



KLEIN INDEPENDENT SCHOOL DISTRICT

**A Public Hearing of the Klein ISD
Board of Trustees to discuss the
Schools FIRST Financial Accountability Rating System**

GUIDELINES FOR THE PUBLIC HEARING

November 14, 2022, 6:00 P.M.

We are very pleased that you have joined us for this Public Hearing to discuss the Schools FIRST financial accountability rating system.

The following rules of procedures will apply to tonight's hearing:

1. Persons who wish to participate in this portion of the meeting shall sign up by completing the appropriate form on the District's website, in person, or by sending an e-mail with this form as an attachment to the e-mail address listed on the form which must be received no later than 10:30 am on the day of the meeting.
2. The speakers must confine their remarks to the District's rating on the Schools FIRST financial accountability rating system.
3. Oral comments are limited in length, and may be reduced at the discretion of the Board President in the interest of time and efficiency, unless extended by a majority of the trustees, and must not mention any employees by name or position or contain any personally identifiable reference.

FINANCIAL MANAGEMENT PERFORMANCE REPORT

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November 14, 2022

Dr. Jenny McGown
Superintendent of Schools

Dear Dr. McGown,

Klein Independent School District received a rating of "A=Superior" under Texas' Schools FIRST financial accountability rating system based upon an analysis of staff, student, budgetary and actual financial data reported for the fiscal year ending June 30, 2021. The Superior rating is the state's highest, demonstrating the quality of Klein ISD's financial management and reporting system.

The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being "A=Superior" followed by "B=Above-Standard," "C=Meets Standard" and "F=Substandard Achievement." Districts that receive the "F=Substandard Achievement" rating under Schools FIRST must file a corrective action plan with the Texas Education Agency.

This is the twentieth year of Schools FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts, developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of Schools FIRST is to achieve 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.

Included in this report are the accountability indicators and required disclosures including a copy of the Superintendent's contract, details of reimbursements to the Superintendent and members of the Board, and additional statements relating to any outside compensation of the Superintendent, any gifts to District officials or Board members, and any business transactions between the District and members of the Board of Trustees. The accountability indicators are explained on pages 11-15 and the required disclosures are on pages 16-26.

The Klein ISD has received the highest rating possible under Texas' Schools FIRST financial accountability rating system for twenty consecutive years. This rating shows that Klein's schools are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

Respectfully submitted,

Daniel A. Schaefer, CPA
Chief Financial Officer

Jason J. Gossett
Executive Director of Business Services

OUR SHARED VISION

IN KLEIN ISD, **EVERY** STUDENT ENTERS WITH A **PROMISE** & EXITS WITH A **PURPOSE**

MISSION

We will achieve our shared vision by focusing on:

PATHWAYS:

Providing every student with a rich, relevant, and clear pathway to success.

CHALLENGE:

Focusing on the whole student so that every one will engage in rigorous learning and build excellent character.

EQUITY:

Closing gaps by personalizing learning by knowing every student by name, strength, and need.

LEADERSHIP:

Retaining, attaining, and growing excellent leaders throughout our system so that every student learns in a quality environment.

CONTINUOUS IMPROVEMENT:

Gathering feedback from every voice in order to eliminate silos, build strategic partnerships, and foster a culture of learning.

ASPIRATIONAL MEASURES AND INDICATORS OF SUCCESS

While there are multiple measures, we will focus on three primary ones:

Every student graduates from high school with a purpose.

Every student makes at least one year's growth every year.

Every indicator in the Whole Student and Community Engagement Indicator System is at the highest level.

STRATEGIC PRIORITIES

As Promise2Purpose Investors, we will focus our resources and relationships on three strategic priorities, while always looking for ways to innovate to improve the system for students.

REIMAGINE LEARNING:

- Personalized Learning
- Flexible and Challenging Curriculum
- Standardized Evaluation

CULTIVATE TALENT:

- Best-in-Class Leadership Pipeline
- Feedback Loops and Self-reflection
- Targeted Professional Learning

BUILD COMMUNITY:

- Relationships, Mentoring, and Partnerships
- Engaging, Educating, and Equipping Families
- Cultural Responsiveness

GUIDING DOCUMENTS

Three Guiding Documents define our culture:

PROFILE OF A LEADER

PROFILE OF A LEARNER

HIGH QUALITY TEACHING

DATE:	August 4, 2022
SUBJECT:	Preliminary 2021–2022 School FIRST Ratings
CATEGORY:	Accreditation Information
NEXT STEPS:	Share with appropriate staff

Your school district's preliminary 2021–2022 School Financial Integrity Rating System of Texas (FIRST) rating is now available online. To access your district's School FIRST rating:

- access the Texas Education Agency (TEA) website by using this link <https://tea.texas.gov/>;
- click the Finance and Grants webpage tab link <https://tea.texas.gov/finance-and-grants/>;
- click the Financial Compliance link <https://tea.texas.gov/finance-and-grants/financial-compliance/>;
- click the [Financial Integrity Rating System of Texas](#) link; and
- click the School District FIRST Ratings link.

