Santa Rosa
Independent School District

*"Warriors On the Move –
Rising to the Challenge"*

Annual Financial Accountability Management Report

December 13, 2021 Fiscal Year 2019-2020

SANTA ROSA ISD EARNS A SUPERIOR RATING

For the 2019-2020 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 19th 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 2019-2020 school year, including financial data for the 2020 fiscal year (for Santa Rosa Independent School District, the fiscal period was September 1, 2019 to June 30, 2020). During this fiscal year, the district's fiscal year end changed from August 31 to June 30.

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, 2020 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 2019-2020 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
2020-2021 WITH 2019-2020 COMPARISON
DISTRICT STATUS DETAIL

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

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

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 Achievement	**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 an 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	6/8/2021 3:11:31 PM	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.)	7/1/2021 8:59:18 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.	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 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.	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	6/8/2021	Ceiling

	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.)	3:11:34 PM	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

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	3/30/2020 12:43:18 PM	Yes

	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?	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	3/30/2020	4

	to or less than the threshold ratio? (See ranges below.)	12:43:22 PM	
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.		

RATING WORKSHEET OVERVIEW – 2020-2021 and 2019-20 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, 2020, was **filed** with the Texas Education Agency **within one month** of the deadline date of November 27, 2020. Due to the COVID-19 pandemic, the district was allowed to submit a Due Date Waiver extension and it was granted by TEA. The AFR was filed on **January 7, 2021**. For the AFR for the fiscal year ended August 31, 2019, was filed on **January 24, 2020**

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, 2020** and **August 31, 2019** 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 **was in compliance** with all debt payment terms for **June 30, 2020** and **August 31, 2019.**

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, 2020** and **August 31, 2019**.

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 2020 school year, this indicator is not being scored. For the **2019** 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 $4,580,430 or 4.73% for the **2020 school year. For the 2019 school year,** this indicator was not scored.

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)?

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 **169.3414 days** for the **2020** school year and it is **102.4181 days** for the **2019** 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 **2.8731** for the **2020 school year** and **3.1758** for the **2019 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 **169.3414 days** for the **2020** school year and it is **102.4181 days** for the **2019** 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%

Yes, Santa Rosa ISD's average in budgeted revenues to actual revenues was **3.72%** for the **2020 school year.** This indicator was not scored for the **2019 school year.**

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 **0.2841** for the **2020 school year** and **0.3066** for the **2019 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 **2.4579** for the **2020 school year.** This indicator was not scored in the **2019 school year.**

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	> 0.1561	> 0.1811	> 0.2061	>

	0.1311	<= 0.1561	<= 0.1811	<= 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 **0.1329** for the **2020** school year which earned 8 points out of 10 and **0.1767** for the **2019** school year which earned 4 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 **2020 school year**, the District had a **11.21 percent loss** for the time period. For the **2019 school year**, the District had a **6.94 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**

Yes, Santa Rosa ISD's ADA range was **0.0848** for the **2020 school year**. This indicator was not scored for the **2019 school year**.

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 **2020** and **2019**, 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, 2020** and **August 31, 2019** 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 **2020** and **2019** 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 **2020 school year**. This indicator was not scored in the **2019 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 **2020 school year**. This indicator was not scored in the **2019 school year.**

REQUIRED DISCLOSURES

Reimbursements Received by the Board Members

For the Twelve-Month Period Ended June 30, 2020					
Description of Reimbursements	Sandra Rickford	Cynthia Saldivar	Santos Castaneda	Danny Theys	Raul Garza
Meals	$ 231.00	$ -	$ -	$ -	$ -
Lodging	$ 217.84	$ -	$ -	$ -	$ -
Transportation	$ 698.16	$ -	$ 526.11	$ -	$ -
Motor Fuel	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -
Total	$1,147.00	$ -	$ 526.11	$ -	$ -

For the Twelve-Month Period Ended June 30, 2020				
Description of Reimbursements	Arnulfo Castaneda	Roy Guerra	Leah Theys	Juan Manuel Perez
Meals	$ -	$ -	$ -	$ -
Lodging	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ -	$ -
Motor Fuel	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -

Reimbursements Received by the Superintendent

For the Twelve-Month Period	
Ended June 30, 2020	
Description of Reimbursements	**Angela Gonzalez**
Meals	$ 798.00
Lodging	$ 1,556.95
Transportation	$ 2,613.89
Motor Fuel	$ -
Other	$ 150.00
Total	$ 5,118.84

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, 2020

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, 2020	Angela Gonzalez	Sandra Rickford	Cynthia Saldivar	Santos Castaneda	Danny Theys
Total	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period Ended June 30, 2020	Raul Garza	Arnulfo Castaneda	Roy Guerra	Leah Theys	Juan Manuel 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, 2020	Sandra Rickford	Cynthia Saldivar	Santos Castaneda	Danny Theys	Raul Garza
Amounts	$ -	$ -	$ -	$ -	$ -

For the Twelve-Month Period Ended June 30, 2020	Arnulfo Castaneda	Roy Guerra	Leah Theys	Juan Manuel 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

INTERIM-INTERIM-SUPERINTENDENT'S EMPLOYMENT CONTRACT

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

THIS INTERIM-INTERIM-SUPERINTENDENT'S EMPLOYMENT CONTRACT ("Contract") is made and entered into effective the 17th day of September 2021, by and between the Board of Trustees (the "Board") of the SANTA ROSA INDEPENDENT SCHOOL DISTRICT ("District") and YOLANDA CHAPA. (the "Interim-Interim-Superintendent").

WITNESSETH:

NOW, THEREFORE, the Board and the Interim-Superintendent, for and in consideration of the terms hereinafter established, have agreed, and do hereby agree, as follows.

I. Term

1.1 **Term.** The Board, by and on behalf of the District, does hereby employ the Interim-Superintendent, and the Interim-Superintendent does hereby accept employment as Interim-Superintendent of Schools for a term beginning September 17, 2021 and end at the end of the Academic 2021-2022 school year or when a permanent Superintendent is hired. The District may, by action of the Board, and with the consent and approval of the Interim-Superintendent, extend the term of this Contract as permitted by state law.

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

II. Employment

2.1 **Professional Certification.** The Interim-Superintendent shall at all times during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate or emergency permit required of a Superintendent by the State of Texas and issued by the State Board for Educator Certification or The Texas Education Agency and any other certificates required by law.

2.2 **Representations.** The Interim-Superintendent makes the following representations:

2.2.1 **Beginning of Contract:** The Interim-Superintendent represents that he has disclosed to the Board, in writing, any arrest and any indictment, conviction, no contest or guilty plea, or other adjudication of the Interim-Superintendent. The Interim-Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.

2.2.2 **During Contract:** The Interim-Superintendent also agrees that, during the term of this Contract, the Interim-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 Interim-Superintendent. The Interim-Superintendent agrees to provide such notification in writing within seven calendar days of the event or any shorter period specified in Board policy.

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

2.3 **Duties.** The Interim-Superintendent is the educational leader and the chief executive of the District and shall faithfully perform the duties of the Interim-Superintendent of Schools for the District as prescribed in the job description and as may be lawfully assigned by the Board, and shall comply with all lawful Board directives, state and federal law, district policy, rules, and regulations as they exist or may hereinafter be amended. Specifically, it shall be the duty of the Interim-Superintendent to recommend for employment all professional employees of the District subject to the Board's approval. It shall be the further duty of the Interim-Superintendent to employ all other personnel consistent with the Board's policies. It shall be the further duty of the Interim-Superintendent to direct; assign, reassign, evaluate, or cause to be evaluated and, when tendered, accept resignations from, any and all employees consistent with Board policies and federal and state law. It shall be the further duty of the Interim-Superintendent to organize, reorganize, and arrange the staff of the District, and to develop and establish administrative regulations, rules, and procedures which the Interim-Superintendent deems necessary for the efficient and effective operation of the district consistent with the Board's policies, and state and federal law. The Interim-Superintendent shall perform the duties of the Interim-Superintendent of Schools for the District with reasonable care, diligence, skill, and expertise.

