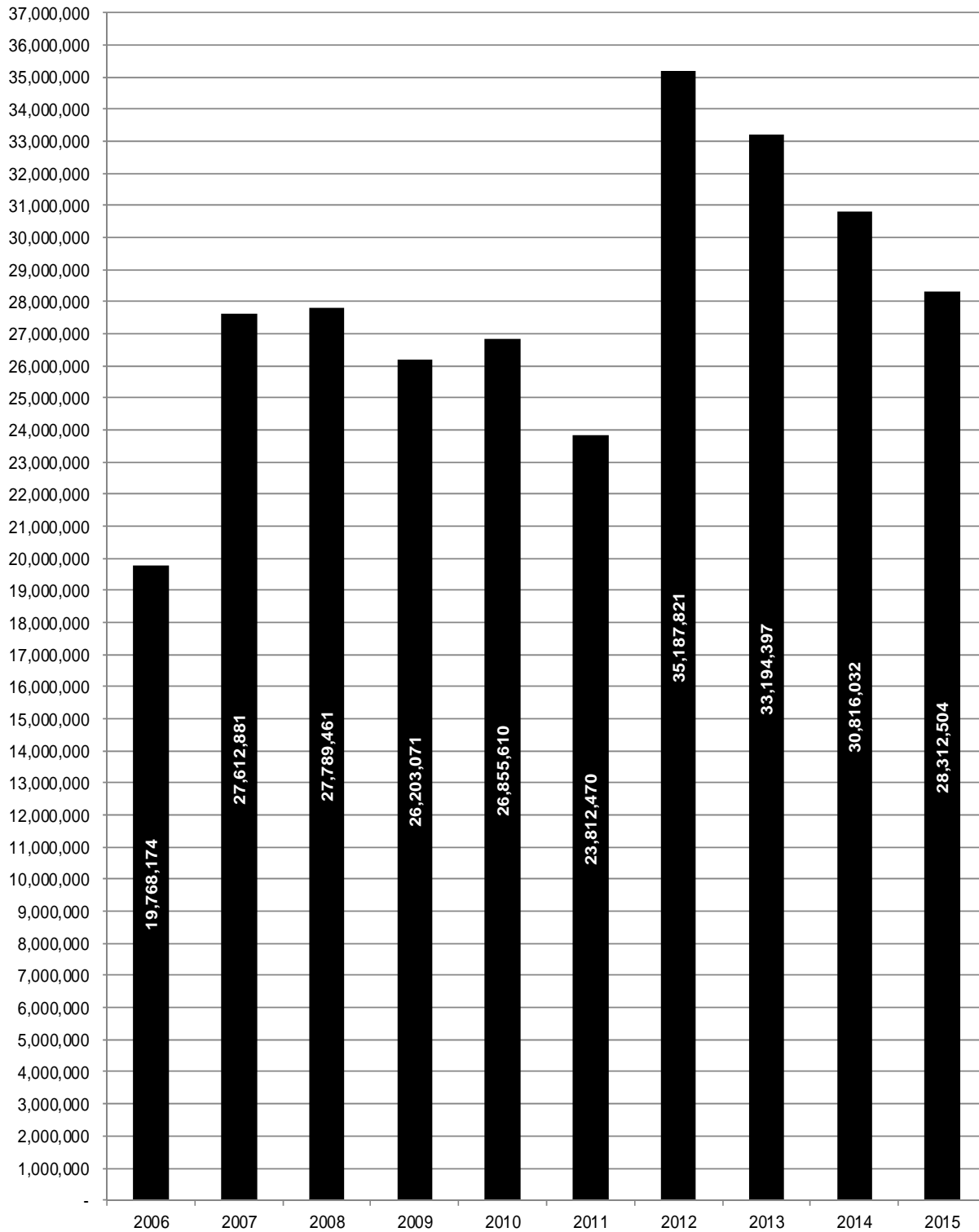


General Fund Balances

Last Ten Fiscal Years



Unaudited

Source: District's Audit Reports

REVENUE CAPACITY INFORMATION

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

**SCHEDULE 5
LA PORTE INDEPENDENT SCHOOL DISTRICT
PROPERTY-TAX RATES – DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>School District</u>										
Maintenance & Operations	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.3700	\$ 1.5000
Debt Service	0.4100	0.2900	0.2900	0.3150	0.2850	0.2850	0.2850	0.2650	0.2650	0.2335
La Porte ISD Total	1.4500	1.3300	1.3300	1.3550	1.3250	1.3250	1.3250	1.3050	1.6350	1.7335
<u>County</u>										
Chambers ⁽¹⁾	0.5327	0.5221	0.4968	0.4968	0.4968	0.4968	0.4968	0.4968	0.4968	0.5032
Harris	0.4173	0.4146	0.4002	0.3912	0.3881	0.3892	0.3924	0.4024	0.3999	0.3999
Harris County Department of Education	0.0060	0.0064	0.0066	0.0066	0.0060	0.0058	0.0059	0.0063	0.0063	0.0063
Harris County Flood Control District	0.0274	0.0283	0.0281	0.0281	0.0292	0.0308	0.0310	0.0324	0.0332	0.0332
Port of Houston Authority	0.0513	0.0172	0.0195	0.0186	0.1640	0.0177	0.0144	0.0130	0.0147	0.0167
San Jacinto Jr. College District	0.1856	0.1856	0.1856	0.1856	0.1708	0.1634	0.1454	0.1454	0.1543	0.1391
<u>Cities</u>										
Deer Park	0.7200	0.7200	0.7200	0.7200	0.7050	0.7050	0.7200	0.7200	0.7200	0.7200
La Porte	0.7100	0.7100	0.7100	0.7100	0.7100	0.7100	0.7100	0.7100	0.7100	0.7100
Morgan's Point	0.8191	0.6362	0.6460	0.6460	0.6460	0.6460	0.6410	0.5510	0.5420	0.5400
Pasadena	0.5769	0.5916	0.5916	0.5916	0.5620	0.5620	0.5670	0.5670	0.5670	0.5670
<u>Water Districts</u>										
Clear Lake City Water Authority	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2800	0.2900	0.2900

