



# PANOLA SCHOOLS

P.O. BOX 610 CARTHAGE, TX 75633

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Panola Charter School  
1110 FM 10  
Carthage, TX 75633  
(903) 693-6355 Fax: (903) 693-6391

Texas Early College High School  
3714 East End Boulevard South  
Marshall, Texas 75672  
(903) 935-4109 Fax: (903) 935-4067

Panola Early College High School  
820 West Panola  
Carthage, Texas 75633  
(903) 693-6355 Fax: (903) 694-2208

January 9, 2019

CDN 183-801

Texas Education Agency  
1701 North Congress Avenue  
Austin, TX 78701-1494

To Whom It May Concern:

Pursuant to Texas Education Code § 39.0824, Panola Charter School is submitting a CAP requirement based on the 2017-2018 FIRST rating for the 2017 financial data. Our public hearing was held on December 21, 2018.

The Indicators 6, 7, 9, 10 and 11 were the specific areas of financial weaknesses. These areas of concern were directly related to the opening of a new facility in Marshall, Texas. The initial purchase price plus renovations simply exceeded our ability to maintain an adequate current asset to liability ratio and caused a loss on the statement of activities. We received a clean audit relative to our procedural efforts to maintain a financial accounting system in compliance with state mandates. We were able to meet all our financial obligations plus maintain a quality education environment for students. However, we were unable to establish an adequate reserve account commensurate to state mandates.

We have incorporated a number of specific actions designed to address the financial weaknesses associated with these indicators. First, the District has replaced leadership. This will help with administrative costs and the new leadership has put several mandates into place to reduce expenditures and to get better control of the debt. Second, revenues have increased allowing more flexibility in the ability to increase cash and the number of days of cash on hand. Third, the District has realigned the debt obligations to alleviate the percentage of income required to meet these obligations. The Board negotiated with the bank to be able to pay off the building purchased in 2006 by March 31, 2020 before any principal is paid on the new building. To keep the new obligation from continuing to increase, the District has negotiated to pay interest monthly until the building purchased in 2006 is paid off. As stated in the notes to Financial Statements for the year ended August 31, 2017, this new note was renegotiated in February 2018 causing the current ratio to be reduced and thus allowing the District to improve the FIRST indicators.

The District has received its new audit for the year ended August 31, 2018 and the calculations for Charter FIRST ratings have improved.

Sincerely,

  
Dr. Bob Browning, Superintendent/CEO

# PANOLA SCHOOLS



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Panola Charter School  
Panola Early College  
Texas Early College

*"An investment in knowledge pays  
the best interest." ~ Benjamin Franklin*

**District Financial Management Report**

# **Panola Schools**

## **Board of Trustees**

**Carlton Shamburger, President**

**Charles Worley, Vice President**

**Martin Clark, Sr., Secretary**

**Dale Reed**

**Janet Humber**

**Glenda Clabaugh**

## **Administrative Staff**

**Dr. Bob Browning, Superintendent/CEO**

**Monnie Pennington, Business Manager**

## **Campus Administration**

**Keith Koonce, Charter Principal**

**Clair LaGrone, TECHS Principal**

**Bryan Tarjick, PECHS Director**

## **District Coordinator of School Improvement**

**Dr. Bob Browning**

# Panola Schools

Financial Management Report  
2018 – 2019 District Leadership Team  
(District Site-Based Committee)

| NAME              | POSITION                |
|-------------------|-------------------------|
| Keith Koonce      | Principal, Charter      |
| Clair LaGrone     | Principal, TECHS        |
| Bryan Tarjick     | Director, PECHS         |
| John Turner       | Teacher – TECHS         |
| Karen Tarjick     | Teacher – PECHS         |
| John Hendrick     | Teacher, SpED – Charter |
| Pat Browning      | Community Member        |
| Shannon Royce     | Community Member        |
| Chris Adams       | Business Representative |
| Charlene Williams | Parent                  |
| Rhory Guttirrez   | Parent                  |