Basis for School FIRST Rating

Your district's rating is based on an analysis of the district's financial data for fiscal year 2021 (the fiscal period ended June 30, 2021, or August 31, 2021, depending on the ending date of your district's fiscal year). We determined your district's rating using the financial indicators specified in [19 Texas Administrative Code \(TAC\) §109.1001\(e\)\(6\)](#).

Please carefully review your district's preliminary School FIRST rating and the data associated with each of the indicators.

Opportunity for Appeal

If your district wishes to appeal an adverse issue it identifies in the preliminary rating, your district may submit a written appeal with supporting evidence to the TEA Financial Compliance Division. For the appeal to be considered, we must receive it by **September 6, 2022**. Send your appeal and supporting documentation to the following email address: FinancialAccountability@tea.texas.gov.

Please note, all appeal requests, including supporting documentation, must be submitted through email to FinancialAccountability@tea.texas.gov on or before September 6, 2022. Appeals and supporting documentation that are not submitted to the Financial Accountability email address by the required deadline will not be considered or processed.

Please see [19 TAC §109.1001\(n\)](#) for the rules regarding the filing of an appeal. As stated in that section, we will consider only an appeal that would result in a change to your district's rating. **If no appeal is submitted by your district, your district's preliminary rating becomes final on the 31st day after the preliminary ratings are released (September 7, 2022).**

Final School FIRST Rating and Required Reporting

We will issue final ratings to school districts after we have reviewed any submitted appeals. Final 2021–2022 School FIRST ratings are anticipated to be released in November 2022.

Within two months of the release of your school district's final School FIRST rating, your district must announce and hold a public meeting to distribute a financial management report that explains the district's rating and its performance under each indicator for the current and previous year's ratings.

The report also must provide the financial information described in 19 TAC §109.1001(q)(3). We encourage your district to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the district's performance under one or more of the indicators.

The required newspaper notice, to inform taxpayers of the meeting, must be published no more than 30 days and no fewer than 10 days before the public meeting. Your district may combine the meeting with a scheduled regular meeting of the board of trustees.

For full requirements related to the report and meeting, see 19 TAC §109.1001(q). For a template that your district can use in developing its financial management report, see the TEA [School FIRST](#) web page.

To access additional rules concerning financial accountability ratings, please see [19 TAC §109.1001](#).

Accreditation Status

Please note that the TEA considers a district's School FIRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC §97.1055.

Contact for Further Information

If you have questions about your district's School FIRST rating, please contact Robin Aldridge at (512) 463-3940 or by email at Robin.Aldridge@tea.texas.gov.



Financial Integrity Rating System of Texas

2021-2022 RATINGS BASED ON SCHOOL YEAR 2020-2021 DATA - DISTRICT STATUS DETAIL

Name: KLEIN ISD(101915)		Publication Level 1: 8/2/2022 2:05:39 PM	
Status: Passed		Publication Level 2: 8/4/2022 12:15:48 PM	
Rating: A = Superior Achievement		Last Updated: 8/4/2022 12:15:48 PM	
District Score: 96		Passing Score: 70	
#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	7/12/2022 8:36:04 AM	Yes
2	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	5/16/2022 11:18:04 AM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	5/16/2022 11:18:05 AM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)</u>	5/16/2022 11:18:07 AM	Yes Ceiling Passed
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	5/17/2022 9:46:17 AM	Ceiling Passed
7	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.</u>	5/16/2022 11:18:08 AM	10
8	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.</u>	5/16/2022 11:18:08 AM	10
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and</u>	5/16/2022	10

	<u>construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.</u>	11:18:09 AM	
10	This indicator is not being scored.		10
11	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the school district's increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.</u>	5/16/2022 11:18:11 AM	8
12	<u>Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.</u>	5/16/2022 11:18:12 AM	8
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	6/9/2022 10:58:00 AM	10
14	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.</u>	5/16/2022 11:18:13 AM	10
15	This indicator is not being scored.		5
16	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	5/16/2022 11:18:14 AM	Ceiling Passed
17	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)</u>	5/16/2022 11:18:14 AM	Ceiling Passed
18	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	5/16/2022 11:18:15 AM	10
19	<u>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?</u>	5/16/2022 11:18:16 AM	5
20	<u>Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	5/16/2022 11:18:16 AM	Ceiling Passed
			96 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			96 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.
B.	Determine the rating by the applicable number of points.