2.5 **Board Meetings.** The Interim-Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of any portion of those closed meetings devoted to the consideration of any action or lack of action on the Interim-Superintendent's, discipline related to the Interim-Superintendent, conflict of interest concerning the Interim-Superintendent, the Interim-Superintendent's evaluation, for the purposes of resolving conflicts between Board members, or when the Board is acting in its capacity as a tribunal. In the event of illness or Board approved absence, the Interim-Superintendent's designee shall attend such meetings.

III. Compensation

3.1 **Salary.** The District shall compensate the Interim-Superintendent with a daily rate of Five Hundred and Thirty-One Dollars and No/Cents ($531.00) until the end of the contract period. At any time during the term of this Contract, the Board may, in its sole discretion, review and adjust the salary of the Interim-Superintendent, with any adjustment being in the form of either a written addendum to this Contract or a new contract. However, in no event shall the Interim-Superintendent be paid less than the salary set forth in Section 3.1 of this Contract.

3.2 **Other.** The Interim-Superintendent shall not be eligible to receive compensation of duty days which are not on the District's 12-month administrative employee calendar unless they have received prior written approval (text message or e-mail) to work those days from the Board President.

IV. Other Benefits

4.1 **Expenses.** The District shall pay or reimburse the Interim-Superintendent for reasonable expenses incurred by the Interim-Superintendent in the performance of his duties under this Contract.

4.2 **Liability Insurance:** The District's Professional Liability insurance policy provides coverage for the Interim-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 Interim-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 Interim-Superintendent's employment with the District.

4.3 **Travel.** The District shall pay or reimburse the Interim-Superintendent pursuant to Board Policy for any travel conducted on behalf of the District.

4.4 **TRS.** The Parties hereto acknowledge that the Interim-Superintendent has informed the Board of Trustees of their retirement status with the Teacher's Retirement System of Texas (TRS), and it is expressly agreed that in addition to the compensation set forth in Section III. Compensation, the District will pay any surcharge owed to TRS arising from the employment under this agreement.

4.5 **Other.** The Interim-Superintendent shall not be eligible to receive annual vacation, sick leave or other leave available to District Employees. The Interim-Superintendent may schedule vacation days with the approval of the Board President, however, approved vacation or other leave days shall not be eligible for compensation.

VIII. Termination of Interim-Superintendent's Contract

8.1 **Termination.** This Agreement may be terminated by mutual consent or within ten (10) days' notice provided by either party. Either party may voluntarily terminate this Agreement at any time for any reason, or for no reason, by providing the other party with 10 business days' notice of termination. A Board vote to terminate the contract shall serve as notice of termination.

IX. Miscellaneous

General provisions.

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

9.2 **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.

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

9.4 **Applicable Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that venue for any litigation relating to the Interim-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's administration building is located.

9.5 **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.

9.6 **Applying for Permanent Superintendent Position:** The Interim-Superintendent agrees not to apply for the position of Superintendent of Schools.

9.7 **Texas Education Code Chapter 21.** This Agreement is not Governed by Texas Education Code, Chapter 21. Nothing in this agreement shall in any way be interpreted to afford the Interim-Superintendent any rights or procedures, expectancy of continued employment, or claim of entitlement beyond those established in the Agreement.

X. Notices.

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

10.2 **To Board:** The Board agrees that the Interim-Superintendent may meet any legal obligation to give the Board written notice regarding this Contract or the Interim-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 Interim-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.

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

SANTA ROSA INDEPENDENT SCHOOL DISTRICT

Rachel Olivarez

RACHEL OLIVAREZ, President
Board of Trustees
Executed this 17th day of September 2021

Yolanda Chapa

YOLANDA CHAPA., Interim-Superintendent
Executed this 17th day of September 2021

Attest:

Kelly R Ballin

KELLY BALLIN, Secretary
Board of Trustees