

GLEN ROSE INDEPENDENT SCHOOL DISTRICT

2021 School FIRST Rating
(Financial Integrity Rating System of Texas)
District Status for 2019-2020

**NOTICE OF
PUBLIC MEETING**

**To Discuss
GLEN ROSE I.S.D.'S**

**State Financial
Accountability Rating**

Glen Rose I.S.D. will hold a public meeting at 6:00 p.m., November 18, 2021, in Board Room, located in the GRISD Administration Building at 1102 Stadium Drive, Glen Rose, Texas.

The purpose of this meeting is to discuss Glen Rose I.S.D.'s rating on the state's financial accountability system.



To the Administrator Addressed

Commissioner Mike Morath

1701 North Congress Avenue • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • tea.texas.gov

DATE:	November 5, 2021
SUBJECT:	Official Notification of the 2020–2021 Release of Final FIRST Ratings
CATEGORY:	Information Update
NEXT STEPS:	Complete required reporting

Final 2020–2021 Financial Integrity Rating System of Texas (FIRST) ratings based on fiscal year 2020 are now publicly available on the Texas Education Agency (TEA) website:

- [School districts](#)
- [Open-enrollment charter schools and charter schools operated by Institutions of Higher Education \(IHE\)](#)

A previous “To the Administrator Addressed” letter dated August 6, 2021, instructed your school district or charter school (local educational agency or LEA) to view its *preliminary* FIRST rating. The letter also provided information about the data the TEA analyzes to produce the rating and described the appeal process available to your LEA. This appeals process is now complete, and the FIRST ratings are final.

Required Reporting

Within two months of the release of its final FIRST rating, your LEA must announce and hold a public meeting to distribute a financial management report that explains the LEA’s rating and its performance under each indicator for the current and previous year’s ratings. The report also must provide the financial information described in [19 Texas Administrative Code \(TAC\) §109.1001\(q\)\(3\)](#). We encourage your LEA to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the LEA’s performance under one or more of the indicators.

The required newspaper notice to inform taxpayers of the meeting must be published no more than 30 days and no fewer than 10 days before the public meeting. Your LEA may combine the meeting with a scheduled regular meeting of the board of trustees.

For full requirements related to the report and meeting, see [19 TAC §109.1001\(q\)](#). For a template that your LEA can use in developing its financial management report, see the [TEA School FIRST](#) web page for school districts or [FIRST Rating for Charter Schools](#) web page.

Special Note on Required Reporting During the COVID-19 Pandemic

A district or charter school may hold a virtual hearing and take virtual testimony in conformance with [COVID-19 resources and guidelines](#) published by the Office of the Attorney General and Texas Department of Information Resources. TEA will consider a hearing held in conformance with such resources and guidelines as compliant with the hearing location and participation requirements of 19 TAC §109.1001(q)(4). The district must, however, continue to follow all other hearing-related and notice requirements of the rule.



Texas Education Agency

Commissioner Mike Morath

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Accreditation Status

Please note that the TEA considers an LEA's FIRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC §97.1055.

Contact for Further Information

If you have questions about your LEA's FIRST rating, please contact financialaccountability@tea.texas.gov.

David Marx, CPA
Director, Financial Compliance Division
School Finance Department



NOTICE

Reporting Your School District's Financial Accountability Rating

The School FIRST Communications Kit was updated in August 2021 to include changes in the Commissioner's Rule for School FIRST that were implemented by the Texas Education Agency beginning with ratings year 2020-2021 based primarily on data from fiscal year 2020.

Under School FIRST, every school district in Texas is required to prepare an annual financial management report that includes the following:

- A. The district's financial management performance rating provided by the Texas Education Agency (TEA) based on its comparison with indicators established by the Commissioner of Education for the state's new Financial Accountability System.
- B. The district's financial management performance under each indicator for the current and previous years' financial accountability ratings;
- C. Additional information required by the Commissioner of Education.

Notice: Starting with the 2007 calendar year, the financial management report that will be issued at the School FIRST hearing must contain certain required disclosures, in accordance with Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System.

