

**Lake Travis  
Independent School District**

**Agreed-Upon Procedures Report  
On Applying Efficiency Audit Guidelines  
Established by the Legislative Budget Board**





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## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

To the Board of Trustees of  
Lake Travis Independent School District

Dear Board Members:

We have performed the procedures described in Schedules A and B solely to assist Lake Travis Independent School District (the "District") in evaluating the operations of the District related to fiscal management, efficiency, and utilization of resources as set forth in the guidelines established by the Legislative Budget Board in conjunction with House Bill 3 of the 86<sup>th</sup> Legislature and Texas Education Code, Section 11.184 (the "Guidelines"). The District's management is responsible for the information required by the Guidelines.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the information required by the Guidelines. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are included in Schedule A, Summary of Results on Applying Efficiency Audit Guidelines, and Schedule B, District Data Including Peer and State Comparisons and Additional Financial, Operational, and Academic Information.

We were engaged by the District to perform this engagement to apply agreed-upon procedures and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the information included in Schedules A and B required by the Guidelines. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

*"A Registered Investment Advisor"*

*This firm is not a CPA firm*

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the District and is not intended to be and should not be used by anyone other than the District.

*Maxwell Locke + Ritter LLP*

Austin, Texas

July 27, 2021

## Schedule A - Summary of Results on Applying Efficiency Audit Guidelines

Based on the Guidelines established by the Legislative Budget Board, the following summary provides key information about the proposed tax ratification election for the Lake Travis Independent School District (the "District") and highlights our findings as detailed in Schedule B, District Data Including Peer and State Comparisons and Additional Financial, Operational, and Academic Information:

- The District will hold the election to adopt the District's M&O tax rate on November 2, 2021.
- The District held a tax ratification election on November 7, 2017 to increase the M&O tax rate by \$0.02/\$100 of assessed value, and the proposition passed with 71% of the vote. The District has not held any other tax ratification elections previous to this election.
- The current 2020 M&O tax rate for the District, peer districts' average, and state average are as follows:
  - District - \$0.9764/\$100 of assessed value
  - Peer Districts' Average - \$0.9704/\$100 of assessed value
  - State Average - \$0.9872/\$100 of assessed value

The District's projected 2021 M&O tax rate prior to the election to adopt the District's M&O tax rate is \$0.8826/\$100 of assessed value. The District will propose an additional \$0.02/\$100 of assessed value as part of the tax ratification election to increase the projected 2021 M&O tax rate to \$0.9026/\$100 of assessed value.

- The amount of tax revenue the tax rate change is estimated to generate in the first school year in dollars and as a percentage of the District's current operating budget is as follows:
  - Estimated tax revenue - \$3,000,000
  - Percentage of the District's operating budget - 2.3%
- The estimated dollar-amount increase, as a result of the M&O tax rate change, to the property tax bill of a single-family residential property at the current average home value of the district is \$91. This reflects the dollar amount on the M&O tax rate only. There will be \$0 change on the property tax bill as the total tax rate will not change.

- The District’s statement explaining how it intends to spend the additional tax revenue, including any new programs, and consequences if the measure does not pass is as follows:

Based on the current school funding formula under House Bill 3 and House Bill 1525, the District will see no significant increase to funding for the 2021-2022 school year. Based on the District's revenue shortfalls as a result of the COVID-19 pandemic and 2% annual compensation increase for all staff, the District anticipates a \$1.5 million budget deficit for 2021-2022. Without the additional two cents included in the projected M&O tax rate, budget projections include deficits each year through the 2024-2025 school year. If voters approve the increased M&O tax rate, the District intends to cover the projected budget deficit and enhance the initiatives of accelerated learning and special services support. If the M&O tax rate increase is not approved by voters, the District would likely consider smaller annual pay increases for all staff and maintain existing instructional programs as much as possible.

- The District had a 2019 accountability rating of A and a district score of 94, and its peer districts had an average district score of 95. School districts were not rated during 2020 due to COVID-19.
- The District’s 2019-2020 School Financial Integrity Rating System of Texas (FIRST) rating was A - Superior.
- The District’s 2019-2020 actual operating expenditures per enrolled student compared to its peer districts’ average and the state average is as follows:
  - District - \$9,024
  - Peer Districts’ Average - \$10,329
  - State Average - \$10,406

A high-level summary of the significant findings resulting from the procedures performed as documented in Schedule B and any District responses to the findings are as follows:

- The District’s 2019 accountability rating and 2019-2020 school year attendance percentages are comparable to its peer districts and state average. All of the District’s campuses had an A or B accountability rating.
- For the 2019-2020 school year, the District’s local M&O tax revenue was more than its peer districts’ average, and its other local and intermediate revenues were less than its peer districts’ average. Operating expenditures per student were comparable to its peer districts’ average. The District had more revenues per student than operating expenditures per student.

