Audit Report Findings	
d. Consider and Discuss Possible Participation of Homeschool Students in	

UIL Athletics Programs	
e. Consider and Discuss the Possibility of a 4-day School Week Beginning with the 2025-2026 School Year	
f. Monthly Activity Calendar	
g. District Event Calendar	
2. Director of Student Services Monthly Report, Dawn Schneider	
a. Monthly Report on Testing and Assessment, Counseling, Student Services	
3. Director of Special Education Monthly Reports, Jenni Hagdorn	
a. Monthly Reports on Student Enrollment, ARDs, 504, and Training	
B. Business Reports, Shannon Ramirez	
1. Monthly reports on taxes, cafeteria, investments, cash flow	
2. Payment of Bills	
C. Principals' Reports on Campus Activities	
1. Devine High School Principal's Report, Juan Gonzalez	
2. Devine Middle School Principal's Report, Kandi Darnell	
3. Devine Intermediate School Principal's Report, Michael Gomez	
4. JJ Ciavarra Elementary School Principal's Report, Maggie Strickland	
5. Devine Learning Center/DAEP Principal Monthly Reports, Jodi Ann Dzierzanowski	
D. Directors' Reports	
1. Monthly report on finances, department acquisitions, travel and student services provided.	
9. Consent Agenda	
A. Minutes of Board Meeting (s)	163
B. Approve Donation from the Athletic Boosters Club	
C. PTO/Booster Club Financial Audits	
10. Action Item(s):	
A. Consider and Take Possible Action to Approve Bus Bids for Two 77 Passenger Buses and to Authorize the Superintendent to Commit the Purchase Requisition for an additional 77 Passenger Bus with a lift out of the 2025-2026 Budget	166
B. Consider and Take Possible Action to Approve Resolution to Join TX Smart Buy Coop	176
C. Consider and Take Possible Action to Approve a Resolution Self-Certifying Micro-Purchases with Federal Funds Valued below \$50,000	178
D. Consider and Take Possible Action to Approve Revised SRO Agreement	180
E. Consider and Take Possible Action to Approve Gym Rental Fees for Playoff Games for Volleyball and Basketball	186
F. Consider and Take Possible Action to Adopt Revisions to BE (Local) Board Meetings	189
G. Consider and Take Possible Action to Approve Board Operating Procedures	193
11. Closed Session	
A. Personnel Update (TGC 551.074)	
B. Consider and Discuss Superintendent's Goals and Objectives (TGC 551.074)	

C. Considering the deployment, specific occasions for, or implementation of, security personnel or devices (TGC 551.076)

1. Consider and Discuss Details of Districtwide Intruder Detection Audit Report Findings (TGC 551.076)

D. Considering discipline of a public school child, or complaint or charge against personnel (TGC 551.082)

12. Reconvene from Closed Session

13. Adjournment

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on _____,
at _____.

For the Board of Trustees



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Auditor Contract

Background Information:

The Texas Education Agency mandates that every school in the State of Texas has an independent audit performed. Coleman & Horton, LLP performed the Devine ISD's annual audit for several years.

Administrative Consideration:

CFC (Legal) requires that the Board shall have the District's fiscal accounts audited annually at the District's expense by a Texas certified or public accounting firm holding a permit from the State Board of Public Accountancy. The audit shall be completed following the close of each fiscal year.

Budgetary Consideration:

The cost of the audit will not exceed \$ 36,000.00

Supporting Documents:

Engagement Letter

Recommendation:

Approve the contract for Coleman, Horton & Company for the 2024-2025 Annual Audit.

Respectfully Submitted by:

Shannon Ramirez
Director of Finance

Approved by:

Todd Grandjean
Superintendent of Schools

DEVINE INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED
JUNE 30, 2024

This page is left blank intentionally.

**DEVINE INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
	CERTIFICATE OF BOARD	3
	Independent Auditor's Report	4-6
	Management's Discussion and Analysis	7-12
	<u>Basic Financial Statements</u>	
	Government Wide Statements:	
A-1	Statement of Net Position	13
B-1	Statement of Activities	14
	Governmental Fund Financial Statements:	
C-1	Balance Sheet	15
C-2	Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
C-3	Statement of Revenues, Expenditures, and Changes in Fund Balance	17
C-4	Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	18
	Fiduciary Fund Financial Statements:	
E-1	Statement of Fiduciary Net Position	19
E-2	Statement of Changes in Fiduciary Fund Net Position	20
	Notes to the Financial Statements	21-48
	<u>Required Supplementary Information</u>	
G-1	Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	49
G-2	Schedule of the District's Proportionate Share of the Net Pension Liability	50-51
G-3	Schedule of the District's Contributions for Pensions	52-53
G-4	Schedule of the District's Proportionate Share of the Net OPEB Liability	54-55
G-5	Schedule of the District's Contributions for Other Post-Employment Benefits	56-57
	Notes to Required Supplementary Information	58
	<u>Combining and Other Statements</u>	
	Nonmajor Governmental Funds:	
H-1	Combining Balance Sheet	59-62
H-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	63-66
	<u>T.E.A. Required Schedules</u>	
J-1	Schedule of Delinquent Taxes Receivable	67-68
J-2	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Child Nutrition Program	69
J-3	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Debt Service Fund	70
J-4	Use of Funds Report - Select State Allotment Programs	71

7

This page is left blank intentionally.

TABLE OF CONTENTS (CONTINUED)

<u>Exhibit</u>		<u>Page</u>
	<u>Reports on Internal Controls, Compliance, and Federal Awards</u>	
	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 <i>Government Auditing Standards</i>	72-73
	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	74-76
	Schedule of Findings and Questioned Costs	77-78
	Summary Schedule of Prior Audit Findings	79
	Corrective Action Plan	80
K-1	Schedule of Expenditures of Federal Awards	81-82
	Notes on Accounting Policies for Federal Awards	83
	School's First Questionnaire	

This page is left blank intentionally.

CERTIFICATE OF BOARD

Devine Independent School District
Name of School District

Medina
County

163901
Co. Dist. Number

11

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 June 30, 2024 at a meeting of the Board of Trustees of such school district on the _____ of _____, 2024.

Signature of Board Secretary

Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is(are):
(attach list as necessary)

This page is left blank intentionally.

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants

400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Devine Independent School District
Devine, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Devine Independent School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Devine Independent School District's basic financial statements as listed in the table of contents.

13

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Devine Independent School District, as of June 30, 2024, and the respective changes in financial position 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 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 Devine Independent School 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.

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 Devine Independent School 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.

This page is left blank intentionally.

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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- * Exercise professional judgement 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 Devine Independent School District's internal controls. 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Devine Independent School District's ability to continue as a going concern for a reasonable period of time.

15

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 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions for Pensions, Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of the District Contributions for Other Post-Employment Benefits on pages 7-12 and 49-57 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 Government Accounting Standards Board (GASB) 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 an assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

This page is left blank intentionally.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Devine Independent School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose 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 used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Texas Education Agency requires school districts to include certain information in the Annual Financial and Compliance Report in conformity with laws and regulations of the State of Texas. This information is in exhibits identified in the Table of Contents as Exhibits J-1, J-2, J-3, and J-4. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

17

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2024, on our consideration of the Devine Independent School 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 Devine Independent School 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 Devine Independent School District's internal control over financial reporting and compliance.

Coleman, Horton and Company, LLP

Uvalde, Texas
August 30, 2024

This page is left blank intentionally.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The annual financial report of the Devine Independent School District (the District) is presented in six sections, Management's Discussion and Analysis (this part), Basic Financial Statements, Required Supplementary Information, Combining and Other Statements, T.E.A. Required Schedules and the reports on internal controls, compliance, and Federal Awards. This section of the District's annual financial report presents our discussion and analysis of the financial performance during the fiscal year ending June 30, 2024. Please read it in conjunction with the District's financial section, which follows.

Overview of the Basic Financial Statements

The basic financial statements include two kinds of statements that present different views of the District:

- * The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- * The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in *more detail* than the government-wide statements.
 - * The *governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
 - * *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

19

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Government-Wide Statements

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

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

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

This page is left blank intentionally.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

Fund Financial Statements

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

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

The District has two kinds of funds:

- * *Governmental funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, then explain the relationship (or differences) between them.
- * *Fiduciary funds* - The District is the trustee, or *fiduciary*, for certain funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

This page is left blank intentionally.

Financial Highlights

- * The District’s combined net position was \$27,082,999 at June 30, 2024, an increase of \$3,487,637 from the prior year.
- * During the year, the District’s revenue was \$26,976,283 as reflected below:

	<u>Governmental Activities</u>		
	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>
a) Taxes	\$ 6,325,293	\$ 7,148,821	\$ (823,528)
b) State aid	15,607,953	15,025,476	582,477
c) Federal aid	3,739,933	3,050,645	689,288
d) Investment earnings	464,601	164,264	300,337
e) Other	838,503	2,916,391	(2,077,888)
Total receipts	<u>\$ 26,976,283</u>	<u>\$ 28,305,597</u>	<u>\$ (1,329,314)</u>

23

- * During the year, the District’s expenses were \$23,488,646 as reflected below:

	<u>Governmental Activities</u>		
	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>
a) Instruction and instructional related	\$ 12,512,384	\$ 11,930,880	\$ 581,504
b) Instruction leadership/school leadership	1,549,330	1,518,642	30,688
c) Guidance, social work, health, transportation	1,816,221	1,627,756	188,465
d) Food services	1,104,824	1,041,981	62,843
e) Extracurricular activities	1,247,971	1,138,991	108,980
f) General administration	963,963	845,916	118,047
g) Plant maintenance, security, processing	3,359,599	3,036,856	322,743
h) Community services	67,822	54,900	12,922
i) Debt service and capital outlay	712,060	438,818	273,242
j) Payments to fiscal agent/shared service, tax collection	154,472	128,821	25,651
Total expenditures	<u>\$ 23,488,646</u>	<u>\$ 21,763,561</u>	<u>\$ 1,725,085</u>

- * The General Fund reported a fund balance this year of \$15,540,883, an increase of \$1,572,552.

This page is left blank intentionally.

- * The capital projects fund reported a fund balance of \$11,396,406, an increase of \$11,396,406.
- * Non-major funds reported a fund balance of \$2,403,104, an increase of \$410,582.
- * The District's combined net position was \$27,082,999 at June 30, 2024, as reflected below:

	<u>Governmental Activities</u>		
	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>
Current and other assets	\$ 32,035,552	\$ 18,459,872	\$ 13,575,680
Capital and non-current assets	<u>29,979,095</u>	<u>29,784,313</u>	<u>194,782</u>
Total Assets	<u>\$ 62,014,647</u>	<u>\$ 48,244,185</u>	<u>\$ 13,770,462</u>
Deferred resource outflow	<u>\$ 3,842,111</u>	<u>\$ 3,762,662</u>	<u>\$ 79,449</u>
Current Liabilities	\$ 2,144,360	\$ 1,856,311	\$ 288,049
Long term liabilities	<u>30,859,348</u>	<u>19,767,568</u>	<u>11,091,780</u>
Total Liabilities	<u>\$ 33,003,708</u>	<u>\$ 21,623,879</u>	<u>\$ 11,379,829</u>
Deferred resource inflow	<u>\$ 5,770,051</u>	<u>\$ 6,787,606</u>	<u>\$ (1,017,555)</u>
Net position:			
Net investment in capital assets	\$ 21,141,097	\$ 19,455,391	\$ 1,685,706
Restricted	2,185,224	1,768,667	416,557
Unrestricted	<u>3,756,678</u>	<u>2,371,304</u>	<u>1,385,374</u>
Total Net Position	<u>\$ 27,082,999</u>	<u>\$ 23,595,362</u>	<u>\$ 3,487,637</u>

25

- * Property tax rates were reduced 12.76 cents for the past year. The assessed value increased during the past year by \$17,410,183. The tax levy decreased by \$688,062.
- * State revenue increased for the year by \$582,477.
- * Federal revenue increased by \$689,288.

This page is left blank intentionally.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. Even with these adjustments, actual expenditures were \$2,909,596 below final budget amounts. The most significant positive variance resulted from staffing and budget efficiencies. Resources available were \$437,830 above final budgeted amounts.

- * Local revenue was more than originally budgeted.
- * State funding was more than expected.
- * Federal revenue was more than expected.

Capital Assets and Debt Administration

Capital Assets

Capital assets for the District at the end of fiscal year June 30, 2024 amounted to \$29,979,095. It is the District’s policy to charge off as a current expenditure any purchases less than \$5,000. The total capital assets recorded were land and its improvements, buildings, equipment and vehicles, construction in progress, and right-to-use lease assets, as reflected below:

27

District's Capital Assets

	<u>Governmental Activities</u>		
	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>
Land	\$ 711,520	\$ 711,520	\$ -
Buildings and improvements	44,710,953	44,703,945	7,008
Equipment	4,378,939	4,144,861	234,078
Right to use lease assets - equipment	119,516	119,516	-
Construction in progress	649,294	-	649,294
Totals at historical cost	<u>\$ 50,570,222</u>	<u>\$ 49,679,842</u>	<u>\$ 890,380</u>
Total accumulated depreciation	<u>\$ (20,591,127)</u>	<u>\$ (19,895,529)</u>	<u>\$ (695,598)</u>
Net capital assets	<u><u>\$ 29,979,095</u></u>	<u><u>\$ 29,784,313</u></u>	<u><u>\$ 194,782</u></u>

This page is left blank intentionally.

Long-term Liabilities

During the past year, the District's long-term liabilities increased by \$10,173,188.

District's Long Term Debt

	Governmental Activities		
	Current Year	Prior Year	Change
Bonds payable	\$ 18,420,000	\$ 9,035,000	\$ 9,385,000
Bond premiums	1,433,455	480,260	953,195
Loans payable	580,000	705,779	(125,779)
Right-to-use lease assets payable	68,655	107,883	(39,228)
Total bonds and loans payable	<u>\$ 20,502,110</u>	<u>\$ 10,328,922</u>	<u>\$ 10,173,188</u>

29

Contacting the District's Financial Management

This financial report is designed for customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Services Department.

This page is left blank intentionally.

BASIC FINANCIAL STATEMENTS

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 15,798,920
1120 Current Investments	12,810,952
1220 Property Taxes - Delinquent	1,116,011
1230 Allowance for Uncollectible Taxes	(111,601)
1240 Due from Other Governments	2,399,577
1290 Other Receivables, Net	4,797
1410 Prepayments	16,896
Capital Assets:	
1510 Land	711,520
1520 Buildings, Net	27,234,807
1530 Furniture and Equipment, Net	1,315,562
1550 Right-to-Use Leased Assets, Net	67,912
1580 Construction in Progress	649,294
1000 Total Assets	62,014,647
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	251,958
1705 Deferred Outflow Related to TRS Pension	2,566,063
1706 Deferred Outflow Related to TRS OPEB	1,024,090
1700 Total Deferred Outflows of Resources	3,842,111
LIABILITIES	
2110 Accounts Payable	437,774
2140 Interest Payable	342,390
2150 Payroll Deductions and Withholdings	548
2160 Accrued Wages Payable	1,279,466
2200 Accrued Expenses	77,936
2300 Unearned Revenue	6,246
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	824,998
Due in More than One Year:	
2502 Bonds, Notes, Loans, Leases, etc.	19,677,112
2540 Net Pension Liability (District's Share)	6,994,899
2545 Net OPEB Liability (District's Share)	3,362,339
2000 Total Liabilities	33,003,708
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	477,422
2606 Deferred Inflow Related to TRS OPEB	5,292,629
2600 Total Deferred Inflows of Resources	5,770,051
NET POSITION	
3200 Net Investment in Capital Assets and Right-to-Use Lease Assets	21,141,097
Restricted:	
3820 Restricted for Federal and State Programs	833,827
3850 Restricted for Debt Service	1,351,397
3900 Unrestricted	3,756,678
3000 Total Net Position	\$ 27,082,999

33

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	1	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		3	4	6	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities	
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
11	Instruction	\$ 11,704,357	\$ 86,086	\$ 1,560,502	\$ (10,057,769)
12	Instructional Resources and Media Services	233,578	-	4,932	(228,646)
13	Curriculum and Instructional Staff Development	574,449	-	280,664	(293,785)
21	Instructional Leadership	355,635	-	17,353	(338,282)
23	School Leadership	1,193,695	-	487,999	(705,696)
31	Guidance, Counseling, and Evaluation Services	1,019,053	-	113,102	(905,951)
33	Health Services	195,639	-	4,678	(190,961)
34	Student (Pupil) Transportation	601,529	26,061	24,204	(551,264)
35	Food Services	1,104,824	259,575	901,786	56,537
36	Extracurricular Activities	1,247,971	157,970	2,242	(1,087,759)
41	General Administration	963,963	-	12,617	(951,346)
51	Facilities Maintenance and Operations	2,628,657	16,369	141,174	(2,471,114)
52	Security and Monitoring Services	291,680	-	107,240	(184,440)
53	Data Processing Services	439,262	-	158,152	(281,110)
61	Community Services	67,822	-	7,381	(60,441)
72	Debt Service - Interest on Long-Term Debt	534,376	-	-	(534,376)
73	Debt Service - Bond Issuance Cost and Fees	177,684	-	-	(177,684)
95	Payments to Juvenile Justice Alternative Ed. Prg.	5,765	-	-	(5,765)
99	Other Intergovernmental Charges	148,707	-	-	(148,707)
	[TP] TOTAL PRIMARY GOVERNMENT:	\$ 23,488,646	\$ 546,061	\$ 3,824,026	(19,118,559)
Data Control Codes	General Revenues:				
	Taxes:				
MT	Property Taxes, Levied for General Purposes			4,751,165	
DT	Property Taxes, Levied for Debt Service			1,574,128	
SF	State Aid - Formula Grants			14,173,223	
GC	Grants and Contributions not Restricted			1,350,637	
IE	Investment Earnings			464,601	
MI	Miscellaneous Local and Intermediate Revenue			292,442	
TR	Total General Revenues			22,606,196	
CN	Change in Net Position			3,487,637	
NB	Net Position - Beginning			23,595,362	
NE	Net Position - Ending			\$ 27,082,999	

35

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

Data Control Codes	10 General Fund	60 Capital Projects	Other Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 13,920,945	\$ -	\$ 1,877,975	\$ 15,798,920
1120 Investments - Current	1,263,614	11,398,860	148,478	12,810,952
1220 Property Taxes - Delinquent	888,761	-	227,250	1,116,011
1230 Allowance for Uncollectible Taxes	(88,876)	-	(22,725)	(111,601)
1240 Due from Other Governments	2,035,131	-	364,446	2,399,577
1260 Due from Other Funds	131,090	-	-	131,090
1290 Other Receivables	4,797	-	-	4,797
1410 Prepayments	16,896	-	-	16,896
1000 Total Assets	<u>\$ 18,172,358</u>	<u>\$ 11,398,860</u>	<u>\$ 2,595,424</u>	<u>\$ 32,166,642</u>
LIABILITIES				
2110 Accounts Payable	\$ 433,832	\$ -	\$ 3,942	\$ 437,774
2150 Payroll Deductions and Withholdings Payable	548	-	-	548
2160 Accrued Wages Payable	1,279,466	-	-	1,279,466
2170 Due to Other Funds	128,636	2,454	-	131,090
2200 Accrued Expenditures	77,936	-	-	77,936
2300 Unearned Revenue	-	-	6,246	6,246
2000 Total Liabilities	<u>1,920,418</u>	<u>2,454</u>	<u>10,188</u>	<u>1,933,060</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	711,057	-	182,132	893,189
2600 Total Deferred Inflows of Resources	<u>711,057</u>	<u>-</u>	<u>182,132</u>	<u>893,189</u>
FUND BALANCES				
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	833,827	833,827
3480 Retirement of Long-Term Debt	-	-	1,351,397	1,351,397
Committed Fund Balance:				
3510 Construction	1,201,900	-	-	1,201,900
3545 Other Committed Fund Balance	-	-	217,880	217,880
3600 Unassigned Fund Balance	14,338,983	11,396,406	-	25,735,389
3000 Total Fund Balances	<u>15,540,883</u>	<u>11,396,406</u>	<u>2,403,104</u>	<u>29,340,393</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 18,172,358</u>	<u>\$ 11,398,860</u>	<u>\$ 2,595,424</u>	<u>\$ 32,166,642</u>

37

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	29,340,393
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$49,679,842 and the accumulated depreciation was \$(19,895,529). In addition, long-term liabilities, including bonds, loans and leases payable of \$(9,848,662), are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		19,935,651
2 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays of \$1,285,327 and debt principal payments of \$1,200,006 is to increase net position.		2,485,333
3 The 2024 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(1,090,552)
4 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 in the amount of \$(6,994,899), a deferred resource inflow related to TRS in the amount of \$(477,422), and a deferred resource outflow related to TRS in the amount of \$2,566,063. The net effect of including the GASB 68 recognition is to decrease net position.		39 (4,906,258)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75 in the amount of \$(3,362,339), a deferred resource inflow in the amount of \$(5,292,629), and a deferred resource outflow in the amount of \$1,024,090. The net effect of including the GASB 75 recognition is to decrease net position.		(7,630,878)
6 Various other reclassifications and recognitions are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable taxes receivable of \$893,189 as revenue, recognizing the liability associated with maturing long-term debt interest \$(342,390). Also, recognizing deferred bond charges of \$251,958, unamortized bond premium of \$(1,433,454), removing the basis of assets disposed of \$7 and proceeds from new bonds of \$(10,420,000). The net effect of these reclassifications and recognitions is to decrease net position.		(11,050,690)
19 Net Position of Governmental Activities	\$	<u>27,082,999</u>

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	10 General Fund	60 Capital Projects	Other Funds	Total Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 5,429,805	\$ 232,042	\$ 1,877,405	\$ 7,539,252
5800 State Program Revenues	15,342,047	-	427,441	15,769,488
5900 Federal Program Revenues	116,702	-	3,623,231	3,739,933
5020 Total Revenues	<u>20,888,554</u>	<u>232,042</u>	<u>5,928,077</u>	<u>27,048,673</u>
EXPENDITURES:				
Current:				
0011 Instruction	9,704,034	-	1,560,502	11,264,536
0012 Instructional Resources and Media Services	211,401	-	4,932	216,333
0013 Curriculum and Instructional Staff Development	269,605	-	280,664	550,269
0021 Instructional Leadership	348,243	-	17,353	365,596
0023 School Leadership	665,846	-	530,717	1,196,563
0031 Guidance, Counseling, and Evaluation Services	932,185	-	113,102	1,045,287
0033 Health Services	184,379	-	4,678	189,057
0034 Student (Pupil) Transportation	1,130,866	-	24,204	1,155,070
0035 Food Services	-	-	1,120,888	1,120,888
0036 Extracurricular Activities	1,164,422	-	15,243	1,179,665
0041 General Administration	919,099	-	12,617	931,716
0051 Facilities Maintenance and Operations	2,371,809	-	141,174	2,512,983
0052 Security and Monitoring Services	184,849	-	107,240	292,089
0053 Data Processing Services	277,287	-	158,152	435,439
0061 Community Services	60,418	-	7,381	67,799
Debt Service:				
0071 Principal on Long-Term Liabilities	163,353	-	536,653	700,006
0072 Interest on Long-Term Liabilities	15,076	-	352,274	367,350
0073 Bond Issuance Cost and Fees	-	147,963	17,714	165,677
Capital Outlay:				
0081 Facilities Acquisition and Construction	558,658	90,636	-	649,294
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	5,765	-	-	5,765
0099 Other Intergovernmental Charges	148,707	-	-	148,707
6030 Total Expenditures	<u>19,316,002</u>	<u>238,599</u>	<u>5,005,488</u>	<u>24,560,089</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,572,552</u>	<u>(6,557)</u>	<u>922,589</u>	<u>2,488,584</u>
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	10,420,000	-	10,420,000
7916 Premium or Discount on Issuance of Bonds	-	982,963	-	982,963
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	(512,007)	(512,007)
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>11,402,963</u>	<u>(512,007)</u>	<u>10,890,956</u>
1200 Net Change in Fund Balances	1,572,552	11,396,406	410,582	13,379,540
0100 Fund Balance - July 1 (Beginning)	<u>13,968,331</u>	<u>-</u>	<u>1,992,522</u>	<u>15,960,853</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 15,540,883</u>	<u>\$ 11,396,406</u>	<u>\$ 2,403,104</u>	<u>\$ 29,340,393</u>

41

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$	13,379,540
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2024 capital outlays of \$1,285,327 and debt principal payments of \$1,200,006 is to increase net position.		2,485,333
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.		(1,090,552)
The reporting of GASB 68 for the current year increased revenues in the amount of \$932,113 and increased expenses by \$(1,539,348). The result of these items is to decrease net position.		(607,235)
The reporting of GASB 75 for the current year decreased revenues by \$(1,093,648) and decreased expenses by \$1,895,043. The result of these items is to increase net position.		801,395
Various other reclassifications and recognitions are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include the change in unavailable taxes of \$89,138, the change in accrued interest of \$(181,047), recording amortization on bond premium of \$29,769, recording amortization of loss on bond refunding of \$(15,748), reclassing bond proceeds of \$(10,420,000), reclass premium on debt issued of \$(982,963) removing the basis of assets disposed of during the year of \$7. The net effect of these reclassifications and recognitions is to decrease net position.		(11,480,844)
		43
Change in Net Position of Governmental Activities	\$	3,487,637

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

	Total Custodial Funds
ASSETS	
Cash and Cash Equivalents	\$ 211,141
Total Assets	211,141
LIABILITIES	
Accounts Payable	201
Total Liabilities	201
NET POSITION	
Restricted for Campus Activities	203,219
Restricted for Scholarships	7,721
Total Net Position	\$ 210,940

45

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Total Custodial Funds	
ADDITIONS:		
Cocurricular Services or Activities	\$ 139,842	
Earnings from Temporary Deposits	1,126	
Contributions, Gifts and Donations	5,244	
Total Additions	146,212	
DEDUCTIONS:		
Professional and Contracted Services	8,697	
Supplies and Materials	158,324	
Total Deductions	167,021	47
Change in Fiduciary Net Position	(20,809)	
Total Net Position - July 1 (Beginning)	231,749	
Total Net Position - June 30 (Ending)	\$ 210,940	

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

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Devine 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 basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *GASB Statement No. 76*; and it complies with the requirements of the appropriate version of 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.