Under Chapter 109, the Commissioner requires certain disclosures, as follows:

1. A copy of the **superintendent's current employment contract**. The school district may publish the superintendent's employment contract on the district's Internet site in lieu of publication in the annual financial management report. This must disclose all compensation and benefits paid to the superintendent;
2. A summary schedule for the fiscal year (12-month period) of **total reimbursements received by the superintendent and each board member**, including transactions resulting from use of the school district's credit card(s), debit card(s), store-value card(s) and any other instruments to cover expenses incurred by the superintendent and each board member. The summary schedule shall separately report reimbursements for meals, lodging, transportation, motor fuel, and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the district);
3. A summary schedule for the fiscal year of the dollar amount of **compensation and/or fees received by the superintendent from another school district or any other outside entity in**



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- exchange for professional consulting and/or other personal services.** The schedule shall separately report the amount received from each entity;
4. A summary schedule for the fiscal year of **the total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more** in the aggregate in the fiscal year. This reporting requirement only applies to gifts received by the school district's executive officers and board members (and their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement **does not apply** to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or explore matters directly related to the duties of an executive officer or board member duties, or matters related to attendance at education-related conferences and seminars whose primary purpose is to provide continuing education (**this exclusion does not apply to trips for entertainment related purposes or pleasure trips**). This reporting requirement excludes an individual gift or a series of gifts from a single outside entity that had an aggregate economic value of less than \$250 per executive officer or board member;
 5. A summary schedule for the fiscal year of the **dollar amount by board members for the aggregate amount of business transactions with the school district.** This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members; and
 6. Additional information that the district's board of trustees deems useful.
- Refer to the Commissioner's Rules Concerning the Financial Accountability Rating System (Chapter 109, Subchapter AA) for more information.
- Templates for reporting the disclosures listed above are provided in the pages preceding the glossary in this communication resources kit.**
- Publicizing Your District's Financial Report and Rating**
- Within two months of receiving the final financial accountability rating school districts are required to distribute the financial management report to attendees at a public hearing for School FIRST. The board of trustees is to have the public hearing at a district facility.
- The board must give notice of the



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hearing to owners of real estate property in the geographic boundaries of the school district, open-enrollment charter school, or charter school operated by a public IHE and to parents of school district, open-enrollment charter school, or charter school operated by a public IHE students. In addition, notice of the hearing, including date, time and location, must be provided to a newspaper of general circulation in the geographic boundaries of the school district, each campus of an open-enrollment charter school, or each campus of a charter school operated by a public IHE in one posting prior to holding the public meeting, providing the time and place of the hearing. The notice in the newspaper may not be earlier than 30 days or later than 10 days before the date of the hearing. If no newspaper is published in the county in which the district's central administration office is located or within the geographic boundaries of an open-enrollment charter school's campus or campus of a charter school operated by a public IHE, then the board must publish the notice in the county nearest to the county seat of the county in which the district's central administration office is located or in which the campus of the open-enrollment charter school or the campus of a charter school operated by a public IHE is located; and (B) through electronic mail to the mass communication media serving the school district, open-enrollment charter school, or charter school operated by a public IHE, including, but not limited to, radio and television.

Sample Notice:

**NOTICE OF PUBLIC MEETING
TO DISCUSS YOUR DISTRICT
NAME'S
State Financial Accountability Rating**

**Your District Name will hold
a public meeting
at TIME, DATE, YEAR,
in the ROOM, BUILDING,
ADDRESS, CITY.**

**The purpose of this meeting
is to discuss Your District Name's
rating
on the state's financial
accountability system.**

District staff should have copies of the report ready to hand out to attendees at the public hearing and to anyone that requests a copy after the hearing.



How Ratings are Assessed

Rating Worksheet

Preliminary ratings are released by Texas Education Agency every calendar year during the summer. The Commissioner's Rules for School FIRST are contained in Title 19, Texas Administrative Code, Chapter 109, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System.

The School FIRST Communications Kit was updated in August 2021 to include changes in the Commissioner's Rule for School FIRST that were implemented by the Texas Education Agency beginning with ratings year 2020-2021 based primarily on data from fiscal year 2020.

The questions a school district must address in completing the worksheet used to assess its financial management system can be confusing to non-accountants. The following is a layman's explanation of what the questions mean—and what your district's answers can mean to its rating.

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?

A simple indicator. Was your Annual Financial Report filed by the deadline?

2. Review the AFR for an unmodified opinion and material weaknesses.

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. 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.)

This indicator seeks to make certain that your district has timely paid all bills/obligations, including financing arrangements to pay for school construction, school buses, photocopiers, etc.

