Santa Rosa
Independent School District
"Warriors On the Move – Education on the Rise"

Annual Financial Accountability Management Report

December 14, 2020 Fiscal Year 2018-2019

SANTA ROSA ISD EARNS AN ABOVE STANDARD RATING

The Santa Rosa Independent School District has received a rating of "Superior" under the Texas School Finance Accountability Rating System for fiscal year 2018-2019.

This is the eighteenth 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 School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being "Superior," followed by "Above Standard", "Meets Standard" and "Substandard Achievement." Districts that receive the "Substandard Achievement" rating under School FIRST must file a corrective action plan with the Texas Education Agency.

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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 2018-2019 school year, including financial data for the 2019 fiscal year (for Santa Rosa Independent School District, the fiscal period was September 1, 2018 to August 31, 2019).

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). The worksheet is used to rate the District in five defined indicators, based upon its relative performance. A negative response to indicators 1, 3, 4, 5, or 2.A results in the district receiving a rating of "Substandard Achievement" regardless of points earned.

Santa Rosa ISD's rating under School FIRST for the fiscal year ending August 31, 2019 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 2018-2019 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 is in partnership with the administration, staff, teachers, parents, and the community. The district is committed to provide all students with the highest quality instruction through the use of modern technology, highly qualified teachers, and high performing learning environments. It is our goal to reach a level of high student performance, exemplary academic achievement, and to produce self-motivated citizens who will fulfill their potential and enhance their welfare for the future.

"Once a Warrior, Always a Warrior"



Financial Integrity Rating System of Texas
2019-2020 WITH 2018-2019 COMPARISON
DISTRICT STATUS DETAIL

2019-2020	2018-2019
Name: SANTA ROSA ISD (031914)	**Name: SANTA ROSA ISD (031914)**
Rating: A=Superior	**Rating: B=Above Standard**
Indicators Answered YES: 5	**Indicators Answered YES: 5**
Indicators Answered NO: 0	**Indicators Answered NO: 0**
Points Earned: 94 of 100	**Points Earned: 86 of 100**

2019-2020 RATINGS BASED ON SCHOOL YEAR 2018-2019 DATA - DISTRICT STATUS DETAIL

Name: SANTA ROSA ISD (**031914**)	**Publication Level 1:** 8/6/2020 9:26:37 AM
Status: Passed	**Publication Level 2:** 8/6/2020 11:17:34 AM
Rating: A = Superior	**Last Updated:** 8/6/2020 11:17:34 AM
District Score: 94	**Passing Score:** 60

#	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?	3/30/2020 12:43:18 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	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.)	3/30/2020 12:43:18 PM	Yes

2.B	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.)	3/30/2020 12:43:18 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.)	3/30/2020 12:43:18 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?	3/30/2020 12:43:19 PM	Yes
5	This indicator is not being scored.		
			1 Multiplier Sum
6	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.)	3/30/2020 12:43:19 PM	10
7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)	3/30/2020 12:43:20 PM	10
8	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.)	3/30/2020 12:43:20 PM	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?	3/30/2020 12:43:20 PM	10
10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	3/30/2020 12:43:22 PM	10
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	3/30/2020 12:43:22 PM	4
12	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.)	3/30/2020 12:43:22 PM	10
13	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?	3/30/2020 12:43:24 PM	10
14	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.)	3/30/2020 12:43:24 PM	10
15	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	3/30/2020 12:43:24 PM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

DETERMINATION OF RATING

A.	Did the district answer '**No**' to Indicators 1, 3, 4, or 2.A? 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. (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	60-79
	F = Substandard Achievement	<60
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.		

2018-2019 RATINGS BASED ON SCHOOL YEAR 2017-2018 DATA - DISTRICT STATUS DETAIL

Name: SANTA ROSA ISD(031914)	**Publication Level 1:** 8/7/2019 3:33:27 PM
Status: Passed	**Publication Level 2:** 8/8/2019 2:06:12 PM
Rating: B=Above Standard	**Last Updated:** 8/8/2019 2:06:12 PM
District Score: 86	**Passing Score:** 60

#	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?	8/5/2019 10:53:42 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		

2.A	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.)	8/5/2019 10:53:42 PM	Yes
2.B	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.)	8/5/2019 10:53:42 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.)	8/5/2019 10:53:43 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?	8/5/2019 10:53:43 PM	Yes
5	This indicator is not being scored.		
			1 Multiplier Sum
6	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.)	8/5/2019 10:53:43 PM	10