Pensions. 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 the TRS 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.

49

Other Post-Employment Benefits. 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.

Fair Value Measurement. The Devine Independent School District applies *GASB Statement No. 72, Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

A. REPORTING ENTITY

The Board is elected by the public and 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 GASB in its Statement No. 14, "The Financial Reporting Entity." There are no component units included within the reporting entity.

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 District nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants, and other intergovernmental revenues.

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

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

The fund financial statements provide reports on the financial condition and results of operations for two fund categories - governmental and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in government-wide statements. The District considers some governmental funds major and reports their financial condition and results of operations in a separate column.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the fiduciary fund financial statements. 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, 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, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. 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 unearned revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. 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. The fund equity is segregated into invested in capital assets net of related debt, restricted net position, and unrestricted net position.

Fiduciary funds include Custodial Funds. Data from fiduciary funds are not included in the government-wide statements.

51

D. FUND ACCOUNTING

The District reports the following major governmental funds:

1. **The General Fund** - The General Fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. **Capital Projects Fund** - The proceeds of long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Additionally, the District reports the following fund type(s):

Governmental Funds:

1. **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 a Special Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods.
2. **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.

Fiduciary Funds:

3. **Custodial Fund** - The District accounts for resources held for others in a custodial capacity in custodial funds. The District's Custodial Fund is the student activity fund and scholarship fund.

E. FUND BALANCE POLICY

The District reports fund balances for governmental funds in classifications based primarily on the extent to which the district is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The **non-spendable** classification represents assets that will be consumed or “must be maintained intact” and therefore will never convert to cash, such as inventories of supplies and endowments. Provisions of laws, contracts, and grants specify how fund resources can be used in the **restricted** classification. The nature of these two classifications precludes a need for a policy from the Board of Trustees. However, the Board has adopted fund balance policies for the three unrestricted classifications – committed, assigned, and unassigned.

From time to time, the Board may commit fund balances by a majority vote in a scheduled meeting. The Board’s commitment may be modified or rescinded by a majority vote in a scheduled meeting. Board commitments cannot exceed the amount of fund balance that is greater than the sum of non-spendable and restricted fund balances since that practice would commit funds that the district does not have. Commitments may be for facility expansion or renovation, program modifications, wage and salary adjustments, financial cushions, and other purposes determined by the Board.

The Board may delegate authority to specified persons or groups to make assignments of certain fund balances by a majority vote in a scheduled meeting. The Board may modify or rescind its delegation of authority by the same action. The authority to make assignments shall be in effect until modified or rescinded by the Board, by majority vote in a scheduled meeting.

When the District incurs expenditures that can be made from either restricted or unrestricted balances, the expenditures should be charged to restricted balances. When the District incurs expenditures that can be made from either committed, assigned, or unassigned balances, the expenditures should be charged to unassigned, assigned then committed.

By a majority vote in a scheduled meeting the Board may commit fund balances and it may modify or rescind commitments. The Board may also delegate authority to persons or parties to assign fund balances in specific circumstances or funds.

F. OTHER ACCOUNTING POLICIES

1. The District records purchases of supplies as expenditures.
2. The District records its investments in Lone Star Investment Pool at fair value.
3. Deferred inflows accounted for on the balance sheet of the General Fund relates to uncollected property taxes less the amount of doubtful accounts, and the due to other governments relates to excess funds received from the Texas Education Agency over earned amounts.
4. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 accordance with GASB 87 for reporting leases, a right-to-use lease is defined as a contract that conveys control of another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a lease, the lease must meet the definition of a "long-term" lease provided in GASB 87. The right-to-use lease liability is reported in the government-wide statements. The lease liability is calculated as the present value of the reasonably certain expected payments to be made over the term of the lease and the interest included in the lease payment is recorded as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing resources 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. With GASB 87, the initial measure of a new right-to-use lease arrangement is reported in government fund types as an other financial source during the current period. Monthly payments are reported as principal and interest payments during the reporting period of the fund level statements.

53

6. Capital assets, which include land, buildings, furniture, and equipment are reported in the applicable governmental column 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 estimated fair market value at the date of donation.

Right-to-use lease assets are also reported in the applicable governmental column in the government-wide financial statements. Capitalization of right-to-use lease assets is determined by the significance of total future financial obligations for the lease when measured at inception of the lease term. The term of the lease must be the noncancelable period during which the District has the right to use the tangible asset(s) of another entity plus any periods in which either the lessee or the lessor has the sole option to extend the lease if it is reasonably certain the option will be exercised, plus any periods in which either the lessee or the lessor has the sole option to terminate the lease if it is reasonably certain the option will not be exercised by that party and must not meet the definition of a short-term lease under GASB 87. If the lease is in a governmental fund, the full amount of the lease asset will be reported as an expenditure in the fund level statements the year the agreement is made.

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.

Buildings, furniture and equipment, and lease assets of the District are depreciated using the straight-line method over the following estimated useful lives or, for the lease asset, for the term of the lease if the estimated useful life is longer than the term of the lease, if there is an option to purchase, which is expected to be exercised:

<u>Assets</u>	<u>Years</u>
Buildings	50
Vehicles	10
Equipment	5

7. In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.
8. The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. The Texas Education Agency (the Agency) requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a Statewide data base for policy development and funding plans.
9. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District's deferred outflows of resources consist of differences between expected and actual actuarial experience (pension & OPEB), changes in actuarial assumptions (pension & OPEB), differences between projected and actual investment earnings (pension & OPEB), change in proportion and differences between employer's contributions and the proportionate share of contributions (pension & OPEB), and contributions paid to TRS subsequent to the measurement date (pension & OPEB).
10. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Uncollected property taxes which are assumed collectible are reported in this category on the balance sheet for governmental funds. They are not reported in this category on the Government-Wide Statement of Net Position. In the government-wide financial statements, the District reports a deferred inflow of resources for differences between expected and actual actuarial experience (pension & OPEB), changes in actuarial assumptions (pension & OPEB), and changes in proportion and differences between employer's contributions and the proportionate share of contributions (pension & OPEB).

54

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund, and the Food Service 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 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 Exhibits J-2 and J-3.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to June 20, the District prepares a budget for the next succeeding fiscal year beginning July 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 notice of the meeting must be given.

3. Prior to July 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. However, none of these were significant.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end. A reconciliation of fund balances for both appropriated budget and non-appropriated budget special revenue funds is as follows:

June 30, 2024	
<u>Fund Balance</u>	
Appropriated Budget Funds - Food Service Special Revenue Fund	\$ 833,827
Committed Budget Funds - Campus Activity Fund	<u>217,880</u>
All Special Revenue Funds	<u>\$ 1,051,707</u>

55

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

District Policies and Legal and Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits: State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial credit risk for deposits.

As of June 30, 2024, the District had funds on deposit of \$15,509,159 in excess of FDIC coverage, secured by pledged securities of the depository bank.

District Policies and Legal and Contractual Provisions Governing Investments

Compliance with the Public Funds Investment Act

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Public Funds Investment Act (the Act) also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

As of June 30, 2024, the District had the following investments:

<u>Investment Type and Description</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>	<u>Fair Value</u>
LoneStar Investment Pool Government Overnight Fund	AAAm	N/A	<u>\$ 12,810,952</u>
Total Investments			<u><u>\$ 12,810,952</u></u>

56

Public Funds Investment Pools: Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Act. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the Pool and other persons who do not have a business relationship with the Pool and are qualified to advise the Pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

Lone Star

The **Lone Star Investment Pool** (Lone Star) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and the Public Funds Investment Act, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards (TASB), with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star's assets. State Street Bank provides custody and valuation services to Lone Star. All of the Board of Trustees' thirteen members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and non-members. Lone Star is rated AAAM by Standard and Poor's. Lone Star has no limitations or restrictions on withdrawals. The District is invested in the Government Overnight Fund of Lone Star. Lone Star has 3 different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Government Overnight and Corporate Overnight Funds maintain a net asset value of one dollar and the Corporate Overnight Plus Fund maintains a net asset value of one dollar. The Government Overnight and Corporate Overnight Funds value all investments at amortized cost and are operated in accordance with GASB 79. The Corporate Overnight Plus Fund values all investments at fair value and is operated in accordance with GASB 72.

The Pool is governed by an thirteen-member Board of Trustees (the Board) made up of active participants in the Pool. The Board has the responsibility of adopting and monitoring compliance with the investment policy, appointing investment officers, overseeing the selection of an investment advisor, custodian, investment consultant, administrator, and other service providers. The Board is also responsible for monitoring performance of the Pool. Financial information for the Pool can be obtained by writing to Post Office Box 400, Austin, Texas, 78767-0400 or by calling 1-800-758-3927.

Additional polices and contractual provisions governing deposits and investments for the District are specified below:

Credit Risk: To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments to state sponsored investment pools covered by the District’s credit risk policy.

Custodial Credit Risk for Investments: To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party, the District requires counterparties to register the securities in the name of the District and hand them over to the District or its designated agent. This includes securities in securities lending transactions.

Concentration of Credit Risk: To limit the risk of loss attributed to the magnitude of a government’s investment in a single issuer, the District limits investments to only approved investment instruments that ensure preservation of capital.

Interest Rate Risk: To limit the risk that changes in interest rates will adversely affect the fair value of investments, the District requires the use of final and weighted average maturity limits and diversification.

Foreign Currency Risk for Investments: The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment by not investing in foreign currency.

57

Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

<u>Investments at Fair Value</u>	<u>Fair Value</u>	<u>Fair Value Measurement Using:</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Public Funds Investment Pool	\$ 12,810,952	\$ -	\$ 12,810,952	\$ -
Total Investments, at Fair Value	<u>\$ 12,810,952</u>	<u>\$ -</u>	<u>\$ 12,810,952</u>	<u>\$ -</u>

B. 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.

C. DELINQUENT TAXES RECEIVABLE

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.

D. INTERFUND BALANCES AND TRANSFERS

Interfund balances which are primarily for payroll clearing at June 30, 2024, consisted of the following amounts:

Due to General Fund From:

Nonmajor Governmental Funds	\$ 2,454	
Intrafund	<u>128,636</u>	
Total Due to General Fund From Other Funds	<u>\$ 131,090</u>	

58

Due to Nonmajor Governmental Funds From:

General Fund	<u>\$ -</u>
Total Due to Nonmajor Governmental Funds	<u>\$ -</u>
Total	<u><u>\$ 131,090</u></u>

There were no interfund transfers during the year.

E. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at June 30, 2024, were as follows:

	<u>Property Taxes</u>	<u>Other Governments</u>	<u>Due From Other Funds</u>	<u>Other</u>	<u>Total Receivables</u>
Governmental Activities:					
General Fund	\$ 888,761	\$ 2,035,131	\$ 131,090	\$ 4,797	\$ 3,059,779
Nonmajor Governmental Funds	<u>227,250</u>	<u>364,446</u>	<u>-</u>	<u>-</u>	<u>591,696</u>
Total Governmental Activities	<u>\$ 1,116,011</u>	<u>\$ 2,399,577</u>	<u>\$ 131,090</u>	<u>\$ 4,797</u>	<u>\$ 3,651,475</u>
Amount not scheduled for collection during the subsequent year	<u>\$ 111,601</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,601</u>

Payables at June 30, 2024, were as follows:

	Accounts Payable	Salaries and Benefits	Due to Other Funds	Other	Total Payables
Governmental Activities:					
General Fund	\$ 433,832	\$ 1,357,950	\$ 128,636	\$ -	\$ 1,920,418
Capital Projects Fund	-	-	2,454	-	2,454
Nonmajor Governmental Funds	<u>3,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,942</u>
Total Governmental Activities	<u>\$ 437,774</u>	<u>\$ 1,357,950</u>	<u>\$ 131,090</u>	<u>\$ -</u>	<u>\$ 1,926,814</u>
Amount not scheduled for payment during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

59

F. CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Retirements & Reclassifications	Ending Balance
Governmental activities:				
Land	\$ 711,520	\$ -	\$ -	\$ 711,520
Buildings and Improvements	44,703,945	7,008	-	44,710,953
Equipment	4,144,861	629,025	(394,947)	4,378,939
Right to use lease assets - equipment	119,516	-	-	119,516
Construction in progress	<u>-</u>	<u>649,294</u>	<u>-</u>	<u>649,294</u>
Total at historical cost	<u>\$ 49,679,842</u>	<u>\$ 1,285,327</u>	<u>\$ (394,947)</u>	<u>\$ 50,570,222</u>
Less accumulated depreciation				
Buildings and Improvements	\$ (16,624,568)	\$ (851,578)	\$ -	\$ (17,476,146)
Equipment	(3,259,196)	(199,135)	394,954	(3,063,377)
Right to use lease assets - equipment	<u>(11,765)</u>	<u>(39,839)</u>	<u>-</u>	<u>(51,604)</u>
Total accumulated depreciation	<u>\$ (19,895,529)</u>	<u>\$ (1,090,552)</u>	<u>\$ 394,954</u>	<u>\$ (20,591,127)</u>
Governmental activities capital assets, net	<u>\$ 29,784,313</u>	<u>\$ 194,775</u>	<u>\$ 7</u>	<u>\$ 29,979,095</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 688,970
Instructional Resources & Media Services	22,836
Curriculum & Instructional Staff Development	15,226
Health Services	10,279
Student (Pupil) Transportation	62,808
Cocurricular/Extracurricular Activities	72,323
General Administration	43,773
Plant Maintenance and Operations	<u>174,337</u>
Total Depreciation Expense	<u>\$ 1,090,552</u>

G. BONDS PAYABLE

60

Bonded indebtedness of the District is reflected in the Statement of Net Position, and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund.

A summary of changes in bonds payable for the year ended June 30, 2024 is as follows:

Description	Final Maturity	Interest Rate Payable	Amounts Original Issue	Interest Current Year	Amounts Outstanding 7/1/2023	Issued	Retired/ Refunded	Amounts Outstanding 6/30/2024	Amounts due within one year
Unlimited Tax Refunding Bonds Series 2015	2038	2.00% - 4.00%	\$ 5,040,000	\$ 117,800	\$ 2,945,000	\$ -	\$ 705,000	\$ 2,240,000	\$ 210,000
Unlimited Tax Refunding Bonds Series 2017	2040	4.00%	\$ 5,360,000	189,600	4,740,000	-	200,000	4,540,000	210,000
Unlimited Tax Refunding Bonds Series 2020	2035	2.35% - 4.90%	\$ 1,719,000	44,840	1,350,000	-	130,000	1,220,000	145,000
Unlimited Tax School Building Bonds Series 2024	2053	5.00%	\$ 10,420,000	-	-	10,420,000	-	10,420,000	110,000
Total All Bonds				<u>\$ 352,240</u>	<u>\$ 9,035,000</u>	<u>\$ 10,420,000</u>	<u>\$ 1,035,000</u>	<u>\$ 18,420,000</u>	<u>\$ 675,000</u>

On May 30, 2024, the District defeased a portion of its Series 2015 general obligation bonds by placing cash and U.S. Treasury State and Local Government Series (SLGS) securities in a trust account with an escrow agent for the defeasance. Both cash and the SLGS have been irrevocably pledged to the payment of the outstanding bonds. The escrow agent has not been authorized to substitute the assets that are not essentially risk-free in the trust portfolio. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2024, \$500,000 of the defeased bonds remained outstanding. The defeased bonds have maturity dates of February 1, 2035, February 1, 2036, and February 1, 2037, and a call date of February 1, 2025.

On March 1, 2023, the District defeased a portion of its Series 2015 general obligation bonds by placing cash and U.S. Treasury SLGS in a trust account with an escrow agent for the defeasance. Both cash and the SLGS have been irrevocably pledged to the payment of the outstanding bonds. The escrow agent has not been authorized to substitute the assets that are not essentially risk-free in the trust portfolio. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2024, \$655,000 of the defeased bonds remained outstanding. The defeased bonds have maturity dates of February 1, 2037 and February 1, 2038, and a call date of February 1, 2025.

On April 5, 2022, the District defeased a portion of its Series 2015 general obligation bonds by placing cash and U.S. Treasury SLGS in a trust account with an escrow agent for the defeasance. Both cash and the SLGS have been irrevocably pledged to the payment of the outstanding bonds. The escrow agent has not been authorized to substitute the assets that are not essentially risk-free in the trust portfolio. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2024, \$350,000 of the defeased bonds remained outstanding. The defeased bonds have maturity dates of February 1, 2026, February 1, 2027 and February 1, 2028, and a call date of February 1, 2025.

On May 12, 2020, the District issued \$1,719,000 (refunding portion) of Unlimited Tax Refunding Bonds, Series 2020. The proceeds of the bonds were used for refunding the following Series:

61

<u>Series</u>	<u>Maturities</u>	<u>Amounts</u>	<u>Average Interest Rate</u>
U/L Tax Refunding Bonds Series 2010	2/1/2021 through 2/1/2035	\$ 1,285,000	4.10%
U/L Tax Refunding Bonds Series 2011	2/1/2021 through 2/1/2026	\$ 445,000	3.25%

The total bonds refunded had an average interest rate of 3.85% and were replaced with bonds that have an average interest rate of 3.00%. The cash flow savings to the District as a result of the refunding was \$348,896. The net present value savings is \$149,696. The proceeds of the refunding bonds were used to purchase U.S. Government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for certain debt service payments on the refunding bonds through 2035. As a result, those portions of the bonds refunded were considered defeased and the liability for those bonds has been removed from the District's long-term debt account group. The call date on the defeased bonds are as follows:

<u>Series</u>	<u>Call Date</u>
U/L Tax School Building Bonds Series 2010	2/1/2027
U/L Tax Refunding Bonds Series 2011	2/1/2027

Debt service requirements for general obligation bonds and refunding bonds are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 675,000	\$ 810,426	\$ 1,485,426
2026	620,000	801,283	1,421,283
2027	645,000	772,582	1,417,582
2028	675,000	742,673	1,417,673
2029	705,000	715,940	1,420,940
2030-2034	3,955,000	3,140,965	7,095,965
2035-2039	3,560,000	2,340,152	5,900,152
2040-2044	2,405,000	1,624,000	4,029,000
2045-2049	2,595,000	1,048,000	3,643,000
2050-2053	2,585,000	331,000	2,916,000
Total	<u>\$ 18,420,000</u>	<u>\$ 12,327,021</u>	<u>\$ 30,747,021</u>

62

H. LONG-TERM LOANS PAYABLES

The District accounts for loans for maintenance purposes through the General Fund. Loans include notes made in accordance with the provisions of the Texas Education Code Section 45.108.

Description	Date of Issue Maturity	Fund Payable From	Interest Rate	Loan Amount	Current Year Interest	Amounts Outstanding 7/1/2023	Issued Current Year	Retired Current Year	Amounts Outstanding 6/30/2024	Amounts due within one year
Maintenance Tax Notes Series 2015	12/15 11/23	General Fund	0.25%	\$ 249,879	\$ 20	\$ 15,779	\$ -	\$ 15,779	\$ -	\$ -
Maintenance Tax Notes Series 2019	12/19 2/29	General Fund	1.95%	\$ 1,000,000	13,335	690,000	-	110,000	580,000	110,000
					<u>\$ 13,355</u>	<u>\$ 705,779</u>	<u>\$ -</u>	<u>\$ 125,779</u>	<u>\$ 580,000</u>	<u>\$ 110,000</u>

Debt service requirements for loans payable are as follows:

Year Ended June 30,	General Obligations		
	Principal	Interest	Total Requirements
2025	\$ 110,000	\$ 11,310	\$ 121,310
2026	115,000	9,165	124,165
2027	115,000	6,922	121,922
2028	120,000	4,680	124,680
2029	120,000	2,340	122,340
Total	<u>\$ 580,000</u>	<u>\$ 34,417</u>	<u>\$ 614,417</u>

I. RIGHT-TO-USE LEASE LIABILITIES PAYABLE

The District leases multiple photocopy machines with agreements having 3-year terms. Payments of \$3,415 are made monthly, which consist of principal and imputed annual interest of 1.95%. No assets were pledged as collateral for these leases.

A summary of right-to-use lease asset arrangements for the year ended June 30, 2024, is as follows:

Description	Discount Rate	Original Lease Liability	Current Year Interest	Principal Balance at 7/1/2023	New Lease Agreement	Principal Paid This Year	Principal Balance at 6/30/2024	Principal Due Within One Year
Xerox Lease, April 2023	1.95%	\$ 87,026	\$ 1,303	\$ 79,838	\$ -	\$ 28,538	\$ 51,299	\$ 29,099
Xerox Lease, February 2023	1.95%	32,490	452	28,045	-	10,689	17,356	10,899
Totals			\$ 1,755	\$ 107,883	\$ -	\$ 39,227	\$ 68,655	\$ 39,998

Future principal and interest payments due to maturity as of the end of the fiscal year are as follows:

63

Due fiscal year ended June 30	Principal	Interest	Total
2025	\$ 39,998	\$ 983	\$ 40,981
2026	28,656	223	28,879
Total	\$ 68,655	\$ 1,205	\$ 69,860

J. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Amounts Outstanding 7/1/2023	Additions	Deletions	Amounts Outstanding 6/30/2024	Due Within One Year
Bonds Payable	\$ 9,035,000	\$ 10,420,000	\$ 1,035,000	\$ 18,420,000	\$ 675,000
Net Issuance Premium	480,260	982,963	29,768	1,433,455	-
Total Bonds Payable	\$ 9,515,260	\$ 11,402,963	\$ 1,064,768	\$ 19,853,455	675,000
Loans Payable	\$ 705,779	\$ -	\$ 125,779	\$ 580,000	\$ 110,000
Right-to-Use Lease Assets Payable	107,883	-	39,228	68,655	39,998
	\$ 10,328,922	\$ 11,402,963	\$ 1,229,775	\$ 20,502,110	\$ 824,998

There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2024.

