Santa Rosa
Independent School District
"Warriors On the Move – Rising to the Challenge"

Annual Financial Accountability Management Report

December 19, 2022 Fiscal Year 2020-2021

SANTA ROSA ISD EARNS A SUPERIOR RATING

For the 2020-2021 fiscal year, the Santa Rosa Independent School District received a rating of "A" for "Superior" under Texas' School FIRST financial accountability rating system. The "Superior" rating is the state's highest, demonstrating the quality of Santa Rosa Independent School District's financial management and reporting system.

This is the 20th year of School 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 and Senate Bill 218 of the 77th Legislature in 2001. The primary goal of School FIRST is to achieve quality performance in the management of school district's financial resources. This goal is now more significant due to the complexity of accounting associated with the Texas school finance system.

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

INSIDE THIS ISSUE:

OVERVIEW

Senate Bill 875 of the 76th Legislature (1999) and Senate Bill 218 of the 77th Texas Legislature (2001) authorized the implementation of a financial accountability rating system, which is officially referred to as School FIRST. The primary goal of School FIRST is to improve the management of school districts' financial resources. School FIRST was developed in consultation with the Comptroller of Public Accounts. Its development also initiated from the many comments that were received from school districts and regional education service center personnel. The school district's School FIRST rating is based upon an analysis of staff and student data reported for the 2020-2021 school year, including financial data for the 2021 fiscal year (for Santa Rosa Independent School District, the fiscal period was July 1, 2020 to June 30, 2021).

Senate Bill 218 also requires each school district to prepare the Annual Financial Accountability Management Report. Many business related issues are covered in this report; however, its focus lies on the School FIRST rating worksheet. This worksheet was developed by representatives from the Texas Education Agency (TEA), the Texas Business & Educational Council (TBEC) and the Texas Association of School Business Officials (TASBO).

Changes in the Commissioner's Rule for School FIRST indicators were implemented by the Texas Education Agency beginning fiscal year 2021 based on data from fiscal year 2020. The indicators increased from 15 to 20 and introduced five "Ceiling Indicators".

The District is rated according to 20 indicators, based upon its relative performance, except for the four critical indicators. A negative response to indicators 1, 2, 3, or 4 results in the district receiving a rating of "Substandard Achievement". A negative response to any of the five ceiling indicators supersedes any rating earned based on points. A negative response to all of the five ceiling indicators results in the district receiving a "Substandard Achievement".

Santa Rosa ISD's rating under School FIRST for the fiscal year ending June 30, 2021 is "Superior." This report briefly describes data used to calculate the rating and explains the meaning for each indicator. In addition, the Annual Financial Accountability Management Report includes the reimbursements made to the board members and to the superintendent for the 2020-2021 school year. Also, as required, the superintendent's current contract is attached at the end of this report.

MISSION STATEMENT

Santa Rosa Independent School District's mission is to furnish a safe haven where everyone is valued and respected. All staff members, in partnership with parents and families, are fully committed to successful student outcomes. We strive to prepare all students to be lifelong learners and responsible citizens ready to meet the challenges of the future.

"Once a Warrior, Always a Warrior"

Financial Integrity Rating System of Texas
2021-2022 WITH 2020-2021 COMPARISON
DISTRICT STATUS DETAIL

2021-2022	2020-2021
Name: SANTA ROSA ISD (031914)	**Name: SANTA ROSA ISD (031914)**
Rating: A=Superior	**Rating: A=Superior**
Indicators Answered YES: 5	**Indicators Answered YES: 5**
Indicators Answered NO: 0	**Indicators Answered NO: 0**
Ceiling Indicators Passes: 5	**Ceiling Indicators Passes: 5**
Points Earned: 98 of 100	**Points Earned: 96 of 100**

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

Name: SANTA ROSA ISD (031914)	**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: 98	**Passing Score:** 70

#	Indicator Description	Updated	Score
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?	7/12/2022 8:28:37 AM	Yes
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.)	5/16/2022 10:08:51 AM	Yes
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	5/16/2022 10:08:51 AM	Yes