- **District Response:** The District's revenue per student is comparable to its peer districts' average for each revenue classification presented except for local tax revenue in which it exceeds its peer districts due to accessing six of the eight "Golden Pennies" available under House Bill 3 school funding legislation. Golden Pennies are not subject to recapture; therefore more local tax revenue remains in the General Fund budget. The District's other local and intermediate revenue per student falls below its peer districts and is primarily dependent on interest earnings on investments, facilities rental income, and athletic ticket sales.
- The District's expenditures per student is comparable to its peer districts' average both in total expenditures and for each expenditure classification presented. The District's revenue per student exceeds its operating expenditures per student creating a surplus fund balance.
- The District's ratio of students per total staff and students per teaching staff is higher than its peer districts.
- **District Response:** The students per total staff and students per teaching staff is higher than its peer districts' average due to being a fast growth district the previous ten years.

**Schedule B - District Data Including Peer and State Comparisons and Additional Financial, Operational, and Academic Information**

**District Data on Accountability, Students, Staffing and Finances, with Peer and State Comparisons**

**1. Peer Districts**

- a. We selected five peer districts that are similar to the Lake Travis Independent School District (the “District”) using characteristics such as student enrollment, labor market conditions, student needs, and financial resources.

FIGURE 1  
PEER DISTRICTS

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Highland Park ISD  
 Grapevine-Colleyville ISD  
 Alamo Heights ISD  
 Carroll ISD  
 Eanes ISD

- b. We obtained the methodology used to identify peer districts: Peer districts were identified based on resources identified in Appendix B to the Legislative Budget Board (“LBB”) Guidelines. The peer districts were selected using the Texas Education Agency’s Snapshot: School District Profiles and were identified based on having similar property wealth, type, and/or district size.

**2. Accountability Rating**

- a. We obtained the 2019 overall accountability rating (A-F) and score for the District (1-100) and the peer district average score (1-100) assigned by the Texas Education Agency. School districts were not rated during 2020 due to COVID-19.

FIGURE 2  
ACCOUNTABILITY RATING COMPARISON  
MOST RECENT SCHOOL YEAR

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DISTRICT RATING (A-F)	DISTRICT SCORE (1-100)	PEER DISTRICTS’ AVERAGE SCORE (1-100)
A	94	95

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**Finding:** We noted that the District’s score was comparable with the peer districts’ average score.

- b. We obtained the 2019 accountability rating count for each campus level within the District (A-F).

FIGURE 3  
ACCOUNTABILITY RATINGS BY CAMPUS LEVEL  
MOST RECENT SCHOOL YEAR

ELEMENTARY SCHOOLS	MIDDLE SCHOOLS	HIGH SCHOOLS
A Lake Pointe Lakeway Serene Hills	Hudson Bend	Lake Travis
B Bee Cave Lake Travis West Cypress Hills	Lake Travis	-
C -	-	-
D -	-	-
F -	-	-

- c. We reviewed the ratings included in the 2019 accountability rating, noting there were no campuses in the District that received an F accountability rating.
- d. We reviewed the 2019 accountability rating noting there were no campuses that are required to implement a campus turnaround plan.

**3. Financial Rating**

- a. We obtained the 2019-2020 School Financial Integrity Rating System of Texas (FIRST) rating for the District (A-F), which is based on 2018-2019 school year data.

FIGURE 4  
SCHOOL FIRST RATING  
MOST RECENT SCHOOL YEAR

DISTRICT GRADE (A-F)
RATING: A

- b. We obtained the 2019-2020 School FIRST rating, noting District received a rating of A - Superior, thus there were no indicators that were not met.



**4. Student Characteristics**

- a. We obtained the following items for the 2019-2020 school year:
  - i. For the District, total students, economically disadvantaged students, English learner students, special education students, bilingual/ESL education students, and career and technical education students.
  - ii. Percentage of the groups above compared to the total student population of the District.
  - iii. The peer districts’ and state average percentage for the groups above.