7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)	8/5/2019 10:53:44 PM	10
8	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.)	8/5/2019 10:53:44 PM	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?	8/5/2019 10:53:45 PM	10
10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	8/5/2019 10:53:46 PM	0
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	8/5/2019 10:53:46 PM	6
12	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.)	8/5/2019 10:53:47 PM	10
13	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?	8/5/2019 10:53:47 PM	10
14	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.)	8/5/2019 10:53:48 PM	10
15	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	8/5/2019 10:53:48 PM	10

			86 Weighted Sum
			1 Multiplier Sum
			86 Score

DETERMINATION OF RATING

A.	Did the district answer '**No**' to Indicators 1, 3, 4, 5, or 2.A? 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. (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	60-79
	F = Substandard Achievement	<60
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.		

RATING WORKSHEET OVERVIEW – 2019-2020 and 2018-19 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 August 31, 2019, was **filed** with the Texas Education Agency **within one month** of the deadline date of January 28, 2020. The AFR was filed on **January 24, 2020**. For the AFR for the fiscal year ended August 31, 2018, was filed on **February 7, 2019**.

2. A. 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 **August 31, 2019** and **August 31, 2018** 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 Unqualified Opinion is the same as a "clean audit".

2. B. 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.)

Yes, the external independent auditors report was **free of any instance of material weakness** in internal controls on the **August 31, 2019** and **August 31, 2018** 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.

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's **was in compliance** with all debt payment terms for **August 31, 2019** and **August 31, 2018.**

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?

Yes, Santa Rosa ISD's **made timely payments** to Government Agencies for **August 31, 2019** and **August 31, 2018**.

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 2019 school year, this indicator is not being scored. For the **2018** school year, Santa Rosa ISD was not scored for this indicator.

6. 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.)

RESULT DETERMINATION REFERENCE
DETERMINATION OF POINTS

10	8	6	4	2	0
>=90	<90 >=75	<74 >=60	<60 >=45	<45 >=30	<30

Yes, Santa Rosa ISD's number of days on hand was **102.4181** for the **2019** school year and **113.5075** for the **2018** school year.

7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)

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 **3.1758** for the **2019** school year and **4.1986** for the **2018** school year.

8. 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 10 percent or more, then the school district passes this indicator.) (See ranges below.)

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 **0.3066** for the **2019** school year and **0.3353** for the **2018** 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?

Yes, Santa Rosa ISD's number of days of cash on hand is greater than 60. It is **102.4181 days** for the **2019** school year and it is **113.5075 days** for the **2018** school year.

10. Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS

10	8	6	4	2	0
>=1.20	<1.20 >=1.15	<1.15 >=1.10	<1.10 >=1.05	<1.05 >=1.00	<1.00

Yes, Santa Rosa ISD's debt service coverage ratio was **1.3508** for the **2019** school year which earned **10** points and no, **0.9049** for the **2018** school year which earned **0** points.

11. Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)

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 **0.1767** for the **2019** school year which earned **4** points out of 10 and **0.1533** for the **2018** school year which earned **6** points out of 10.

12. 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.)

Yes, Santa Rosa ISD did not have a 15 percent decline in the student to staff ratio over 3 years. For **2019** school year, the District actually had a **6.94 percent loss** for the time period. For **2018** school year, the District actually had a **4.81 percent loss** for the time period.

13. Did The Comparison Of Public Education Information Management System (PEIMS) Data To Like Information In the School District AFR Result In A Total Variance Of Less Than 3 Percent Of All Expenditures by Function?

Yes, Santa Rosa ISD's data quality measure was **0%** for **2019** and **2018**, 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.

14. 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.)

Santa Rosa ISD had no material noncompliance for grants, contracts, and laws reported in our **2019** and **2018** AFR.

15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?

Santa Rosa ISD did not have an adjusted repayment schedule related to the Foundation School Program for school year **2019** and **2018**.