A = Superior Achievement	90-100
B = Above Standard Achievement	80-89
C = Meets Standard Achievement	70-79
F = Substandard Achievement	<70

No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.

The school district receives an **F** if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.

CEILING INDICATORS

Did the school district meet the criteria for any of the following ceiling indicators 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.		
Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement

2021-22 FIRST Rating
Based on School Year 2020-21 Data
Explanation of Indicators and Indicator Results
Status: Passed Rating: A = Superior Achievement

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

Explanation of Indicator: This indicator seeks to make certain the KISD has filed the Annual Financial Report by the required deadline.

Indicator Results/Points: Yes/Passed; The Klein ISD AFR was received by the TEA on November 11, 2021.

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

Explanation of Indicator: A "modified" opinion on a financial report means that the district needs to correct some of our reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its AFR.

Indicator Results/Points: Yes/Passed; The Klein ISD AFR received an unmodified opinion.

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

Explanation of Indicator: This indicator seeks to make certain that the Klein ISD has timely paid all bills/obligations, including financing arrangements to pay for school construction, school buses, photocopiers, etc.

Indicator Results/Points: Yes/Passed; The Klein ISD AFR did not have any disclosures concerning default on bonded indebtedness obligations and were able to make all bond payments.

4. **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?**

Explanation of Indicator: This indicator seeks to make sure the district fulfilled its obligation to the TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.

Indicator Results/Points: Yes/Passed; The Klein ISD fulfilled its payroll obligations.

5. **This indicator was not scored for this First Rating.**

6. Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)

Explanation of Indicator: This indicator measures the percentage change in fund balance to see whether the fund balance is declining too quickly, and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.

Indicator Results/Points: Passed both tests, our change in fund balance was less than 25% and our fund balance exceeds 75 days of operating expense.

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

Explanation of Indicator: This indicator measures how long in days after the end of the fiscal year the school district could have disbursed funds for its operating expenditures without receiving any new revenues.

Indicator Results/Points: 10 points; mathematical breakdown calculated to 162.2711 which is greater than 90.

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

8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

Explanation of Indicator: This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did you meet or exceed the target amount in School FIRST?

Indicator Results/Points: 10 points; the current assets to current liabilities ratio was 3.2904

10 points	8 points	6 points	4 points	2 points	0 points
≥ 3.00	< 3.00	< 2.50	< 2.00	< 1.50	< 1.00
	≥ 2.50	≥ 2.00	≥ 1.50	≥ 1.00	

9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.

Explanation of Indicator: This indicator simply asks, "Did you spend more than you earned?" This indicator is an automatic 10 points if you have greater than 60 days cash on hand.

Indicator Results/Points: 10 points; 162.2711 >= 60

- 10. Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years? This indicator is not being scored.**

Explanation of Indicator: This indicator measures how accurately the district forecast projected revenue by comparing budgeted revenue submitted through PEIMS in October of the fiscal year to the actual revenue submitted after the close of the fiscal year.

Indicator Results/Points: 10 Points; TEA did not score this indicator.

- 11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) (See ranges below.)**

Explanation of Indicator: This question is like asking someone if their mortgage exceeds the market value of their home. Were you below the cap for this ratio in School FIRST? Fortunately, this indicator recognizes that high-growth districts incur additional costs to open new instructional campuses.

Indicator Results/Points: 8 points; the ratio of long-term liabilities to total assets is $0.0.6873 < = 1$. The change of student membership over 5 years was 0.021.

10 points	8 points	6 points	4 points	2 points	0 points
≤ 0.60	> 0.60 ≤ 0.70	> 0.70 ≤ 0.80	> 0.80 ≤ 0.90	> 0.90 ≤ 1.00	> 1.00

- 12. Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.**

Explanation of Indicator: This indicator asks about the school district's ability to make debt principal and interest payments. Did you meet or exceed the target amount in School First? This indicator benefits those property wealthy districts that have debt payments. Klein ISD is not considered property wealthy. Although we did not have a perfect score on this indicator, other ratings like our credit ratings from S&P (AA) and Moody's (Aa1) indicate that our property values are sufficient to make our current debt principal and interest payments.