FIGURE 5  
SELECTED STUDENT CHARACTERISTICS  
MOST RECENT SCHOOL YEAR

	TOTAL STUDENT POPULATION COUNT	% OF STUDENT POPULATION	PEER DISTRICTS’ AVERAGE %	STATE AVERAGE %
Total Students	11,057	100.0%	N/A	N/A
Economically Disadvantaged	1,400	12.7%	9.8%	60.3%
English Learners	688	6.2%	4.7%	20.3%
Special Education	1,037	9.4%	8.8%	10.5%
Bilingual/ESL Education	671	6.1%	6.7%	20.6%
Career and Technical Education	3,027	27.4%	22.4%	27.6%

**Finding:** The District’s percentages are comparable with its peer districts.

- b. We obtained the attendance rate for the District, peer districts’ average, and state average for the 2019-2020 school year.

FIGURE 6  
ATTENDANCE RATE  
MOST RECENT SCHOOL YEAR

DISTRICT TOTAL	PEER DISTRICTS' AVERAGE	STATE AVERAGE
95.3%	96.3%	95.4%

**Finding:** The District's attendance rate is comparable with its peer districts' average.

- c. We obtained the total enrollment number of the District for the 2019-2020 school year and the four school years prior.

FIGURE 7  
5-YEAR ENROLLMENT  
SCHOOL YEAR RANGE

	ENROLLMENT
Most Recent School Year	11,085
1 Year Prior	10,738
2 Years Prior	10,410
3 Years Prior	9,825
4 Years Prior	9,238
Average Annual Percentage Change (based on the previous five years)	4.7%
Projected Next School Year	11,001

## 5. District Revenue

- a. We obtained the District's revenue for the 2019-2020 school year for local M&O tax, state, federal, and other local and intermediate revenue based on revenue per student, percentage of total revenue, and total revenue from the Texas Education Agency, Public Education Information Management System District Financial Actual Reports. We obtained the same information for the peer districts' average and the state average.

FIGURE 8  
DISTRICT TAX REVENUE  
MOST RECENT SCHOOL YEAR

	DISTRICT		PEER DISTRICTS' AVERAGE		STATE AVERAGE	
	REVENUE PER STUDENT	% OF TOTAL	REVENUE PER STUDENT	% OF TOTAL	REVENUE PER STUDENT	% OF TOTAL
Local M&O Tax (Retained)(1)	\$ 7,583	83.5%	\$ 7,544	73.0%	\$ 4,660	43.1%
State	477	5.2%	762	7.4%	4,417	40.9%
Federal	296	3.3%	482	4.6%	1,280	11.8%
Other Local and Intermediate	731	8.0%	1,550	15.0%	454	4.2%
Total Revenue	<u>\$ 9,087</u>	100.0%	<u>\$ 10,338</u>	100.0%	<u>\$ 10,811</u>	100.0%

NOTE: (1) Excludes Debt Service and Recapture.

**Finding:** The District's revenue per student is comparable to its peer districts' average for each revenue classification presented except for local tax revenue which exceeds its peer districts due to accessing six of the eight "Golden Pennies" available under House Bill 3 school funding legislation. Golden Pennies are not subject to recapture; therefore more local tax revenue remains in the General Fund budget. The District's other local and intermediate revenue per student falls below its peer districts and is primarily dependent on interest earnings on investments, facilities rental income, and athletic ticket sales.

## 6. District Expenditures

- a. We obtained the District's expenditures for the 2019-2020 school year for the functions noted in the LBB Guidelines based on expenditures per student, percentage of total expenditures, and total expenditures from the Texas Education Agency, Public Education Information Management System District Financial Actual Reports. We obtained the same information for the peer districts' average and the state average.