Rates are per \$100 of Assessed Valuation

Source: Texas Municipal Reports/RBC Capital

Harris County Appraisal District - Chambers County Appraisal District

⁽¹⁾ 100% of the property located in Chambers County is submerged.

The District has no facilities and does not serve any students in Chambers County.

**SCHEDULE 6
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended (August 31 *) June 30	Real Property Assessed Actual Value	Personal Property Assessed Actual Value	Total Assessed Actual Value	Total Direct Rate*
2006 *	\$ 3,530,315,765	\$ 914,149,343	\$ 4,444,465,108	\$ 1.7335
2007 *	3,697,785,418	1,035,710,226	4,733,495,644	1.6350
2008	4,072,108,292	1,066,107,021	5,138,215,313	1.3050
2009	4,214,693,845	1,125,558,721	5,340,252,566	1.3250
2010	4,320,266,575	1,328,157,500	5,648,424,075	1.3250
2011	4,267,635,156	1,210,543,418	5,478,178,574	1.3250
2012	4,595,325,342	1,168,218,050	5,763,543,392	1.3550
2013	4,519,433,505	1,030,342,901	5,549,776,406	1.3300
2014	4,593,760,958	606,555,209	5,200,316,167	1.3300
2015	5,405,679,716	1,812,869,665	7,218,549,381	1.4500

* Per \$100 of assessed value

Source: Harris County Appraisal District/City of La Porte Tax Office

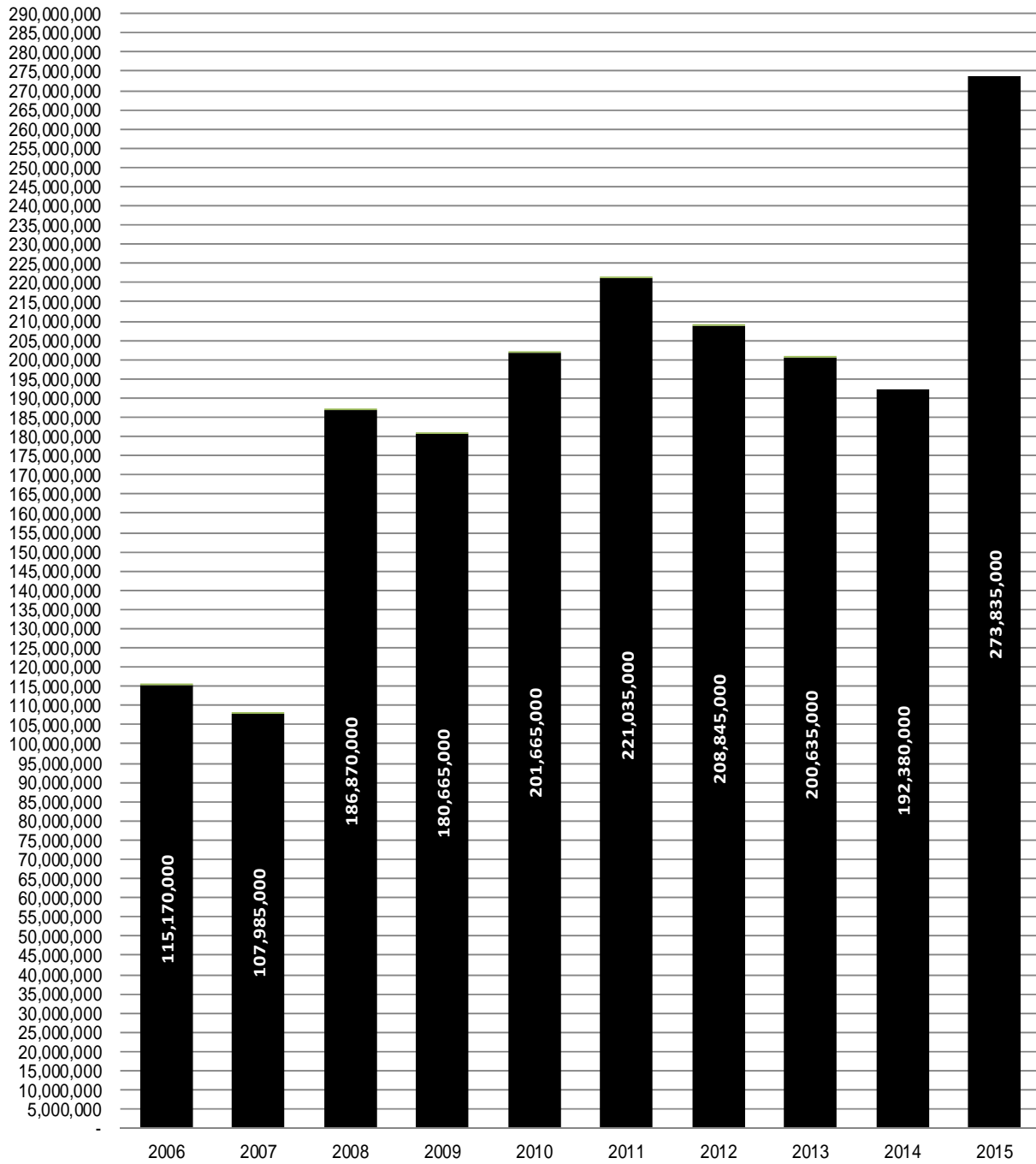
**SCHEDULE 10
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended August 31 * June 30	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Personal Income*	Ratio of Net Bonded Debt Per ADA	Ratio of Net Bonded Debt Per Capita
2006	* \$ 4,530,862,526	\$ 115,170,000	\$ 1,430,270	\$ 113,739,730	1.37%	\$ 15,343	\$ 3,305
2007	4,936,217,370	107,985,000	4,704,331	103,280,669	1.52%	14,060	3,028
2008	5,518,631,433	186,870,000	7,708,196	179,161,804	0.97%	24,078	5,255
2009	6,015,684,028	180,665,000	9,860,701	170,804,299	0.88%	22,503	4,996
2010	5,966,362,279	201,665,000	11,314,332	190,350,668	0.88%	26,184	5,176
2011	5,789,629,020	221,035,000	10,956,433	210,078,567	0.89%	29,034	5,636
2012	6,004,563,235	208,845,000	5,284,442	203,560,558	0.98%	28,033	5,379
2013	6,208,701,705	200,635,000	6,407,019	194,227,981	0.95%	26,909	5,605
2014	6,601,456,565	192,380,000	8,774,586	183,605,414	1.01%	25,754	5,240
2015	7,047,165,791	273,835,000	10,236,018	263,598,982	0.71%	36,984	7,523