**PANOLA SCHOOLS****CDN 183-801**

| Indicator Number | Financial Performance State-established Standards |           |
|------------------|---|-----------|
|                  | 2016-2017   | 2017-2018 |
| 1                | YES   | YES       |
| 2A               | YES   | YES       |
| 2B               | -   | -         |
| 3                | YES   | YES       |
| 4                | YES   | YES       |
| 5                | YES   | YES       |
| 6                | 10  | 4         |
| 7                | 10  | 0         |
| 8                | 10  | 10        |
| 9                | 10  | 0         |
| 10               | 10  | 0         |
| 11               | 0   | 0         |
| 12               | 10  | 10        |
| 13               | 10  | 10        |
| 14               | 10  | 10        |
| 15               | 10  | 10        |

This is a comparison of the last two years, provided by the TEA.  
The areas of concern are Indicator 6, 7, 9, 10, and 11.



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May 21, 2018

Panola Schools is an at-will employer and therefore does not enter in to a contract with any employee.

The Board of Trustees officially hired Dr. Bob Browning as part-time CEO/Superintendent on May 21, 2018 at the amount of \$50,000 annually for one year.

Sincerely,

Carlton Shamburger  
President of the Board of Trustees

## School FIRST Annual Financial Management Report

PANOLA SCHOOLS 183-801

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(q). Effective 8/1/2018. The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing.

### Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's Internet site. If published on the Internet, the contract is to remain accessible for twelve months. An at-will employer

### Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period  
Ended August 31, 2017

| Description of Reimbursements | Superintendent    | Board Member 1 | Board Member 2 | Board Member 3 | Board Member 4 | Board Member 5 | Board Member 6 | Board Member 7 |
|-------------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Meals                         | \$ 204.00         |                |                |                |                |                |                |                |
| Lodging                       | 140.00            |                |                |                |                |                |                |                |
| Transportation                | 1,509.82          |                |                |                |                |                |                |                |
| Motor Fuel                    |                   |                |                |                |                |                |                |                |
| Other                         |                   |                |                |                |                |                |                |                |
| <b>Total</b>                  | <b>\$1,853.82</b> | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>\$0.00</b>  |

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:

Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).

Motor fuel – Gasoline.

Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

**Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services**

For the Twelve-Month Period  
 Ended August 31, 2017  
 Panola Schools CDN 183-801

Amount Received  
 \$

Total \$0.00

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)  
 (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period  
 Ended August 31, 2017

|       | Superintendent | Board Member 1 | Board Member 2 | Board Member 3 | Board Member 4 | Board Member 5 | Board Member 6 | Board Member 7 |
|-------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           |

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

**Business Transactions Between School District and Board Members**

For the Twelve-Month Period  
 Ended August 31, 2017

|         | Board Member 1 | Board Member 2 | Board Member 3 | Board Member 4 | Board Member 5 | Board Member 6 | Board Member 7 |
|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Amounts | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           | \$ 0           |

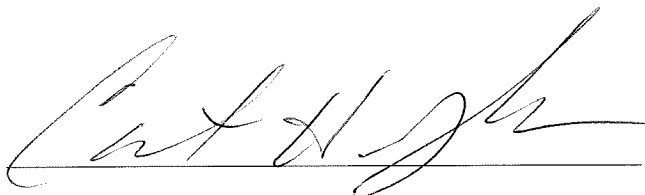
Note - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.



**Minutes of Called Board Meeting  
Of the Panola Charter School  
Board of Directors  
December 21, 2018  
9:00 AM  
Panola Charter School  
1110 FM 10  
Carthage, Texas 75633**

- I. The meeting was called to order by board Vice-President, Charles Worley, at 9:00 a.m. on December 21, 2018 board room of Panola Charter School. Those present were: Vice-President Charles Worley, Secretary, Martin Clark, Sr., board members Dale Reed, Glenda Clabaugh and Janet Humber. Others Present were: CEO-Dr. Bob Browning, Principals, Keith Koonce, Clair LaGrone and Business Manager-Monnie Pennington.
- II. An Invocation was given by Dale Reed.
- III. The Pledge was given to the American Flag and the Texas Flag.
- IV. Open forum – none.
- V. Action/Discussion Items
- VI. The Public hearing to discuss the annual financial management report for the 2017-2018 ratings based on Fiscal year 2017 data.
- VII. Adjournment was at 9:19.

Signature



Date

1/14/19