K. ACCUMULATED UNPAID VACATION AND SICK LEAVE BENEFITS

The State of Texas has created a minimum personal leave program consisting of five days per year leave with no limit on accumulation and transferability among districts for every teacher regularly employed in Texas public schools.

Each district's local Board of Education is required to establish a leave plan. Local school districts may provide additional leave beyond the state minimum. The Devine Independent School District provides an additional five to seven days per year. Personal leave is not vested, therefore, upon resignation, termination or nonrenewal of contract, accumulated personal leave is not paid.

L. DEFINED BENEFIT PENSION PLAN

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

64

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

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on 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 above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding is provided in the manner 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 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent 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.

The following table shows contribution rates by type of contributor for the fiscal years 2023 and 2024 and the contributions by type of contributions reported by TRS which were received by TRS during the TRS measurement year (FY 2023). The reported contributions from the member and the employers are included in the calculation of the district's proportionate share of the net pension liability.

Contributions Rates		
	<u>2023</u>	<u>2024</u>
Member	8.00%	8.25%
Non-Employer Contributing Entity (State)	8.00%	8.25%
Employers	8.00%	8.25%
District's Measurement Year Employer Contributions		\$ 523,443
District's Measurement Year Member Contributions		\$ 457,484
District's Measurement Year NECE (State) Contributions		\$ 767,800

65

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, 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, including public 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 or a privately sponsored source, from non-educational and general, or local funds.

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

- * All public schools, charter schools, and regional educational service centers must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.
- * When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions.

Roll Forward. The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023.

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2023 Last year ending August 31 in Projection Period (100 years)	4.13%. The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." 2122
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Ad-Hoc Post-Employment Benefit Changes	None

66

The actuarial methods and assumptions used in the determination of the total pension liability assumptions are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 22, 2022.

Discount Rate. A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine the 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 9.50 percent of payroll in fiscal year 2024 increasing to 9.56 percent 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 expected rate of return on pension plan investments is 7.00 percent. 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 System's target asset allocation as of August 31, 2023 are summarized below:

Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	4.00%	1.00%
Non-U.S. Developed	13.00%	4.50%	0.90%
Emerging Markets	9.00%	4.80%	0.70%
Private Equity*	14.00%	7.00%	1.50%
Stable Value			
Government Bonds	16.00%	2.50%	0.50%
Absolute Return*	0.00%	3.60%	0.00%
Stable Value Hedge Funds	5.00%	4.10%	0.20%
Real Return			
Real Estate	15.00%	4.90%	1.10%
Energy, Natural Resources & Infrastructure	6.00%	4.80%	0.40%
Commodities	0.00%	4.40%	0.00%
Risk Parity			
Risk Parity	8.00%	4.50%	0.40%
Asset Allocation Leverage			
Cash	2.00%	3.70%	0.00%
Asset Allocation Leverage	-6.00%	4.40%	-0.10%
Inflation Expectation			2.30%
Volatility Drag****			-0.90%
Expected Return	100%		8.00%

67

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on the FY2023 policy model.

*** Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023).

**** The volatility drag results from the conversion between arithmetic and geometric mean returns.

Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$10,457,761	\$6,994,899	\$4,115,527

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the District reported a liability of \$6,994,899 for its proportionate share of the TRS 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	\$ 6,994,899
State's proportionate share that is associated with the District	<u>10,260,315</u>
	<u>\$ 17,255,214</u>

The net pension liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 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, 2022 thru August 31, 2023.

At August 31, 2023, the employer's proportion of the collective net pension liability was 0.0101832336% which was an increase of 0.0004048801% from its proportion measured as of August 31, 2022.

68

Changes In Actuarial Assumptions Since the Prior Actuarial Valuation – The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

Changes in Benefits - The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the net pension liability of TRS. In addition, the Legislature also provided for a cost-of-living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid in January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

For the year ended June 30, 2024, the District recognized pension expense of \$1,549,219 and revenue of \$1,549,219 for support provided by the State in the Government-Wide Statement of Activities.

At June 30, 2024, 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 of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$ 249,231	\$ 84,701
Changes in actuarial assumptions	661,580	161,904
Net difference between projected and actual investment earnings	1,017,927	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	207,068	230,817
Contributions paid to TRS subsequent to the measurement date	430,257	-
Total	\$ 2,566,063	\$ 477,422

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to pensions will be recognized in pension expense as follows:

Measurement year ended August 31:	Pension Expense Amount
2025	\$ 292,389
2026	187,210
2027	848,824
2028	282,233
2029	47,728
Thereafter	-

M. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

69

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

OPEB Plan Fiduciary Net Position. Detailed information about the TRS-Care's 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 Internet at https://www.trs.texas.gov/Pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2023 are as follows:

<u>Net OPEB Liability</u>	<u>Total</u>
Total OPEB Liability	\$ 26,028,070,267
Less: plan fiduciary net position	<u>(3,889,765,203)</u>
Net OPEB Liability	<u>\$ 22,138,305,064</u>
Net position as a percentage of total OPEB liability	14.94%

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

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

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

TRS-Care Monthly Premium Rates

	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

*or surviving spouse

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.

70

Texas Insurance Code, section 1575.202 establishes the state's contribution rate, which is 1.25 percent of the employee's salary. Section 1575.203 establishes the active employee's rate, which is .65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor:

Contributions Rates

	<u>2023</u>	<u>2024</u>
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%
District's Measurement Year Employer Contributions	\$	131,751
District's Measurement Year Member Contributions	\$	42,142
District's Measurement Year NECE (State) Contributions	\$	158,978

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.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21.3 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state's actual obligation and then transferred to TRS-Care.

Actuarial Assumptions.

The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2023. The actuarial valuation was determined using the following actuarial assumptions:

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. The demographic assumptions were updated based on 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, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

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

71

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, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	4.13% 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.
Salary Increases	2.95% to 8.95% including inflation
Ad-Hoc Post-Employment Benefit Changes	None

Discount Rate. A single discount rate of 4.13 percent was used to measure the total OPEB liability. This was an increase of 0.22 percent in the discount rate since the previous year. The Discount Rate can be found in the 2023 TRS ACFR on page 80. 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, 2023, using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Sensitivity of the Net OPEB Liability

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (4.13%) in measuring the Net OPEB Liability:

	1% Decrease in Discount Rate (3.13%)	Discount Rate (4.13%)	1% Increase in Discount Rate (5.13%)
District's proportionate share of the Net OPEB Liability:	\$3,960,135	\$3,362,339	\$2,874,523

Healthcare Cost Trend Rates Sensitivity Analysis. The following schedule shows the impact of the OPEB liability if healthcare trend rate used was 1 percentage point less than and 1 percentage point greater than the health trend rates assumed:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the Net OPEB Liability:	\$2,768,718	\$3,362,339	\$4,126,034

72

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2024, the District reported a liability of \$3,362,339 for its proportionate share of the TRS 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	\$ 3,362,339
State's proportionate share that is associated with the District	<u>4,057,178</u>
Total	<u>\$ 7,419,517</u>

The Net OPEB Liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 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 the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.0151878773% compared to 0.0151749427% as of August 31, 2022.

Changes in Actuarial Assumptions Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability (TOL) since the prior measurement period: These can be found in the 2023 TRS ACFR on page 80.

- * The single discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

Changes in Benefit Terms: There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2024, the District recognized OPEB expenses of \$867,339 and revenue \$867,339 for support provided by the State.

At June 30, 2024, the District reported its proportionate share of the TRS deferred outflows of resources and deferred inflows of resources related to Other Post-Employment Benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$ 152,120	\$ 2,828,771
Changes in actuarial assumptions	458,935	2,058,849
Net difference between projected and actual investment earnings	1,453	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	308,929	405,009
Contributions paid to TRS subsequent to the measurement date (To be calculated by employer)	102,653	-
Total	\$ 1,024,090	\$ 5,292,629

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to OPEBs will be recognized in OPEB expense as follows:

73

Year ended June 30:	OPEB Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2025	\$ (956,004)	\$ (3,415,188)
2026	(801,789)	(2,613,399)
2027	(593,009)	(2,020,390)
2028	(622,672)	(1,397,718)
2029	(547,218)	(850,500)
Thereafter	(850,500)	-

N. MEDICARE PART D - ON BEHALF PAYMENTS

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. Payments made on behalf of the District for fiscal years 2022, 2023, and 2024 were \$41,982, \$68,114, and \$74,004 respectively.

O. LITIGATION

The District is occasionally involved in various legal actions in the normal course of business. No provision for losses has been recorded in the accompanying combined financial statements.

P. COMMITMENTS AND CONTINGENCIES

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the District, there were no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants, therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

As of June 30, 2024, the district has contractual commitments of \$2,118,852, which will be provided for in the 2024-2025 fiscal year.

Q. RECEIVABLES FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to finance certain activities partially or fully. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2024, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from State Agencies.

74

Fund	State Entitlements	Federal Grants	Other	Total
General Fund	\$ 2,025,263	\$ -	\$ 9,868	\$ 2,035,131
Nonmajor Government Funds	52,017	309,230	3,199	364,446
Total	<u>\$ 2,077,280</u>	<u>\$ 309,230</u>	<u>\$ 13,067</u>	<u>\$ 2,399,577</u>

R. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Capital Projects Fund	Special Revenue Fund	Debt Service Fund	Total
Property Taxes	\$ 4,696,447	\$ -	\$ -	\$ 1,514,600	\$ 6,211,047
Penalties, Interest and Other Tax-related Income	134,853	-	-	35,405	170,258
Tuition and Fees	45,323	-	-	-	45,323
Investment Income	219,452	232,042	-	13,107	464,601
Rent	16,369	-	-	-	16,369
Foundations, Gifts and Bequests	73,979	-	-	-	73,979
Insurance Recovery	73,308	-	-	-	73,308
Food Sales	-	-	259,575	-	259,575
Co-curricular / Campus Activities	108,226	-	49,744	-	157,970
Other	61,848	-	311	4,663	66,822
Total	\$ 5,429,805	\$ 232,042	\$ 309,630	\$ 1,567,775	\$ 7,539,252

S. UNAVAILABLE REVENUE

Unavailable revenue at year-end consisted of the following:

	General Fund	Other Funds	Total
Tax Revenue	\$ 711,057	\$ 182,132	\$ 893,189

T. WORKERS' COMPENSATION POOL

During the year ended June 30, 2024, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Labor Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

The Fund and its members are protected against higher-than-expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2023, the Fund carries a discounted reserve of \$48,919,036 for future development on reported claims and claims that have been incurred but not yet reported. For the year ended June 30, 2024, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

76

U. AUTO, LIABILITY, AND/OR PROPERTY PROGRAMS

During the year-ended June 30, 2024, the District participated in the following TASB Risk Management Fund (the Fund) programs:

Auto Liability

Auto Physical Damage

Privacy & Information Security

Property

School Liability

The Fund was created and is operated under the provision of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability, and Property programs. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year-ended June 30, 2024 the Fund anticipates that District has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

REQUIRED SUPPLEMENTARY INFORMATION

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 6,227,813	\$ 5,341,691	\$ 5,429,805	\$ 88,114
5800 State Program Revenues	12,937,890	14,993,977	15,342,047	348,070
5900 Federal Program Revenues	90,000	115,056	116,702	1,646
5020 Total Revenues	19,255,703	20,450,724	20,888,554	437,830
EXPENDITURES:				
Current:				
0011 Instruction	10,233,458	10,296,211	9,704,034	592,177
0012 Instructional Resources and Media Services	226,962	226,962	211,401	15,561
0013 Curriculum and Instructional Staff Development	353,347	353,347	269,605	83,742
0021 Instructional Leadership	415,846	415,846	348,243	67,603
0023 School Leadership	704,252	704,252	665,846	38,406
0031 Guidance, Counseling, and Evaluation Services	974,932	997,144	932,185	64,959
0033 Health Services	188,157	188,157	184,379	3,778
0034 Student (Pupil) Transportation	706,653	1,159,493	1,130,866	28,627
0036 Extracurricular Activities	1,154,255	1,297,682	1,164,422	133,260
0041 General Administration	1,024,144	1,024,144	919,099	105,045
0051 Facilities Maintenance and Operations	2,573,328	2,605,168	2,371,809	233,359
0052 Security and Monitoring Services	173,500	261,500	184,849	76,651
0053 Data Processing Services	279,839	279,839	277,287	2,552
0061 Community Services	60,000	65,000	60,418	4,582
Debt Service:				
0071 Principal on Long-Term Liabilities	179,280	184,979	163,353	21,626
0072 Interest on Long-Term Liabilities	17,218	16,519	15,076	1,443
Capital Outlay:				
0081 Facilities Acquisition and Construction	395,000	1,987,355	558,658	1,428,697
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	7,000	7,000	5,765	1,235
0099 Other Intergovernmental Charges	155,000	155,000	148,707	6,293
6030 Total Expenditures	19,822,171	22,225,598	19,316,002	2,909,596
1200 Net Change in Fund Balances	(566,468)	(1,774,874)	1,572,552	3,347,426
0100 Fund Balance - July 1 (Beginning)	13,968,331	13,968,331	13,968,331	-
3000 Fund Balance - June 30 (Ending)	\$ 13,401,863	\$ 12,193,457	\$ 15,540,883	\$ 3,347,426

79

DEVINE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
District's Proportion of the Net Pension Liability (Asset)	0.010183234%	0.009778353%	0.009586221%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 6,994,899	\$ 5,805,157	\$ 2,441,271
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	10,260,315	10,042,719	4,625,787
Total	<u>\$ 17,255,214</u>	<u>\$ 15,847,876</u>	<u>\$ 7,067,058</u>
District's Covered Payroll	\$ 13,528,707	\$ 13,539,979	\$ 13,162,006 ⁸⁰
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	51.70%	42.87%	18.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.15%	75.62%	88.79%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

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

FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
0.010060088%	0.01049661%	0.010720306%	0.011509859%	0.0112431%	0.0116804%	0.0076224%
\$ 5,387,978	\$ 5,456,466	\$ 5,900,717	\$ 3,680,233	\$ 4,248,615	\$ 4,128,866	\$ 2,036,048
9,908,964	9,107,537	10,008,873	6,007,661	7,346,240	6,760,166	5,943,455
\$ 15,296,942	\$ 14,564,003	\$ 15,909,590	\$ 9,687,894	\$ 11,594,855	\$ 10,889,032	\$ 7,979,503
\$ 13,279,398	\$ 12,272,526	\$ 12,380,731	\$ 12,317,080	\$ 11,673,936	\$ 11,052,892	\$ 10,661,078
40.57%	44.46%	47.66%	29.88%	36.39%	37.36%	19.10%
75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

81

DEVINE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 516,999	\$ 515,329	\$ 442,449
Contribution in Relation to the Contractually Required Contribution	(516,999)	(515,329)	(442,449)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 13,253,900	\$ 13,688,276	\$ 13,343,089
Contributions as a Percentage of Covered Payroll	3.90%	3.76%	3.32%

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

82

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

	2021	2020	2019	2018	2017	2016	2015
\$	415,683	\$ 414,740	\$ 368,221	\$ 369,247	\$ 372,758	\$ 345,861	193,249
	(415,683)	(414,740)	(368,221)	(369,247)	(372,758)	(345,861)	(193,249)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
\$	13,180,936	\$ 13,137,579	\$ 12,255,235	\$ 12,378,073	\$ 12,204,629	\$ 11,673,936	11,052,892
	3.15%	3.16%	3.00%	2.98%	3.05%	2.96%	1.75%

DEVINE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.015187877%	0.015174943%	0.015196733%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 3,362,339	\$ 3,633,489	\$ 5,862,059
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	4,057,178	4,432,286	7,853,853
Total	<u>\$ 7,419,517</u>	<u>\$ 8,065,775</u>	<u>\$ 13,715,912</u>
District's Covered Payroll	\$ 13,528,707	\$ 13,539,979	\$ 13,162,006
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	24.85%	26.84%	44.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.94%	11.52%	6.18%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts for FY 2024 are for the measurement date of August 31, 2023. The amounts for FY 2023 are for the measurement date of August 31, 2022. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

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

<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>
0.015882356%	0.015252707%	0.010124126%	0.015496601%
\$ 6,037,601	\$ 7,213,193	\$ 7,470,272	\$ 6,738,890
8,113,088	9,584,719	10,356,674	9,429,098
<u>\$ 14,150,689</u>	<u>\$ 16,797,912</u>	<u>\$ 17,826,946</u>	<u>\$ 16,167,988</u>
\$ 13,279,398	\$ 12,272,526	\$ 12,380,731	\$ 12,317,080
45.47%	58.78%	60.34%	54.71%
4.99%	2.66%	1.57%	0.91%

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 124,028	\$ 130,989	\$ 127,174
Contribution in Relation to the Contractually Required Contribution	(124,028)	(130,989)	(127,174)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 13,253,900	\$ 13,688,276	\$ 13,343,089
Contributions as a Percentage of Covered Payroll	0.94%	0.96%	0.95%

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

86

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

	2021	2020	2019	2018
\$	115,409	\$ 115,016	\$ 107,857	\$ 101,728
	(115,409)	(115,016)	(107,857)	(101,728)
\$	-	\$ -	\$ -	\$ -
\$	13,180,936	\$ 13,137,579	\$ 12,255,235	\$ 12,378,073
	0.88%	0.88%	0.88%	0.82%

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

A. Notes to Schedules for the TRS Pension

Changes of Benefit terms.

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the Net Pension Liability of TRS. In addition, the Legislature also provided for a cost-of-living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

Changes of Assumptions.

There were no changes in assumptions.

89

B. Notes to Schedules for the TRS OPEB Plan

Changes in Benefits.

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

Changes in Assumptions.

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

- * The single discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023. This change decreased the total OPEB liability.

This page is left blank intentionally.

COMBINING AND OTHER STATEMENTS

DEVINE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	205 Head Start	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
ASSETS				
1110 Cash and Cash Equivalents	\$ (51,769)	\$ -	\$ (77,844)	\$ -
1120 Investments - Current	-	-	-	-
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes	-	-	-	-
1240 Due from Other Governments	51,769	-	77,844	-
1000 Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES				
2110 Accounts Payable	\$ -	\$ -	\$ -	\$ -
2300 Unearned Revenue	-	-	-	-
2000 Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	-	-	-	-
2600 Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	-
3480 Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

92

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	270 ESEA V, B,2 Rural & Low Income	281 ESSER II CRRSA Act Supplemental	282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act
\$ 833,055	\$ -	\$ -	\$ -	\$ -	\$ (168,098)	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,714	-	-	-	-	168,098	-	-
<u>\$ 837,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
<u>3,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
833,827	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>833,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 837,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

93

DEVINE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	289 Other Federal Special Revenue Funds	385 Visually Impaired SSVI	410 State Instructional Materials	429 School Safety Standards	
ASSETS					
1110	Cash and Cash Equivalents	\$ (6,805)	-	\$ 6,246	\$ (14,023)
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	6,805	-	-	14,023
1000	Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,246</u>	<u>\$ -</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2300	Unearned Revenue	-	-	6,246	-
2000	Total Liabilities	<u>-</u>	<u>-</u>	<u>6,246</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,246</u>	<u>\$ -</u>

94

461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund	Total Nonmajor Governmental Funds
\$ 217,880	\$ 738,642	\$ 1,139,333	\$ 1,877,975
-	-	148,478	148,478
-	-	227,250	227,250
-	-	(22,725)	(22,725)
-	323,253	41,193	364,446
<u>\$ 217,880</u>	<u>\$ 1,061,895</u>	<u>\$ 1,533,529</u>	<u>\$ 2,595,424</u>
\$ -	\$ 3,942	\$ -	\$ 3,942
-	6,246	-	6,246
-	10,188	-	10,188
-	-	182,132	182,132
-	-	182,132	182,132
-	833,827	-	833,827
-	-	1,351,397	1,351,397
217,880	217,880	-	217,880
217,880	1,051,707	1,351,397	2,403,104
<u>\$ 217,880</u>	<u>\$ 1,061,895</u>	<u>\$ 1,533,529</u>	<u>\$ 2,595,424</u>

DEVINE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	205	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	195,944	484,801	379,348	5,650
5020 Total Revenues	195,944	484,801	379,348	5,650
EXPENDITURES:				
Current:				
0011 Instruction	195,944	350,276	367,217	5,650
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	122,901	5,513	-
0021 Instructional Leadership	-	6,739	2,074	-
0023 School Leadership	-	-	275	-
0031 Guidance, Counseling, and Evaluation Services	-	-	4,269	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	4,885	-	-
Debt Service:				
0071 Principal on Long-Term Liabilities	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	195,944	484,801	379,348	5,650
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

96

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	270 ESEA V, B,2 Rural & Low Income	281 ESSER II CRRSA Act Supplemental	282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act
\$ 259,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13,179	-	-	-	-	-	-	-
876,178	16,560	78,205	51,876	535,805	947,707	6,605	-
1,149,243	16,560	78,205	51,876	535,805	947,707	6,605	-
-	15,560	39,339	-	358,452	132,109	6,605	-
-	-	-	-	4,932	-	-	-
-	-	37,724	50,689	4,934	29,673	-	-
-	1,000	1,142	1,187	4,686	-	-	-
-	-	-	-	30,131	457,593	-	-
-	-	-	-	20,833	88,000	-	-
-	-	-	-	4,678	-	-	-
-	-	-	-	24,204	-	-	-
1,108,459	-	-	-	12,429	-	-	-
-	-	-	-	2,242	-	-	-
-	-	-	-	12,617	-	-	-
-	-	-	-	48,747	92,427	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,424	147,905	-	-
-	-	-	-	2,496	-	-	-
1,653	-	-	-	-	-	-	-
34	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,110,146	16,560	78,205	51,876	535,805	947,707	6,605	-
39,097	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
39,097	-	-	-	-	-	-	-
794,730	-	-	-	-	-	-	-
\$ 833,827	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

97

DEVINE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	289 Other Federal Special Revenue Funds	385 Visually Impaired SSVI	410 State Instructional Materials	429 School Safety Standards
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	706	73,847	113,063
5900 Federal Program Revenues	44,552	-	-	-
5020 Total Revenues	44,552	706	73,847	113,063
EXPENDITURES:				
Current:				
0011 Instruction	14,797	706	73,847	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	29,230	-	-	-
0021 Instructional Leadership	525	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	107,240
0053 Data Processing Services	-	-	-	5,823
0061 Community Services	-	-	-	-
Debt Service:				
0071 Principal on Long-Term Liabilities	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	44,552	706	73,847	113,063
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund	Total Nonmajor Governmental Funds
\$ 49,744	\$ 309,630	\$ 1,567,775	\$ 1,877,405
-	200,795	226,646	427,441
-	3,623,231	-	3,623,231
49,744	4,133,656	1,794,421	5,928,077
-	1,560,502	-	1,560,502
-	4,932	-	4,932
-	280,664	-	280,664
-	17,353	-	17,353
42,718	530,717	-	530,717
-	113,102	-	113,102
-	4,678	-	4,678
-	24,204	-	24,204
-	1,120,888	-	1,120,888
13,001	15,243	-	15,243
-	12,617	-	12,617
-	141,174	-	141,174
-	107,240	-	107,240
-	158,152	-	158,152
-	7,381	-	7,381
-	1,653	535,000	536,653
-	34	352,240	352,274
-	-	17,714	17,714
55,719	4,100,534	904,954	5,005,488
(5,975)	33,122	889,467	922,589
-	-	(512,007)	(512,007)
(5,975)	33,122	377,460	410,582
223,855	1,018,585	973,937	1,992,522
\$ 217,880	\$ 1,051,707	\$ 1,351,397	\$ 2,403,104

This page is left blank intentionally.