4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas



How Ratings are Assessed

Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

This indicator seeks to make sure the district fulfilled its obligation to the TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.

5. Was the total unrestricted Net Position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Positions greater than zero? (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.)

This indicator is not being scored this year due to the impact of accounting changes implemented by the Governmental Accounting Standards Board.

6. Was the average change in (assigned and unassigned) fund balance over 3 years less than a 25% decrease or did the current year assigned and unassigned fund balance 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.)?

This indicator measures the percentage change in fund balance to see whether the fund balance is declining too quickly,

and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.?

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)?

This indicator measures how long in days after the end of the fiscal year the school district could have disbursed funds for its operating expenditures without receiving any new revenues. Did you meet or exceed the target amount in School FIRST?

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

This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did you meet or exceed the target amount in School FIRST?

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?

This indicator simply asks, "Did you spend more than you earned?" (the school district will automatically pass this indicator, if the school district had at least 60 days cash on hand.)



How Ratings are Assessed

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?

This indicator measures how accurately the district forecast projected revenue by comparing budgeted revenue submitted through PEIMS in October of the fiscal year to actual revenue submitted after the close of the fiscal 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 change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)

This question is like asking someone if their mortgage exceeds the market value of their home. Were you below the cap for this ratio in School FIRST? Fortunately, this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.

12. Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments?

This indicator asks about the school district's ability to make debt principal and interest payments. Did you meet or exceed the target amount in School FIRST?

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

This indicator measures the percentage

of their budget that Texas school districts spent on administration. Did you exceed the cap in School FIRST for districts of your size?

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.)

If the school district had a decline in students over 3 school years, this indicator asks if the school district decreased the number of the staff on the payroll in proportion to the decline in students. (The school district automatically passes this indicator if there was no decline in students.)

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.

This indicator measures how well the district was able to project average daily attendance for the coming biennium for payment purposes. Projected ADA is compared to actual.

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?

This indicator measures the quality of data reported to PEIMS and in your



How Ratings are Assessed

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 3 percent or more, your district “fails” this measure. If the district fails this indicator, the maximum points and highest rating the district may receive is 89 points and a B, which is equal to above standard achievement.

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, federal funds? (The AICPA defines material weakness).

A clean audit of your Annual Financial Report would state that your district has no material weaknesses in internal controls. Any internal weaknesses create a risk of your District not being able to properly account for its use of public funds and should be immediately addressed. If the district fails this indicator, the maximum points and highest rating the district may receive is 79 points and a C, which is equal to above standard achievement.

18. Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)

This indicator measures whether the district is complying with laws, rules and regulations related to the expenditure of grant funds, contracts, and other state and federal funds.

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?

This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information.

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.)

This indicator measures whether the school board had the opportunity to consider the impact of changes in property value on the finances of the district. If the district fails this indicator, the maximum points and highest rating the district may receive is 89 points and a B, which is equal to above standard achievement.

RATING YEAR **2020-2021**DISTRICT NUMBER **district #****Select An Option****Help****Home****FIRST****Financial Integrity Rating System of Texas****2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA - DISTRICT STATUS DETAIL**

Name: GLEN ROSE ISD(213901)	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: 98	Passing Score: 70

#	Indicator Description	Updated	Score
1	<u>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?</u>	6/8/2021 4:15:31 PM	Yes
2	<u>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.)</u>	6/8/2021 4:15:31 PM	Yes
3	<u>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.)</u>	6/8/2021 4:15:31 PM	Yes
4	<u>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.)</u>	7/1/2021 9:14:30 AM	Yes Ceiling Passed
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>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.)</u>	6/28/2021 11:17:55 AM	Ceiling Passed
7	<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 in the Determination of Points section.</u>	6/8/2021 4:15:32 PM	10

8	<u>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.</u>	6/8/2021 4:15:32 PM	10
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? See ranges below in the Determination of Points section.</u>	6/8/2021 4:15:32 PM	10
10	<u>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?</u>	7/2/2021 2:04:25 PM	10
11	<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 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.</u>	6/8/2021 4:15:34 PM	10
12	<u>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.</u>	6/8/2021 4:15:34 PM	10
13	<u>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.</u>	6/8/2021 4:15:34 PM	8
14	<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>	6/8/2021 4:15:34 PM	10
15	<u>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.</u>	6/8/2021 4:15:34 PM	5
16	<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? (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.)</u>	6/8/2021 4:15:35 PM	Ceiling Passed
17	<u>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.)</u>	6/8/2021 4:15:35 PM	Ceiling Passed
18	<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>	6/8/2021 4:15:35 PM	10
19	<u>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?</u>	6/8/2021 4:15:35 PM	5
20	<u>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.)</u>	6/8/2021 4:15:35 PM	Ceiling Passed
			98 Weighted Sum
			1 Multiplier Sum