* Personal income information was only available through 2013 therefore the same personal income amount was used in calculating the 2013 through 2015 ratios.

Outstanding Bonds

Last Ten Fiscal Years



Unaudited

Source: District's Audit Reports

**SCHEDULE 11
LA PORTE INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Value	\$ 7,047,165,791
Debt Limit (Percent of 2014 - 2015 School Year Assessed Value)*	10.00%
Maximum Legal Debt	<u>704,716,579</u>
Amount of Debt Applicable to Debt Limit**	<u>263,598,982</u>
Legal Debt Margin	<u><u>\$ 441,117,597</u></u>

*This debt limit is established by law as stated in Vernon's Statutes, Article 835p.

**Does not include capital lease obligations and is net of reserve for retirement of bonded debt

	<u>Debt Limit</u>	<u>Amount of Debt Applicable to Debt Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</u>
2006	\$ 453,086,253	\$ 113,739,730	\$ 339,346,523	25.10%
2007	493,621,737	103,280,669	390,341,068	20.92%
2008	551,863,143	179,161,804	372,701,339	32.46%
2009	601,568,403	170,804,299	430,764,104	28.39%
2010	596,636,228	190,350,668	406,285,560	31.90%
2011	578,962,902	210,078,567	368,884,335	36.29%
2012	600,456,324	203,560,558	396,895,766	33.90%
2013	620,870,171	194,227,981	426,642,190	31.28%
2014	660,145,657	183,605,414	476,540,243	27.81%
2015	704,716,579	263,598,982	441,117,597	37.40%

Source: District's Audit Reports

**SCHEDULE 12
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 AS OF JUNE 30, 2015
 (UNAUDITED)**

	<u>Gross Debt</u>	<u>Overlapping</u>	
		<u>Percent</u>	<u>Amount</u>
<u>County</u>			
Chambers	\$ 21,290,000	0.03%	\$ 6,387
Harris	2,396,117,860	2.11%	50,558,087
Harris County Department of Education	7,210,000	2.11%	152,131
Harris County Flood Control District	87,400,000	2.11%	1,844,140
Port of Houston Authority	702,379,397	2.11%	14,820,205
San Jacinto Jr. College District	278,989,848	15.90%	44,359,386
<u>Cities</u>			
Deer Park	50,455,000	27.05%	13,648,078
La Porte	30,942,500	100.00%	30,942,500
Morgan's Point	6,120,000	100.00%	6,120,000
Pasadena	87,120,000	2.11%	1,838,232
<u>Water Districts</u>			
Clear Lake City Water Authority	79,040,000	10.01%	<u>7,911,904</u>
Total Estimated Overlapping Debt			\$ 172,201,050
District Direct Debt	192,380,000	100.00%	<u>273,835,000</u>
Total Overlapping and Direct Debt			<u><u>\$ 446,036,050</u></u>