REQUIRED DISCLOSURES

Reimbursements Received by the Board Members

For the Twelve-Month Period					
Ended August 31, 2019	**Sandra Rickford**	**Cynthia Saldivar**	**Santos Castaneda**	**Danny Theys**	**Raul Garza**
	Board	Board	Board	Board	Board
Description of Reimbursements	Member 1	Member 2	Member 3	Member 4	Member 5
Meals	$ 597.50	$ 140.00	$ 414.50	$ 405.50	$ 414.50
Lodging	$ 1,639.39	$ 399.60	$ 1,639.39	$ 1,472.41	$ 1,639.39
Transportation	$ 2,262.81	$ 68.09	$ 516.09	$ 599.26	$ 516.09
Motor Fuel					
Other	$ 915.00	$ 150.00	$ 915.00	$ 545.00	$ 915.00
Total	**$5,414.70**	**$757.69**	**$3,484.98**	**$3,022.17**	**$3,484.98**

For the Twelve-Month Period				
Ended August 31, 2019	**Roy Guerra**	**Arnulfo Castaneda**	**Juan Manuel Perez**	**Leah Theys**
	Board	Board	Board	Board
Description of Reimbursements	Member 6	Member 6	Member 7	Member 7
Meals	$	$ 414.50	$ 353.50	$ 265.50
Lodging		$ 1,639.39	$ 919.22	
Transportation		$ 516.09	$ 355.77	
Motor Fuel				
Other		$ 915.00	$ 545.00	
Total	**$0.00**	**$3,484.98**	**$2,173.49**	**$265.50**

Reimbursements Received by the Superintendent

For the Twelve-Month Period			
Ended August 31, 2019	**Dr. Gonzalez**	**Mr. Villarreal**	**Ms. Chapa**
Description of Reimbursements	Superintendent	Superintendent	Superintendent
Meals	$ 1,149.50	$ 250.98	$ 166.50
Lodging	$ 3,952.23	$ 809.11	$ 146.06
Transportation	$ 1,864.52	$ 422.37	$ 458.52
Motor Fuel			
Other	$ 2,033.91	$ 1,184.48	
Total	**$9,000.16**	**$2,666.94**	**$771.08**

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 August 31, 2019

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 August 31, 2019						
	Dr. Gonzalez	Mr. Villarreal	Mrs. Chapa	Sandra Rickford	Cynthia Saldivar	Santos Castaneda
	Superintendent	Superintendent	Superintendent	Board Member 1	Board Member 2	Board Member 3
Total	$ -	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period						
Ended August 31, 2019						
	Danny Theys	Raul Garza	Roy Guerra	Arnulfo Castaneda	Juan Manuel Perez	Leah Theys
	Board Member 4	Board Member 5	Board Member 6	Board Member 6	Board Member 7	Board Member 7
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 August 31, 2019					
	Sandra Rickford	**Cynthia Saldivar**	**Santos Castaneda**	**Danny Theys**	**Raul Garza**
	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5
Amounts	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period				
Ended August 31, 2019				
	Roy Guerra	**Arnulfo Castaneda**	**Juan Manuel Perez**	**Leah Theys**
	Board Member 6	Board Member 6	Board Member 7	Board Member 7
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 –
Education On the Rise"

For additional information, please contact:

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

Date given Superintendent: 03/08/2019

Date returned by Superintendent: 03/08/2019

STATE OF TEXAS

COUNTY OF CAMERON

SUPERINTENDENT'S TERM CONTRACT

The BOARD OF TRUSTEES ("Board") of the SANTA ROSA INDEPENDENT SCHOOL DISTRICT ("SRISD") and ANGELA M. GONZALEZ ("Superintendent") pursuant to Section 11.201 of the Texas Education Code agree to the following terms and conditions of employment as Superintendent for SRISD.

I. Term

1.1 The Superintendent shall be employed on a 12-month basis, commencing on March 18, 2019, and ending on June 30, 2022. This contract is not for a specific number of days within a year, and there are no "non-duty" days under this contract.

1.2 SRISD may by action of the Board, and with the consent of the Superintendent, extend the term of this term contract.

1.3 The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this term contract. No property interest, express or implied, is created in continued employment beyond the contract term.

II. Employment

2.1 *Duties.* The Superintendent is the educational leader and chief executive of the district and shall faithfully perform the duties of the Superintendent of Schools for the SRISD, as prescribed by Texas law and in the adopted job description and as may be assigned by action of the Board, and shall comply with all Board directives, state and federal law, district policy, rules, and regulations as they exist or may hereafter be amended. The Superintendent shall perform the duties of the Superintendent of Schools for the SRISD with reasonable care, diligence, skill, and expertise and shall devote substantially all of his/her time, skill, labor, and attention to his/her employment and the performance of these duties during the term of this term contract.