	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.)		
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? (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.)	5/16/2022 10:08:52 AM	Yes Ceiling Passed
5	This indicator is not being scored.		
			1 Multiplier Sum
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.	5/17/2022 9:38:31 AM	Ceiling Passed
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.	5/16/2022 10:08:55 AM	10
8	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.	5/16/2022 10:08:55 AM	10

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.	5/16/2022 10:08:56 AM	10
10	This indicator is not being scored.		10
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 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.	5/16/2022 10:08:57 AM	10
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.	5/16/2022 10:08:58 AM	10
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.	6/9/2022 10:48:31 AM	8
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.	5/16/2022 10:08:59 AM	10
15	This indicator is not being scored.		5
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.)	5/16/2022 10:08:59 AM	Ceiling Passed
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,	5/16/2022 10:09:00 AM	Ceiling Passed

	C= Meets Standard Achievement.)		
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.)	5/16/2022 10:09:02 AM	10
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?	5/16/2022 10:09:03 AM	5
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 Achieivement.)	5/16/2022 10:09:06 AM	Ceiling Passed
			98 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			98 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 *No*.	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is *No*.	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is *No*.	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is *No*.	89	B = Above Standard Achievement

2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA - DISTRICT STATUS DETAIL

Name: **SANTA ROSA ISD**(**031914**)	**Publication Level 1:** 8/4/2021 2:00:38 PM
Status: **Passed**	**Publication Level 2:** 8/6/2021 11:10:55 AM
Rating: A=Superior	**Last Updated:** 8/6/2021 11:10:55 AM
District Score: 96	**Passing Score:** 70

#	Indicator Description	Updated	Score
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?	7/9/2021 9:01:08 AM	Yes
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 unmodified opinion.).	6/8/2021 3:11:30 PM	Yes
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.)	6/8/2021 3:11:31 PM	Yes
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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the	7/1/2021 8:59:18 AM	Yes Ceiling Passed

	warrant hold was issued, the school district is considered to not have made timely payments 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 30days.)		
5	This indicator is not being scored.		
			1 Multiplier Sum
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.)	6/28/2021 11:02:21 AM	Ceiling Passed
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.	6/8/2021 3:11:31 PM	10
8	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.	6/8/2021 3:11:31 PM	8
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.	6/8/2021 3:11:31 PM	10
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?	7/2/2021 1:03:39 PM	10

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 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.	6/8/2021 3:11:33 PM	10
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.	6/8/2021 3:11:33 PM	10
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.	6/8/2021 3:11:33 PM	8
14	Did the school district not have 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.	6/8/2021 3:11:33 PM	10
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.	6/8/2021 3:11:33 PM	5
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.	6/8/2021 3:11:34 PM	Ceiling Passed
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.)	6/8/2021 3:11:34 PM	Ceiling Passed

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.)	6/8/2021 3:11:34 PM	10
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?	6/8/2021 3:11:34 PM	5
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 Achieivement.)	6/8/2021 3:11:34 PM	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 *No*.	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is *No*.	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is *No*.	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is *No*.	89	B = Above Standard Achievement

RATING WORKSHEET OVERVIEW – 2021-2022 and 2020-2021 Fiscal Year

1. Was The Complete Annual Financial Report (AFR) And Data Submitted To The TEA Within 30 Days Of The November 27th or January 28 Deadline Depending On The School District's Fiscal Year End Date Of June 30th or August 31, Respectively?

Yes, Santa Rosa ISD's Annual Financial Report for the fiscal year ended June 30, 2021, was **filed** with the Texas Education Agency **within one month** of the deadline date of November 27, 2021. The AFR was filed on **November 18, 2021**. For the AFR for the fiscal year ended June 30, 2020, was filed on **January 7, 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.)

Yes, the opinion expressed by our independent auditors on the **June 30, 2021** and **June 30, 2020** audit report was an **Unmodified Opinion**.

A "modified" on the District's financial report would have meant that corrections were needed in some of our reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its Annual Financial Report. An Unmodified Opinion is the same as a "clean audit".

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.)?

Yes, Santa Rosa ISD **was in compliance** with all debt payment terms for **June 30, 2021** and **June 30, 2020.**

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? (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.)