Source: Texas Municipal Reports

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

**SCHEDULE 13
LA PORTE INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Population Information:

<u>Year</u>	<u>Estimated Population</u>	<u>Land Area</u>	<u>Density Per Square Mile</u>	<u>Population Change</u>
2006	34,411	55	626	2.6%
2007	34,109	55	620	-0.9%
2008	34,092	55	620	0.0%
2009	34,191	55	622	0.3%
2010	36,776	55	669	7.0%
2011	37,275	55	678	1.3%
2012	37,845	55	688	1.5%
2013	34,654	55	630	-9.2%
2014*	35,039	55	637	1.1%
2015*	35,039	55	637	0.0%

Source: United States Census Bureau

*Estimated Population is only available through 2014 therefore the same data was used for 2015

		<u>Harris County 2010</u>		<u>Texas 2010</u>		<u>U.S. 2010</u>
<u>Population:</u>						
% School Age	%	28	%	27.3	%	24
% Working Age	%	55.7	%	54.7	%	56.5
%65 and Over	%	8.1	%	10.3	%	13
Persons Per Household		2.85		2.78		2.59
<u>Income:</u>						
Median Family Income	\$	51,444	\$	49,646	\$	51,914
% Below Poverty Level	%	16.8	%	16.8	%	13.8
Per Capita Income	\$	26,788	\$	24,870	\$	27,334
<u>Housing:</u>						
% Owner Occupied	%	64.8	%	64.8	%	66.6
Owner Occupied Median Value	\$	128,642	\$	105,779	\$	170,000
Median Gross Rent	\$	737	\$	661	\$	808
Occupied Housing Units		1,598,698		9,977,436		131,704,730

Source: United States Census Bureau

**SCHEDULE 14
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended June 30 (August 31*)	Harris County				Percent Unemployed County	Percent Unemployed State	
	Civilian Labor Force	Total Unemployment	Personal Income* (in Thousands)	Per Capita Personal* Income			
2006	*	1,874,936	94,471	172,397,186	45,279	5.0%	4.9%
2007		1,898,209	80,209	177,325,118	45,899	4.2%	4.3%
2008		1,933,140	90,624	200,623,591	50,938	4.7%	4.8%
2009		1,971,402	149,175	177,928,025	44,098	7.6%	7.6%
2010		2,064,026	171,777	186,858,066	45,487	8.3%	8.1%
2011		2,109,097	165,513	209,326,788	50,154	7.8%	7.8%
2012		2,158,385	143,053	224,617,980	52,805	6.6%	6.7%
2013		2,207,368	132,300	230,462,963	53,141	6.0%	6.2%
2014		2,251,628	110,802	230,462,963	53,141	4.9%	5.1%
2015		2,233,078	103,637	230,462,963	53,141	4.6%	4.4%

* Personal & per capital information is only available through 2013 therefore the same data was used through 2015

Source: Texas Workforce Commission (TRACER System) & U.S. Department of Commerce, Bureau of Economic Analysis

**SCHEDULE 15
LA PORTE INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
PRIOR YEAR AND NINE YEARS AGO
(UNAUDITED)**

Employer	2014		2006	
	Employees	Percentage of Total Employment	Approximate Range of Number of Employees	Percentage of Total Employment
La Porte Independent School District	1,049	5.52%	1,000	5.96%
City of La Porte	381	2.00%	368	2.19%
Mistras Group Inc	500	2.63%	-	
International Plant Svcs LLC	376	1.98%	-	
Sulzer Turbo Svcs Houston Inc	330	1.74%	-	
A&L Industrial Services Inc	300	1.58%	300	1.79%
CCC Group Inc	300	1.58%	300	1.79%
Evergreen Environmental Svcs LLC	275	1.45%	-	
Pfeiffer Holdings LLC	271	1.42%	-	
Contech Control Services Inc	250	1.31%	-	
Total	4,032		1,968	
Total City of La Porte Employment	19,019		16,788	

Source: City of La Porte Comprehensive Annual Financial Report for the Year Ended September 30, 2014.
Current year ended September 30, 2015 is not available

Note: Employment data prior to 2006 was not available

OPERATING INFORMATION

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

**SCHEDULE 16
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Teachers	470.1	464.0	461.8	467.00	495.40	506.40	507.90	501.80	480.20	477.80
Professional Support	94.4	90.0	89.1	87.40	107.10	105.60	113.80	110.30	92.80	84.80
Campus Administration (School Leadership)	30.0	30.0	30.0	29.10	28.80	31.00	30.80	32.00	29.00	38.00
Central Administration	10.0	10.0	11.0	11.00	13.00	13.00	12.00	10.00	10.90	5.00
Educational Aides	110.2	105.6	103.0	107.90	110.30	106.80	102.60	105.30	111.30	109.00
Auxiliary Staff	293.7	291.5	292.8	301.00	318.90	403.20	320.90	383.30	356.50	354.70
Total Employees	<u>1,008.4</u>	<u>991.1</u>	<u>987.7</u>	<u>1,003.4</u>	<u>1,073.5</u>	<u>1,166.0</u>	<u>1,088.0</u>	<u>1,142.7</u>	<u>1,080.7</u>	<u>1,069.3</u>