2.2 *Professional Certification.* The Superintendent shall at all times during employment by SRISD hold a valid certificate required of a superintendent by the State of Texas and issued by the Texas Education Agency or the State Board of Educator Certification and all other certificates required by law. The Superintendent represents that s/he has made written disclosure to the Board of any conviction for a felony or for any offense involving moral turpitude. The Superintendent shall also be subject to a criminal history record check, and

his/her employment is contingent upon such results being favorable and consistent with information previously disclosed to the Board.

2.3 *Reassignment.* The Superintendent is employed specifically and solely to perform the duties of Superintendent of Schools for the SRISD. The Superintendent cannot be reassigned from the position of Superintendent to another position without the mutual express written consent of the Superintendent and the Board.

2.4 *Board Meetings.* The Superintendent shall attend all meetings of the Board, both open to the public and closed, unless a majority of the Board determines that the Superintendent should be excluded. The Superintendent generally shall be excluded from all or a portion of those closed meetings devoted to the consideration of any matter regarding the Superintendent's employment, the Superintendent's salary and benefits, and the Superintendent's evaluation, and from those closed meetings devoted to interpersonal relationships between individual Board members.

2.5 *Criticisms, Complaints.* Individual Board members shall refer to the Superintendent all substantive criticisms, complaints, and suggestions brought to their attention by employees or members of the public except to the extent they are complaints about the Superintendent. The Superintendent shall review the situation and direct a complainant to the appropriate policy for resolution of the complaint. When the matter is a substantive criticism or suggestion, the Superintendent shall investigate and make a report to the Board for its consideration.

III. Compensation and Benefits

3.1 *Salary.* During the first year of the contract, the SRISD shall provide the Superintendent with an annual salary not less than $112,000.00. The annual salary shall be paid to the Superintendent in equal monthly installments consistent with the Board's policies.

3.2 *Salary Adjustments.* The Board will consider all compensation regularly and determine if increases are warranted by performance, longevity, and general economic conditions. Such adjustments, if any, shall be effective on the July 1 following approval of the adjustment and shall be in the form of a written addendum to this term contract or a new contract shall be issued.

3.3 *Vacation, Holidays, Leave Benefit.* Subject to the Board's approval of the scheduling, the Superintendent may take 10 days of vacation each year of this contract; vacation in the first year of the contract is available after completing ___6___ months of service under this contract. These vacation days will be taken at times that will least interfere with the performance of the Superintendent's duties as set forth in this term contract. Unused vacation does not accumulate from year to year and cannot be converted into compensation at the termination of the employment relationship or any other time. The Superintendent shall observe the same holidays and breaks as provided by the Board's adopted annual calendar. The Superintendent otherwise shall be subject to the leave policies applicable to all employees as stated in adopted board policy.

3.4 *Travel and Expenses.* The SRISD shall provide the Superintendent with access to a vehicle for district business. The Superintendent shall be reimbursed for other reasonable travel expenses and other expenses in furtherance of SRISD's business at actual costs, unless expenses are paid with a district-provided credit card. Such expenses may be reviewed by the Board, and the Board by policy may limit or require pre-approval for out-of-district travel.

3.5 *Insurance.* SRISD shall pay the same amount to provide the health and medical insurance as is available to all SRISD employees.

3.6 *Civic Activities.* The Superintendent is encouraged to participate in community and civic affairs including chamber of commerce, civic clubs, governmental committees, and educational organizations. The cost of membership in such activities, if any and subject to Board approval in advance, shall be borne by the SRISD.

3.7 *Professional Organizations.* The cost of membership in two professional organizations shall be borne by SRISD.

3.8 *Legal Proceedings.* In a case when the Superintendent has no individual professional liability insurance coverage, SRISD shall provide the Superintendent with a legal defense of the District's choice, and the costs and expenses related to that defense for demands, claims, suits, actions, and legal proceedings brought against the Superintendent in his or her individual or official capacity as agent and employee of the SRISD, provided that the Board determines that the Superintendent was acting in good faith and within the course and scope of his or her employment and that the legitimate interests of the SRISD require legal defense on behalf of the public interest. SRISD may purchase insurance to fulfill its obligation under this paragraph. SRISD's obligation to provide legal defense under this paragraph shall survive the termination of this contract, but shall not survive the statute of limitations for any claim eligible for defense under this paragraph.