Yes, Santa Rosa ISD **made timely payments** to Government Agencies for **June 30, 2021** and **June 30, 2020**.

5. Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)

For the 2021 school year, this indicator is not being scored. **For the 2020 school year**, Santa Rosa ISD was not scored for this indicator.

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.)

Yes, Santa Rosa ISD's average change in assigned and unassigned fund balances over 3 years were $5,843,364 or 7.59% for the **2021 school year. For the 2020 school year,** Santa Rosa ISD's average change was $4,580,430 or 4.73%.

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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

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

Yes, Santa Rosa ISD's number of days of cash on hand is greater than 60. It is **184.1416 days** for the **2021** school year and it is **169.3414 days** for the **2020** school year.

8. 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.

RESULT DETERMINATION REFERENCE DETERMINATION OF POINTS

10	8	6	4	2	0
>=3.00	<3.00>=2.50	<2.50>=2.00	<2.00>=1.50	<1.50>=1.00	<1.00

Yes, Santa Rosa ISD's measure of current assets to current liabilities was **3.5966** for the **2021 school year** and **2.8731** for the **2020 school year.**

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.

RESULT DETERMINATION REFERENCE DETERMINATION OF POINTS

10	0
>=0%	<0%

Yes, Santa Rosa ISD's number of days of cash on hand is greater than 60. It is **184.1416 days** for the **2021** school year and it is **169.3414 days** for the **2020** school year.

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?

RESULT DETERMINATION REFERENCE DETERMINATION OF POINTS

10	0
<10%	>=10%

For the 2021 school year, this indicator is not being scored**.** For the **2020 school year**, Santa Rosa ISD's average in budgeted revenues to actual revenues was **3.72%**.

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 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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	8	6	4	2	0
<= 0.60	>0.60<=0.70	>0.70<=0.80	>0.80<=0.90	>0.90<=1.00	>1.00

Yes, Santa Rosa ISD's ratio of long-term liabilities to total assets was **0.2475** for the **2021 school year** and **0.2841** for the **2020 school year**.

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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	8	6	4	2	0
<= 4	> 4 < =7	> 7 <=10	> 10 <= 11.5	> 11.5 <= 13.5	>13.5

Yes, Santa Rosa ISD's ratio debt per $100 of assessed property was **2.23** for the **2021 school year.** For the **2020 school year,** Santa Rosa ISD's ratio was **2.4579**.

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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

ADA Size	10	8	6	4	2	0
10,000 and Above	<= 0.0855	> 0.0855 <= 0.1105	> 0.1105 <= 0.1355	> 0.1355 <= 0.1605	> 0.1605 <= 0.1855	> 0.1855

5,000 to 9,999	<= 0.1000	> 0.1000 <= 0.1250	> 0.1250 <= 0.1500	> 0.1500 <= 0.1750	> 0.1750 <= 0.2000	> 0.2000
1,000 to 4,999	<= 0.1151	> 0.1151 <= 0.1401	> 0.1401 <= 0.1651	> 0.1651 <= 0.1901	> 0.1901 <= 0.2151	> 0.2151
500 to 999	<= 0.1311	> 0.1311 <= 0.1561	> 0.1561 <= 0.1811	> 0.1811 <= 0.2061	> 0.2061 <= 0.2311	> 0.2311
Less than 500	<= 0.2404	> 0.2404 <= 0.2654	> 0.2654 <= 0.2904	> 0.2904 <= 0.3154	> 0.3154 <= 0.3404	> 0.3404
Sparse	<= 0.3364	> 0.3364 <= 0.3614	> 0.3614 <= 0.3864	> 0.3864 <= 0.4114	> 0.4114 <= 0.4364	> 0.4364

Yes, Santa Rosa ISD's administrative cost ratio was **0.1372** for the **2021** school year which earned 8 points out of 10 and **0.1329** for the **2020** school year which earned 8 points of out of 10.

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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	0
Yes	No

Yes, Santa Rosa ISD did not have a 15 percent decline in the student to staff ratio over 3 years. For the **2021 school year**, the District had a **3.62 percent loss** for the time period. For the **2020 school year**, the District had a **11.21 percent loss** for the time period.