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
<p>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.</p> <p>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.</p>		

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 <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 1

Name:	GLEN ROSE ISD (213901)
Indicator:	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?
Status	Passed
Last Updated:	6/8/2021 4:15:31 PM

FORMULA

Field	Value
Date Received	2021/01/05
<= Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2021/02/28

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the audit report was on time or filed within 30 days of the deadline.

Home Page: [Financial Accountability](#) | Send comments or suggestions to FinancialAccountability@tea.texas.gov

THE TEXAS EDUCATION AGENCY
1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

DISTRICT NUMBER

district #

Select An Option

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FIRST

Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 2

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Status	Passed
Last Updated:	6/8/2021 4:15:31 PM

FORMULA

Field	Value
Unmodified Opinion	true

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district received an unmodified opinion in the AFR.

Home Page: [Financial Accountability](#) | Send comments or suggestions to FinancialAccountability@tea.texas.gov

THE TEXAS EDUCATION AGENCY
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FIRST 5.11.6.0

DISTRICT NUMBER

district #

Select An Option

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FIRST

Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 3

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Status	Passed
Last Updated:	6/8/2021 4:15:31 PM

FORMULA

Field	Value
Not Default Disclosures	false

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if there were no disclosures in the annual financial report and/or other sources of information concerning default on debt agreements.

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THE TEXAS EDUCATION AGENCY
1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.11.6.0

FIRST

Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 4

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Status	Passed
Ceiling	Passed
Last Updated:	7/1/2021 9:14:30 AM

FORMULA

Field	Value
Timely Payments to Government Agencies	true

CEILING FORMULA

Field	Value
Warrant Hold Issued	false

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district made timely payments to the TRS, TWC, IRS, and other government agencies.

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the district was not issued a warrant hold.



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 6

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Ceiling:	Passed
Last Updated:	6/28/2021 11:17:55 AM

FORMULA

Field	Value
2017-2018 Assigned and Unassigned Fund Balances	5,799,876
2016-2017 Assigned and Unassigned Fund Balances	10,988,918
2016-2017 Assigned and Unassigned Fund Balances	10,988,918
2018-2019 Assigned and Unassigned Fund Balances	5,462,018
2017-2018 Assigned and Unassigned Fund Balances	5,799,876
2017-2018 Assigned and Unassigned Fund Balances	5,799,876
2019-2020 Assigned and Unassigned Fund Balances	2,806,894
2018-2019 Assigned and Unassigned Fund Balances	5,462,018
2018-2019 Assigned and Unassigned Fund Balances	5,462,018
3 Threshold for Three-Year Percent Change in Fund Balances	0.25
2019-2020 Assigned and Unassigned Fund Balances	2,806,894
2019-2020 Total Expenditures	25,851,260
2019-2020 Capital Outlay	291,307
365 75	

Mathematical Breakdown: $-0.3389 < 0.25$ Or $2,806,894 > 5,252,045.137$

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the average change in fund balances over 3 years had less than a 25 percent decrease or the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures.

DISTRICT NUMBER

district #

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Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 7

Name:	GLEN ROSE ISD (213901)
Indicator:	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.
Result/Points	10
Last Updated:	6/8/2021 4:15:32 PM

FORMULA

Field	Value
(
(
Cash and Equivalents	601,360
+ Current Investments	14,235,227
)	
/	
(
Total Expenditures	25,851,260
- Facilities Acquisition and Construction	291,307
)	
)	
* 365	
Mathematical Breakdown: 211.8687	

RESULT DETERMINATION REFERENCE

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

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 8

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	6/8/2021 4:15:32 PM

FORMULA

Field	Value
Current Assets	23,159,212
/ Current Liabilities	4,382,519
Mathematical Breakdown: 5.2845	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS					
10	8	6	4	2	0
≥ 3.00	$< 3.00 \geq 2.50$	$< 2.50 \geq 2.00$	$< 2.00 \geq 1.50$	$< 1.50 \geq 1.00$	< 1.00