IV. Review of Performance

4.1 *Time and Basis of Evaluation.* The Board shall evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this term contract. The evaluation and assessment shall be reasonably related to the duties of the Superintendent. The Board, at its discretion, may evaluate and assess the performance of the Superintendent as many times during the year as it deems appropriate. The evaluation of the Superintendent shall at all times be conducted in closed meeting.

4.2 *Evaluation Format and Procedure.* The evaluation format and procedure shall be adopted by the Board.

V. Renewal or Nonrenewal of Term Contract

5.1 *Renewal/Nonrenewal.* Contract renewal or nonrenewal shall be in accordance with Board policy and Section 21.212 of the Texas Education Code.

5.2 *Appeal.* If the Superintendent is aggrieved by the Board's decision, he or she may appeal to the Commissioner of Education in accordance with Subchapter G, Chapter 21, of the Texas Education Code.

VI. Termination of Contract

6.1 *Mutual Agreement.* This term contract may be terminated by the mutual agreement of the Superintendent and the Board in writing, upon such terms and conditions as are mutually agreed.

6.2 *Resignation.* The Superintendent may leave the employment of the district at the end of a school year without penalty by filing a written resignation with the Board not later than the 45th day before the first day of instruction of the following school year.

6.3 *Retirement or Death.* This term contract shall be terminated upon the retirement or death of the Superintendent.

6.4 *Dismissal or Suspension Without Pay for Good Cause.* The Board may dismiss the Superintendent, or suspend without pay for a period not to extend beyond the end of a school year, during the term of this term contract for good cause, defined generally as failure to perform duties or responsibilities within the scope of employment or as set forth under the terms and conditions of this term contract that a Texas school superintendent of ordinary prudence would have done under the same or similar circumstances, including any conduct that is inconsistent with the continued existence of the Board-Superintendent relationship. The following are examples of conduct and situations which may constitute "good cause," but the term is not limited in meaning by this list:

(1) Insubordination or failure to comply with written or oral directives issued by action of the Board or failure to comply with Board policies;
(2) Any sexual misconduct with a student or employee or any conduct that endangers or has the potential to endanger the health or safety of one or more students or employees;
(3) Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication when the Board has provided the Superintendent a reasonable opportunity to remediate any incompetence or inefficiency that is remediable;
(4) Neglect of duties;
(5) Drunkenness or excessive use of alcoholic beverages;
(6) Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Dangerous Drug Act or the Texas Controlled Substances Act;

(7) Conviction of a felony or any crime involving moral turpitude; conviction of a lesser included offense pursuant to a plea when the original charged offense is a felony; deferred adjudication for a felony or any crime involving moral turpitude, when the conviction or deferred adjudication occurs during the term of employment;
(8) Failure to meet the SRISD's standards of professional conduct;
(9) Failure to comply with reasonable SRISD professional development requirements;
(10) Excessive absences, i.e., absences not in compliance with district policy or procedures, including applicable state and federal law.
(11) Immorality, which is conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the SRISD. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;
(12) Failure to make a reasonable effort to achieve and maintain an effective working relationship or good rapport with parents, the community, or staff, unless the relationship or good rapport is not achieved or maintained due to no fault of the Superintendent.
(13) Failure to make a reasonable effort to achieve and maintain an effective working relationship or good rapport with the Board, for any reason, in its sole and final determination;
(14) Assault on an employee or student;
(15) Falsifying records or documents related to the SRISD's activities;
(16) Misrepresentation of facts to the Board or other SRISD officials in the conduct of the SRISD's business; or
(17) Any other reason constituting "good cause" under Texas law.

6.1 *Termination or Suspension Without Pay Procedure.* In the event that the Board proposes to terminate this term contract or suspend the Superintendent without pay for "good cause," the Superintendent shall be afforded all the rights as set forth in Board policies and Subchapter F, Chapter 21, of the Texas Education Code.

VII. Miscellaneous

7.1 *Controlling Law.* This term contract shall be governed by the laws of the State of Texas and shall be performed in Cameron County, Texas, unless otherwise provided by law.

7.2 *Complete Agreement.* This term contract embodies the entire understanding between the parties and cannot be varied except by written agreement of the undersigned parties and Board approval of the new or additional writing at a lawfully called meeting. All existing term contracts, both oral and written, between the parties regarding the employment of the Superintendent are superseded by this term contract, and this term contract constitutes the entire agreement between the parties unless amended pursuant to this paragraph or other specific terms of this term contract.