Sources:
 Texas Education Agency Website - AEIS report
 and TAPR

**SCHEDULE 17
LA PORTE INDEPENDENT SCHOOL DISTRICT
FULL TIME EQUIVALENT STAFF INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Enrollment	Operating Expenditures*	Cost Per Student	Percentage Change	Government Wide Expenses**	Cost Per Student	Percentage Change	Teaching Staff	Student Teacher Ratio	Percentage of Students in Free/Reduced Lunch Program
2006	7,807	\$ 83,318,392	\$ 10,672	-0.42%	\$ 94,807,414	\$ 12,144	3.26%	478	16	34%
2007	7,811	79,060,346	10,122	-5.16%	88,993,670	11,393	-6.18%	480	16	37%
2008	7,940	85,265,801	10,739	6.10%	96,354,593	12,135	6.51%	502	16	37%
2009	7,914	91,067,652	11,507	7.16%	108,529,002	13,714	13.01%	508	16	43%
2010	7,847	90,225,734	11,498	-0.08%	109,922,967	14,008	2.15%	506	16	40%
2011	7,816	88,981,366	11,385	-0.99%	106,563,566	13,634	-2.67%	495	16	45%
2012	7,768	83,621,658	10,765	-5.44%	103,594,578	13,336	-2.19%	482	16	47%
2013	7,747	83,950,073	10,836	0.66%	102,933,844	13,287	-0.37%	461	16	48%
2014	7,628	91,557,284	12,003	10.76%	106,587,501	13,973	5.16%	464	16	48%
2015	7,648	100,219,592	13,104	9.17%	117,311,550	15,339	9.77%	470	16	47%

N/A = Not Available

* Operating expenditures are total expenditures less debt service and facilities acquisition & construction from Changes in Fund Balance Schedule

** Government Wide Expenses are total expenses from Statement of Activities Schedule

Source: Nonfinancial information from district records

**SCHEDULE 18
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 TEACHER BASE SALARIES
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Minimum Salary	Maximum Salary	Region Average Salary	Statewide Average Salary
2006	\$ 37,100	\$ 53,600	\$ 43,852	\$ 41,744
2007	42,000	65,000	46,675	44,897
2008	42,500	65,000	48,053	46,179
2009	43,700	73,984	49,186	47,159
2010	44,900	68,315	50,129	48,263
2011	44,900	70,606	50,616	48,638
2012	44,900	71,607	50,383	48,375
2013	46,250	70,432	50,968	48,821
2014	48,950	72,795	52,222	49,692
2015	50,400	74,350	54,157	50,715

Sources:
 District Records
 Texas Education Agency Website - AEIS report

* Amounts do not include additional salary steps based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, etc.

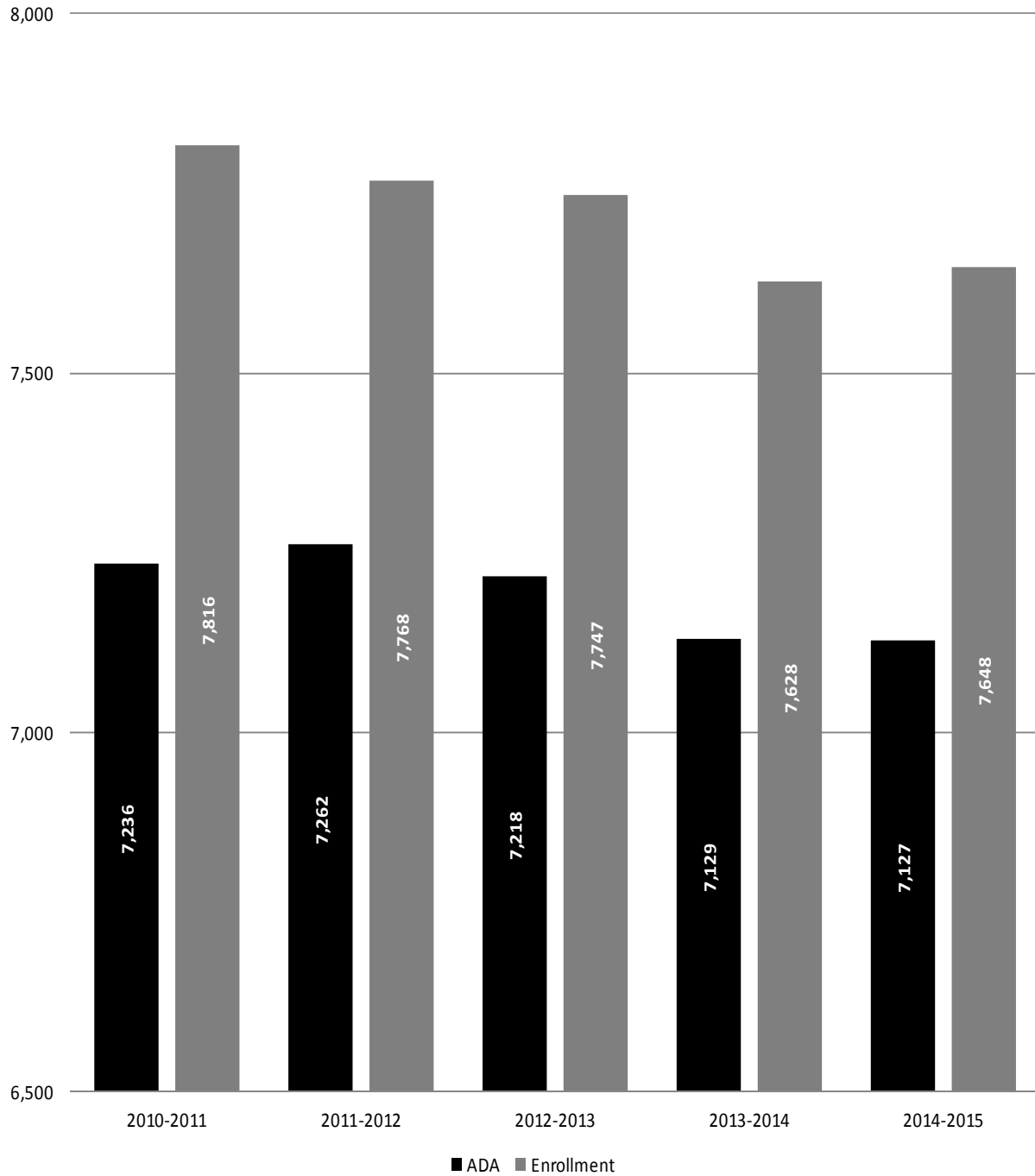
**SCHEDULE 19
 LA PORTE INDEPENDENT SCHOOL DISTRICT
 ATTENDANCE DATA
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Total Enrollment	Average Daily Attendance		
		Amount	Percent Increase (Decrease)	Percent of Membership
2006	7,807	7,413	1.66%	94.96%
2007	7,811	7,346	-0.91%	94.04%
2008	7,940	7,441	1.30%	93.71%
2009	7,914	7,590	2.01%	95.91%
2010	7,847	7,270	-4.22%	92.64%
2011	7,816	7,236	-0.47%	92.57%
2012	7,768	7,262	0.36%	93.48%
2013	7,747	7,218	-0.60%	93.17%
2014	7,628	7,129	-1.23%	93.46%
2015	7,648	7,127	-0.02%	93.19%