T.E.A. REQUIRED SCHEDULES

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2024

Last 10 Years	(1)	(2)	(3)	
	Tax Rates		Assessed/Appraised Value for School Tax Purposes	
	Maintenance	Debt Service		
2015 and prior years	Various	Various	\$ Various	
2016	1.170000	0.200000	397,454,380	
2017	1.170000	0.200000	416,989,927	
2018	1.170000	0.200000	427,306,496	
2019	1.170000	0.165000	451,933,408	102
2020	1.068300	0.160000	482,540,259	
2021	1.027200	0.200000	513,711,758	
2022	0.879000	0.240000	579,914,965	
2023	0.854600	0.240000	671,174,216	
2024 (School year under audit)	0.727000	0.240000	688,584,399	
1000 TOTALS				
8000 Total Taxes Refunded Under Section 26.1115, Tax Code				

(10) Beginning Balance 7/1/2023	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2024	(99) Taxes Refunded Under Section 26.1115c
\$ 153,116	\$ -	\$ 5,125	\$ 841	\$ (4,049)	\$ 143,101	
28,513	-	1,167	200	(110)	27,036	
31,204	-	1,170	200	(766)	29,068	
29,483	-	3,955	676	(1,252)	23,600	
39,864	-	8,199	1,156	(1,925)	28,584	103
51,115	-	8,827	1,321	(1,825)	39,142	
81,486	-	28,009	5,453	(2,098)	45,926	
195,673	-	76,628	20,895	(24,412)	73,738	
434,187	-	69,019	19,284	(92,357)	253,527	
-	6,658,611	4,499,809	1,484,219	(222,294)	452,289	
<u>\$ 1,044,641</u>	<u>\$ 6,658,611</u>	<u>\$ 4,701,908</u>	<u>\$ 1,534,245</u>	<u>\$ (351,088)</u>	<u>\$ 1,116,011</u>	

\$ -

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 220,000	\$ 258,800	\$ 259,886	\$ 1,086
5800 State Program Revenues	10,000	12,350	13,179	829
5900 Federal Program Revenues	815,000	878,715	876,178	(2,537)
5020 Total Revenues	1,045,000	1,149,865	1,149,243	(622)
EXPENDITURES:				
Current:				
0035 Food Services	1,045,000	1,204,300	1,108,459	95,841
Debt Service:				
0071 Principal on Long-Term Liabilities	-	2,000	1,653	347
0072 Interest on Long-Term Liabilities	-	200	34	166
6030 Total Expenditures	1,045,000	1,206,500	1,110,146	96,354
1200 Net Change in Fund Balances	-	(56,635)	39,097	95,732
0100 Fund Balance - July 1 (Beginning)	794,730	794,730	794,730	-
3000 Fund Balance - June 30 (Ending)	\$ 794,730	\$ 738,095	\$ 833,827	\$ 95,732

105

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,708,047	\$ 1,568,761	\$ 1,567,775	\$ (986)
5800 State Program Revenues	-	11,509	226,646	215,137
5020 Total Revenues	1,708,047	1,580,270	1,794,421	214,151
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	535,000	535,000	535,000	-
0072 Interest on Long-Term Liabilities	340,973	352,241	352,240	1
0073 Bond Issuance Cost and Fees	1,600	17,738	17,714	24
6030 Total Expenditures	877,573	904,979	904,954	25
1100 Excess of Revenues Over Expenditures	830,474	675,291	889,467	214,176
OTHER FINANCING SOURCES (USES):				
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	(512,007)	(512,007)
1200 Net Change in Fund Balances	830,474	675,291	377,460	(297,831)
0100 Fund Balance - July 1 (Beginning)	973,937	973,937	973,937	-
3000 Fund Balance - June 30 (Ending)	\$ 1,804,411	\$ 1,649,228	\$ 1,351,397	\$ (297,831)

107

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
 FOR THE YEAR ENDED JUNE 30, 2024

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
<hr/>		
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes
<hr/>		
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$1,773,464
<hr/>		
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30)	\$881,361

109

Section B: Bilingual Education Programs

AP5	Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
<hr/>		
AP6	Does the district have written policies and procedures for its bilingual education program?	Yes
<hr/>		
AP7	Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$57,488
<hr/>		
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)	\$24,134

This page is left blank intentionally.

FEDERAL SECTION

This page is left blank intentionally.

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants

400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

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

To the Board of Trustees
Devine Independent School District
Devine, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Devine Independent School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Devine Independent School District's basic financial statements, and have issued our report thereon dated August 30, 2024.

113

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Devine 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 the Devine Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Devine 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 entity'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.

This page is left blank intentionally.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Devine 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Coleman, Horton and Company, LLP

Uvalde, Texas
August 30, 2024

115

This page is left blank intentionally.

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants

400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

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

To the Board of Trustees
Devine Independent School District
Devine, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Devine Independent School District's 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 Devine Independent School District's major federal programs for the year ended June 30, 2024. The Devine Independent School District's major federal programs are identified in the Summary of the Auditor's Results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Devine Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit 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 Devine Independent School 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 Devine Independent School 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 Devine Independent School District's federal programs.

117

This page is left blank intentionally.

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 Devine Independent School 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 Generally Accepted Auditing Standards (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 Devine Independent School 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 Devine Independent School 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 Devine Independent School 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 Devine Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

119

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 a 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.

This page is left blank intentionally.

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.

Coleman, Horton and Company, LLP

Uvalde, Texas
August 30, 2024

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2024

A. Summary of the Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified Yes No

One or more significant deficiencies identified that not considered to be material weakness? Yes No

Noncompliance material to financial statements noted? Yes No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified Yes No

One or more significant deficiencies identified that not considered to be material weakness? Yes No

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

Any audit findings disclosed that are required to be reported in accordance with section 200 of the Uniform Guidance? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
CFDA #10.553 & #10.555	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? Yes No

123

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

B. Financial Statement Findings

-----None noted-----

C. Federal Award Findings and Questioned Costs

-----None noted-----

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

A. Findings/Status

-----None Noted-----

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2024

-----None noted-----

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2024

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	23-610101163901	\$ 96,002
ESEA, Title I, Part A - Improving Basic Programs	84.010A	24-610101163901	388,799
Total Assistance Listing Number 84.010			484,801
*IDEA - Part B, Formula	84.027A	23-6600011639016600	59,723
*IDEA - Part B, Formula	84.027A	24-6600011639016600	319,625
*COVID 19 - IDEA, Part B, Formula - (ARP)	84.027X	22-5350021639015350	6,605
*Contracted Services Awards	84.027A	UQ2KSWHRBUH3	6,805
Total Assistance Listing Number 84.027			392,758
*IDEA - Part B, Preschool	84.173A	23-6610011639016610	463
*IDEA - Part B, Preschool	84.173A	24-6610011639016610	5,187
Total Assistance Listing Number 84.173			5,650
Total Special Education Cluster (IDEA)			398,408
Career and Technical - Basic Grant	84.048A	23-420006163901	935
Career and Technical - Basic Grant	84.048A	24-420006163901	15,625
Total Assistance Listing Number 84.048			16,560
ESEA, Title V, Part B,2 - Rural & Low Income Prog.	84.358A	24-696001163901	51,876
ESEA, Title II, Part A, Teacher Principal Training	84.367A	23-694501163901	19,185
ESEA, Title II, Part A, Teacher Principal Training	84.367A	24-694501163901	59,020
Total Assistance Listing Number 84.367			78,205
COVID 19 - ESSER II - School Emergency Relief	84.425D	21-521001163901	535,805
COVID 19 - ESSER III - School Emergency Relief	84.425U	21528001163901	947,707
Total Assistance Listing Number 84.425			1,483,512
Title IV, Part A, Subpart 1	84.010A	23-6801163901	7,991
Title IV, Part A, Subpart 1	84.424A	24-6801163901	29,756
Total Passed Through Texas Education Agency			2,551,109
TOTAL U.S. DEPARTMENT OF EDUCATION			2,551,109
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed Through Texas Health and Human Services Commission</u>			
Medicaid Administrative Claiming Program - MAC	93.778	HHS000537900056	6,732
Total Passed Through Texas Health and Human Services Commission			6,732
<u>Passed Through Texas Education Agency</u>			
Head Start	93.600	205475305	43,275
Head Start	93.600	205475405	152,669
Total Assistance Listing Number 93.600			195,944
Total Passed Through Texas Education Agency			195,944
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			202,676
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	71402401	223,004

131

This page is left blank intentionally.

DEVINE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2024

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
*National School Lunch Program - Cash Assistance	10.555	71302401	571,983
*National School Lunch Prog. - Non-Cash Assistance	10.555	N/A	72,740
*Supply Chain Assistance (SCA)	10.555	23-6TX400N8903	8,451
Total Assistance Listing Number 10.555			653,174
Total Child Nutrition Cluster			876,178
Total Passed Through the Texas Department of Agriculture			876,178
TOTAL U.S. DEPARTMENT OF AGRICULTURE			876,178
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,629,963

*Clustered Programs

**The above amounts do not include SHARS receipts of \$109,970, which is included as federal revenue in the General Fund

This page is left blank intentionally.

SCHOOLS FIRST QUESTIONNAIRE

DEVINE INDEPENDENT SCHOOL DISTRICT

Fiscal Year 2024

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 Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If payments were not made or warrant hold not cleared within 30 days of when due, then payments are NOT timely.)	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, answer is still YES.)	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 and/or substantial doubt about the district's ability to continue as a going concern?	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 district's administration and school board members discuss any changes and/or impact to local, state, and federal funding 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.	\$-0-

This page is left blank intentionally.

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants

400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

August 30, 2024

To the Board of Trustees
Devine Independent School District
Devine, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Devine Independent School District for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under Generally Accepted Auditing Standards (GAAS) and, if applicable, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

137

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Devine Independent School District are described in Note I to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no transactions entered into by the Devine Independent School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Devine Independent School District's financial statements were:

Management's estimate of the allowance for uncollectable property tax is based on an overall percentage of the uncollected property tax at the end of the year. We evaluated the key factors and assumptions used to develop the allowance for uncollectible property taxes in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the over or under funding of state revenue from the Texas Education Agency. We evaluated the assumptions and calculations of the projected receipts and considered them to be reasonable and in line with the actual operations of the Devine Independent School District.

Management's estimate of the useful lives of the Devine Independent School District's capital assets is based on the projected useful life expectancy of the class of asset (ex. buildings, equipment, etc.) at the time of purchase or time of construction. We evaluated the key factors and assumptions used to develop the lives and the related calculated depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Devine Independent School District's proportionate share of the collective net pension liability is based on actuarial assumptions performed by the state auditor on the Devine Independent School District's pension plan. We reviewed these assumptions and calculations by the state auditor and individual testing we did at the district level in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Devine Independent School District's proportionate share of the collective other post-employment benefit (OPEB) liability is based on actuarial assumptions performed by the state auditor on the Devine Independent School District's OPEB plan. We reviewed these assumptions and calculations by the state auditor and individual testing we did at the district level in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Devine Independent School District's lease liability and lease assets is based on terms within contractual agreements with vendors who provide the Devine Independent School District the right to use certain nonfinancial assets for a defined period of time. We reviewed the assumptions and calculations made by the Devine Independent School District for the respective agreements in determining that they are reasonable in relation to the financial statements as a whole.

The financial statement disclosures are neutral, consistent, and clear.

138

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually, or in the aggregate, to each opinion unit's financial statements taken as a whole. We have attached a listing of the journal entries that were proposed by us and accepted by management to this letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 30, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Devine Independent School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Devine Independent School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Contributions for Pensions, Schedule of the District's Proportionate Share of the Net OPEB Liability, and the Schedule of the District Contributions for Other Post-Employment Benefits, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining statements and individual nonmajor fund statements, and the TEA required schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements, or to the financial statements themselves.

139

Restriction on Use

This information is intended solely for the information and use of the Board of Trustees and management of the Devine Independent School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Coleman, Horton and Company, LLP

Certified Public Accountants

Adjusting Entries By Entry Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Account Number	Adjustment		Adjusting Entries Must be Approved by District. APPROVED BY:
	Debit	Credit	
Adjusting Entry Number: 1			<input type="text"/>
865 - 00 -3600 -00 - 000 -4 - 00 - 000	2,443.67		
865 - 00 -2111 -00 - 000 -4 - 00 - 000		(2,443.67)	
	<u>2,443.67</u>	<u>(2,443.67)</u>	
Remarks:	Correct beginning of the year equity and account payables balance.		
Adjusting Entry Number: 2			<input type="text"/>
270 - 00 -1110 -00 - 000 -4 - 00 - 000		(897.29)	
270 - 00 -5831 -00 - 000 -4 - 00 - 000	897.29		
270 - 00 -2171 -00 - 000 -4 - 00 - 000	2,918.66		
270 - 13 -6119 -00 - 041 -4 - 11 - 000		(2,918.66)	
	<u>3,815.95</u>	<u>(3,815.95)</u>	
Remarks:	Remove TRS entries.		140
Adjusting Entry Number: 3			<input type="text"/>
281 - 00 -1411 -00 - 000 -1 - 00 - 000		(.62)	
281 - 11 -6143 -00 - 041 -1 - 23 - 000	.62		
	<u>.62</u>	<u>(.62)</u>	
Remarks:	Clear old accounts.		
Adjusting Entry Number: 4			<input type="text"/>
282 - 00 -5831 -00 - 000 -1 - 00 - 000	13,121.69		
282 - 00 -2171 -00 - 000 -1 - 00 - 000	2,515.17		
282 - 23 -6146 -00 - 001 -1 - 99 - 000		(6,484.44)	
282 - 23 -6146 -00 - 041 -1 - 99 - 000		(5,612.39)	
282 - 23 -6146 -01 - 001 -1 - 99 - 000		(2,815.83)	
282 - 23 -6146 -01 - 041 -1 - 99 - 000		(724.20)	
282 - 00 -2171 -00 - 000 -1 - 00 - 000	13,121.69		
282 - 23 -6146 -01 - 041 -1 - 99 - 000		(4,346.72)	
282 - 23 -6146 -01 - 101 -1 - 99 - 000		(3,799.84)	
282 - 51 -6146 -00 - 820 -1 - 99 - 000		(1,855.12)	
282 - 51 -6146 -00 - 830 -1 - 99 - 000		(1,855.12)	
282 - 53 -6119 -00 - 840 -1 - 99 - 000		(1,264.89)	
282 - 00 -1110 -00 - 000 -1 - 00 - 000		(13,121.69)	
282 - 00 -2171 -00 - 000 -1 - 00 - 000	<u>13,121.69</u>		
	<u>41,880.24</u>	<u>(41,880.24)</u>	
Remarks:	Clear TRS on behalf amounts.		
Adjusting Entry Number: 5			<input type="text"/>
410 - 00 -2310 -00 - 000 -4 - 00 - 000	.51		
410 - 00 -5829 -00 - 000 -4 - 00 - 000		(.51)	
	<u>.51</u>	<u>(.51)</u>	
Remarks:	Adjust unearned revenue.		
Adjusting Entry Number: 6			<input type="text"/>
461 - 00 -3600 -00 - 000 -4 - 00 - 000	2,041.07		
461 - 00 -5759 -00 - 101 -4 - 00 - 000		(2,041.07)	
	<u>2,041.07</u>	<u>(2,041.07)</u>	
Remarks:	Tie to beginning fund balance.		

Adjusting Entries By Entry Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Account Number	Adjustment		Adjusting Entries Must be Approved by District APPROVED BY:
	Debit	Credit	
Adjusting Entry Number: 7			<input type="text"/>
240 - 00 -1411 -00 -000 -4 -00 -000	550.89		
240 - 00 -2111 -00 -000 -4 -00 -000		(187.43)	
240 - 35 -6143 -00 -999 -4 -99 -000		(363.46)	
255 - 11 -6399 -00 -999 -4 -24 -000		(850.00)	
255 - 00 -1110 -00 -000 -4 -00 -000	850.00		
	<u>1,400.89</u>	<u>(1,400.89)</u>	
Remarks:	To reclassify.		
Adjusting Entry Number: 8			<input type="text"/>
240 - 00 -2161 -00 -000 -4 -00 -000		(.10)	
240 - 00 -2211 -11 -000 -4 -00 -000	728.37		
240 - 00 -2211 -12 -000 -4 -00 -000	121.44		141
240 - 00 -2211 -16 -000 -4 -00 -000	.56		
240 - 35 -6146 -00 -999 -4 -99 -000		(850.27)	
	<u>850.37</u>	<u>(850.37)</u>	
Remarks:	To zero out old balances.		
Adjusting Entry Number: 9			<input type="text"/>
199 - 00 -3600 -00 -000 -4 -00 -000		(566,468.00)	
199 - 00 -3700 -00 -000 -4 -00 -000	566,468.00		
	<u>566,468.00</u>	<u>(566,468.00)</u>	
Remarks:	Agree beginning fund balance to prior year audited balances.		
Adjusting Entry Number: 10			<input type="text"/>
199 - 11 -6399 -00 -101 -4 -11 -000	429.31		
199 - 00 -2110 -00 -000 -4 -00 -000		(429.31)	
	<u>429.31</u>	<u>(429.31)</u>	
Remarks:	To tie to year end accounts payable report.		
Adjusting Entry Number: 11			<input type="text"/>
199 - 00 -1241 -00 -000 -4 -00 -000	354,279.00		
199 - 00 -5811 -00 -000 -4 -00 -000		(16,067.00)	
199 - 00 -5812 -00 -000 -4 -00 -000		(338,212.00)	
599 - 00 -1241 -00 -000 -4 -00 -000	37,994.00		
599 - 00 -2181 -00 -000 -4 -00 -000	73,143.00		
599 - 00 -5829 -00 -000 -4 -00 -000		(111,137.00)	
	<u>465,416.00</u>	<u>(465,416.00)</u>	
Remarks:	Record receivable from State based on District template and SOF.		
Adjusting Entry Number: 12			<input type="text"/>
199 - 00 -1220 -00 -000 -4 -00 -000	36,216.58		
199 - 00 -1230 -00 -000 -4 -00 -000		(3,621.66)	
199 - 00 -2310 -00 -000 -4 -00 -000		(37,854.06)	
199 - 00 -5711 -00 -000 -4 -00 -000	5,259.14		
599 - 00 -1220 -00 -000 -4 -00 -000	35,153.33		
599 - 00 -1230 -00 -000 -4 -00 -000		(3,515.34)	
599 - 00 -2310 -00 -000 -4 -00 -000		(51,284.06)	
599 - 00 -5711 -00 -000 -4 -00 -000	19,646.07		
	<u>96,275.12</u>	<u>(96,275.12)</u>	

Adjusting Entries By Entry Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Account Number	Adjustment		Adjusting Entries Must be Approved by District. APPROVED BY:
	Debit	Credit	
Remarks:	To adjust property tax receivable, allowance, and unavailable revenue after 60 day tax accrual.		
Adjusting Entry Number: 13			<input type="text"/>
199 - 00 -1411 -00 -000 -4 -00 -000		(80,896.21)	
199 - 11 -6143 -00 -001 -4 -11 -000	33,062.41		
199 - 12 -6143 -00 -001 -4 -11 -000	270.08		
199 - 13 -6143 -00 -001 -4 -11 -000	887.19		
199 - 21 -6143 -00 -850 -4 -99 -000	1,149.19		
199 - 23 -6143 -00 -001 -4 -99 -000	1,614.17		
199 - 31 -6143 -00 -001 -4 -99 -000	3,348.65		
199 - 33 -6143 -00 -041 -4 -99 -000	377.56		
199 - 34 -6143 -00 -810 -4 -99 -000	7,769.29		
199 - 36 -6143 -00 -001 -4 -22 -000	2,501.78		142
199 - 41 -6143 -00 -701 -4 -99 -000	1,913.88		
199 - 51 -6143 -00 -001 -4 -99 -000	27,643.05		
199 - 52 -6143 -00 -999 -4 -99 -000	4.63		
199 - 53 -6143 -00 -840 -4 -99 -000	80.41		
199 - 61 -6143 -01 -999 -4 -99 -000	273.92		
	<u>80,896.21</u>	<u>(80,896.21)</u>	
Remarks:	Adjust prepaid at year end.		
Adjusting Entry Number: 14			<input type="text"/>
199 - 11 -6269 -01 -001 -4 -11 -000	1,844.79		
199 - 11 -6269 -01 -041 -4 -11 -000	34.60		
199 - 11 -6269 -01 -101 -4 -11 -000	1,218.40		
199 - 11 -6269 -01 -102 -4 -11 -000	57.69		
199 - 31 -6269 -01 -860 -4 -23 -000	444.38		
199 - 41 -6269 -00 -750 -4 -99 -000	2,075.04		
199 - 71 -6522 -00 -001 -4 -11 -000	191.20		
199 - 71 -6522 -00 -001 -4 -22 -000	57.11		
199 - 71 -6522 -00 -041 -4 -11 -000	141.39		
199 - 71 -6522 -00 -101 -4 -11 -000	144.17		
199 - 71 -6522 -00 -102 -4 -11 -000	78.75		
199 - 71 -6522 -00 -860 -4 -23 -000	83.34		
199 - 71 -6522 -00 -999 -4 -99 -000	85.78		
199 - 71 -6512 -00 -001 -4 -11 -000		(1,386.25)	
199 - 71 -6512 -00 -001 -4 -22 -000		(490.26)	
199 - 71 -6512 -00 -041 -4 -11 -000		(1,214.12)	
199 - 71 -6512 -00 -101 -4 -11 -000		(1,237.67)	
199 - 71 -6512 -00 -102 -4 -11 -000		(676.01)	
199 - 71 -6512 -00 -860 -4 -23 -000		(715.39)	
199 - 71 -6512 -00 -999 -4 -99 -000		(736.94)	
	<u>6,456.64</u>	<u>(6,456.64)</u>	
Remarks:	To agree principal and interest posted in function 71to amortization schedule for leased assets per GASB 87.		
Adjusting Entry Number: 15			<input type="text"/>
199 - 00 -1110 -00 -000 -4 -00 -000	9,168.98		
199 - 11 -6143 -00 -001 -4 -11 -000		(9,168.98)	
	<u>9,168.98</u>	<u>(9,168.98)</u>	

Adjusting Entries By Entry Number

FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Account Number	Adjustment		Adjusting Entries Must be Approved by District. APPROVED BY:
	Debit	Credit	
Remarks: Adjust expenses and other items from the special revenue funds.			
Adjusting Entry Number: 16			<input style="width: 100px; height: 20px;" type="text"/>
199 - 00 -1110 -00 - 000 -4 -00 -000		(1,768.19)	
199 - 36 -6399 -03 - 870 -4 -91 -000	1,768.19		
	1,768.19	(1,768.19)	
Remarks: Clear out some old outstanding items on the bank reconciliation.			
Adjusting Entry Number: 17			<input style="width: 100px; height: 20px;" type="text"/>
429 - 00 -1110 -00 - 000 -4 -00 -000	4,000.00		
429 - 52 -6291 -03 - 999 -4 -99 -000		(4,000.00)	
	4,000.00	(4,000.00)	
Remarks: Correct double posting.			
Adjusting Entry Number: 18			<input style="width: 100px; height: 20px;" type="text"/>
599 - 00 -3420 -00 - 000 -4 -00 -000	830,474.00		
599 - 00 -3700 -00 - 000 -4 -00 -000		(830,474.00)	
	830,474.00	(830,474.00)	143
Remarks: Remove budgeted change from actual fund balance.			
Adjusting Entry Number: 19			<input style="width: 100px; height: 20px;" type="text"/>
623 - 00 -1264 -00 - 000 -4 -00 -000	2,453.84		
623 - 00 -2171 -00 - 000 -4 -00 -000		(2,453.84)	
	2,453.84	(2,453.84)	
Remarks: Reclass liability to proper object code.			
Adjusting Entry Number: 20			<input style="width: 100px; height: 20px;" type="text"/>
199 - 71 -6519 -03 - 999 -4 -99 -000	191.63		
199 - 41 -6499 -00 - 702 -4 -99 -000		(191.63)	
	191.63	(191.63)	
Remarks: Agree payments for principal and zero out liability balance.			
Adjusting Entry Number: 21			<input style="width: 100px; height: 20px;" type="text"/>
281 - 11 -6118 -00 - 101 -1 -11 -000	1,950.00		
281 - 11 -6128 -00 - 101 -1 -11 -000	1,200.00		
281 - 11 -6141 -00 - 101 -1 -11 -000	45.68		
281 - 11 -6143 -00 - 101 -1 -11 -000	10.72		
281 - 11 -6118 -00 - 101 -1 -34 -000		(1,950.00)	
281 - 11 -6128 -00 - 101 -1 -34 -000		(1,200.00)	
281 - 11 -6141 -00 - 101 -1 -34 -000		(45.68)	
281 - 11 -6143 -00 - 101 -1 -34 -000		(10.72)	
	3,206.40	(3,206.40)	
Remarks: Correct invalid program intent code.			
Adjusting Entry Number: 22			<input style="width: 100px; height: 20px;" type="text"/>
623 - 00 -5749 -00 - 000 -4 -00 -000	11,255,000.00		
623 - 00 -7911 -00 - 000 -4 -00 -000		(10,420,000.00)	
623 - 71 -6599 -00 - 999 -4 -99 -000	147,963.19		
623 - 00 -7916 -00 - 000 -4 -00 -000		(1,047,471.90)	
623 - 00 -7916 -00 - 000 -4 -00 -000	64,508.71		

Adjusting Entries By Entry Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Account Number	Adjustment		Adjusting Entries Must be Approved by District. APPROVED BY:
	Debit	Credit	
	11,467,471.90	(11,467,471.90)	
Remarks:	Reclass bond issuance transactions to right object codes.		
<u>Adjusting Entry Number:</u> 23			<input type="text"/>
836 - 00 - 1110 - 00 - 000 - 4 - 00 - 000		(1,443.25)	
836 - 36 - 6223 - 00 - 001 - 4 - 99 - 000	6,701.64		
836 - 00 - 5742 - 00 - 000 - 4 - 00 - 000		(14.60)	
836 - 00 - 5744 - 00 - 000 - 4 - 00 - 000		(5,243.79)	
	6,701.64	(6,701.64)	
Remarks:	To record activity in scholarship fund.		
<u>Adjusting Entry Number:</u> 24			<input type="text"/>
623 - 00 - 1120 - 00 - 000 - 4 - 00 - 000	11,398,859.97		
623 - 00 - 1110 - 00 - 000 - 4 - 00 - 000		(11,398,859.97)	144
	11,398,859.97	(11,398,859.97)	
Remarks:	To reclassify to correct object code.		