FIGURE 9  
DISTRICT ACTUAL OPERATING EXPENDITURES  
MOST RECENT SCHOOL YEAR

	DISTRICT		PEER DISTRICTS' AVERAGE		STATE AVERAGE	
	EXPENDITURES PER STUDENT	% OF TOTAL	EXPENDITURES PER STUDENT	% OF TOTAL	EXPENDITURES PER STUDENT	% OF TOTAL
Instruction	\$ 5,175	57.3%	\$ 6,130	59.3%	\$ 5,929	57.0%
Instructional Resources and Media	79	0.9%	129	1.3%	113	1.1%
Curriculum and Staff Development	85	0.9%	132	1.3%	234	2.2%
Instructional Leadership	147	1.6%	187	1.8%	173	1.7%
School Leadership	383	4.2%	527	5.1%	620	6.0%
Guidance Counseling Services	393	4.4%	420	4.1%	402	3.8%
Social Work Services	6	0.1%	18	0.2%	32	0.3%
Health Services	77	0.9%	100	1.0%	111	1.1%
Transportation	407	4.5%	219	2.1%	297	2.8%
Food Service Operation	420	4.7%	335	3.2%	518	5.0%
Extracurricular	285	3.2%	430	4.1%	287	2.8%
General Administration	364	4.0%	420	4.1%	335	3.2%
Plant Maintenance and Operations	922	10.2%	972	9.4%	999	9.6%
Security and Monitoring Services	42	0.5%	65	0.6%	113	1.1%
Data Processing Services	204	2.2%	204	2.0%	192	1.8%
Community Services	35	0.4%	41	0.4%	51	0.5%
Total Operating Expenditures	<u>\$ 9,024</u>	100.0%	<u>\$ 10,329</u>	100.0%	<u>\$ 10,406</u>	100.0%

**Finding:** The District’s expenditures per student is comparable to its peer districts’ average both in total expenditures and for each expenditure classification presented. For the 2019-2020 school year, the District’s revenue per student exceeded its operating expenditures per student creating a surplus fund balance.

## 7. District Payroll Expenditures Summary

- a. We obtained indicators for payroll and selected salary expenditures for the 2019-2020 school year as noted in the LBB Guidelines for the District, peer districts’ average, and the state average from the Texas Education Agency, Public Education Information Management System District Financial Actual Reports.

FIGURE 10  
PAYROLL EXPENDITURE SUMMARY  
MOST RECENT SCHOOL YEAR

	DISTRICT	PEER DISTRICTS’ AVERAGE	STATE AVERAGE
Payroll as a Percentage of All Funds	78.2%	82.9%	80.0%
Average Teacher Salary	\$ 55,196	\$ 58,275	\$ 57,091
Average Administrative Salary	\$ 99,737	\$ 103,038	\$ 89,629
Superintendent Salary	\$ 452,183	\$ 313,064	\$ 150,630

**Finding:** The District’s payroll expenditures as a percentage of all funds is comparable to its peer districts’ average. The average salaries for teachers and administrators are comparable to its peer districts’ averages. The District’s superintendent salary is 44% more than its peer districts’ average as these salaries have a significant amount of discretion by each district and can also include benefits other than salary.

**8. Fund Balance**

- a. We obtained the District’s General Fund unassigned fund balance, excluding debt service and capital outlay, for the 2019-2020 school year on a per student basis and also for the four school years prior. We obtained the District’s General Fund unassigned fund balance as a percentage of three months of operating expenditures for the 2019-2020 school year and the four school years prior.

FIGURE 11  
GENERAL FUND BALANCE  
SCHOOL YEAR RANGE

YEAR	GENERAL FUND UNASSIGNED FUND BALANCE PER STUDENT	GENERAL FUND UNASSIGNED FUND BALANCE AS A PERCENTAGE OF 3-MONTH OPERATING EXPENDITURES
Current School Year	\$ 3,795	188.0%
1 Year Prior	\$ 3,655	191.3%
2 Years Prior	\$ 3,277	181.3%
3 Years Prior	\$ 3,221	178.8%
4 Years Prior	\$ 2,944	163.2%

**Finding:** The District's General Fund unassigned fund balance has increased each year on a per student basis and remains steady as a percentage of three months of operating expenditures.

## 9. District Staffing Levels

- a. We obtained the allocation of staff, student-to-teacher, and student-to-total staff ratios for the 2019-2020 school year as noted in the LBB Guidelines for the District, peer districts' average, and the state average.

FIGURE 12  
STAFF RATIO COMPARISONS  
MOST RECENT SCHOOL YEAR

	DISTRICT	PEER DISTRICTS' AVERAGE	STATE AVERAGE
Teaching Staff (% of Total Staff)	53.4%	54.5%	49.4%
Support Staff (% of Total Staff)	10.4%	10.2%	10.2%
Administrative Staff (% of Total Staff)	3.5%	3.9%	4.1%
Paraprofessional Staff (% of Total Staff)	10.5%	9.5%	10.6%
Auxiliary Staff (% of Total Staff)	22.2%	21.9%	25.7%
Students Per Total Staff	9.4	7.8	7.5
Students Per Teaching Staff	17.5	14.4	15.1

**Finding:** The District's teaching staff, support staff, administrative staff, paraprofessional staff, and auxiliary staff as a percentage of total staff is comparable to its peer districts' average. The students per total staff and students per teaching staff is higher than its peer districts' average by 20% and 22%, respectively, due to being a fast growth district for the previous ten years.