Source: La Porte Independent School District's PEIMS Data

Average Daily Attendance & Enrollment

Last Five Fiscal Years



Unaudited
Source: District PEIMS Data

**SCHEDULE 20
LA INDEPENDENT SCHOOL DISTRICT'
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Elementary Schools										
Bayshore Elementary										
Square Footage	111,000	111,000	111,000	111,000	111,000	111,000	8,683	8,683	8,683	8,683
Capacity	750	750	750	750	750	750	750	525	525	525
Enrollment	522	530	577	561	532	340	375	450	397	476
College Park Elementary										
Square Footage	75,301	75,301	75,301	75,301	75,301	75,301	74,001	74,001	74,001	74,001
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	472	461	465	487	474	493	505	480	762	746
Heritage Elementary										
Square Footage	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-	-
Capacity	750	750	750	750	750	750	750	750	-	-
Enrollment	595	599	610	642	647	701	639	542	-	-
Jennie Reid Elementary										
Square Footage	72,450	72,450	72,450	72,450	72,450	72,450	72,450	72,450	72,450	72,450
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	492	486	487	494	515	537	537	558	553	522
La Porte Elementary										
Square Footage	94,064	94,064	94,064	94,064	94,064	94,064	94,064	94,064	94,064	94,064
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	494	491	502	525	523	588	579	554	650	638
Lomax Elementary										
Square Footage	86,795	86,495	86,495	86,495	86,495	86,495	86,495	86,495	86,495	86,495
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	528	519	523	548	536	591	586	600	603	574
Rizzuto Elementary										
Square Footage	85,563	85,563	85,563	85,563	85,563	85,563	85,563	85,563	85,563	85,563
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	595	588	582	584	587	612	641	635	754	765
Intermediate Schools										
Baker 6th Grade Campus										
Square Footage	140,060	140,060	140,060	140,060	140,060	140,060	140,060	140,060	140,060	140,060
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	550	533	625	551	608	579	559	585	611	538
Junior High Schools										
La Porte Junior High School										
Square Footage	148,044	148,044	148,044	148,044	148,044	148,044	139,004	139,004	139,004	139,004
Capacity	725	725	725	725	725	725	600	600	600	600
Enrollment	554	555	536	566	553	540	594	622	621	624
Lomax Junior High School										
Square Footage	125,645	125,645	125,645	125,645	125,645	125,645	125,645	112,995	112,995	112,995
Capacity	780	780	780	780	780	780	780	630	630	630
Enrollment	605	608	611	628	581	578	612	573	531	551
High Schools										
La Porte High School										
Square Footage	504,652	504,652	504,652	502,332	502,332	502,332	502,332	484,547	471,261	471,261
Capacity	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,923	2,723	2,723
Enrollment	2,162	2,190	2,168	2,121	2,188	2,209	2,195	2,267	2,233	2,283
Alternative Schools										
DeWalt Alternative School										
Square Footage	37,796	37,796	37,796	37,796	37,796	37,796	37,796	37,796	37,796	37,796
Capacity	250	250	250	250	250	250	250	250	250	250
Enrollment	60	68	61	61	72	79	92	74	96	90
Total Square Footage	1,581,370	1,581,070	1,581,070	1,578,750	1,578,750	1,578,750	1,466,093	1,435,658	1,322,372	1,322,372
Total Capacity	10,278	10,278	10,278	10,278	10,278	10,278	10,153	9,778	8,828	8,828
Total Enrollment	7,629	7,628	7,747	7,768	7,816	7,847	7,914	7,940	7,811	7,807