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 9

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	6/8/2021, 4:15:32 PM

FORMULA

Field	Value
(Total Revenue	28,760,719
/ (Total Expenditures	25,851,260
- Facilities Acquisition and Construction	291,307
)	
- 1	
)	
>= 0	
Or	
(
(Cash and Equivalents	601,360
+ Current Investments	14,235,227
)	
/ (Total Expenditures	25,851,260
- Facilities Acquisition and Construction	291,307
)	
* 365	
>= Acceptable Days Cash on Hand	60

Mathematical Breakdown: 0.1252 >= 0 Or 211.8687 >= 60

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
>=0%	<0%



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 10

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	7/2/2021 2:04:25 PM

FORMULA

Field	Value
(
(
(
-	
)	
/	
)	
+	
(
(
-	
)	
/	
)	
+	
(
(
-	
)	
/	
)	
/	
<	
3	
Acceptable Level of Variance	

Mathematical Breakdown: 0.0086 < 0.1

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
<10%	>=10%

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 11

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	6/8/2021 4:15:34 PM

FORMULA

Field	Value
(
Long Term Liabilities	10,916,389
/	
Total Assets	58,118,461
<= 1	
)	
Or	
(
(
2020 Total Students	1,924
- 2016 Total Students	1,726
)	
/	
2016 Total Students	1,726
>= Threshold for Five-Year Percent Increase in Students	0.07
)	
Mathematical Breakdown: 0.1878 <= 1 Or 0.1147 >= 0.07	

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

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Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 12

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	6/8/2021 4:15:34 PM

FORMULA

Field	Value
(
Total Local and Intermediate Sources	3,239,897
/ Total Revenue	3,316,635
)	
* Long Term Liabilities	10,916,389
* 100	
/ Assessed Property Value	2,220,558,999
Mathematical Breakdown: 0.4802	

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

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 13

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	8
Last Updated:	6/8/2021 4:15:34 PM

FORMULA

Field	Value
District Administrative Cost Ratio	0.1358
And	
ADA	1,806.894
Or	
Sparse	FALSE

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

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 14

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	10
Last Updated:	6/8/2021 4:15:34 PM

FORMULA

Field	Value
(
2019-2020 Total Enrollment	1,930
/	
2019-2020 Number of FTE Staff	264.4956
)	
/	
(
2017-2018 Total Enrollment	1,806
/	
2017-2018 Number of FTE Staff	255.0283
)	
- 1	
> Threshold for Three-Year Percent Change in Ratio	-0.15
Or	
2019-2020 Total Enrollment	1,930
-	
2017-2018 Total Enrollment	1,806
> 0	
Mathematical Breakdown: $0.0304 > -0.15$ Or $124 > 0$	

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 15

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	5
Last Updated:	6/8/2021 4:15:34 PM

FORMULA

Field	Value
(
Actual ADA	1,834.246
- Projected ADA	1,825
)	
/ Projected ADA	1,825
Mathematical Breakdown: 0.0051	

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

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 16

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Ceiling	Passed
Last Updated:	6/8/2021 4:15:35 PM

FORMULA

Field	Value
Sum of Differences	38
/ Denominator	25,851,280
< Acceptable Level of Variance	.03

Mathematical Breakdown: $0 < 0.03$

RESULT DETERMINATION REFERENCE**CEILING DETERMINATION**

This indicator will be considered PASSED for the Ceiling if the comparison of PEIMS expenditure data to AFR data has a total variance of less than 3 percent.

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2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 17

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Ceiling	Passed
Last Updated:	6/8/2021 4:15:35 PM

FORMULA

Field	Value
Not Weak Internal Controls	false

RESULT DETERMINATION REFERENCE

CEILING DETERMINATION

This indicator will be considered PASSED for the Ceiling if the external auditor reported no material weaknesses in the audit report.