**10. Teacher Turnover Rates**

- a. We obtained the teacher turnover rate for the 2019-2020 school year as noted in the LBB Guidelines for the District, peer districts' average, and the state average.

FIGURE 13  
TEACHER TURNOVER RATES  
MOST RECENT SCHOOL YEAR

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	DISTRICT TURNOVER RATE	AVERAGE PEER DISTRICT TURNOVER RATE	STATE AVERAGE TURNOVER RATE
Teachers	15.1%	13.6%	16.8%

**Finding:** The District's teacher turnover rate is comparable to its peer districts' average.



## 11. Special Programs

- a. For each program for the 2019-2020 school year noted in the LBB Guidelines offered by the District, we obtained the number of students served, percentage of enrolled students served, program budget per student served and program budget as a percentage of the District's budget, total staff for the program, and student-to-staff ratio for the program.

FIGURE 14  
SPECIAL PROGRAM CHARACTERISTICS  
MOST RECENT SCHOOL YEAR

	NUMBER OF STUDENTS SERVED	% OF ENROLLED STUDENTS SERVED	PROGRAM BUDGET PER STUDENT SERVED	PROGRAM BUDGET AS A % OF DISTRICT BUDGET	TOTAL STAFF FOR PROGRAM	STUDENTS PER TOTAL STAFF FOR PROGRAM
Special Education	1,037	9.4%	\$ 12,194	13.4%	58	17.8
Bilingual Education	671	6.1%	\$ 2,010	1.4%	18	36.7
Migrant Programs	1	0.0%	\$ -	0.0%	-	-
Gifted and Talented Programs	1,061	9.6%	\$ 459	0.5%	6	186.1
Career and Technical Education	3,027	27.4%	\$ 861	2.8%	31	98.3
Athletics and Extracurricular Activities	2,806	25.4%	\$ 901	2.7%	119	23.6
Alternative Education Program/ Disciplinary Alternative Education Program	24	0.2%	\$ 2,491	0.1%	1	24.0
Juvenile Justice Alternative Education Program	-	0.0%	\$ -	0.0%	-	-

**Finding:** The District serves a large number of special education students in a variety of programs to meet their individual needs. The District commits significant resources to ensure successful outcomes in its Special Education programs.

**Additional Financial, Operational, and Academic Information**

**District Financial Information**

**12. State and Regional Resources**

We obtained an understanding of how the District maximizes available resources from state sources and regional education service centers to develop and implement programs or deliver services.

**Finding:** The District maximizes available resources from state sources by utilizing the Instructional Materials Allotment budget to purchase instructional materials for students and staff as well as instructional software programs for teachers. The District incurred expenditures of \$1,252,022 in the 2019-2020 fiscal year that were funded with resources received under the Instructional Materials Allotment. The District utilizes Region 13 Education Service Center to provide professional development based on the needs of District staff.

**13. Reporting**

We obtained the District’s annual external audit report’s independent auditors’ opinion as required by Government Auditing Standards as of and for the year ended August 31, 2020. See Attachment A to the Agreed-Upon Procedures report.

**14. Oversight**

We inquired with District staff regarding whether the District was assigned a financial-related monitoring/oversight role by the Texas Education Agency during the 2019-2020 school year and the two years prior. No assignment was noted.

**15. Budget Process**

We obtained answers to the questions noted in the LBB Guidelines.

FIGURE 15  
BUDGET PROCESS

QUESTION	Y/N		N/A
Does the District’s budget planning process include projections for enrollment and staffing?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Does the District’s budget process include monthly and quarterly reviews to determine the status of annual spending?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Does the District use cost allocation procedures to determine campus budgets and cost centers?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Does the District analyze educational costs and student needs to determine campus budgets?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>

## 16. Self-Funded Programs

We obtained a listing of the District's self-funded programs for the 2019-2020 school year and obtained an understanding of whether program revenues were sufficient to cover program costs.