Source: District Records

* Bayshore (old) was destroyed in Hurricane Ike, new Bayshore built close by and opened in Jan. 2010. Students zoned to Bayshore were housed by grade level at different campuses throughout district

**SCHEDULE 21
LA PORTE INDEPENDENT SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(UNAUDITED)**

Coverage	Limits/Values	Deductible	Agent	Company & Policy Number	Expiration Date	Annual Premium
Property - Building & Contents	Bldgs & Contents - \$100,000,000, A & V - \$10,000,000, Windstorm/Hail - 100,000,000	Property: \$50,000, Named Windstorm: 5% TIV per location w/ Min \$250K per occurrence, all others \$50,000	Lockton Companies, LLC	Multiple	3/6/2016	\$1,499,821
Flood	Buildings - \$500,000, Contents - \$500,000	\$ 1,250	Lockton Companies, LLC	Wright National Flood Insurance Company	4/20/2016	\$ 3,188
Boiler & Machinery	Total Limit per Breakdown - \$100,000,000	\$ 1,000	Lockton Companies, LLC	Hartford Steam & Boiler Inspection Co.	3/6/2016	\$ 9,657
Misc. Property - Underground Storage	1,000,000 Per Claim	\$ 25,000	Lockton Companies, LLC	Berkley Environmental/CST152124014	7/1/2016	\$ 776
General Liability	\$1,000,000 per Occurrence Limit	\$ 500	William Gammon	TAPS	9/1/2016	\$ 4,845
Educators Legal Liability	\$1,000,000 per Occurrence Limit/\$1,000,000 Annual Aggregate	\$ 2,500	William Gammon	TAPS	9/1/2016	\$ 28,371
Vehicle Coverage	Fleet Liability - \$100,000 Liability Combined Single Limit, \$300,000 per accident limit, \$100,000 per accident Property Damage, \$1,000,000 out of state limit	\$ 500	William Gammon	TAPS	9/1/2016	\$ 73,829
Crime	\$100,000 & \$50,000 Limits	\$ 1,000	William Gammon	TAPS	9/1/2016	\$ 1,474

FEDERAL AWARDS SECTION



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
La Porte Independent School District
La Porte, 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 La Porte Independent School District (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 16, 2015.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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 may exist that have not been identified.

To the Board of Trustees
La Porte Independent School District

Compliance and Other Matters

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
November 16, 2015



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133

To the Board of Trustees of
La Porte Independent School District
La Porte, Texas

Report on Compliance for Each Major Federal Program

We have audited the La Porte Independent School District's (the District's) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the 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, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
November 16, 2015

**LA PORTE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

An unmodified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Circular A-133? Yes No

Identification of major programs:

10.555	National School Lunch Program
10.553	School Breakfast Program
10.555	USDA Donated Commodities

**LA PORTE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015
(CONTINUED)**

SECTION I – SUMMARY OF AUDITORS’ RESULTS – CONTINUED

Federal Awards – Continued

- Dollar threshold used to distinguish between type A and type B programs? \$300,000

Auditee qualified as low-risk auditee? X Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV – SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

N/A

SECTION V – CORRECTIVE ACTION PLAN

N/A

**LA PORTE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

EXHIBIT K-1

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Expenditures and Indirect Costs
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Education:			
*National School Lunch Program (240.00.5922)	10.555	71301101	\$ 1,721,390
*School Breakfast Program (240.00.5921)	10.553	71401101	597,422
Direct Program:			
*USDA Donated Commodities	10.555	101916	178,655
Total U.S. Department of Agriculture			2,497,467
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Passed Through State Department of Education:			
<i>ESEA Title I Part A (211) Improving Basic Programs</i>	84.010A	14610101101916	527
<i>ESEA Title I Part A (211) Improving Basic Programs</i>	84.010A	15610101101916	794,425
Total CFDA Number 84.010A			794,952
**IDEA - Part B, Formula (224)	84.027A	146600011019166600	690
**IDEA - Part B, Formula (224)	84.027A	156600011019166600	1,582,918
Total CFDA Number 84.027A			1,583,608
**IDEA - Part B, Preschool (225)	84.173A	146610011019166610	74
**IDEA - Part B, Preschool (225)	84.173A	156610011019166610	25,298
Total CFDA Number 84.173A			25,372
<i>ESEA Title II, Part A (255)</i>	84.367A	14694501101916	905
<i>ESEA Title II, Part A (255)</i>	84.367A	15694501101916	235,004
Total CFDA Number 84.367A			235,909
<i>ESEA Title III, LEP (263)</i>	84.365A	14671001101916	1,138
<i>ESEA Title III, LEP (263)</i>	84.365A	15671001101916	55,483
Total CFDA Number 84.365A			56,621
<i>ESEA Title IV - Safe and Drug-Free Schools and Comm. Act (237)</i>	84.186A	SF-14-J20-25509.01	9,333
<i>ESEA Title IV - Safe and Drug-Free Schools and Comm. Act (237)</i>	84.186A	SF-15-J20-25509.02	67,200
Total CFDA Number 84.186A			76,533
<i>Career and Technology Education - Carl D. Perkins (244)</i>	84.048A	15420006101916	74,056
<i>Title VI - LEP Summer School (289)</i>	84.369A	65991302	7,321
Total U.S. Department of Education			2,854,372
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Medicaid Administrative Claims (272.00.5932)</i>	93.778	N/A	73,099
Total U.S. Department of Health and Human Services			73,099
<u>U.S. DEPARTMENT OF DEFENSE</u>			
<i>JROTC (199.00.5949)</i>	12.401	N/A	64,094
Total U.S. Department of DEFENSE			64,094
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed Through Texas Division of Emergency Management:			
<i>Public Assistance Grants (FEMA -1794 Hurricane IKE DR TX)(199.00.5939)</i>	97.036	74-60000130	200,115
Total U.S. Department of HOMELAND SECURITY			200,115
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 5,689,147