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Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 18

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Result/Points	10
Last Updated:	6/8/2021 4:15:35 PM

FORMULA

Field	Value
Not Material Non-Compliance	false

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No

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Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 19

Name:	GLEN ROSE ISD (213901)
Indicator:	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/Points	5
Last Updated:	6/8/2021 4:15:35 PM

FORMULA

Field	Value
Required Financial Postings	true

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
5	0
Yes	No

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Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON 2019-2020 SCHOOL YEAR DATA INDICATOR TEST 20

Name:	GLEN ROSE ISD (213901)
Indicator:	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.)
Ceiling:	Passed
Last Updated:	6/8/2021 4:15:35 PM

FORMULA

Field	Value
Board Property Value Discussion	true

RESULT DETERMINATION REFERENCE**CEILING DETERMINATION**

This indicator will be considered PASSED for the Ceiling if the school board discussed property values at a meeting within 120 days before the district adopted its budget.

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DISCLOSURES



DISCLOSURES

1. Superintendent's Employment Contract

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the School FIRST hearing in calendar year 2021. In lieu of publication in the School FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's Internet site. **If published on the Internet**, the contract is to remain accessible for twelve months.

EMPLOYMENT CONTRACT - SUPERINTENDENT

THIS EMPLOYMENT CONTRACT - SUPERINTENDENT ("Contract" or "Agreement") is made and entered into by and between the Board of Trustees (the "Board") of the GLEN ROSE INDEPENDENT SCHOOL DISTRICT (the "District") and DR. TRIG OVERBO (the "Superintendent").

NOW THEREFORE, pursuant to Chapter 11, Subchapters D and E, Section 11.201 and Chapter 21, Subchapter E of the Texas Education Code the Board and Superintendent, for and in consideration of the terms hereinafter established, have agreed, and do hereby agree, as follows:

1. TERM

- 1.1 **Employment.** The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent for the District for a term commencing on March 22, 2021 and ending June 30, 2024. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Agreement as permitted by state law. Any such extensions shall have a commencement date of July 1 in the respective year of the extension.
- 1.2 **No Right of Tenure.** The Board has not adopted any policy, rule, regulation, law or practice providing for tenure. No right of tenure, contractual obligation, expectancy of continued employment, or claim or entitlement is created beyond the contract term.

2. EMPLOYMENT

- 2.1 **Duties.** The Superintendent shall faithfully perform the duties of the 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 hereafter be adopted or amended.

The Superintendent shall perform the duties of the Superintendent of Schools, for the District with reasonable care, skill, and expertise and in a thorough, prompt, and efficient manner. The Superintendent agrees to devote his time, skill, labor, and attention to performing his duties. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

- 2.2 **Professional Certification and Records.** This Agreement is conditioned on the Superintendent's providing the necessary certification and experience records, medical records, oath of office, and other records required for the personnel files or for payroll purposes. Failure to provide necessary certification shall tender this

Agreement void. Any intentional misrepresentation of material fact may be grounds for dismissal.

- 2.3 **Reassignment.** The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's written consent.
- 2.4 **Board Meetings.** The Superintendent shall attend all closed meetings of the Board, with the exception of those closed meetings where the matter under discussion relates to the Superintendent's contract of employment, or to the Superintendent's salary and benefits, or to the Superintendent's evaluation or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal. With the unanimous consent of the Board, the Superintendent shall be permitted to attend closed meetings of the Board in the above exceptions. In the event of illness or Board-approved absence, and with the Board's prior approval of the designee, the Superintendent's designee shall attend such meetings. Further, the Superintendent shall provide recommendation(s) and/or information as to each of the items of business considered at each meeting as needed or requested by the Board.
- 2.5 **Criticisms, Complaints, and Suggestions.** The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the Board of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies.

3. COMPENSATION

- 3.1 **Salary.** Effective March 22, 2021, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED AND SEVENTY-ONE THOUSAND AND 00/100 DOLLARS (\$171,000.00). This annual salary shall be paid to the Superintendent in equal installments consistent with the Board's policies.
- 3.2 **Salary Adjustments.** At any time during the term of this Agreement, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent's salary be adjusted to be less than the salary set forth in Section 3.1 of this Agreement except by mutual written agreement of the two parties.
- 3.3 **Out-of-District Travel Expenses.** The District shall pay or reimburse the Superintendent for reasonable expenses for travel to destinations outside the District directly incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Agreement. Such expenses may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other

expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

- 3.4 **Insurance.** The District shall pay the same premiums for hospitalization and major medical insurance coverage for the Superintendent as it does for other employees pursuant to the group health care plan provided by the District for its employees.
- 3.5 **Vacations, Holidays, Sick Leave.** The Superintendent may take, at the Superintendent's choice, the same number of days of vacation authorized by policies adopted by the Board for administrative employees on twelve-month contracts, the days to be in a single period or at different times. The vacation days taken by the Superintendent will be taken at such time or times as will least interfere with the Performance of the Superintendent's duties as set forth in this Agreement. Accrued but unused vacation days, up to a maximum of 10 days annually, shall accumulate and carry forward from year to year during the term of this Contract, with no maximum on total days accumulated. At the sole option of the Superintendent, either at the end of each year of the term of this Contract, at retirement, or when the Contract is terminated, either voluntarily or involuntarily, the District shall pay in a lump sum to the Superintendent any accrued but unused vacation days at the Superintendent's daily rate of pay as of the payment date, determined by dividing the Superintendent's then current salary by 226. The Superintendent shall observe the same legal holidays and non-duty days as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same personal leave and local leave as authorized by Board policies for administrative employees on twelve-month contracts except that the Superintendent, with Board approval, may utilize any and all accrued but unused leave days to be taken in a single period or at different times during the term of this Contract.
- 3.6 **Professional Growth.** The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent's reasonable attendance and participation in appropriate professional meetings at the local, regional, state and national levels, as approved by the Board. An allowance shall be provided for the Superintendent to pay the annual membership dues for one appropriate professional organization. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent as the Superintendent and the Board deem

appropriate, to attend such seminars, courses or meetings. The District shall bear the reasonable cost and expense for registration, travel, meals, lodging, and other related expenses for such attendance.

- 3.7 **Community and Civic Affairs.** The Superintendent is encouraged to participate in the community and civic affairs in accordance with the Board's policies. The Board concludes that such participation will serve a legitimate purpose related to the educational mission of the District. The Superintendent may hold offices or accept responsibilities in these professional organizations, provided that such responsibilities do not interfere with the performance of his duties as Superintendent. Prior to engaging in these activities, the Superintendent will notify the Board in writing of the activity. The Board will notify the Superintendent if the activity presents a conflict or interferes with the performance of his duties as Superintendent. An allowance shall be provided for the Superintendent to pay the annual membership dues for one local civic organization
- 3.8 **Consulting Work.** The Superintendent may, with prior written consent of the Board, undertake consulting work, speaking engagements, writing, lecturing, and other professional duties and obligations ("Consulting Services") that do not conflict or interfere with the Superintendent's professional services to the District or result in any financial cost to the District. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law.
- 3.9 **Relocation Expenses.** The District shall provide a one-time reimbursement to the Superintendent for reasonable moving expenses, not to exceed \$5,000.00.

4. RESIDENCE

- 4.1 **Residence.** The Superintendent shall maintain a residence within the geographical boundaries of the District. The Superintendent may, if he chooses, reside in the District-owned residence, located at 405 Mary Lynn Drive, Glen Rose, TX 76043, rent-free for one year during the term of this Contract. The Superintendent's tenancy will be pursuant to the terms and conditions of the Residential Lease between the Superintendent and the District.

5. REVIEW OF PERFORMANCE

- 5.1 **Development of Goals.** The Superintendent shall submit to the Board a preliminary list of goals for the District each year for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve or revise the list of goals. The Superintendent shall submit to the Board for its approval a plan to implement the goals. The Superintendent and the Board shall meet biannually to assess the goals and may adjust or revise the goals either by action of the Board or upon recommendation of the Superintendent and approval of the Board. The goals approved by the Board shall at all times be reduced to writing ("District Goals") and shall be among the criteria on which the

Superintendent's performance is reviewed and evaluated. The District Goals approved by the Board shall be specific, definitive and measurable, to the extent feasible. The Board agrees to work with and support the Superintendent in achieving the District Goals.

5.2 **Performance Review.** The Board shall evaluate and assess the performance of the Superintendent in writing at least once a year, no later than January 31st of each year of this Contract, with the first evaluation and assessment of performance of the Superintendent under this contract being on or before January 31st, 2022. The Superintendent shall provide the Board with such information as is reasonably necessary for it to perform the annual evaluation of the Superintendent. The meetings at which the Board evaluates the Superintendent will be held in a closed executive session unless the Superintendent requests in writing that it should be held in an open meeting. The evaluation and assessment shall be related to the District goals and duties of the Superintendent as outlined in the Superintendent's job description and the annual goals for the District. In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, the Board shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance and will include recommendations as to areas of improvement in all such instances. The Superintendent will have the right to make a written response to the evaluation and will be given reasonable amount of time to remediate identified deficiencies.

