Santa Rosa
Independent School District

"Warriors On the Move – Education on the Rise"

2014-15 Board of Trustees


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Annual Financial Accountability Management Report

November 14, 2016 Fiscal Year 2014-2015

SANTA ROSA ISD EARNS A SUPERIOR RATING

The Santa Rosa Independent School District has received a rating of "Superior" under the Texas School Finance Accountability Rating System for fiscal year 2014-2015.

This is the fourteenth year of School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas schools 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 2014-2015 school year, including financial data for the 2015 fiscal year (for Santa Rosa Independent School District, the fiscal period was September 1, 2014 to August 31, 2015).

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, 2015 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 2014-2015 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"

Mr. Heriberto Villarreal,
Superintendent of Schools

2014-2015 DISTRICT'S LONG RANGE GOALS

The long range goal of Santa Rosa ISD is to prepare students to be college and workforce ready. When 100% of our students graduate from Santa Rosa High School they will be prepared to enter the workforce or prepared for postsecondary. A long range goal for Santa Rosa ISD is to be an "Academic Achievement Distinction Designated" (AADD) district. To provide facilities that will provide the education that will prepare students for the future.



"Warriors On the Move – Education On the Rise"

Mr. David Robledo,
Chief Financial Officer



Financial Integrity Rating System of Texas
2015-2016 WITH 2014-2015 COMPARISON
DISTRICT STATUS DETAIL

2015-2016	2014-2015
Name: SANTA ROSA ISD (031914)	**Name: SANTA ROSA ISD (031914)**
Rating: A=Superior	**Rating: Pass**
Indicators Answered YES: 5	**Indicators Answered YES: 4**
Indicators Answered NO: 0	**Indicators Answered NO: 0**
Points Earned: 98 of 100	**Points Earned: 30 of 30**

2015-2016 RATINGS BASED ON SCHOOL YEAR 2014-2015 DATA - DISTRICT STATUS DETAIL

Name: SANTA ROSA ISD(031914)	**Publication Level 1:** 8/8/2016 6:20:16 PM
Status: Passed	**Publication Level 2:** 8/8/2016 6:20:16 PM
Rating: A = Superior	**Last Updated:** 8/8/2016 6:20:16 PM
District Score: 98	**Passing Score:** 31

#	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?	3/16/2016 2:50:46 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.)	3/16/2016 2:50:46 PM	Yes
2.B	Did the external independent auditor report that the AFR was	3/16/2016	Yes

	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.)	2:50:46 PM	
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.)	3/16/2016 2:50:46 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?	3/16/2016 2:50:47 PM	Yes
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.)	3/16/2016 2:50:47 PM	Yes
			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.)	8/4/2016 1:29:49 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.)	6/30/2016 1:19:10 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 10 percent or more, then the school district passes this indicator.) (See ranges below.)	8/4/2016 1:29:49 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?	8/4/2016 1:29:50 PM	10
10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	8/4/2016 1:29:50 PM	10
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	3/16/2016 2:50:49 PM	8
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.)	3/16/2016 2:50:50 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?	3/16/2016 2:50:50 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.)	3/25/2016 1:56:37 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?	3/24/2016 4:23:59 PM	10
			98 Weighted Sum
			1 Multiplier Sum
			98 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	70-100
	B = Above Standard	50-69

	C = Meets Standard	31-49
	F = Substandard Achievement	<31

2014-2015 RATINGS BASED ON SCHOOL YEAR 2013-2014 DATA - DISTRICT STATUS DETAIL

Name: SANTA ROSA ISD(031914)	**Publication Level 1:** 8/20/2015 11:24:40 AM
Status: Passed	**Publication Level 2:** 8/20/2015 11:24:40 AM
Rating: Pass	**Last Updated:** 8/20/2015 11:24:40 AM
District Score: 30	**Passing Score:** 16

#	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?	4/6/2015 2:31:33 PM	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.)	4/6/2015 2:31:33 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.)	4/6/2015 2:31:33 PM	Yes
4	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	7/30/2015 12:13:23 PM	Yes

	membership over 5 years was 10 percent or more, then the school district passes this indicator.)		
			1 Multiplier Sum
5	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	7/15/2015 11:46:52 AM	10
6	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?	8/17/2015 5:42:52 PM	10
7	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.)	4/6/2015 2:31:35 PM	10
			30 Weighted Sum
			1 Multiplier Sum
			30 Score

DETERMINATION OF RATING

A.	Did the district answer '**No**' to 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. (Indicators 5-7)	
	Pass	16-30
	Substandard Achievement	<16

RATING WORKSHEET OVERVIEW – 2014-15 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, 2015, was **filed** with the Texas Education Agency **within one month** of the deadline date of January 28, 2016. The AFR was filed on **January 25, 2016**.