* Clustered programs as required by June 2015 Compliance Supplement (Child Nutrition Cluster)

** Clustered programs as required by June 2015 Compliance Supplement (Special Education)

See Notes to the Schedule
of Expenditures of Federal Awards.

**LA PORTE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

NOTE 1. BASIS OF PRESENTATION

La Porte Independent School District (the District) utilizes the fund types specified in the Texas Education Agency's Financial Accounting System Resource Guide.

Special Revenue Funds – Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances must be returned to the grantor at the close of specified project periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus only current assets, deferred outflows, current liabilities and deferred inflows generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for governmental funds. This basis of accounting recognizes revenues in the accounting period in which they become measurable and available. Expenditures are recorded in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly when such funds are received, they are recorded as deferred revenues until earned.

NOTE 2. PERIOD OF AVAILABILITY

The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project extended 30 days beyond the federal project period ending date, in accordance with the provisions of *OMB Circular A-133 Compliance Supplement*.

**LA PORTE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

NOTE 3. BASIS OF FUNDING

Federal funding for Food Services under child nutrition programs is primarily based upon the number and type of meals served and in user charges as reported to the US Department of Agriculture. Federal funding received related to various grant programs is based upon periodic reports detailing reimbursable expenditures made in compliance with the program guidelines to the grantor agencies. Included in the Schedule of Expenditures of Federal Awards is \$178,655 of noncash assistance in the form of USDA Donated Commodities. The programs are governed by various rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's management, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the basic financial statements for such contingences.

NOTE 4. RECONCILIATION TO BASIC FINANCIAL STATEMENTS

The following is a reconciliation of expenditures of federal awards program per Exhibit K-1 and expenditures reported on Exhibit C-3:

Total expenditures of federal awards per exhibit K-1	\$	5,689,147
SHARS payments		<u>909,789</u>
Reconciled balance	\$	<u><u>6,598,936</u></u>
Related expenditures on Exhibit C-3		
General fund	\$	1,266,710
Non-major funds		<u>5,332,226</u>
	\$	<u><u>6,598,936</u></u>

Awards and Acknowledgments

Financial Reporting Awards - Since the inception of School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency, and for the thirteenth consecutive year the District has scored the highest possible rating available. For the year ended June 30, 2014 the TEA changed the highest rating from "Superior Achievement" to "Pass". The rating is based upon an analysis of staff and student data reported for the 2013-2014 school year and budgetary and actual financial data for the fiscal year ended June 30, 2014. The primary goal of School FIRST is to ensure quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District was also awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials International (ASBO) for its comprehensive annual financial report for the fiscal year ended June 30, 2014. The District believes that the current comprehensive annual financial report continues to conform to the standards for which this award is granted and we will again submit the report for review.

Acknowledgments – As we begin and continue construction, we would like to express appreciation to all the stakeholders of the community for voting for the 2014 \$260 million bond referendum. We would also like to express appreciation to the Board of Trustees for its concern for providing fiscal accountability to patrons of our District and for its leadership in the development of one of the best educational operations within the State of Texas. Countless hours have been devoted to this District by teachers, principals, and supporting staff and thanks is extended to the entire team that has worked so hard to provide the high-quality, cost-efficient education to the students we serve. Additionally, the preparation of this report was accomplished through much time and effort on the part of the District Finance Department and special appreciation is expressed to them.



Lloyd Graham
Superintendent



Rhonda Cumbie
Chief Financial Officer



Vicki Garcia
Director of Finance

LA PORTE INDEPENDENT SCHOOL DISTRICT
CERTIFICATE OF BOARD

La Porte Independent
School District
Name of Local Education Agency

Harris
County

101-916
County-District-Number No.

We, the undersigned, certify that the attached annual financial report of the above named school district was reviewed and


approved disapproved

X _____

for the year ended June 30, 2015 at a meeting of the Board of Trustees of such school district on the 17th day of November, 2015.



Signature of Board Secretary



Signature of Board President

If the Board of Trustees disapproved the auditor's report, the reason(s) for disapproving it is (are):