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
Adjustment Number: 1		Column: Account Groups - Beginning		<input type="text"/>
1510	Land	711,520.00		
1520	Buildings and Improvements	44,703,945.00		
1530	Furniture and Equipment	4,144,861.00		
1550	Right-to-Use Lease Asset	119,516.00		
1521	Depreciation on Buildings		(16,624,568.00)	
1531	Depreciation on Furniture and Equipment		(3,259,196.00)	
1551	Depreciation on Lease Asset		(11,765.00)	
3800	Investments in Capital Assets, Net of Debt		(29,784,313.00)	
9100	Beginning Fund Balance / Net Position		(29,784,313.00)	
9200	Ending Fund Balance/Net Position	29,784,313.00		
		79,464,155.00	(79,464,155.00)	

Remarks: Record beginning of the year capital assets and accumulated depreciation.

145

Adjustment Number: 2		Column: Account Groups - Beginning		<input type="text"/>
1996	Deferred Charge on Refunding	267,706.00		
2510	Bonds Payable - Due in More than One Year		(9,035,000.00)	
2516	Unamortized Premium (Discount) on Bonds		(480,260.00)	
2520	Loans Payable - Due in More than One Year		(705,779.00)	
2530	Right-to-Use Lease Liability-due in more than 1 yr		(107,883.00)	
3800	Investments in Capital Assets, Net of Debt	10,061,216.00		
2140	Interest Payable		(161,343.00)	
3900	Unrestricted Net Position	161,343.00		
9100	Beginning Fund Balance / Net Position	10,222,559.00		
9200	Ending Fund Balance/Net Position		(10,222,559.00)	
		20,712,824.00	(20,712,824.00)	

Remarks: Record beginning of the year long term debt.

Adjustment Number: 3		Column: Debt and Capital Items		<input type="text"/>
1530	Furniture and Equipment		(394,947.00)	
1531	Depreciation on Furniture and Equipment	394,954.00		
3800	Investments in Capital Assets, Net of Debt		(7.00)	
9200	Ending Fund Balance/Net Position	7.00		
5070	Other Local and Intermediate Sources		(7.00)	
		394,961.00	(394,961.00)	

Remarks: Remove current year fixed asset disposals.

Adjustment Number: 4		Column: Reclassifications		<input type="text"/>
2140	Interest Payable		(342,390.00)	
6072	Debt Service - Interest on Long Term Debt	342,390.00		
3900	Unrestricted Net Position	342,390.00		
9200	Ending Fund Balance/Net Position		(342,390.00)	
		684,780.00	(684,780.00)	

Remarks: Record current year accrued interest on debt.

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
Adjustment Number: 5		Column: GASB 68		<input type="text"/>
1999	Deferred Outflow Related to TRS Pensions	2,253,396.00		
2595	Net Pension Liability (District's Share)		(5,805,157.00)	
2604	Deferred Inflow Related to TRS Pension		(747,262.00)	
9100	Beginning Fund Balance / Net Position	4,299,023.00		
3900	Unrestricted Net Position	4,299,023.00		
9200	Ending Fund Balance/Net Position		(4,299,023.00)	
		<u>10,851,442.00</u>	<u>(10,851,442.00)</u>	

Remarks: Record beginning of the year balances related to GASB 68.

Adjustment Number: 6		Column: GASB 75		<input type="text"/>
199a	Deferred Outflow Related to TRS OPEB	1,241,560.00		146
2596	Net OPEB Liability (District's Share)		(3,633,489.00)	
2605	Deferred Resource Inflow Related to TRS OPEB		(6,040,344.00)	
9100	Beginning Fund Balance / Net Position	8,432,273.00		
3900	Unrestricted Net Position	8,432,273.00		
9200	Ending Fund Balance/Net Position		(8,432,273.00)	
		<u>18,106,106.00</u>	<u>(18,106,106.00)</u>	

Remarks: Record beginning of year GASB 75 balances.

Adjustment Number: 7		Column: Debt and Capital Items		<input type="text"/>
1520	Buildings and Improvements	7,008.00		
1530	Furniture and Equipment	629,025.00		
1580	Construction in Progress	649,294.00		
3800	Investments in Capital Assets, Net of Debt		(1,285,327.00)	
9200	Ending Fund Balance/Net Position	1,285,327.00		
6034	Student (Pupil) Transportation		(598,630.00)	
6035	Food Services		(30,395.00)	
6051	Plant Maintenance and Operations		(7,008.00)	
6081	Facilities Acquisition and Construction		(649,294.00)	
		<u>2,570,654.00</u>	<u>(2,570,654.00)</u>	

Remarks: Record capital asset additions for current year.

Adjustment Number: 8		Column: Allocated Depreciation		<input type="text"/>
6011	Instruction	688,970.00		
6012	Instructional Resources & Media Services	22,836.00		
6013	Curriculum & Instructional Staff Development	15,226.00		
6033	Health Services	10,279.00		
6034	Student (Pupil) Transportation	62,808.00		
6036	Cocurricular/Extracurricular Activities	72,323.00		
6041	General Administration	43,773.00		
6051	Plant Maintenance and Operations	174,337.00		
1521	Depreciation on Buildings		(851,578.00)	
1531	Depreciation on Furniture and Equipment		(199,135.00)	
1551	Depreciation on Lease Asset		(39,839.00)	

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
3800	Investments in Capital Assets, Net of Debt	1,090,552.00		
9200	Ending Fund Balance/Net Position		(1,090,552.00)	
		<u>2,181,104.00</u>	<u>(2,181,104.00)</u>	

Remarks: Record current depreciation expense.

Adjustment Number: **9** Column: GASB 68

2595	Net Pension Liability (District's Share)		(1,189,742.00)	
1999	Deferred Outflow Related to TRS Pensions	312,667.00		
2604	Deferred Inflow Related to TRS Pension	269,840.00		
5800	State Program Revenues		(932,113.00)	
6011	Instruction	1,008,874.00		
6012	Instructional Resources & Media Services	13,815.00		
6013	Curriculum & Instructional Staff Development	35,038.00		147
6021	Instructional Leadership	30,863.00		
6023	School Leadership	82,795.00		
6031	Guidance, Counseling & Evaluation Services	78,036.00		
6033	Health Services	14,926.00		
6034	Student (Pupil) Transportation	34,164.00		
6035	Food Services	14,331.00		
6036	Cocurricular/Extracurricular Activities	54,209.00		
6041	General Administration	54,078.00		
6051	Plant Maintenance and Operations	103,880.00		
6052	Security and Monitoring Services	1,968.00		
6053	Data Processing Services	12,348.00		
6061	Community Services	23.00		
3900	Unrestricted Net Position	607,235.00		
9200	Ending Fund Balance/Net Position		(607,235.00)	
		<u>2,729,090.00</u>	<u>(2,729,090.00)</u>	

Remarks: Record GASB 68 activity for the year.

Adjustment Number: **10** Column: GASB 75

2596	Net OPEB Liability (District's Share)	271,150.00		
199a	Deferred Outflow Related to TRS OPEB		(217,470.00)	
2605	Deferred Resource Inflow Related to TRS OPEB	747,715.00		
5800	State Program Revenues	1,093,648.00		
6011	Instruction		(1,258,023.00)	
6012	Instructional Resources & Media Services		(19,406.00)	
6013	Curriculum & Instructional Staff Development		(26,084.00)	
6021	Instructional Leadership		(40,824.00)	
6023	School Leadership		(85,663.00)	
6031	Guidance, Counseling & Evaluation Services		(104,270.00)	
6033	Health Services		(18,623.00)	
6034	Student (Pupil) Transportation		(51,883.00)	
6036	Cocurricular/Extracurricular Activities		(58,226.00)	
6041	General Administration		(65,604.00)	
6051	Plant Maintenance and Operations		(155,535.00)	

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
6052	Security and Monitoring Services		(2,377.00)	
6053	Data Processing Services		(8,525.00)	
3900	Unrestricted Net Position		(801,395.00)	
9200	Ending Fund Balance/Net Position	801,395.00		
		<u>2,913,908.00</u>	<u>(2,913,908.00)</u>	

Remarks: Record GASB 75 activity for the year.

Adjustment Number: **11** Column: Debt and Capital Items

6071	Debt Service - Principal on Long Term Debt		(700,006.00)	
2510	Bonds Payable - Due in More than One Year	535,000.00		
2520	Loans Payable - Due in More than One Year	125,779.00		
2530	Right-to-Use Lease Liability-due in more than 1 yr	39,227.00		
3800	Investments in Capital Assets, Net of Debt		(700,006.00)	148
9200	Ending Fund Balance/Net Position	700,006.00		
		<u>1,400,012.00</u>	<u>(1,400,012.00)</u>	

Remarks: Recognize current year debt principal payments.

Adjustment Number: **12** Column: Debt and Capital Items

2510	Bonds Payable - Due in More than One Year	500,000.00		
3800	Investments in Capital Assets, Net of Debt		(500,000.00)	
8940	Payment to Bond Refunding Escrow Agent		(512,007.00)	
6073	Debt Service - Bond Issuance Cost and Fees	12,007.00		
9200	Ending Fund Balance/Net Position	500,000.00		
		<u>1,012,007.00</u>	<u>(1,012,007.00)</u>	

Remarks: Record current year bonds defeased.

Adjustment Number: **13** Column: Debt and Capital Items

2510	Bonds Payable - Due in More than One Year	675,000.00		
2520	Loans Payable - Due in More than One Year	110,000.00		
2530	Right-to-Use Lease Liability-due in more than 1 yr	39,998.00		
2502	Bonds, Loans & Other Payable-Due Within One Year		(785,000.00)	
2503	Right-to-Use Leases Payable - Due Within One Year		(39,998.00)	
		<u>824,998.00</u>	<u>(824,998.00)</u>	

Remarks: Reclass short term portion of debt due.

Adjustment Number: **14** Column: Reclassifications

1996	Deferred Charge on Refunding		(15,748.00)	
6072	Debt Service - Interest on Long Term Debt	15,748.00		
3900	Unrestricted Net Position	15,748.00		
9200	Ending Fund Balance/Net Position		(15,748.00)	
		<u>31,496.00</u>	<u>(31,496.00)</u>	

Remarks: Record amortization of deferred charge on refunding.

Adjustment Number: **15** Column: Reclassifications

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
2516	Unamortized Premium (Discount) on Bonds	29,769.00		
6072	Debt Service - Interest on Long Term Debt		(29,769.00)	
3800	Investments in Capital Assets, Net of Debt		(29,769.00)	
9200	Ending Fund Balance/Net Position	29,769.00		
		<u>59,538.00</u>	<u>(59,538.00)</u>	

Remarks: Record amortization of bond issuance premium.

Adjustment Number: **16** Column: Reclassifications

5010	Taxes - General Levy		(4,701,909.00)	
5011	Taxes - Debt Service Levy		(1,534,246.00)	
5070	Other Local and Intermediate Sources	6,236,155.00		
		<u>6,236,155.00</u>	<u>(6,236,155.00)</u>	149

Remarks: Separate tax collections into M&O and Debt Service

Adjustment Number: **17** Column: Reclassifications

5010	Taxes - General Levy	202,100.00		
5011	Taxes - Debt Service Levy	50,027.00		
9100	Beginning Fund Balance / Net Position		(252,127.00)	
		<u>252,127.00</u>	<u>(252,127.00)</u>	

Remarks: Record taxes collected in the current year but earned in a prior year.

Adjustment Number: **18** Column: Reclassifications

2601	Unavailable Revenue - Property Taxes	597,350.00		
3900	Unrestricted Net Position		(597,350.00)	
9200	Ending Fund Balance/Net Position	597,350.00		
9100	Beginning Fund Balance / Net Position		(597,350.00)	
		<u>1,194,700.00</u>	<u>(1,194,700.00)</u>	

Remarks: Move prior year's delinquent taxes from unavailable revenue to unrestricted net position as beginning net position. Adjust beginning and ending balances. Per GASB #34, can not be an unavailable revenue; must be a revenue of a prior year which has a fund balance effect.

Adjustment Number: **19** Column: Reclassifications

2601	Unavailable Revenue - Property Taxes	407,060.00		
3900	Unrestricted Net Position		(407,060.00)	
5010	Taxes - General Levy		(306,032.00)	
5011	Taxes - Debt Service Levy		(101,028.00)	
9200	Ending Fund Balance/Net Position	407,060.00		
		<u>814,120.00</u>	<u>(814,120.00)</u>	

Remarks: Remove current year delinquent taxes collectible from unavailable revenue and move to revenue earned. Post the effect on unrestricted net position and on ending fund balance.

Adjustment Number: **20** Column: Reclassifications

5010	Taxes - General Levy		(34,152.00)	
5011	Taxes - Debt Service Levy		(11,274.00)	
9100	Beginning Fund Balance / Net Position	45,426.00		

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
		45,426.00	(45,426.00)	

Remarks: Adjust beginning net assets by the difference of prior year estimated collections and the estimates in actual collections for delinquent taxes in the current year. Prior year was underestimated, therefore we must increase revenue amounts.

Adjustment Number: 21 Column: Reclassifications

2601	Unavailable Revenue - Property Taxes		(111,221.00)	
3900	Unrestricted Net Position	111,221.00		
5010	Taxes - General Levy	88,828.00		
5011	Taxes - Debt Service Levy	22,393.00		
9200	Ending Fund Balance/Net Position		(111,221.00)	
		222,442.00	(222,442.00)	

Remarks: This entry reverses out the 60 day rule used by the District to report revenues in the fund financial statements. The 60 day rule allows the District to report as revenue any delinquent taxes they expect to collect within 60 days after the end of the year. 150

Adjustment Number: 22 Column: Reclassifications

3450	Federal or State Funds Restricted	833,827.00		
3820	Restricted for Federal and State Programs		(833,827.00)	
3470	Capital Acquisition and Contractual Obligation	11,396,406.00		
3800	Investments in Capital Assets, Net of Debt		(11,396,406.00)	
3480	Retirement of Long-Term Debt	1,351,397.00		
3850	Restricted for Debt Service		(1,351,397.00)	
3510	Construction	1,201,900.00		
3900	Unrestricted Net Position		(1,201,900.00)	
3545	Other Committed Fund Balance	217,880.00		
3900	Unrestricted Net Position		(217,880.00)	
3600	Unassigned Fund Balance-General Fund	14,338,983.00		
3900	Unrestricted Net Position		(14,338,983.00)	
		29,340,393.00	(29,340,393.00)	

Remarks: Reclass fund balance.

Adjustment Number: 23 Column: Reclassifications

1267	Due from Fiduciary Funds		(128,636.00)	
2170	Due to Other Funds	131,090.00		
1260	Due from Other Funds		(2,454.00)	
		131,090.00	(131,090.00)	

Remarks: Eliminate interfund balances.

Adjustment Number: 24 Column: Reclassifications

2140	Interest Payable	161,343.00		
6072	Debt Service - Interest on Long Term Debt		(161,343.00)	
3900	Unrestricted Net Position		(161,343.00)	
9200	Ending Fund Balance/Net Position	161,343.00		
		322,686.00	(322,686.00)	

Adjustments to Worksheet by Adjustment Number
FY 2024

DEVINE INDEPENDENT SCHOOL DISTRICT

9/19/2024

Control Code	Control Description	Adjustment		Adjustments Must be approved by District. APPROVED BY:
		Debit	Credit	
Remarks: Remove prior year accrued interest on debt.				
Adjustment Number: 25 Column: Debt and Capital Items				
7911	Capital-related Debt Issued	10,420,000.00		
2510	Bonds Payable - Due in More than One Year		(10,420,000.00)	
7916	Premium or Discount on Issuance of Bonds	982,963.00		
2516	Unamortized Premium (Discount) on Bonds		(982,963.00)	
3800	Investments in Capital Assets, Net of Debt	11,402,963.00		
9200	Ending Fund Balance/Net Position		(11,402,963.00)	
		22,805,926.00	(22,805,926.00)	

Remarks: Show issuance of debt and related premium as an increase to liabilities in lieu of an other resource.

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants
400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

August 30, 2024

To the Board of Trustees
Devine Independent School District
Devine, Texas

Dear Board of Trustees:

152

Please let us take this opportunity to thank you for the professional relationship we have and to let you know we look forward to continuing to serve your district in the future.

At this time, we would like to renew our audit contract for the 2024-2025 school year. Doing so now will facilitate our ability to respond to your needs and questions as they arise. A copy of the engagement letter is enclosed for acceptance by the Board of Trustees.

We will be glad to answer any questions regarding this matter.



Dusty Routh, CPA
Partner
Coleman, Horton & Company, LLP

DR/mdm

COLEMAN, HORTON & COMPANY, LLP

Certified Public Accountants
400 E. NOPAL STREET • UVALDE, TEXAS 78801-5305
www.colemanhortoncpa.com

DEBORAH V. McDONALD, CPA
DEREK L. WALKER, CPA
DUSTY R. ROUTH, CPA
MELINDA D. KORCZYNSKI, CPA

TEL (830) 278-6276
FAX (830) 278-6868
chc@colemanhortoncpa.com

August 30, 2024

To the Board of Trustees and Management of
Devine Independent School District
Devine, Texas

We are pleased to confirm our understanding of the services we are to provide for the Devine Independent School District for the year ended June 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of Devine Independent School District as of and for the year ended June 30, 2025. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Devine Independent School District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Devine Independent School District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget & Actual – General Fund
- 3) Schedule of the District's Proportionate Share of the Net Pension Liability
- 4) Schedule of District's Contributions for Pensions
- 5) Schedule of the District's Proportionate Share of the Net OPEB Liability
- 6) Schedule of District's Contributions for Other Post-Employment Benefits (OPEB)

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

- 1) Schedule of expenditures of federal awards.
- 2) Combining Balance Sheet – Nonmajor Governmental Funds
- 3) Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

- 4) Schedule of Delinquent Taxes Receivable
- 5) Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Program
- 6) Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund
- 7) Use of Funds Report – Select State Allotment Programs.

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

- * Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- * Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

154

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

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

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

We have identified the following significant risks of material misstatement as part of our audit planning. This includes management override of controls which is a fraud risk in every entity. In addition, there is a risk of fraud that exists in revenue recognition. Our development of audit procedures and responses will address these risks and reduce them to an acceptable level.

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

Audit Procedures-Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

155

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Devine Independent School District's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Devine Independent School District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand the responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal

controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements, schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations contracts, and grant agreements; and related matters.

156

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review at the conclusion of fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

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

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

Other Services

157

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Devine Independent School District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement, schedule of expenditures of federal awards, and related notes services as previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

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

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

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

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

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

Dusty Routh, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit in mid-August 2025 and to issue our reports no later than November 2025.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$35,100. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 31 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly.

158

Reporting

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

The *Government Audit Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to Devine Independent School District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us. You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2022 peer review report accompanies this letter.

Sincerely,

Coleman, Horton and Company, LLP

Certified Public Accounts

RESPONSE:

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

Management Signature: _____

Title: Superintendent

Date: _____

Governance Signature:

Title: School Board President

Date: _____



CPAs • Tax • Audit & Accounting

Empowering Peace of Mind

Report on the Firm's System of Quality Control

To the Partners of Coleman, Horton & Company, LLP
and the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Coleman, Horton & Company, LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

160

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As part of our review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Bumgardner, Morrison & Company, LLP
Certified Public Accountants

Members: American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants
AICPA Private Companies Practice Section
AICPA Employee Benefit Plan Audit Quality Center
AICPA Government Audit Quality Center

1501 E Mockingbird Lane, Suite 300
PO Box 3750
Victoria, Texas 77903-3750
Phone: 361.575.0271
Fax: 361.578.0880
Website: BMCcpa.com

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Coleman, Horton & Company, LLP, in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Coleman, Horton & Company, LLP, has received a peer review rating of *pass*.

Bumgardner, Morrison & Company, LLP

BUMGARDNER, MORRISON & COMPANY, LLP
October 24, 2022



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: ESL Program Evaluation

Background Information:

All school districts are required to conduct a bilingual education or English as a second language (ESL) program shall conduct an annual evaluation in accordance with Texas Education Code (TEC), §29.053, collecting a full range of data to determine program effectiveness to ensure student academic success.

The annual evaluation report shall be presented to the board of trustees before November 1 of each year and the report shall be retained at the school district level in accordance with TEC §29.062.

Administrative Consideration:

Academic progress and proficiency of ELs

EL students meeting exit/reclassification criteria

Number of teachers trained and professional development that supports second language acquisition

Number of teachers on waivers being filed with TEA (current and previous year)

Professional development plan

Budgetary Consideration:

10% of bilingual allotment must be used for a professional development plan if a waiver is filed
Review the use of bilingual allotment for stipends, professional development, etc...

Supporting Documents:

Devine ISD ESL Program Evaluation

Recommendation:

Report only.

Respectfully Submitted by:

Jenni Hagdorn
Director of Special Education,
Section 504, and ESL

Approved by:

Dr. Todd Grandjean
Superintendent of Schools



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Minutes of Board Meeting (s)

Background Information:

Every month the office will submit to the Board of Trustees for approval a copy of last month's minutes for approval.

Administrative Consideration:

BE (LOCAL) – Board action shall be carefully recorded by the 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 President and the Secretary of the Board.