7.3 *Conflicts.* In the event of any conflict between the terms, conditions, and provisions of this term contract and the provisions of the Board's policies or any permissive state or federal law, the terms of this term contract shall take precedence over the contrary provisions of the Board's policies or any such permissive law, unless otherwise prohibited by law.

7.4 *Attorneys' Fees.* The parties agree to waive attorney fees under Texas Local Government Code § 271.153 to the extent that attorney fees would otherwise be available under that law.

7.5 *Exhaustion of Remedies.* All procedures referenced in this contract or in Board policies relating to the resolution of any dispute arising from or related to the employment relationship are mandatory and shall constitute contractual adjudication procedures under Texas Local Government Code Section § 271.153. No District employee has the authority to waive a procedure required by this contract or Board policy.

7.6 *Savings Clause.* In the event any one or more of the provisions contained in this term contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision, and this term contract shall be construed as if such invalid, illegal, or unenforceable provision had never been included.

EXECUTED at the City of Santa Rosa, County of Cameron, and State of Texas, this 8th day of March 2019, pursuant to action of the Board of Trustees at a meeting held on March 7, 2019, for which there was a properly posted agenda that included an item related to employment of a superintendent.

SANTA ROSA INDEPENDENT SCHOOL DISTRICT

By: _____
Raul Garza
President Board of Trustees

ATTEST:

_____
Board Secretary

_____
Angela M. Gonzalez
Superintendent

SANTA ROSA INDEPENDENT SCHOL DISTRICT

2020 AMENDMENT TO SUPERINTENDENT'S EMPLOYMENT CONTRACT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF CAMERON §

THIS SUPERINTENDENT'S EMPLOYMENT CONTRACT ("Contract") was made and entered into effect on March 18, 2019, by and between the Board of Trustees (the "Board") of the SANTA ROSA INDEPENDENT SCHOOL DISTRICT ("District") and ANGELA GONZALEZ. (the "Superintendent"). **(EXHIBIT A)**

On August 17, 2020 at a duly called meeting of the Board of Trustees, the Board of Trustees voted to authorize Board President (Santos Castañeda) to execute this Amendment to the Contract.

WITNESSETH:

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201(b) and Chapter 21, Subchapter E, Texas Education Code, have agreed, and do hereby agree, as follows.

I. AMENDMENT

The following amendments are incorporated into existing clauses of the Contract:

1. *Section I. Term, Subsection 1.1*: The term on the Contract will now end on June 30, 2023.

2. *Section III Compensation and Benefits, Subsection 3.1 Salary*: The Superintendent's salary is hereby increased from $112,000.00 to $115,000.00, effective the execution of this Amendment.

3. *Section III Compensation and Benefits, Subsection 3.4 Travel and Expenses*: This section is rewritten as follows:

    - *3.4 Travel and Expenses*: The SRISD shall provide the Superintendent an allowance of $400.00 per month for travel expenses within Region 1. For all travel outside of Region 1, the Superintendent shall be reimbursed for other reasonable travel expenses and other expenses in furtherance of SRISD's business at actual cost. No reimbursements will be awarded where expenses are made with a district-provided credit card. All travel and expenses are subject to review by the Board, and the Board may limit or require pre-approval for out-of-District travel.

The following amendments are incorporated as NEW clauses of the Contract:

1. *Section III, Compensation and Benefits, Subsection 3.9 Professional Liability Insurance*: The District shall maintain a Professional Liability insurance policy. The District's Professional Liability insurance policy provides coverage for the Superintendent , as set forth in the policy, and this policy or one with similar coverage will be kept in full force and effect during the term of this Contract. The Superintendent shall fully cooperate with the District in the defense of any and all claims, demands , suits, actions and legal proceedings brought against the District, including matters arising after the term of this Contract expires but which relate to events occurring during the Superintendent's employment with the District.

2. *Section III, Compensation and Benefits, Subsection 3.10 Cell Phone*: The District shall provide the Superintendent a District-issued cell phone for use in all work in furtherance of SRISD's business. This cellphone shall be paid for by the District for the life of this contract.

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

SANTA ROSA INDEPENDENT SCHOOL DISTRICT

SANTOS CASTAÑEDA, President
Board of Trustees
Executed this 19 day of August, 2020.

ANGELA GONZALEZ, Superintendent

Executed this 19 day of _____, 2020.

Attest:

DANNY THEYS, Secretary
Board of Trustees