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.

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

ADA Size	5	0
10,000 and Above	<= 0.07	> 0.07
5,000 to 9,999	<= 0.10	> 0.10
1,000 to 4,999	<= 0.20	> 0.20
500 to 999	<= 0.25	> 0.25
Less than 500	<= 0.30	> 0.30
Sparse	<= 0.35	> 0.35

This indicator was not scored for the **2021 school year**. **For the 2020 school year**, Santa Rosa ISD's ADA range was **0.0848**.

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.)

Yes, Santa Rosa ISD's data quality measure was **0%** for **2021** and **2020**, far below the allowable 3 percent variation.

This indicator measures the quality of data reported to PEIMS and in the 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 more than 3 percent, the district "fails" this measure.

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.)

Yes, the external independent auditors report was **free of any instance of material weakness** in internal controls on the **June 30, 2021** and **June 30, 2020** audit reports.

Internal control weaknesses create a risk that a district would not be able to properly account for its use of public funds, and should be immediately addressed. An independent audit is required to state if a district had material weaknesses.

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 weakness.)

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	**0**
Yes	**No**

Santa Rosa ISD had no material noncompliance for grants, contracts, and laws reported in our **2021** and **2020** AFR.

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?

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

5	**0**
Yes	**No**

Santa Rosa ISD posted all the required financial information on its website for the **2021 school year**. and the **2020 school year.**

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.)

Yes, Santa Rosa ISD's school board members discussed the property values within the 120 days before the district adopted budget for the **2021 school year** and the **2020 school year.**

REQUIRED DISCLOSURES

Reimbursements Received by the Board Members

For the Twelve-Month Period Ended June 30, 2021	Sandra Rickford	Kelly R. Ballin	Cynthia Saldivar	Lorenzo Ovalle Jr.	Santos Castaneda	Juan Esparza
Meals		$ 350.50		$ 213.50		$ 350.50
Lodging		$ 1,244.53		$ 825.69		$ 1,247.58
Transportation		$ 346.08		$ 277.76		$ 346.08
Motor Fuel						
Other		$ 585.00		$ 435.00		$ 585.00
Total	$0.00	$2,526.11	$0.00	$1,751.95	$0.00	$2,529.16

For the Twelve-Month Period Ended June 30, 2021	Danny Theys	Rachel Flores	Raul Garza	Mark Chairez	Roy Guerra	Juan M. Perez
Meals		$ 350.50	$ -	$ 350.50	$ 350.50	$ 68.32
Lodging		$ 1,150.11	$ -	$ 1,315.73	$ 1,165.35	$ 1,101.53
Transportation		$ 346.08	$ -	$ 346.08	$ 346.08	$ 137.00
Motor Fuel						
Other		$ 585.00	$ -	$ 585.00	$ 585.00	$ 585.00
Total	$0.00	$2,431.69	$0.00	$2,597.31	$2,446.93	$1,891.85

Reimbursements Received by the Superintendent

For the Twelve-Month Period	
Ended June 30, 2021	Angela Gonzalez
Meals	$ 948.00
Lodging	$ 2,841.00
Transportation	$ 1,396.27
Motor Fuel	$ 218.61
Other	$ 317.52
Total	$5,721.40

Description of Reimbursements:

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 June 30, 2021

Name of Entity	Amount Received
None	$0.00
Total	$0.00

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 June 30, 2021	Angela Gonzalez	Sandra Rickford	Kelly R. Ballin	Cynthia Saldivar	Lorenzo Ovalle Jr.	Santos Casteneda	Juan Esparza
Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period Ended June 30, 2021	Danny Theys	Rachel Olivarez	Raul Garza	Mark Chairez	Roy Guerra	Juan M. Perez
Total	$ -	$ -	$ -	$ -	$ -	$ -

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 June 30, 2021	Sandra Rickford	Kelly R. Ballin	Cynthia Saldivar	Lorenzo Ovalle Jr.	Santos Casteneda	Juan Esparza
Amounts	$ -	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period						
Ended June 30, 2021						
	Danny Theys	Rachel Olivarez	Raul Garza	Mark Chairez	Roy Guerra	Juan M. Perez
Amounts	$ -	$ -	$ -	$ -	$ -	$ -
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.						