Indicator Results/Points: 8 points; the ratio for this indicator is 5.126.

10 points	8 points	6 points	4 points	2 points	0 points
≤ 4	> 4 ≤ 7	> 7 ≤ 10	> 10 ≤ 11.5	> 11.5 ≤ 13.5	> 13.5

- 13. Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.**

Explanation of Indicator: This indicator measures the percentage of their budget that Texas school districts spent on administration. Did you exceed the cap in School First for districts of your size?

Indicator Results/Points: 10 Points, 0.0467

District ADA Size 10,000 and Above

10 points	8 points	6 points	4 points	2 points	0 points
≤ 0.0855	> 0.0855 ≤ 0.1105	> 0.1105 ≤ 0.1355	> 0.1355 ≤ 0.1605	> 0.1605 ≤ 0.1855	> 0.1855

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

Explanation of Indicator: If the school district has a decline in students over 3 school years, this indicator asks if the school district decreased the number of the staff on the payroll in proportion to the decline in students.

Indicator Results/Points: 10 points; $-0.0443 > -0.15$

- 15. Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section. This indicator is not being scored.**

Explanation of Indicator: This indicator measures how well the district was able to project average daily attendance for the coming biennium for payment purposes. Projected ADA is compared to actual.

Indicator Results/Points: 5 points;

Determination of Points

ADA Size – 10,000 and above, 5 points ≤ 0.07 , 0 points if > 0.07

- 16. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)**

Explanation of Indicator: This indicator measures the quality of data reported to PEIMS and in our Annual Financial Report to make certain that the data reported in each case “matches up.” If the difference in numbers reported in any fund type is 3 percent or more, your district “fails” this measure.

Indicator Results/Points: Passed, $0 < 0.03$

- 17. Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)**

Explanation of Indicator: A clean audit of your Annual Financial Report would state that your district has no material weaknesses in internal controls. Any internal weaknesses create a risk of your District not being able to properly account for its use of public funds and should be immediately addressed.

Indicator Results/Points: Passed; the external independent auditor reported that the AFR was free of any instances of material noncompliance for grants, contracts, and laws.

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

Explanation of Indicator: This indicator measures whether the district is complying with laws, rules, and regulations related to the expenditure of grant funds, contracts, and other state and federal funds.

Indicator Results/Points: 10 points; the external independent auditor reported that the District was free of any instances of material noncompliance for grants, contracts, and laws.

- 19. 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?**

Explanation of Indicator: This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information.

Indicator Results/Points: 5 points; All required Financial Postings were verified by TEA.

- 20. Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)**

Explanation of Indicator: This indicator measures whether the school board had the opportunity to consider the impact of changes in property value on the finances of the district.

Indicator Results/Points: Passed, TEA confirmed our Board discussed property valuations.

SUPERINTENDENT AND BOARD OF TRUSTEES DISCLOSURE REQUIREMENTS
For the Twelve-Month Period Ended June 30, 2021

SUPERINTENDENT		-----BOARD OF TRUSTEES-----							
Reimbursements:	Dr. McGown	Anderson	Arellano	James	Ellis	Reitmeier	Todd	Benes	Total
Meals	-	58.12	65.00	-	-	190.00	5.35	-	318.47
Lodging	-	780.54	-	-	-	816.54	-	-	1,597.08
Transportation	719.90	224.00	-	-	-	232.96	-	-	1,176.86
Registration Fees	1,590.00	760.00	1,000.00	1,000.00	325.00	974.00	660.00	325.00	6,634.00
Dues	2,747.50	1,077.50	1,077.50	1,077.50	1,077.50	1,077.50	1,077.50	1,077.50	10,290.00
Cell Phone	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
									-
Gifts of \$250 or more:	-	-	-	-	-	-	-	-	-
									-
Business Transactions:	-	-	11,804.00	-	-	-	-	-	11,804.00
									-
									-
Total	5,057.40	2,900.16	13,946.50	2,077.50	1,402.50	3,291.00	1,742.85	1,402.50	31,820.41

NOTES:

1. The Superintendent did not receive any outside compensation in exchange for professional consulting and other personal services.
2. Gifts from outside entities receiving payments from the district or from competing vendors not awarded contracts must be disclosed if the value of the gifts exceed \$250 in the aggregate. No gifts from outside entities or competing vendors were received by the Superintendent, Board of Trustee members, or members of their immediate families.
3. The Superintendent's Contract can be found on the Klein ISD Website for Required Postings