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, 2015 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, 2015 audit report.

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, 2015.

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.

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.)

Yes, Santa Rosa ISD's total unrestricted net asset balance was greater than zero. For the 2015 school year, it was **$5,870,596**.

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 **172.078** for the 2015 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 **4.0857** for the 2015 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 **0.3923** for the 2015 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 general fund revenues exceeded expenditures by **$548,235** for the 2015 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 **2.628** for the 2015 school year.

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 **0.1241** for the 2015 school year which earned 8 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's did not have a 15 percent decline in the student to staff ratio over 3 years. The District actually had a **4.9 percent gain** 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 2015, 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 2015 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 2015.

RATING WORKSHEET OVERVIEW – 2013-14 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, 2014, was **filed** with the Texas Education Agency **within one month** of the deadline date of January 28, 2015. The AFR was filed on **January 23, 2015**.

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 August 31, 2014 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".

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, 2014.

4. Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on 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% or more, Then the School District Passes This Indicator.)

Yes, Santa Rosa ISD's total unrestricted net assets balance (net of accretion of interest) in the Governmental Activities in the Statement of Net Assets is greater than zero. The net asset balance for 2014 was **$5,209,945**.

This indicator recognizes that high-growth districts incur large amounts of debt to fund construction, and total debt may exceed the total amount of assets under certain scenarios.

5. Was The School District's Administrative Cost Ratio Equal To Or Less Than The Threshold Ratio?

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 ratio for the 2014 school year was **11.11 percent**.

TEA and state law sets a cap on the percentage of their budget that Texas school districts can spend on administration based on district size. For districts in Santa Rosa ISD's category, the administrative cost ratio should fall below 11.51 percent.

6. 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 2014, 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.

7. Did The External Independent Auditor 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.)

Santa Rosa ISD had **no material weaknesses in internal controls** reported in our 2014 AFR.

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.

REQUIRED DISCLOSERS

Reimbursements Received by the Board Members

For the Twelve-Month Period Ended August 31, 2015	Sandra Rickford	Bobby De La Fuente	Hector Lumbrera	Danny Theys
Description of Reimbursements	**Board Member 1**	**Board Member 2**	**Board Member 3**	**Board Member 4**
Meals	$ 503.00	$ 381.00	$ 1,250.00	$ 503.00
Lodging	904.00	1,667.02	3,313.63	1,448.80
Transportation	1,308.35	351.52	1,597.30	1,308.35
Motor Fuel	-	-	-	-
Other	875.00	150.00	1,500.00	875.00
Total	$ 3,590.35	$ 2,549.54	$ 7,660.93	$ 4,135.15

For the Twelve-Month Period Ended August 31, 2015	Raul Garza	Arnulfo Castaneda	Leah Theys
Description of Reimbursements	**Board Member 5**	**Board Member 6**	**Board Member 7**
Meals	$ 612.00	$ 668.00	$ 503.00
Lodging	1,785.53	2,483.50	-
Transportation	1,304.72	926.72	-
Motor Fuel	-	-	-
Other	1,285.00	875.00	875.00
Total	$ 4,987.25	$ 4,953.22	$ 1,378.00

Reimbursements Received by the Superintendent

For the Twelve-Month Period Ended August 31, 2015	Heriberto Villarreal
Description of Reimbursements	**Superintendent**
Meals	$ 1,947.50
Lodging	8,867.94
Transportation	6,773.63
Motor Fuel	-
Other	2,610.98
Total	$ 20,200.05

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, 2015

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, 2015

	Heriberto Villarreal Superintendent	Sandra Rickford Board Member 1	Bobby De La Fuente Board Member 2	Hector Lumbrera Board Member 3	Danny Theys Board Member 4	Raul Garza Board Member 5	Arnulfo Castaneda Board Member 6	Leah Theys Board Member 7
Total	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

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, 2015

	Sandra Rickford Board Member 1	Bobby De La Fuente Board Member 2	Hector Lumbrera Board Member 3	Danny Theys Board Member 4	Raul Garza Board Member 5	Arnulfo Castaneda Board Member 6	Leah Theys Board Member 7
Amounts	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

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 INFOMRATION

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Santa Rosa Independent School District

"Warriors On the Move –
Education On the Rise"

For additional information, please contact:

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Mr. David Robledo
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Phone: 956-636-9800 ext. 110