The official minutes shall be retained on file in the office of the Superintendent and shall be available for examination during regular office hours.

Budgetary Consideration:

None

Supporting Documents:

BE (LOCAL) Board Meetings

Recommendation:

Approve minutes for the regular board meeting on September 16, 2024.

Respectfully Submitted by:

Geri Woods
Superintendent's Secretary

Approved by:

Todd Grandjean
Superintendent of Schools

Minutes of Regular Meeting

The Board of Trustees

Devine ISD

A Regular Meeting of the Board of Trustees of Devine ISD was held on Monday, September 16, 2024 beginning at 6:30 PM in the Administration Building, 605 W Hondo Ave., Devine, TX 78016

Board Members Present: Nancy Pepper (President), Henry Moreno (Vice-President), Keri James (Secretary), Carl Brown, Alixana Buvinghausen, Chris Davis, Renee Frieda.

Guests Present: Kandy Stein, Anton Reicher (The Devine News)

School Officials Present: Dr. Todd Grandjean (Superintendent), Shannon Ramirez (CFO), Dawn Schneider (Director of Student Services), Juan Gonzalez (DHS Principal), Kandi Darnell (DMS Principal), Michael Gomez (Intermediate Principal), Magdalena Strickland (Elementary Principal), Jenni Hagdorn (Special Ed Director), Geri Woods (Recording Secretary)

1. Call to Order, Roll Call and Declaration of Quorum

Nancy Pepper called this meeting of the Devine Independent School District Board of Trustees to order at 6:30 p.m. and stated for the record that a quorum of board members was present, that this meeting had been duly called, and that notice of this meeting had been posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551. She further stated that trustees Keri James, Carl Brown, Chris Davis, Henry Moreno, Renee Frieda, Ali Buvinghausen, and Nancy Pepper were present.

2. Pledge of Allegiance and Invocation

3. Citizen Communication

- A. Public Comment for Non-Agenda Items. None.
- B. Public Address for Items on the Agenda. None.

4. Elementary Campus Principal's Report

Magdalena Strickland presented a report on campus activities.

5. Administrative Reports and Discussion:

- A. Central Office Reports
 - a. Superintendent's Reports on Personnel, Safety, & Board Priorities, Monthly Activity Calendar, District Activity Calendar, and 2023 Bond Project Update
 - 2. Director of Student Services Monthly Report
 - 3. Director of Special Education Monthly Report on Student Enrollment, ARDs, 504, and Training,
- B. Monthly Business Reports and Payment of Bills
- C. Principals' Reports on Monthly Activities
 - 1. Devine High School Principal's Report
 - 2. Devine Middle School Principal's Report
 - 3. Devine Intermediate School Principal's Report
 - 4. JJ Ciavarra Elementary School Principal's Report
 - 5. DLA/DAEP Principal's Monthly Report
- D. Directors' Monthly Reports

6. Consent Agenda

Carl Brown moved and seconded by Keri James to approve the consent agenda as presented. This motion Passed. Yea: 7, Nay: 0

- A. Minutes of Regular Board Meeting on August 19, 2024 and called meeting on September 9, 2024.
- B. Approve Budget Amendment
- C. Review District Investment Policy CDA (Local/Legal) Other Revenues: Investments and adopt resolutions
- D. Approve Resolution Authorizing District Investment Officers
- E. Adopt resolution for extracurricular status of 4-H organization and approve Adjunct Faculty Agreement with Medina County Extension office

7. Action Item (s)

- A. Carl Brown moved and seconded by Henry Moreno to Approve Payment to DHMSA Construction in the amount of \$55,000 for the asphalt for Headstart Portable as presented. This motion Passed. Yea: 7, Nay: 0
- B. Chris Davis moved and seconded by Carl Brown to approve calling for bus bids and to authorize the Superintendent to commit the purchase requisition for two busses not to exceed \$159,000 per unit upon return of bids as presented. This motion Passed. Yea: 7, Nay: 0
- C. Henry Moreno moved and seconded by Carl Brown to adopt the resolution regarding the Board's compliance with Texas Education Code 37.0814 to establish a good cause exception and alternative standards, and attach said resolution to the minutes of this meeting. This motion Passed. Yea: 7, Nay: 0
- D. Consider and Take Possible Action to Approve Board Operating Procedures. No action taken.

8. Closed Session

Nancy Pepper stated for the record that the Board of Trustees, beginning at 7:14 p.m., convened in a closed session in accordance with the Texas Open Meetings Act, for the purpose of discussing items listed under Texas Government Code Sections 551.074, 551.076, 551.082. NO FINAL ACTION, DECISIONS, OR VOTES WILL BE TAKEN WHILE THE BOARD IS IN EXECUTIVE SESSION.

9. Reconvene from Closed Session at 8:36 p.m.

10. Adjournment

Henry Moreno moved and seconded by Ali Buvenhausen to adjourn. This motion Passed. Yea: 7, Nay: 0

Meeting adjourned at 8:37 p.m.

Board President

Board Secretary



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Approve Bus Bids and Authorize Purchase from 2025-2026
Budget Year

Background Information:

According to CNB (Legal), Each contract proposed to be made by a district for the purchase or lease of one or more school buses, including a lease with an option to purchase, must be submitted to competitive bidding when the contract is valued at \$20,000 or more. *Education Code 44.031(l)*

When a contract for the purchase of school buses is valued at \$20,000 or more, the contract must be made either through competitive bidding or by purchasing the buses through the comptroller. *Atty. Gen. Op. LO-98-063 (1998)*

At the September 16, 2024 board meeting, the board approved going out for bids for two 77 passenger buses, one of which would have a lift. The bus with a lift is a custom order and will not be available this budget year.

Administrative Consideration:

The administration would like to request that the board approve the purchase of two 77 passenger buses based on the bids received. The administration would further like to request that since the lift bus cannot be delivered and paid for until the 2025-2026 budget year, that the Board of Trustees grant the superintendent authority to commit a purchase requisition in order to place an order for the lift passenger bus now based on the bid received and receive and pay for the bus from the 2025-2026 budget.

Budgetary Consideration:

Two 77 passenger buses to be paid from the 2024-2025 budget and one 77 passenger bus with a lift to be paid from the 2025-2026 budget.

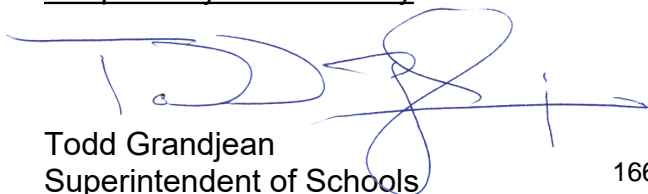
Supporting Documents:

Bus Bids

Recommendation:

Approve the purchase of two 77 passenger school buses from the 2024-2025 budget and grant authority to the superintendent to commit a purchase requisition to the vendor for purchase of one 77 passenger bus with a lift from the 2025-2026 budget..

Respectfully Submitted by:



Todd Grandjean
Superintendent of Schools



Devine Independent School District

605 W. Hondo, Devine, Texas 78010

(830) 851-0793 Fax (830) 865-0706
Dr. Todd Grandjean, Superintendent

October 7, 2024

RE: Purchase 2 buses

I am recommending we purchase the buses from Longhorn Bus Sales

77 Passenger Bus

Longhorn Bus Sales	\$150,235.00
Rush Truck Center	\$152,010.00
Thomas Bus Texas	\$144,600.00

77 Passenger With Lift

Longhorn Bus Sales	\$159,711.00
Rush Truck Centers	\$162,125.00
Thoma Bus Texas	No Response

Kandy Stein
Transportation Supervisor
210-416-1527
kandy.stein@devineisd.org



Rush Truck Center, San Antonio

8922 IH-10 East
Converse, TX 78109-5174
210-901-7100

Customer Proposal Letter

Devine ISD
205 West College St.
Devine 78016

Thank you for trusting us with your business. Please review the proposal below, and if you approve, sign and return to us at your convenience. We look forward to working with you and will continue to do our best to earn your trust now and in the future.

VEHICLE INFORMATION

Year 2026 Make Blue Bird Model BBCV3310S Stock # TBD Serial # TBD

Additional Vehicle Details: 2026 Bluebird 77 passenger Diesel LIFT bus. Price includes REI 5 camera with installation.

Doc fee is Buy Board fee per contract 722-30. Delivery is approx. 6 months from the time the PO is received.

Quantity	<u>1</u>	Total
Truck Price per Unit	<u>\$ 161,325.00</u>	<u>\$ 161,325.00</u>
F.E.T. (Factory & Dealer Paid)	<u>\$ 0.00</u>	
Net Sales Price	<u>\$ 161,325.00</u>	<u>\$ 161,325.00</u>
Optional Extended Warranty(ies)		
State Sales Tax		
Documentary Fee	<u>\$ 800.00</u>	<u>\$ 800.00</u>
Total Sales Price	<u>\$ 162,125.00</u>	<u>\$ 162,125.00</u>
Trade Allowance (see DISCLAIMER Below)		
Deposit / Down Payment		
Unpaid Balance Due on Delivery	<u>\$ 162,125.00</u>	<u>\$ 162,125.00</u>

Sales Representative	_____	Shane McElroy	_____
	Signature	Printed Name	Date
Purchaser	_____	_____	_____
	Signature	Printed Name / Title	Date
Accepted by Sales Manager or General Manager	_____	_____	_____
	Signature	Printed Name	Date

Quote good until 11/15/2024 Note: The above Customer Proposal is a quotation only. Sale terms subject to approval of Sales Manager of Dealer.

DISCLAIMER: Any order based on this Proposal is subject to Customer executing Dealer's standard form Retail Sales Order and other required documents incorporating the above terms. Any documentary fees, FET, state tax, title, registration and license fees subject to adjustment and change. This Proposal is based upon Dealer's current and expected inventory, which is subject to change. Dealer is not obligated to retain any specific vehicles in stock, nor maintain specific inventory levels. Dealer shall not be obligated to fulfill Proposal in event quoted vehicle(s) is not in stock or available within requested delivery schedule. Manufacturer has reserved the right to change the price to Dealer of any vehicle not currently in Dealer's stock, without notice to Dealer and Dealer reserves the right to change Quotation Total to reflect any price increases from Manufacturer. Dealer shall not be liable for any delay in providing or inability to provide Quoted Vehicle(s). Above listed Trade Value based upon current appraisal of Trade Vehicle(s). Dealer may adjust Trade Value of Trade Vehicle(s) to reflect changes in condition and/or mileage of Trade Vehicle(s) between date of current appraisal and acceptance of the Trade Vehicle by Customer.

⁽¹⁾ Includes subscription period for # of specified months. ⁽²⁾ Customer's use of RushCare Service is governed by the RushCare User Agreement located at <https://www.rushtruckcenters.com/rushcare-user-agreement>. ⁽³⁾ Customer's use of Telematics Services is governed by separate 3rd party license terms and Rush is not liable for the Telematics Service. ⁽⁴⁾ Gap Coverage is provided and administered by an independent 3rd party provider under a separate contract directly between Customer and the 3rd party provider.



Devine I.S.D.

Date: July 10, 2024

Body Manufacturer: IC Corp	Model: C3411 CE SCHOOL BUS (2025)
Chassis Manufacturer: IC Corp	Model: PB110 (2025)
Capacity: 77 Passengers	Number of units: 1
Price/Unit: \$150,235.00	TOTAL: \$150,235.00

Prices are good 30 days from date of this proposal.

Standard Body Specifications	Chassis Specifications
78" headroom standard	Engine: Cummins ISB 6.7
13 rows of 3pt seats with gray upholstery	Horsepower: 240
National air suspension driver seat w/ cloth insert, gray	Torque: 560 lb-ft
Modesty panel under barrier behind driver	Wheelbase: 276"
First aid kit, body fluid clean-up kit, safety triangles,	Transmission: Allison 2500 6sp, 6 th gen. controls
5lb fire extinguisher & belt cutter	Shift control: Stalk shifter, column mounted
16 ga. steel exterior body side panels	Alternator: 325 amp
Skirt mounted battery box w/slide out tray	Battery system: (3) 12 volt 2850 CCA
Full insulation (roof & sides)	Brakes: Full air; 5" front, 7" rear
Full length acoustical ceiling panels	Air dryer: Bendix AD-9SI w/heater
Body undercoating, fire resistant	Front axle: 10,000#, lubricated
3-piece bonded windshield w/tint & L/R assist handles	Rear axle: 21,000#, lubricated
Windshield wipers, w/automatic headlamp activation	Tires: 11R22.5 LRH all-position
Stepwell; preformed NaviFlex coated pebble tread	Wheels: 8.25x22.5 Black steel 2-hand hole
Black rubber flooring w/ aluminum aisle strips	Fuel tank: 100 gallon between frame rails
School bus yellow paint w/ black rub rails & bumpers	DEF tank: 16.5 gallon
White interior paint	Steering, power: Tilt w/switch controls (4 PGM)
Interior passenger mirror (6 x 30) w/ visor	Power source: USB A & C in driver storage bin
Rosco mini Hawk-Eye cross over mirrors	Communication module: OTA programming w/ 5yr data plan and International 360
Rosco rearview mirrors (black, motorized, heated)	Fuel/water separator: Racor 400 series
Warning lights, 8-lamp, LED strobing; black back-ground flasher system, red lights active w/ door open	Gauge cluster: Premium 5" LCD color display
Pre-trip exterior light check	Air cleaner rest. gauge: Mounted on air cleaner
LED interior passenger dome lights	Cruise control
LED driver dome on separate switch	Idle mgmt. system
LED step well light	Air-ride suspension
State spec LED exterior light package	Warning buzzers
Tail pipe, exits left side through bumper	Auto. slack adjusters
Dash air conditioner w/ integral heater / defroster and automotive style driver controls	

Body Options Included	Chassis Options Included
Collision mitigation; Bendix Wingman Advanced Digital clock in driver area Drivers' area defrost fan (left) Drivers' overhead storage compartment AM/FM/USB Input/Aus. Input/PA system Speakers (8) mounted in light bar Waste container; removable in driver area Handrails; dual height SS each side of entry Entry door (Air), outward opening; full length single panel laminated door panel glass and keyed lock Lock; rear door w/ignition starter interlock White roof Reflective material per state specs Air stop arms; front and rear Specialty roof hatches (2) Four emergency E/E windows, vertical hinge Windows, passenger; laminated tint split sash LED strobe light Monitor, post trip inspection "Child Reminder" Sub floor 5/8" 5-ply plywood sub floor 84,500 BTU rear heater Front and rear mud flaps Extended body skirt panels	Bendix 4-channel ABS brakes with electronic stability and automatic traction control Bendix Intellipark electronic parking brake w/interlock Engine exhaust brake Headlamps, halogen w/daytime running lights & automatic twilight controlled. Multi-function rotary switch left of driver black grille with chrome surround Throttle (electronic hand control) Warranty towing: 24 months/Unlimited miles to nearest IC bus dealer <hr/> Additional Aftermarkets and Services PDI DOT Inspection Lettering (DEVINE I.S.D.) Govern speed set at 65mph Weight Slip Air conditioning 136K BTU (2 bulkheads, 1 mid-shift and drivers dash) REI 5 camera system

Both body and chassis specifications meet or exceed Texas School Bus Specification # 070-SB-16 for 2018.

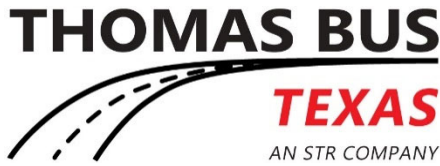
Authorized Signature _____

All stock buses are subject to prior sale.

Buy Board fee not included. If purchasing through Buy Board, and additional \$800.00 must be applied to purchase order (fee is per purchase order not per bus). Longhorn Buy Board number 722-23.

Estimated delivery is 60 -180 days from receipt of PO (dependent on whether bus is built or scheduled to build). Longhorn Bus Sales will not be held responsible for material shortages or delays due to the global COVID-19 pandemic or any other reasons outside our control of the represented OEMs (IC Corp) or third-party vendors used to complete a customers' bus equipment. A bus may be delivered without third-party products (i.e., A/C, GPS, two-way radios, camera surveillance, etc.) and will be installed when available. These shortages will not hold up invoicing of payments for delivered goods.

Longhorn Bus Sales
 9100 N. Loop East, Houston, Texas 77029
 Phone: (713) 631-9306



**TEXAS
CO-OPERATIVE
QUOTE
BuyBoard # 722-23**

Prepared For:

DEVINE ISD

Prepared By :

Harry Hughes
Thomas Bus Texas
8806 Mississippi Dr
Houston, Texas 77029
(832)216-8228
Harry.Hughes@ThomasBusTexas.com

Quote Number:
400602

Quote Date:
10/2/2024

Customer Order No:
Stock - 78Pax

Model Profile: Saf-T-Liner C2 341TS

Product Type: School Transportation
Year: 2025
Chassis Model: B2 106
Chassis MFG: FLNER
GVWR: GVWR
Passenger Capacity: 78
Headroom: 78
Wheelbase: 279
Brake Type: AIR
Engine Type: CUMMINS B6.7 220 DIESEL, 6 Cyl, 220 HP, 2600 RPM
Fuel Type: DIESEL
Fuel Tank Capacity: 100
Transmission Type: AUTOMATIC
Axle, Front: 10000-lb Capacity
Axle, Rear: 23000-lb Capacity
Tires, Front: FRONT HANKOOK AH24 11R22.5 14 PLY TIRES
Tires, Rear: REAR HANKOOK AH24 11R22.5 14 PLY TIRES

Includes the Following Equipment:

BODY

ACCESSORIES

- 1 VISOR-TINTED DRIVER'S SIDE WINDOW 6"X18"
- 1 LOCKS-KEYED ALIKE #CH545
- 1 LOCK-DRVR'S INTR STORAGE OVR DRV'S HEADER W/O INTRLK CH545

CERTIFICATION/SAFETY

- 1 REFLECTTAPE-RR END YEL 2"
- 4 REFLECTTAPE-P/O WDO YEL
- 1 REFLECTIVE TAPE-EMERGENCY DOOR REAR YELLOW
- 1 REFLECTTAPE-SI 2" ABV FLR YEL
- 1 FIRE EXTINGUISHER-5 3A-40BC
- 1 REFLECTORS-AMBER (4) MID/FRONT 3"
- 1 REFLECTORS-RED (4) RR/RR SI 3"
- 1 ELECTRICAL-ROOF ESCAPE HATCH POS 3
- 1 HANDLES-W/S SERVICE, BLACK
- 1 KIT,FIRST AID 24 UNIT TEX.
- 1 KIT - BODY FLUID CLEAN-UP NATIONAL STANDARDS
- 1 LABEL-PASS ADVISOR INSTRUCTION
- 1 LOCATION-VESTIBULE FLOOR PLATE LEFT 5LB FE
- 1 LOC-VEST.FLR.AFT REFL.TRIANGLE BRACKET TEXAS
- 1 CUTTER-SEAT BELT W/HAND GRIP
- 1 TRIANGLES-REFL. 3 W/BOX
- 1 BRACKET,MTG. REFL. TRIANGLES
- 1 OPEN VIEW-ES, NON-HTD, RMT,SS
- 1 MIR-B EXT.CROSSVIEW SS.BRKT
- 1 SIGN-STOP, ELEC FRT #SE1-7980C
- 1 SIGN-STOP, ELEC RR #SE1-7981C

172

- 1 VISCOUS FAN DRIVE
- 1 DIGITAL TRANS OIL TEMP IN DRIVER DISPLAY

TRANSMISSION AND EQUIPMENT

- 1 ALLISON 2500 PTS AUTOMATIC TRANSMISSION
- 1 ALLISON VOCATIONAL PACKAGE 354 - FIFTH GEN
- 1 TRANSMISSION OIL CHECK AND FILL
- 1 SYNTHETIC 50W TRANSMISSION LUBE (TES-295 COMPLIANT)
- 1 WATER TO OIL TRANSMISSION COOLER - IN RADIATOR END TANK
- 1 PRIMARY MODE GEARS, 6 FORWARD

WHEELS AND TIRES

- 1 FRONT HANKOOK AH24 11R22.5 14 PLY TIRES
- 1 REAR HANKOOK AH24 11R22.5 14 PLY TIRES
- 1 TIRE/WHEEL BALANCING-LEAD FREE WEIGHTS
- 1 ACCURIDE PK-BLACK21 POWDER BLACK WHEEL (N0001H)- FRONT
- 1 ACCURIDE PKBLK21 POWDER BLACK WHEEL (N0001H) - REAR

**DEALER ADD On's
EQUIPMENT**

- 1 DOT Vehicle Inspection
- 1 WEIGHT TICKET

Meets all FMVSS requirements in effect at the time of manufacture.

Customer Is Member Following CO-OP:
TASB / Buyboard

***Co-op Price Per Each \$ 144,600.00**

Delivery:

SELECT YOUR CHOICE OF CO-OP:

***BuyBoard Requires Additional \$800.00 Fee Per PO**

Additional options you may want to consider:

Terms and Conditions:

Quote Expires: 20 DAYS

AttachedDetail



CE SCHOOL BUS

Sales Proposal For:
Devine ISD

Presented By:
LONGHORN BUS SALES

Financial Summary
2025 CE SCHOOL BUS (PB110)

July 11, 2024

<u>Description</u>	<u>(US DOLLAR)</u>	<u>Price</u>
Net Sales Price:		\$158,911.00

Prices are good for 30 days from the date of this proposal.

PRICE PER BUS: \$158,911.00

This quote would be produced as a 2025MY product if awarded. Feature codes are subject to update upon IC Bus completion of code references. Estimated delivery: 300-365 Days from receipt of a purchase order. Longhorn Bus Sales will not be held responsible for material shortages or delays due to the global COVID-19 pandemic or any other reasons outside of our control, that of the represented OEM (IC Corp) or third-party vendors used to complete a customers' bus order. Any buses ordered, will be subject to any and all applicable surcharges at the time of build, due to the volatility of the producers material costs. Any applicable surcharges will be the responsibility of the buyer. A bus order may be delivered without OEM or third-party products (i.e., A/C, GPS, two-way radios, camera surveillance equipment, etc.), and any such items will be installed immediately upon availability. These shortages/delays will not hold up invoicing and or payment. Instructions for payment of invoices will be provided upon invoicing. No one from Longhorn Bus Sales will ever contact or email wiring or ACH instructions for payment. Due to industry constraints, quote pricing may fluctuate.

Price does not include Buy Board fee of \$800 per purchase order, please add if applicable. Buy Board contract 722-23.

40YGC Warranty: Longhorn Bus Sales will cover the warranty for 24-months/unlimited mileage. (Navistar will cover the first 50K miles. Longhorn Bus will cover 50K+ miles, up to the ending of the 24-month period, as per current Texas School Bus Specifications.

CODE "49GVN WARRANTY 5-YEAR, LIMITED" IS A NAVISTAR WARRANTY ONLY, IT DOES NOT APPLY TO ANY AFTERMARKET PARTS

By signing this document in acceptance of an order, the customer acknowledges that all equipment listed within this document is correct. Longhorn Bus Sales will not be responsible for any miss-built units. Any changes to what is listed herein, may result in additional charges to the order. Thank you.

Approved by Seller:

Accepted by Purchaser:

Official Title and Date

Firm or Business Name

Authorized Signature

Authorized Signature and Date

This proposal is not binding upon the seller without Seller's Authorized Signature

Official Title and Date

The TOPS FET calculation is an estimate for reference purposes only. The seller or retailer is responsible for calculating and reporting/paying appropriate FET to the IRS.

The limited warranties applicable to the vehicles described herein are Navistar, Inc.'s standard printed warranties which are incorporated herein by reference and to which you have been provided a copy and hereby agree to their terms and conditions.



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Interlocal Agreement with Texas Smart Buy

Background Information:

TEXAS SMART BUY will allow the district more purchasing options for our child nutrition excess funds, bond projects, safety grants, and everyday purchasing.