CONTACT INFORMATION

Santa Rosa Independent School District
Business Office
P.O. Box 368
Santa Rosa, Texas 78593

Phone: 956-636-9815
Fax: 956-636-1439
www.srtx.org

Santa Rosa Independent School District

"Warriors On the Move –
Rising to the Challenge"

For additional information, please contact:

Mrs. Marisa Cuevas
Chief Financial Officer
Phone: 956-636-9815

STATE OF TEXAS §
§
COUNTY OF CAMERON §

SUPERINTENDENT CONTRACT

This Contract is entered into between the Board of Trustees (the "Board") of SANTA ROSA INDEPENDENT SCHOOL DISTRICT (the "District") and Ms. Yolanda Chapa (the "Superintendent").

The Board and the Superintendent, for and in consideration for the terms stated in this Contract, hereby agree as follows:

1. **Term.** The Board agrees to employ the Superintendent on a twelve-month basis per school year, beginning February 15, 2022 and ending June 30, 2024. The Board and the Superintendent (the "Parties") may extend the term of this Contract by agreement.

2. **Certification.** The Superintendent agrees to maintain the required certification throughout the term of employment with the District. If the Superintendent's certification expires, is canceled, or is revoked, this Contract is void.

3. **Representations.** The Superintendent makes the following representations:

   3.1 **Beginning of Contract:** At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of his or her national criminal history record information (NCHRI) if required by the District, TEA, or SBEC. The Superintendent understands that a criminal history records acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.

   3.2 **During Contract:** The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board in writing of any arrest or of any indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent. The Superintendent agrees to provide such notification in writing within seven calendar days of the event or any shorter period specified in Board policy.

   3.3 **False Statements and Misrepresentations:** The Superintendent represents that any records or information provided in connection with his or her employment application are true and correct. Any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.

4. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to perform his or her duties as follows:

4.1 **Authority:** The Superintendent shall perform such duties and have such powers as may be prescribed by the law and the Board, as identified in Board Policy BJA(legal) and BJA(local). The Board shall have the right to assign additional duties to the Superintendent and to make changes in responsibilities or work at any time during the contract term. All duties assigned by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

4.2 **Standard:** Except as otherwise permitted by this Contract, the Superintendent agrees to devote his or her full time and energy to the performance of his or her duties. The Superintendent shall perform his or her duties with reasonable care, skill, and diligence. The Superintendent shall comply with all Board directives, state and federal laws and rules, Board policy, and regulations as they exist or may hereafter be amended.

4.3 **Work Days:** The Superintendent shall perform such duties consistent with the Board's policies and calendar for employees on a 226 day-work schedule. The Superintendent shall be permitted to work remotely no more than 20% of her working days, at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Agreement

5. **Compensation.** The District shall pay the Superintendent an annual salary as follows:

5.1 **Salary:** One Hundred Fifty-Five Thousand Dollars ($155,000.00) per year. This annual salary rate shall be paid to the Superintendent in installments, consistent with the Board's policies and calendar for employees on a 226 day-work schedule. The Board may revisit the issue of compensation at any time but at no time shall the Superintendent be paid less than $155,000.00.

(a) **Widespread Salary Reduction.** If the Board implements a widespread salary reduction under Texas Education Code section 21.4032, the Superintendent's annual salary shall be reduced by the percent or fraction of a percent that is equal to the average percent or fraction of a percent by which teacher salaries have been reduced.

(b) **Furlough.** If the Board implements a furlough under Texas Education Code section 21.4021, the Superintendent shall be furloughed for the same number of days as other contract personnel and the Superintendent's salary shall be reduced in proportion to the number of furlough days.