**Finding:** The District has two self-funded programs, Health Insurance Fund and Food and Nutrition Services Fund. The Food and Nutrition program provides students breakfast and lunch at each District campus and is funded through charging students for meals and a limited amount of state and federal funding for qualified free or reduced meal price students. The program is required to maintain a positive net position and the District had an ending net position of \$1,266,329 at the end of the 2019-2020 school year. The District had a net decrease in net position of \$498,109 for the 2019-2020 due to the COVID-19 pandemic resulting in school closures for a third of the school year.

The Health Insurance Fund provides medical and prescription benefits to all staff who elect medical coverage through the District. The District's contributes \$500 per month towards premium costs for each staff who elects coverage. Staff is responsible for remaining premium costs and medical expenses beyond coverage including co-pays. The program is required to maintain a positive net position, and the District had an ending net position of \$2,015,977 at the end of the 2019-2020 school year.

### *District Operational Information*

## 17. Staffing

We obtained an understanding of whether District administrators are evaluated annually and, if so, how the results inform District operations.

**Finding:** Each year the District's Board of Trustees establishes the District's operating goals and initiatives for the school year. These initiatives are incorporated into the District and Campus Improvement Plans, and each administrator is evaluated annually using a District appraisal tool.

**18. Compensation System**

We obtained answers to the questions noted in the LBB Guidelines.

FIGURE 16  
COMPENSATION SYSTEM

QUESTION	Y/N	N/A
Does the District use salary bonuses or merit pay systems? If yes, explain the performance-based systems and the factors used.	Yes: _____ No: <u>X</u>	N/A: _____
Do the District's salary ranges include minimum, midpoint, and maximum increments to promote compensation equity based on the employee's education, experience, and other relevant factors?	Yes: <u>X</u> No: _____	N/A: _____
Does the District periodically adjust its compensation structure using verifiable salary survey information, benchmarking, and comparable salary data?	Yes: <u>X</u> No: _____	N/A: _____
Has the District made any internal equity and/or market adjustments to salaries within the past two years?	Yes: <u>X</u> No: _____	N/A: _____

**19. Planning**

We obtained answers to the questions noted in the LBB Guidelines.

FIGURE 17  
OPERATIONAL INFORMATION

QUESTION	Y/N	N/A
Does the District develop a District Improvement Plan (DIP) annually?	Yes: <u>X</u> No: _____	N/A: _____
Do all campuses in the District develop a Campus Improvement Plan (DIP) annually?	Yes: <u>X</u> No: _____	N/A: _____
Does the District have an active and current facilities master plan? If yes, does the District consider these factors to inform the plan:	Yes: <u>X</u> No: _____	N/A: _____
Does the District use enrollment projections?	Yes: <u>X</u> No: _____	N/A: _____
Does the District analyze facility capacity?	Yes: <u>X</u> No: _____	N/A: _____
Does the District evaluate facility condition?	Yes: <u>X</u> No: _____	N/A: _____
Does the District have an active and current energy management plan?	Yes: <u>X</u> No: _____	N/A: _____
Does the District maintain a clearly defined staffing formula for staff in maintenance, custodial, food service, and transportation?	Yes: <u>X</u> No: _____	N/A: _____

*District Academic Information*

**20. Programs**

We obtained answers to the questions noted in the LBB Guidelines.

FIGURE 18  
ACADEMIC INFORMATION

QUESTION	Y/N		N/A
Does the District have a teacher mentoring program?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Are decisions to adopt new programs or discontinue existing programs made based on quantifiable data and research?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
When adopting new programs, does the District define expected results?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Does the District analyze student test results at the District and/or campus level to design, implement and/or monitor the use of curriculum and instructional programs?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>
Does the District modify programs, plan staff development opportunities, or evaluate staff based on analysis and student test results?	Yes: <u> X </u>	No: <u>     </u>	N/A: <u>     </u>

## **Attachment A**



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## **Independent Auditors' Report**

The Board of Trustees of  
Lake Travis Independent School District:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Travis Independent School District (the "District"), as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

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

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

*"A Registered Investment Advisor"*

*This firm is not a CPA firm*

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the District's proportionate share of the net pension liability, the schedule of District contributions - pensions, the schedule of the District's proportionate share of the net OPEB liability, the schedule of District contributions - OPEB, and the note to the required supplementary information on pages 5 through 14, 55, 56, 57, 58, and 59, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules, other schedules, and the 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 purposes of additional analysis and are not a required part of the basic financial statements.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Maxwell Locke + Ritter LLP*

Austin, Texas  
December 9, 2020