Administrative Consideration:

Gov't Code 791.001, .011, .025 To increase efficiency and effectiveness, a district may contract or agree with other local governments and with state agencies, including the comptroller, to perform some of its purchasing functions. An interlocal contract must be authorized by a board and the governing body of each contracting party; must state the purpose, terms, rights, and duties of the contracting parties; and must specify that each party paying for the performance of governmental functions or services shall make those payments from current revenues available to the paying party.

Budgetary Consideration:

NA

Supporting Documents:

Attached is a copy of the Membership Resolution

Recommendation:

Approve the Membership Resolution for TEXAS SMART BUY Membership

Respectfully Submitted by:

Shannon Ramirez
Director of Finance

Approved by:

Todd Grandjean
Superintendent of Schools



Texas SmartBuy Membership Program

Resolution

State of Texas, County of _____

(County Entity Located In)

Whereas, the Texas Comptroller of Public Accounts is authorized to provide purchasing services for local governments pursuant to §§271.082 and 271.083 of the Local Government Code.

Whereas, the _____
(Enter Board of Directors, City Council, Commissioner's Court, School Board, etc.)

of _____, is a:
(Enter Name of Qualified Applicant/Entity)

(Check One of the Following)

- | | |
|--|--|
| <input type="radio"/> Appraisal District | <input type="radio"/> Charter/Academy School |
| <input type="radio"/> Community Supervision/Corrections Department | <input type="radio"/> Council of Governments/Planning Commissions |
| <input type="radio"/> County | <input type="radio"/> Education Service Center |
| <input type="radio"/> Fire Prevention District | <input type="radio"/> Hospital District |
| <input type="radio"/> Judicial District | <input type="radio"/> Junior/Community College |
| <input type="radio"/> Library District | <input type="radio"/> Mental Health/Mental Disability Organization |
| <input type="radio"/> Municipality | <input type="radio"/> School District |
| <input type="radio"/> State-funded Assistance Organization | <input type="radio"/> Texas Rising Star Care Provider |
| <input type="radio"/> Special District | <input type="radio"/> Utility District |
| <input type="radio"/> Emergency Service | <input type="radio"/> Drainage |
| <input type="radio"/> Housing | <input type="radio"/> Municipal |
| <input type="radio"/> Political Subdivision | <input type="radio"/> Special |
| <input type="radio"/> Port or Transportation Authority | |
| <input type="radio"/> Workforce Development Board | |

defined as an entity qualified to participate in the Texas SmartBuy Membership Program of the Texas Comptroller of Public Accounts pursuant to §271.081 of the Local Government Code.

_____ and
Primary Contact and Title

Secondary Contact and Title

is/are authorized to execute all documentation for _____ pertaining to its participation in the
(Entity Name)

Texas Comptroller of Public Accounts Cooperative Purchasing Program; and

Whereas, _____ acknowledges its obligation to pay annual participation fees established by the
(Entity Name)

Texas Comptroller of Public Accounts.

Now, Therefore Be it Resolved, that request be made to the Texas Comptroller of Public Accounts to approve
_____ for participation in the Texas Comptroller of Public Accounts Cooperative Purchasing Program.
(Entity Name)

Adopted this _____ day of _____, _____ by _____
(Entity Name)

By: _____
Signature of Chair Printed Name and Title of Chair

Signature of Primary Contact Printed Name and Title of Primary Contact

Signature of Secondary Contact Printed Name and Title of Secondary Contact





Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Approve micro-purchasing threshold for federal funds, including child nutrition funds.

Background Information:

Local Board Policy CH (Local) applies to state and local funds. TDA and TEA have allowed districts to raise the federal threshold to match state and local thresholds.

Administrative Consideration:

Board Policy CH (Local) – Purchasing Authority – Single Purchases that costs \$50,000 or more shall require Board approval before a transaction may take place. Purchases between \$20,000 and \$49,999 require three quotes.

Budgetary Consideration:

Not applicable.

Supporting Documents:

Resolution and TDA/TEA approval.

Recommendation:

Approve Resolution to keep federal fund, including child nutrition, micro-threshold to \$50,000.

Approve Resolution to keep federal fund micro-threshold to \$25,000.

Respectfully Submitted by:

Shannon Ramirez
Director of Finance

Approved by:

Todd Grandjean
Superintendent of Schools



**RESOLUTION SELF-CERTIFYING MICRO-PURCHASES WITH FEDERAL FUNDS
VALUED BELOW \$50,000**

WHEREAS, the Devine Independent School District receives Elementary and Secondary School Emergency Relief Funding from the United States Department of Education; and

WHEREAS, the Devine Independent School District's receipt of federal funds is conditioned on compliance with United States Education Department General Administrative Regulations; and

WHEREAS, the Devine Independent School District is authorized by Code of Federal Regulations Section 200.320 to self-certify purchases with federal funds, including child nutrition funds, up to a threshold amount of \$50,000.00 if the District justifies the self-certification, clearly identifies the spending threshold, and provides supporting documentation of (1) a qualification as a low-risk auditee, in accordance with the criteria in Code of Federal Regulations Section 200.520 for the most recent audit, (2) an annual internal institutional risk assessment to identify, mitigate, and manage financial risks, or (3) for public institutions, a higher threshold consistent with State law; and,

WHEREAS, the Devine Independent School District received an 'A=Superior Achievement' rating on the most recent Texas Education Agency's Financial Integrity Rating System of Texas for 2022-2023; and

WHEREAS, the Board of Trustees of the Devine Independent School District finds that the District exhibits financial transparency and responsibility such that self-certification would create a minimal amount of risk of abuse;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Devine Independent School District that:

1. The recitals set forth above are found by the Board to be true and correct.
2. The Devine Independent School District will operate more efficiently if it may avoid the formal procurement methods set forth under the United States Education Department's General Administrative Regulation.
3. The Devine Independent School District conducted an annual internal institutional risk assessment to identify, mitigate, and manage financial risks, and received an 'A=Superior Achievement' rating from the Financial Integrity Rating System of Texas.
4. According to Code of Federal Regulations, Title 2, Section 200.320, the Devine Independent School District's Board of Trustees self-certifies that the District may execute micro-purchases that use federal funds, valued below \$50,000, with the Superintendent's approval, without following the formal procurement methods set forth under Code of Federal Regulations, Title 2, Part 200.
5. The self-certification must be renewed annually, on or before October 21st, of the following year.

Adopted the 21st Day of October 2024 by the Devine Independent School District Board of Trustees



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Interlocal Agreement Between Devine ISD and City of Devine

Background Information:

In 2003, the city of Devine received a three year COPS in Schools Grant which requires that applicants must enter into a partnership agreement with an official for a specific school district with general educational oversight authority. The grant ended in 2005 and administrators requested that the board approve the continued agreement and partnership with the City of Devine in providing a school resource officer (SRO). The SRO's emphasis is on school safety, truancy, building positive relationships within the district, and crime prevention. The SRO remains under the operational command of the City's Chief of Police.

Administrative Consideration:

The City of Devine is requesting a revision to the agreement to exclude overtime from the cap on the SRO salary.

The agreement includes the SRO job description to comply with Senate Bill 1707 that was approved in the 86th legislative session which requires that the SRO duties be included in any MOU for an SRO.

Budgetary Consideration:

These additional costs will be in the budget.

Supporting Documents:

Interlocal Cooperation Contract Between the Devine ISD and City of Devine.
Addendum with SRO duties

Recommendation:

Approve Interlocal Agreement recommended by the City of Devine with addendum.

Respectfully Submitted by:

*Todd Grandjean
Superintendent of Schools*

STATE OF TEXAS

§
§
§

COUNTY OF MEDINA

INTERLOCAL AGREEMENT

The governing bodies of the City of Devine, Texas, hereinafter called “City,” and the Devine Independent School District, hereinafter called “School,” deem it necessary and advisable to further the health, safety and welfare of the citizens, employees, and students of the respective entities, to enter into this Interlocal Agreement (“Agreement”) pursuant to Chapter 791 of the Texas Government Code, to provide for police protection for the School.

NOW, THEREFORE, the entities mutually agree as follows:

I.

The City shall provide police protection for the School on all of the campuses of the School located in the City, and on other occasions, such as School trips, when specifically requested by the School.

II.

While any law enforcement officer or official of the City is in the service of the School, the officer shall be considered an officer of the School and shall have all powers of a regular law enforcement officer or official of the School; however, the officer shall remain under the operational command of the City’s Chief of Police. While acting in their capacity as an official of the School, the law enforcement officers are bound by and agree to adhere to the requirements of FERPA, and will not disclose to other police officers what they learn from reviewing any educational records, including surveillance videos. This requirement does not preclude those officers from reporting to other police officers that a subpoena should be obtained, so that the appropriate law enforcement officials can review the video.

III.

The law enforcement officer’s qualifications for office in the City shall constitute his qualifications for office in the School, and no other oath, bond or compensation need be made. When any law enforcement officer of the City is performing police functions for the School as herein provided, the officer shall be entitled to receive the same wages, salary, pensions, death benefits, and all other rights for such services as though the service had been rendered for the City.

IV.

In the event city equipment is lost, damaged or destroyed during the provision of police protection to the School, the City shall be responsible for such loss, damage or destruction of its own equipment, except, if the property is damaged or destroyed as a result of the negligent or intentional acts of an employee of the School other than a City law enforcement officer. It is agreed that the School shall reimburse the City for any damage or destruction of City equipment

resulting from the negligence or intentional acts of any employee of the School other than a City law enforcement officer.

V.

In consideration of the City providing police services as herein provided, the School shall pay three-quarters (3/4) of the wages to include COLA's, three-quarters (3/4) of the associated employment taxes, three-quarters (3/4) of related retirement benefits, and one-half (1/2) of the health insurance premiums. The School's share of the salary shall not exceed \$50,000.00 excluding overtime.

The School shall pay all overtime wages, associated employment taxes, and related retirement benefits incurred while the peace officer is on any School-related business. When the School requests the peace officer for extra-curricular activities, the School shall pay for all costs incurred.

In addition, the School shall pay one-half (1/2) of all expenses incurred by the peace officer for equipment and training courses, in an amount not to exceed \$3,000.00 unless approved by the Board of Trustees of Devine ISD. Any purchase for a new vehicle must be approved by the Board of Trustees of Devine.

VI.

The parties agree that the City shall purchase a new automobile dedicated to the school resource officer. The parties to this agreement desire to allocate the costs for the purchase of the new automobile.

For the consideration expressed herein, and subject to the conditions expressed herein, the City shall pay the full purchase price for the automobile and will be responsible for the fuel, maintenance, insurance, and other costs associated with the automobile. The School will pay the City the sum of \$30,000.00 in five equal installments, payments beginning on or before October 1, 2022, and due annually on or before October 1 of each year until paid in full. At the expiration of 5 years, when \$30,000 has been paid in full, the School shall have no further obligation with respect to the new automobile. At all times, the automobile will belong to the City and be counted and carried on the City's inventory and insurance.

In its sole discretion, the City shall decide what service work and repairs are needed for the operation, maintenance, and use of the automobile.

The School shall pay the annual installment of \$6,000 to the City on or before October 1 of each year, beginning in 2022.

The term of payment for the automobile shall be for five years or until the School has paid to the City the entire balance of \$30,000, whichever is longer. However, if the City ceases to provide a school resource officer to the School, the School's obligation to pay for the automobile shall terminate at such time.

In consideration of the School sharing in the cost of the automobile, the primary function and use of the automobile shall be dedicated to the school resource officer and duties of that

individual; however, nothing in this agreement shall be construed to prohibit the use of said automobile for other law enforcement activities as the City's Police Chief deems necessary.

In the event of a loss to the automobile, any insurance proceeds shall be paid to the City. If the loss to the automobile is deemed a total loss by an insurance carrier, all of the insurance proceeds shall be paid to the City, but the School shall be exempt from further responsibility for the installment payments under this agreement.

VII.

It is not intended that any part of this agreement should be construed as a waiver of the parties' sovereign immunities.

VIII.

Except as herein provided regarding the purchase of the automobile, the initial term of this Agreement shall be for one year from its date and shall continue in effect thereafter until either party gives written notice to the other party that they wish to terminate this Agreement. Termination shall be effective 30 days from the date of the notice. At the end of the initial term, the parties may renew and extend this Agreement under such terms and conditions that the parties may agree upon.

PASSED AND APPROVED THIS _____ day of _____, 2024.

SIGNED AND EXECUTED THIS _____ day of _____, 2024.

CITY OF DEVINE, TEXAS

By: _____
Butch Cook, Mayor

ATTEST:

DORA V. RODRIGUEZ, City Secretary

DEVINE INDEPENDENT SCHOOL DISTRICT

By: _____

4. Respond to all calls from campuses concerning crisis situations, accidents, and reports of crime.
5. Investigate criminal offenses occurring within district's jurisdiction and when appropriate make arrests.
6. Collect and preserve evidence for criminal investigations including witness statements and physical evidence.
7. Arrest perpetrators, file appropriate charges, and ensure placement in jail or juvenile detention centers for law violations as necessary.
8. Write effective legal incident reports.
9. Testify in court as needed.
10. Other duties as assigned by a supervisor, or D.I.S.D. Administration

Consultation

11. Work cooperatively with other police agencies to share information and provide other assistance.

Safety

12. Help provide traffic control at athletic events, school closings or openings, or at any other time.
13. Provide protection to or escort district personnel as needed.
14. Operate all equipment including firearms according to established safety procedures.
15. Follow district safety protocols and emergency procedures.

Administration

16. Compile, maintain, and file all physical and computerized reports, records, and documents required, including affidavits for arrest, incident reports, and activity reports.

Supervisory Responsibilities:

None

Mental Demands/Physical Demands/Environmental Factors:

Tools/Equipment Used: District vehicle, firearms, handcuffs, security equipment, two-way radio, alarm system and other security equipment, fire extinguisher, and standard office equipment including computer and peripherals

Job Description

Devine Police Department

Posture: Prolonged sitting and standing

Motion: Strenuous walking and climbing; frequent keyboarding/mouse, prolonged driving

Lifting: Moderate lifting and carrying (15-44 pounds)

Environment: Work inside and outside (moderate exposure to sun, heat, cold, and inclement weather), moderate exposure to noise, frequent districtwide travel

Other: Specific hearing and visual requirements; may be subject to adverse and hazardous working conditions including violent and armed confrontation; ability to control sudden violent or extreme physical acts of others and exhibit rapid mental and muscular coordination simultaneously

Mental Demands: Maintain emotional control under stress; prolonged hours; on call 24 hours a day.

**Districts employing police officers must have adopted policies CKE (Legal) and DEB (Legal). The district must also have a memorandum of understanding that outlines reasonable communication and coordination efforts between school police department and law enforcement agencies that have overlapping functions.*

This document describes the general purpose and responsibilities assigned to this job and is not an exhaustive list of all responsibilities and duties that may be assigned or skills that may be required.



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: DISD Gym Facility Rental Fees for Play Off Games

Background Information:

GKD (Local) states *“Nonschool users shall be charged a fee for the use of designated District facilities. The Board shall establish and publish a schedule of fees based on the cost of the physical operation of the facilities, as well as any applicable personnel costs for supervision, custodial services, food services, security, and technology services.”*

Administrative Consideration:

The athletic director is recommending an increase in rental fees charged for playoff games in our gyms. We currently charge \$850 for gym rental for volleyball and basketball playoff games. Other districts charge additional fees (\$500) to cover costs for the administrator in charge, clock keeper, bookkeeper, gate, Libero tracker (VB), Trainer (\$75), and SRO (\$40/hr, 4 hour minimum). The AD is requesting that we include those additional costs in our rental fee. Having an SRO and a trainer would be optional. This would bring our base fee to \$1350 for facility rental and we would add \$75 if a trainer is requested and \$160 if an SRO is requested.

Budgetary Consideration:

None

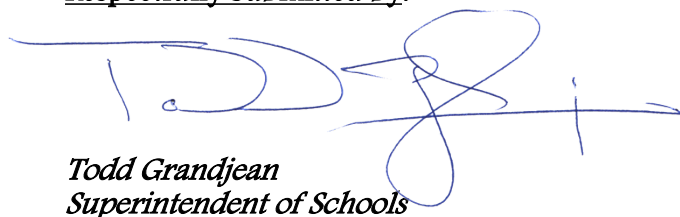
Supporting Documents:

Sample rental agreement and rate.

Recommendation:

Approve facility usage fees

Respectfully Submitted by:

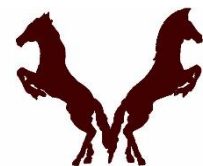


Todd Grandjean
Superintendent of Schools

Devine ISD Facility Rental Expense Report

Girls Basketball		DSAC
Event	Date	Facility
VS		
Home Team	Visting Team	
Playoff Round		
Ticket Sales:	Qty	Price
Adult		\$ 5.00
Student		\$ 3.00
		Total
		\$0.00
		\$0.00
		Total Sales:
		\$0.00
Expenses:	Qty	Amount
Official Fees		\$0.00
Official Fees Lines		\$0.00
Official Milage		\$0.00
Official Millage		\$0.00
Official Millage		\$0.00
Trainer		if available/ needed \$125.00
Security Officer		per/hr min 4/hrs \$40.00
Facility Rental Fee	1	\$850.00
Other: Worker Fees	1	\$500.00
Administrator		
Clock Libero Tracker VB)		
Gate		
		Total Expenses:
		\$1,350.00
		Net Due: \$ (1,350.00)
0		0
\$ (675.00)		\$ (675.00)

Please send payment to:
 Devine ISD
 Attn: Corinne Stacy - Accounts Payable
 605 West Hondo Ave
 Devine, TX
 78016



Devine ISD

Home of the Warhorses and Arabians

DEVINE ISD

**GYM RENTAL AGREEMENT
Devine Student Athletic Center**



Game Date:

Game Time:

Home Team:

Visiting Team:

Contact Person:

Contact Person:

Email address:

Email address:

Phone:

Phone:

Ticket Information

Adult

Student

Passes

Facility Rental Fee: \$850

*Includes costs for use of facility, and custodial services.

Worker Fees: \$500

*Includes costs for Game Administrator, clock, gate and bookkeeper.

Other Fees As Needed:

*Athletic Trainer: if needed and available \$125

*SRO: \$40 per hour 4 hour minimum

Agreement of services

* School districts split all expenses 50-50.

DISD Athletic Director

Administrative Assistant Contact

Jim Sessions

Gary Schmidt

210-260-4710

830-851-0860

jim.sessions@devinesd.org

gary.schmidt@devineisd.org

Agreement of services

Home team representative signature

Visiting team representative signature

X _____

X _____

***PRINT AGREEMENT, FILL IN INFORMATION, SCAN AND EMAIL TO JIM SESSIONS AND GARY SCHMIDT



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: June 17, 2024

Agenda Item: Policy BE (LOCAL) Board Meetings

Background Information:

BE (LOCAL) states “*The deadline for submitting items for inclusion on the agenda is the fifth calendar day before regular meetings and the fifth calendar day before special meetings.*” For our regular board meetings that puts us at the Wednesday prior to board meetings. Once the agenda is set on Wednesday, we gather documentation for the board packet which is completed and distributed to board members on the Friday prior to board meetings. The agenda is also posted on Friday to comply with Open Meetings Act.

Administrative Consideration:

Annually, the board adopts its Board Operating Procedures (BOP) which are based on School Board Policy, therefore, changes in BOP can sometimes require changes to board policy. At the September board meeting, it was requested by a board member that we consider providing the board packet to board members 2 days sooner to give them more time in which to read all the materials provided. If the board chooses to accommodate this request, we would need to revise BE (LOCAL) so that the agenda can also be set 2 days sooner, or the Monday prior to board meetings. Board packets would then be completed by Wednesday, however, additional items (per board president approval) could be added to the agenda up until Friday in order to comply with the 72 hour posting requirement in the Open Meetings Act.

Budgetary Consideration:

This will not affect the budget.


Supporting Documents:

BE (Local) Proposed

Recommendation:

Consider approving the revision to BE Local

Respectfully Submitted by:


Todd Grandjean
Superintendent of Schools

PROPOSED REVISIONS

Meeting Place and Time

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 Monday of each month at 6:30 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 ~~fifth~~ seventh calendar day before regular meetings and the ~~fifth~~ seventh 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 prior to the scheduled time 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.

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

Voting shall be by voice vote or show of hands, as directed by the Board President. Any member may abstain from voting, and a member's vote or failure to vote shall be recorded upon that member's request. [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.

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.



Devine Independent School District Board of Trustees Agenda Document

Meeting Date: October 21, 2024

Agenda Item: Board Operating Procedures

Background Information:

Annually, the DISD Board of Trustees reviews the Board's operations guidelines and recommends revisions, as appropriate to ensure the Board maintains a current comprehensive, practical operations manual to guide and inform Board members in carrying out their official duties and governing the District

Administrative Consideration:

The board should review the BOP for the 2024-2025 school year and consider any possible revisions. The Leadership Team section has been revised due to staffing changes.

Budgetary Consideration:

None

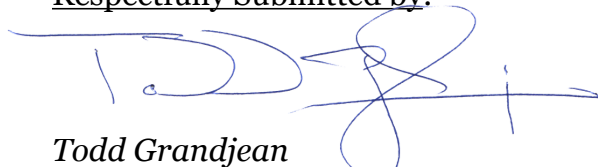
Supporting Documents:

Board Operating Procedures

Recommendation:

Recommend revisions or adopt the Board Operating Procedures.

Respectfully Submitted by:



Todd Grandjean
Superintendent of Schools

Board Operating Procedures



Devine Independent School District

2024-2025

TEAM OF EIGHT

Guidelines for Performance and Conduct

Devine Independent School District

Board and Leadership Teams

Team of Eight

Todd Grandjean.....	Superintendent of Schools
Nancy Pepper	Board President
Henry Moreno	Board Vice-President
Keri James	Board Secretary
Carl Brown	Board Member
Ali Buvinghausen	Board Member
Renee Frieda	Board Member
Chris Davis.....	Board Member

Leadership Team

Todd Grandjean.....	Superintendent of Schools
Shannon Ramirez.....	Chief Financial Officer
Dawn Schneider.....	Student Services Director
Jenni Hagdorn	Special Education Director
Juan Gonzalez.....	Principal, Devine High School
Kandi Darnell.....	Principal, Devine Middle School
Michael Gomez	Principal, Devine Intermediate School
Magdalena Strickland	Principal, J. J. Ciavarra Elementary School
Kandy Stein	Transportation Supervisor
.....	Director of Operations/Custodial Services
Ruben Ramirez.....	Director of Grounds
Kailyn Rotramel	Director Library Services
Annette Benavidez	Admin Assistant, Food Services
Jesse Hinojosa.....	Director Technology Services
Joslyn Wilson	Director Nursing Services
James Sessions	Athletic Director

Devine ISD Vision Statement

A dynamic educational community committed to a tradition of
excellence

Devine ISD Mission Statement

Empowering students to maximize their potential to achieve
lifetime success

DEVINE ISD ETHICS STATEMENT

As a member of the Board, I shall promote the best interests of the District as a whole and, to that end, shall adhere to the following ethical standards:

Equity In Attitude

- I will be fair, just, and impartial in all my decisions and actions.
- I will accord others the respect I wish for myself.
- I will encourage expressions of different opinions and listen with an open mind to others' ideas.

Trustworthiness In Stewardship

- I will be accountable to the public by representing District policies, programs, priorities, and progress accurately.
- I will be responsive to the community by seeking its involvement in District affairs and by communicating its priorities and concerns.
- I will work to ensure prudent and accountable use of District resources.
- I will make no personal promise or take private action that may compromise my performance or my responsibilities.

Honor In Conduct

- I will tell the truth.
- I will share my views while working for consensus.
- I will respect the majority decision as the decision of the Board.
- I will base my decisions on fact rather than supposition, opinion, or public favor.

Integrity Of Character

- I will refuse to surrender judgment to any individual or group at the expense of the District as a whole.
- I will consistently uphold all applicable laws, rules, policies, and governance procedures.
- I will not disclose information that is confidential by law or that will needlessly harm the District if disclosed.