5.2 **Benefits:** The District shall provide benefits solely to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase these benefits, at the Board's sole discretion.

a) **Expenses.** The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel; such costs may include, but are not limited to hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

b) **Health Insurance/Annuities.** The district shall provide the Superintendent with health-insurance and benefits it provides for all professional employees on a 226-day contract at no cost to the Superintendent.

c) **Vacations/Sick Leave.** The Superintendent shall be entitled to any sick leave or vacation days authorized by Board Policies for full-time employees working 226 days. Furthermore, the Superintendent is granted twelve (12) additional vacation days, every school year, to be taken at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Agreement. The Superintendent shall observe the same legal holidays as provided by Board policies for full-time employees working 226 days. The Superintendent shall notify the Board President when she intends to take any kind of leave and will not be able to be reached by phone or by any other means of communication.

d) **Professional Growth.** The Superintendent may attend and participate in appropriate professional meetings, courses, and seminars at the local, state and national level, with the consent of the Board. The District agrees to pay the dues and fees for the Superintendent to join professional organizations of his choice, as approved by the Board.

e) **Technology/Communications.** The District shall pay the

Superintendent a monthly stipend of One Hundred Fifty Dollars ($150) for a telecommunications device to be used for work performed on behalf of the District.

f) **Travel Inside Region One**. The District will pay Superintendent a monthly stipend in the amount Three Hundred Dollars ($ 300.00) per month for all mileage related costs for travel within the Region I Education Service Center area. Lodging and meal expenses for Region One Education Service Center related travel expenses shall be reimbursed in accordance with District Policies.

g) **Travel Outside Region One**. As per Board policy, Superintendent will be reimbursed for all expenses incurred by her while in the performance of his duties. This includes school related travel outside Region One. The Superintendent shall notify the Board at the board meeting prior to any expected travel outside of Region One.

6. **Evaluation.** The Board shall evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this contract. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description. The evaluation shall be held in closed session for the purpose of evaluation of the performance of the Superintendent. The evaluation format and procedure shall comply with board policy and state law.

7. **Goals.** The Board shall provide the superintendent with periodic opportunities to discuss the Superintendent-Board relationship. The Superintendent shall submit to the Board each year, for the Board's consideration and adoption, a preliminary list of goals for the District. The goals approved by the Board shall be reduced to writing and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated. The goals approved by the Board shall be specific, definitive, and measurable.

8. **Suspension.** In accordance with Texas Education Code chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board.

9. **Reassignment.** The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's consent.

10. **Termination and Nonrenewal of Contract.** Termination or nonrenewal of this contract, or resignation under this contract, will be pursuant to Texas Education Code chapter 21.

11. **General Provisions.**

11.1 **Amendment:** This Contract may not be amended except by written agreement of the Parties.

11.2 **Severability:** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.

11.3 **Entire Agreement:** All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract constitutes the entire agreement between the Parties.

11.4 **Applicable Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be the county in which the District's administration building is located. If litigation is brought in federal court, the Parties agree that venue shall be the federal district and division in which the district' administration building is located.

11.5 **Paragraph Headings:** The headings used at the beginning of each numbered paragraph in this Contract are not intended to have any legal effect; the headings do not limit or expand the meaning of the paragraphs that follow them.

11.6 **Legal Representation:** Both Parties have been represented by legal counsel of their choice or have had the opportunity to consult with legal counsel, in the negotiation and execution of this Contract.

12. **Notices.**

12.1 **To Superintendent:** The Superintendent agrees to keep a current address on file with the District's human resources office and the Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the Superintendent written notice regarding this Contract or the Superintendent's employment by hand-delivery, or by certified mail, regular mail, and/or express delivery service to the Superintendent's address of record.

12.2 **To Board:** The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice regarding this Contract or the Superintendent's employment by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand-delivery, or by certified mail, regular mail, and/or express delivery service, to the Board President and Vice President's addresses of record, as provided to the District.

* SIGNATURE PAGE TO FOLLOW *

I have read this Contract and agree to abide by its terms and conditions:

Superintendent Ms. Yolanda Chapa: Yolanda Chapa

Date signed: 2/21/22

Santa Rosa Independent School District

By: Rachel Olivares
Ms. Rachel Olivares
President, Board of Trustees

Date signed: _____

By: Kelly Ballin
Ms. Kelly Ballin
Secretary, Board of Trustees

Date signed: _____