

South San Antonio ISD

State Financial Accountability 2014-2015
Rating Report

October 19, 2016



South San Antonio Independent School District

5622 Ray Ellison Drive San Antonio, TX 78242 (210) 977-7070 Fax (210) 353-1206 |

Notice of Public Hearing To Discuss South San Antonio Independent School District

State Financial Accountability Rating


South San Antonio I.S.D. will hold a public hearing at 6:00 pm on October 19, 2016 at 5622 Ray Ellison Boulevard, San Antonio, TX 78242

The purpose of this hearing is to discuss South San Antonio Independent School District's 2014-2015 rating of "Passed" on the state's financial accountability system.

(210) 997-7000 www.southsanisd.net

TEA FIRST Rating Website

RATING YEAR **2015-2016** | **Select An Option** | **Help** | **Home**



Financial Integrity Rating System of Texas

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

Name: SOUTH SAN ANTONIO ISD(015908)	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: 78	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 2:41:45 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 2:41:46 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.)	3/16/2016 2:41:46 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.)	3/16/2016 2:41:46 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 2:41:47 PM	Yes

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5	<u>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.)</u>	8/8/2016 5:24:49 PM	Yes
			1 Multiplier Sum
6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	8/4/2016 1:26:28 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	6/30/2016 1:16:50 PM	4
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	8/4/2016 1:26:29 PM	6
9	<u>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?</u>	8/4/2016 1:26:29 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/4/2016 1:26:29 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/16/2016 2:41:49 PM	8

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12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	3/16/2016 2:41:50 PM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	3/16/2016 2:41:50 PM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	3/25/2016 1:54:46 PM	0
15	<u>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?</u>	3/24/2016 4:22:07 PM	10
			78 Weighted Sum
			1 Multiplier Sum
			78 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

Determination of Rating – Pass or Fail

6

- **P** = Pass with 31-100 points
- **F** = Substandard Achievement, less than 58 points

THE RATING ARE PROMULGATED BY
TEXAS EDUCATION CODE, CHAPTER 39,
SUBCHAPTER D, DISTRICTS ARE GRADED BASED
ON:

(P) FOR PASS OR **(F)** FOR SUBSTANDARD
ACHIEVEMENT

Indicator #1

Was the complete Annual Financial Report (AFR) 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?

Response: ***YES***

Indicator #2.A

8

Was there an unmodified opinion in the AFR on the financial statements as a whole?

Response: **YES**

The external independent auditors for the District determined that the financial statements for 2014-2015 were free from material misstatement, whether due to fraud or error. (unqualified)

Indicator #2.B

9

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?

Response: **YES**

Indicator #3

10

Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?

Response: *YES*

Indicator #4

11

- ▶ 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?

Response: **YES**

Indicator #5

12

Was the total unrestricted net asset balance in the governmental activities column in the Statement of Net Assets greater than zero?

Response: *YES*

The District's Total Unrestricted Net Asset Balance at the end of 2013-14 was \$17,818,347 and was greater than zero.

Indicator #6

13

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)?

Score: **10**

Indicator #7

14

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

Score: 4

Indicator #8

15

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.)

Score: 6

Indicator #9

16

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?

Score: **10**

Indicator #10

17

Was the debt service coverage ratio sufficient to meet the required debt service?

Score: **10**

Indicator # 11

18

Was the school district's administrative cost ratio equal to or less than the threshold ratio?

Response: *NO score 8*

The ratio of expenditures in function 21 & 41 divided by functions 11, 12, 13 & 31 has to be less than or equal to 10% in order to receive the maximum 10 points.

Disclosure Note

Due to Special Audits, Legal Work & Investigation Expenses

Indicator #13

19

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% of all expenditures by function?

Response: *YES score 10*

Indicator #14

20

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?

Response: *NO*

Indicator #15

21

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?

Response: **YES**

(FIRST)

Additional Disclosures

District is required to disclose reimbursements received by the Superintendent and board members to include:

- Meals - Meals consumed out of town & 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 Items (fax transmittals, internet fees, etc.)

All District expenses incurred by the Superintendent and board members for School Year 2013-2014:

24

For the Twelve-Month Period Ended August 31, 2014					
Description of Reimbursements	Superintendent Dr. Saavedra	Superintendent Ms. Hodge	Carlos Longoria	Connie Prado	Helen Madla
	Meals	-	276.00	276.00	109.00
Lodging	527.46	784.67	371.00	1,043.82	1,382.79
Transportation	408.79	568.36	152.80	409.99	199.80
Motor Fuel	-	-	-	-	-
Other	330.00	-	-	330.00	330.00
Total	\$1,266.25	\$1,629.03	\$799.80	\$1,892.81	\$2,524.59
Description of Reimbursements	JoeJo Savage	Julie Ponce	Rosie Marie Martinez	Trinidad T. Mata	
	Meals	612.00	336.00	336.00	612.00
Lodging	1,170.66	814.63	1,335.24	1,346.79	
Transportation	1,265.30	-	333.80	354.45	
Motor Fuel	-	-	-	-	
Other	330.00	330.00	330.00	330.00	
Total	\$3,377.96	\$1,480.63	\$2,335.04	\$2,643.24	

Compensation and/or fees received by the superintendent from an outside entity for

For the Twelve-Month Period Ended August 31, 2014						
<u>Name(s) of Entity(ies)</u>			Amount Received			
Dr. Saavedra						
Texas A&M (Teaching)			\$31,250.00			
Total			\$31,250.00			
Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.						

Total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more:

For the Twelve-Month Period					
Ended August 31, 2014					
	Superintendent Dr. Saavedra	Superintendent Ms. Hodge	Carlos Longoria	Connie Prado	Helen Madla
Total	None		None	None	None
Ended August 31, 2014					
	JoeJo Savage	Julie Ponce	Rosie Marie Martinez	Trinidad T. Mata	
Total			None	None	

Amount by board member for the aggregate amount of business transactions with the school district:

For the Twelve-Month Period Ended August 31, 2014				
	Carlos Longoria	Connie Prado	Helen Madla	JoeJo Savage
Amounts	None	None	None	
Ended August 31, 2014	Julie Ponce	Rosie Marie Martinez	Trinidad T. Mata	
Amounts		None	None	
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.				

Questions ?