Commitment To Service

- I will focus my attention on fulfilling the Board's responsibilities of goal setting, policymaking, and evaluation.
- I will diligently prepare for and attend Board meetings.
- I will avoid personal involvement in activities the Board has delegated to the Superintendent.
- I will seek continuing education that will enhance my ability to fulfill my duties effectively.

Student-Centered Focus

- I will be continuously guided by what is best for all students of the District.

**BOARD OF TRUSTEES
OF THE
DEVINE INDEPENDENT SCHOOL DISTRICT
ADOPTION OF
BOARD OF TRUSTEES OPERATING PROCEDURES**

Annually, the DISD Board of Trustees reviews the Board’s operations guidelines and recommends revisions, as appropriate to ensure the Board maintains a current comprehensive, practical operations manual to guide and inform Board members in carrying out their official duties and governing the District; and

The Board has reviewed the operations manual and finds that it describes the practices and procedures the Board desires to follow in carrying out its official duties and governing the District;

The Board of Trustees hereby adopts the attached Board of Trustees Operating Procedures, and all Board members commit to following these unanimously agreed-upon practices and guidelines described in the manual.

Unanimously agreed upon and adopted on this _____ day of _____, 2024.

Nancy Pepper

Renee Frieda

Henry Moreno, Jr.

Chris Davis

Keri James

Ali Buvinghausen

Carl Brown

Table of Contents

I.	DEVELOPING BOARD MEETING AGENDA	7
II.	MEMBER CONDUCT DURING BOARD MEETINGS	8
III.	VOTING	9
IV.	INDIVIDUAL BOARD MEMBER REQUEST FOR INFORMATION OR REPORTS	9
V.	CITIZEN OR EMPLOYEE REQUEST/COMPLAINT TO INDIVIDUAL BOARD MEMBER	10
VI.	BOARD MEMBER VISIT TO SCHOOL CAMPUS ACTIVITY	10
VII.	COMMUNICATION	11
VIII.	EVALUATION OF SUPERINTENDENT	12
IX.	EVALUATION OF THE BOARD	13
X.	CRITERIA AND PROCESS FOR SELECTING BOARD OFFICERS	13
XI.	ROLE AND AUTHORITY OF BOARD MEMBER AND/OR BOARD OFFICERS	13
XII.	ROLE OF BOARD IN EXECUTIVE SESSION	14
XIII.	MEDIA INQUIRIES TO THE BOARD	14
XIV.	ANONYMOUS PHONE CALLS AND/OR LETTERS AND SOCIAL MEDIA	14
XV.	BOARD TRAVEL GUIDELINES	15
XVI.	CAMPAIGNING FOR RE-ELECTION	15
XVII.	BOARD TRAINING	15
XVIII.	ADVOCACY	16
XIX.	BOARD MEMBER BOP VIOLATIONS	17
XX.	CENSURE OF A BOARD MEMBER	17

I. DEVELOPING BOARD MEETING AGENDA

A. Placing items on agenda

1. In consultation with the Board President, the Superintendent shall prepare the agenda for all Board meetings.
2. Any Trustee 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 Trustee-requested topics that have been timely submitted.
3. The deadline for submitting items for inclusion on the agenda is noon on the **Wednesday/Monday** before regular meetings.
4. Before the official agenda is finalized for any meeting, the Superintendent shall consult with the Board President to ensure that the agenda and the topics included meet with the President's approval.
5. In accordance with Texas Open Meeting Law, no member can place an item on the agenda less than 72 hours in advance of a meeting, except in an emergency as per Texas Code.

B. Executive Session

1. All personnel items where an individual employee's status with the District is discussed will take place in executive session unless specifically required by Texas Open Meeting Law to be in open session. The Board of Trustees reserves the right to go into executive session in accordance with Section 551.071 through 551.084 of the Texas Government Code to discuss any item(s) it is authorized to discuss in executive session in accordance with the Texas Open Meetings Act. Any necessary Board action related to such item(s) will be taken in open session following executive session.
2. Anything that violates the right to privacy, i.e. Texas Open Meeting Act, Texas Open Record Act, cannot be placed on the agenda.

C. Consent agenda items

1. When the agenda is prepared, the Board President shall determine items, if any, that qualify to be placed on the consent agenda.
2. A consent agenda shall include items of a routine and/or recurring nature grouped together under one action item.
3. For each item listed as part of a consent agenda, the Board shall be furnished with background material.
4. 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.
5. Examples could include:
 - a. Annual renewal of Region XX and TEA items
 - b. Budget amendments
 - c. Financial information

- d. Minutes of regular and special Board meetings
- e. Updates of Board policy
- f. Bid recommendations

Related Policies: BE (Local), BEC (Legal)

II. MEMBER CONDUCT DURING BOARD MEETINGS

(Four members present constitute a quorum for a meeting.)

A. Be Prepared

1. The superintendent will ensure that supporting information required for informed decision-making is prepared in advance when possible and included in the board meeting agenda packet.
2. The superintendent will ensure that agenda packets are distributed to board members at least three days before scheduled board meetings.
3. Board members should be prepared to discuss, deliberate and take action on agenda items by doing the following:
 - a. Reading agenda packet materials before each board meeting.
 - b. Calling the superintendent with questions about agenda items or background information before the scheduled board meeting.
4. Receiving answers to questions in advance does not preclude board members from asking relevant questions about agenda items during board meetings.

B. Board shall observe the parliamentary procedures in Robert's Rules of Order

1. All discussion shall be directed solely to the business currently under deliberation.
2. The Board President has the responsibility to keep the discussion to the motion at hand and shall halt discussion that does not apply to the business before the Board.
3. The Board President has the right to recognize Board members prior to giving their comments.

C. Persons addressing the Board

1. Audience participation at a Board meeting is limited to the public comment portion of the meeting designated for that purpose. The Board President shall read Policy BED (LOCAL) at the beginning of public comment. 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.
2. At regular meetings the Board shall allot 30 minutes to hear persons who desire to make comments to the Board on items that are not on the posted agenda. Persons who wish to participate in this portion of the meeting shall sign up by completing a public participation form indicating the topic about which they wish to speak at least 5 minutes before the meeting begins. An individual's comments shall not exceed 3 minutes. If three (3) or more persons sign up to address the Board on a single topic, a spokesperson will be selected to speak for the group.
3. At all meetings, individuals wishing to make comments to the Board on items that are posted on the agenda, shall have 3 minutes to speak. Persons who wish to participate in this portion of the meeting shall sign up by completing a public information form indicating the topic about which they wish to speak at least 5 minutes before the meeting begins.

D. Board response to persons addressing the Board

1. 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.
2. The presiding officer or designee shall determine whether a person addressing the Board has attempted to solve a matter administratively through resolution channels established by policy. If not, the person shall be referred to the appropriate policy (see list below) to seek resolution:
 - a. Employee complaints: DGBA
 - b. Student or parent complaints: FNG
 - c. Public complaints: GF

E. Discussion of individual employees or students by the Board or audience

1. The Board will not entertain negative comments on individual personnel by name or position in public session (employees or Board member).
2. The Board will not entertain negative comments on individual students in public session. (It is extremely important that each board member know that they must be the jury of the facts once any issue has followed Board policy by seeking administrative remedy and the issue is brought before the full board in a Level III hearing.)

Related Policies: BED (Local), BE (Local)

III. VOTING

- A. Voting shall be by voice vote or show of hands, as directed by the President. Any member may abstain from voting, and a member's vote or failure to vote shall be recorded upon that member's request.
- B. The Board President will vote on all action items and can make or second motions.
- C. In case of a tie vote, the item fails. The President may bring the item back to the Board on a subsequent agenda.

Related Policies: BDAA (Local), BE (Local)

IV. INDIVIDUAL BOARD MEMBER REQUEST FOR INFORMATION OR REPORTS

- A. Board members shall request information and/or existing reports through the Board President to the Superintendent.
- B. The Superintendent will gather the information and/or existing report and disseminate it in a timely manner to the entire Board.
- C. Board members are encouraged to advise the Superintendent of questions or concerns on agenda items before the Board meeting.
- D. In accordance with law, the District shall track and report any requests under this provision, including the cost of responding to one or more requests by any individual Board member for 200 or more pages of material in a 90-day period.

Related Policies: BBE (Local & Legal)

V. CITIZEN OR EMPLOYEE REQUEST/COMPLAINT TO INDIVIDUAL BOARD MEMBER

- A. Listen briefly and respectfully. Remind the complainant of the board's responsibility to remain impartial and noncommittal because complaints may ultimately be brought to the board on appeal.
- B. Determine if the complainant wishes to express dissatisfaction or desires some action be taken to resolve an issue.
- C. The complainant should be referred to the appropriate policy outlining grievance procedures and informed that the steps listed in policy are necessary to protect everyone's rights while following an orderly process.
- D. Complainants who desire some action be taken should be directed to follow the "Chain of Command" outlined in district policy.
- E. If the complainant does not know the district's "Chain of Command," provide the following information:
 - 1. The complainant should first discuss the problem with the person in authority closest to the problem.
 - 2. If not satisfied with the resolution of the problem, the complainant should go to the administrative supervisor of the person noted in "1."
 - 3. The administrative supervisor will help the complainant initiate any correspondence or forms required by policy and attempt to resolve the complaint.
 - 4. If still not satisfied, the complainant may appeal to the superintendent or a designee for resolution.
 - 5. If the superintendent is unable to resolve the issue or the complainant is still not satisfied, the formal complaint is brought to the board following local policy.
- F. Board members will inform the superintendent of complaints from staff and community but will not direct the superintendent to take specific actions.
- G. The superintendent shall inform the board of the resolution of complaints referred by board members if the complaint requires superintendent intervention.
- H. Level III Grievances will be heard only at a special called meeting.
- I. When the concern or complaint directly pertains to the Board's own actions or policy, for which there is no administrative remedy, the Trustee may request that the issue be placed on the agenda.

Related Policies: *DGBA (LEGAL and LOCAL), FNG (LEGAL and LOCAL), GF (LOCAL), BBE (local)*

VI. BOARD MEMBER VISIT TO SCHOOL CAMPUS ACTIVITY

- A. Board members are encouraged to attend as many school events as their time permits.
- B. Board members are required to check in with the principal's office and follow campus guidelines for visitors.

- C. Board members shall not go into teachers' classrooms or campuses for the purpose of evaluation or investigation.
- D. Board members may not give any direction to any staff or students.
- E. When visiting with teachers of their own children, board members will make it clear that they are acting as parents rather than as board members.

Related policies: GKA (Legal), BBF (Local), BBFA (Legal)

VII. COMMUNICATION

A. GENERAL COMMUNICATION

1. Superintendent will meet with the Board President on a routine basis.
2. Superintendent will communicate with all Board members regularly.
3. Superintendent will communicate information in a timely fashion to all Board members.
4. Requests for written/verbal information and/or reports (short answers or information that is readily available) will be provided by the Superintendent to all board members.
5. Board will communicate with the community through public hearings, regular Board meetings, and publications.
6. Individual Board members cannot speak for the Board of Trustees unless authorized to do so by the Board of Trustees through an official act.

B. BOARD MEMBERS COMMUNICATION BETWEEN MEETINGS

1. Board Members may use mail, email, voice mail, text messaging, fax, phone, special committee meetings or personal contact to communicate with each other; however, Board Members shall never meet, talk, text or e-mail in a group large enough to constitute an official meeting, typically four (4) or more, unless notice has been posted. In email or text messaging, "Reply to All" should be avoided.
2. Board members shall avoid physical quorums as stated above to remain in compliance with the Open Meetings Act.
3. In keeping with the Open Meetings Act, Board members shall also avoid walking quorums by avoiding speaking of school district business in secession via phone, in person, text or email. No "pre-polling" of votes allowed as this violates open meetings act.
4. Board Members who participate in social media such as, but not limited to, Facebook, Google+, LinkedIn or Twitter, should be careful to avoid online conversations that could be construed as speaking for the Board or constituting an online Board meeting, continuing board business from a past or future meeting, or portraying the Board/District in a negative connotation.

C. OTHER TYPES OF COMMUNICATION

1. **Communications/Meetings with the Staff:** Trustees should refrain from communications with staff that circumvent or undermine the Superintendent's authority, including, but not limited to, directing staff or soliciting information without the Superintendent's knowledge and consent. Trustee concerns or questions regarding a staff member's performance should be referred to the Superintendent.
2. **Communications with Vendors:** Trustees shall not directly or indirectly communicate with vendors or bidders to the district regarding any pending bid or contract proposal.

3. **Communications with Outside General Counsel:** Communications with outside general counsel should be approved by the Board President unless a concern relates to the Board President's alleged misconduct.
4. **Confidential Information:** Trustees will not publicly disclose information that law requires be kept confidential; this includes student or personnel information and attorney-client privileged communications. Also included is any information to which trustees have access by virtue of their positions as trustees that has not been made public if to do so would compromise the Board or the administration in the conduct of district business. Trustees should refrain from commenting on pending legal matters including lawsuits, administrative proceedings, and grievances.
5. **Communications Amongst Trustees:** The Open Meetings Act prohibits trustees from knowingly deliberating district business with a quorum of trustees outside of a publicly posted and publicly held board meeting. Communications related to district business must not be sent from one trustee to more than two other trustees, even if no reply is requested, expected, or received. Trustees receiving messages should not forward them or "reply all" if a quorum of trustees will receive the message. Trustees should not use "blind carbon copy (bcc:)" when sending e-mail to other trustees. If a trustee wishes to share information with the entire Board, the information should be submitted to the Superintendent who may then provide the information to the entire Board, if DISD Board of Trustees Team Operating Procedures supports; however, the Superintendent cannot serve as a conduit for trustee deliberation of district business.

VIII. EVALUATION OF SUPERINTENDENT

A. Summative Evaluation in January

1. The president will distribute blank evaluation instruments to each member at least two weeks in advance of the summative evaluation meeting along with instructions for completing the instrument.
2. The superintendent will prepare a report and present it to the president for distribution to board members with the blank evaluation instruments. The report will include:
 - a. Summary results on superintendent performance goals established following the previous year's summative evaluation
 - b. Summary of progress on current year's district goals
 - c. Report on student performance as required by the state
 - d. Any additional district or professional highlights the superintendent believes will demonstrate effective performance for the past year
3. The president will compile all results of the summative evaluation in a written document

B. Board workshop to develop superintendent performance goals using district goals, data from TAPR report, and results of most recent summative evaluation; determine progress reports needed and dates to present to board. (February)

C. Board workshop to review instrument and process; revise if needed and adopt instrument for the coming year; budget discussion tied to board goals. (March)

D. Superintendent incorporates priorities from district goals and superintendent performance goals into district improvement plans and budget being drafted for next year. (April)

E. Board elections. (May)

F. Review evaluation process with new board members. (June)

- G. Formative evaluation; superintendent gives progress report on this year's performance goals. (July)
- H. Board reviews superintendent evaluation policy and confirms dates and process for January summative evaluation. (October)
- I. Board workshop to review and update district goals using data from most recent TAPR report. (November)
- J. Superintendent's "state of the district" report to the board; blank evaluation forms, copy of superintendent contract, and comparison information regarding superintendents' salaries and benefits distributed to board members. Report on district goals. (Early December)

Related policies: BJCD (LEGAL) and BJCD (LOCAL)

IX. EVALUATION OF THE BOARD

- A. By July workshop/retreat, the Board/Superintendent team is assessed and evaluated, operating procedures are reviewed and updated, and new board member orientation is conducted.
- B. The evaluation of the Board and Superintendent is an indication of the success the Governance Team is having in meeting established goals.

Related policies: BBD (Legal), BAA (Legal)

X. CRITERIA AND PROCESS FOR SELECTING BOARD OFFICERS

- A. At the first meeting after election and verified qualification of Trustees, the members of the Board shall organize by selecting:
 - 1. A president, who shall be a member of the Board.
 - 2. A secretary, who may or may not be a member of the Board.
 - 3. Such other officers and committees as the Board may deem necessary.
- B. Board members must serve a minimum of 1 year as a trustee in order to qualify to serve as a board officer.
- C. Elections are held in May of each year.

Related policies: BDAA (Local & Legal)

XI. ROLE AND AUTHORITY OF BOARD MEMBER AND/OR BOARD OFFICERS

- A. No Board member or officer has authority outside the Board meeting.
- B. No Board member can direct employees in regard to performance of duties.
- C. The Board President shall
 - 1. Preside at all Board meetings,
 - 2. Have the right to discuss, make motions and resolutions, and vote on all matters coming before the Board.

3. Call Special Meetings,
4. Sign all legal documents required by law.

D. The Vice President shall

1. Act in capacity of President in the absence of the President.
2. Automatically become President of the Board if a vacancy in that office occurs.

E. The Secretary shall

1. Ensure that an accurate record is kept of the proceedings of each Board meeting.
2. Ensure that notices of Board meetings are posted and sent as required by law.
3. In the absence of the President and Vice President, call the meeting to order and act as presiding officer.
4. Sign or countersign documents as directed by action of the Board.

Related policies: BDAA (Local & Legal), BBE (Local & Legal)

XII. ROLE OF BOARD IN EXECUTIVE SESSION

- A. If a closed meeting is allowed, the Board shall not conduct the closed meeting unless a quorum of the Board first convenes in an open meeting for which proper notice has been given and the presiding officer has publicly announced that a closed meeting will be held and has identified the section or sections of the Open Meetings Act or other applicable law under which the closed meeting is held.
- B. Board can only discuss those items listed on the executive session agenda and as limited by law.
- C. Board must vote in public session.
- D. Discussions during executive session must remain confidential.

Related Policies: BE

XIII. MEDIA INQUIRIES TO THE BOARD

- A. The Board President shall be the official spokesperson for the Board to the media/press on issues of media attention. All Board members who receive calls from the media should direct them to the Board President or designee. Individual board members can answer media questions related to their personal stance on pending issues; however, the Board President will be the official spokesperson for the Board as a whole.

Related Policies:

XIV. ANONYMOUS PHONE CALLS AND/OR LETTERS AND SOCIAL MEDIA

- A. The Devine ISD Board of Trustees encourages input; however, anonymous calls or letters will not receive Board attention, discussion, or response and will not result in directives to the administration.

- B. Board Members who participate in social media should be careful to avoid online conversations with each other that would violate the Texas Open Meetings Act. Account is subject to subpoena.
- C. Use of social media, texting or other forms of electronic communication are subject to open records requests.
- D. Trustees should follow the guidelines suggested in the TASB document, “Social Media Guidelines for School Board Members” (in the TASB Board Portal). Trustees who post on social media or host internet sites regarding matters relevant to district business will include a disclaimer providing that such postings are not made on behalf of the Board or district.
- E. Avoid discussing specific school district business on social media, especially if other board members are on the same page, post or comment thread. This could constitute a “walking quorum” and violate the Open Meetings Act. (GP)
- F. Electronic devices may not be used by members during closed session discussions.

Related policies:

XV. BOARD TRAVEL GUIDELINES

- A. Board members should contact the Superintendent’s Secretary to make arrangements to travel on Board business.
- B. Board members will use district funds for designated personal expenses, not for family members.
- C. Board members may request a district vehicle and money for travel as allowed by the district.
- D. Meals and travel expenses will be reimbursed at the current per diem rates (lodging reservations may be made by district using district credit card).
- E. Board members should be prudent in spending taxpayer’s money.

XVI. CAMPAIGNING FOR RE-ELECTION

- A. School Board incumbents running for reelection should not request or accept support from District employees during work time.
- B. School Board candidates will not accept or solicit help from District employees during work time, or to be performed during work time.

XVII. BOARD TRAINING

Board members will meet all board training requirements as outlined in TEC 11.159, 19 TEC 61.1, and HB 3834. As training requirements change, the list below will be amended.

A. NEW BOARD MEMBERS

1. Local district orientation (3 hours)
2. Orientation to the TEC (3 hours)
3. Open Government Training (Open Meetings Act and Public Information Act) (1 hour each)
4. 10 hours of CTE (Includes the 5 hours listed "B")

B. ON-GOING TRAINING FOR NEW AND EXPERIENCED BOARD MEMBERS

1. Legislative Update (Legislative years)
2. Cybersecurity (Annually)
3. Evaluating & Improving Student Outcomes (Bi-Annually)
4. Child Abuse/Human Trafficking (Annually)
5. Safety Training as required by HB690
6. Annual Teambuilding Training (3 hours)
7. 5 hours CTE

C. NEW BOARD MEMBER ORIENTATION

1. The Superintendent or his/her designee will conduct a pre-election information meeting with all school board candidates to inform them of training regulations, TASB Candidate Forum workshop dates, TASB materials for candidates, form filings, Board Code of Conduct, Board major activities calendar, first few meetings and retreat dates.
2. Region XX Education Service Center will conduct the District Orientation for new Board members and will supply training materials from the Texas Association of School Boards (TASB).
3. The Board President will coordinate an orientation meeting for the new Board members.
4. The Superintendent will coordinate a meeting for the new Board members with members of the Superintendent's Cabinet.
5. The new Board members will attend the Board/Superintendent Team Building Retreat scheduled following the election.
6. The Board President will assign a Board mentor for all new Board members.

Related Policies: BBD (Legal)

XVIII. ADVOCACY

- A. Board Members are encouraged to be advocates, not only for DISD, but for all public education. Through trainings and conferences, Board members will become familiar with those issues affecting DISD and other school districts across the state.
- B. Working with legislators and other elected officials locally and on the state and national level is part of what we do as Board members. Building these partnerships serves to strengthen all of public education.
- C. Board members are encouraged to serve as representatives, delegates, or members to local, state, and national organizations. Board members should inform the Board President if they have areas of interest for this service.

XIX. BOARD MEMBER BOP VIOLATIONS

If a Board Member has a serious, specific, concern about the performance of another member which appears to be in violation of Board Operating Procedures or Policies, the recommended process for addressing such concerns shall be the following:

- A. The concerned member shall have a private conversation with the member in question in order to work out the differences or resolve the issue(s).
- B. If the concern(s) remain, the concerned member will meet privately with the Board President and outline the specific issue(s). The Board President and the concerned member will meet with the member in question and attempt to resolve the issue(s). If the concern is with the performance of the Board President, the Vice President will be notified and will meet with the concerned member.
- C. If the issue is still not resolved, the concerned member will hold a conference with the Board President (or Vice President with concerns regarding the President) and the Superintendent (or the Superintendent's designee) to develop a plan of action to resolve the concerns.
- D. When the concerned member has gone through the outlined steps above and the issue(s) remain unresolved, the concerned member will, through the Board President, request that an item be placed on a regularly scheduled agenda as an executive/closed session item, posted as "Evaluation of Individual Board Member Performance".
- E. Should the Board determine that reprimand or censorship is warranted, such action may only be take in duly posted public meeting.
- F. No action may be taken that would conflict with the Texas Open Meetings Act. Nothing in this operating procedure shall be construed to limit a Board Member's constitutional rights.

Related Policies: BBC (LEGAL), BBF (LOCAL)

XX. CENSURE OF A BOARD MEMBER

- A. If a Board Member acts in a manner that is unbecoming of a member and disruptive to the business of the district, the Board can pass a resolution to censure that Board Member. This would consist of a statement identifying the following:
 - 1. The inappropriate behavior of the named Board member;
 - 2. The desired behavior;
 - 3. A statement of agreement by a majority of the Board members that the behavior is inappropriate.
- B. Resolutions are non-binding, but they have the effect of publicly disciplining a colleague, since removal from office is rare.

- C. The Board may choose to withhold financial resources from the offending Board Member. Examples might be disallowance of reimbursement for attendance at conventions, seminars, or other district travel plans.
- D. Under extreme conditions the Board may agree to ask the offending Board member to resign. However, a Board Member may only be removed from office for incompetency, official misconduct, public intoxication or conviction of a felony.

Related Policies: BBC (LEGAL)