5.3 **Confidentiality.** Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in executive session and shall be considered confidential to the extent permitted by law. Nothing herein shall prohibit the Board or the Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

5.4 **Evaluation Format and Procedure.** The Board of Trustees shall meet and discuss the evaluation format and procedure with the Superintendent, attempting in good faith to agree on the development and adoption of a mutually agreeable evaluation instrument. The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law. In the event the Board deems that the evaluation instrument, format and/or procedure are to be modified by the Board, such modifications must be adopted with a reasonable amount of time prior to its implementation sufficient to provide the Superintendent a reasonable period to demonstrate such expected performance before being evaluated.

6. TERMINATION OF EMPLOYMENT CONTRACT

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

6.2 **Retirement or Death.** This Contract shall be terminated upon the retirement or death of the Superintendent.

6.3 **Dismissal for Good Cause.** The Board may dismiss the Superintendent during the term of this Contract for good cause as that term is applied under Texas law. The term "good cause" includes but is not limited to:

- Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract.
- Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; provided, however, the terms and conditions of this paragraph shall not justify good cause unless the Board has provided the Superintendent a reasonable opportunity to remediate any incompetence or inefficiency;
- Insubordination or failure to comply with lawful written Board directives;
- Failure to comply with the Board's policies or the District's administrative regulations;
- Neglect of duties;
- Convicted of driving while intoxicated;
- Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act;
- Conviction of a felony or crime involving moral turpitude;
- Failure to meet the District's standards of professional conduct;
- Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
- Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
- Immorality: Conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the District. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;

- Assault on an employee or student;
- Knowingly falsifying records or documents related to the District's activities;
- Conscious misrepresentation of material facts to the Board or other District officials in the conduct of the District's business;
- Failure to fulfill requirements for superintendent certification;
- Any other reason constituting "good cause" under the Texas law.

6.4 **Termination Procedure.** In the event that the Board terminates this Contract for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies and state and federal law.

7. MISCELLANEOUS

7.1 **Controlling Law.** This Agreement shall be governed by the laws of the State of Texas, and is fully performable in Somervell County, Texas.

7.2 **Amendment.** This Contract embodies the entire agreement between the parties and cannot be amended except by written agreement of the parties.


7.3 **Savings Clause.** In the event any one of more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Agreement, and this Contract constitutes the entire agreement between the parties unless amended pursuant to the terms of this Agreement.

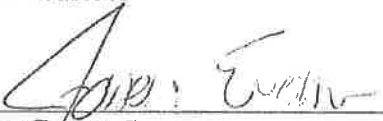
7.4 **Indemnification and Defense.** To the extent it may be permitted to do so by applicable law, including, but not limited to Texas Civil Practice and Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against the Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorney's fees, arose or does arise in the future from an act of omission of the Superintendent as an employee of the District, acting within the course and scope of the Superintendent's employment with the District; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those

claims or any causes of action where it is determined that the Superintendent committed official misconduct, or committed a willful or wrongful act of omission, or an act of omission constituting gross negligence, or acted in bad faith, with conscious indifference or reckless disregard; and excluding any costs fees, expenses or damages that are recovered or paid under an insurance contract, held either by the District or by the Superintendent. The selection of the Superintendent's legal counsel shall be with the mutual agreement of the Superintendent and the District if such legal counsel is not also the District's legal counsel. A legal defense may be provided through insurance coverage, in which case the Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent Section 7.4 of this Contract exceeds the authority provided and limitations imposed by Texas Civil Practice and Remedies Code, Chapter 102, it shall be construed and modified to the extent necessary to not exceed such authority and limitations. The provisions of Section 7.4 shall survive the termination of this Contract.


EXECUTED this 4th day of February, 2021.

GLEN ROSE INDEPENDENT SCHOOL DISTRICT:

By: 
Jason Dillard, President
Board of Trustees

Attest: 
Jason Evans, Secretary

SUPERINTENDENT


Trig Overbo, Ed D.

**AMENDMENT TO FEBRUARY 4, 2021
EMPLOYMENT CONTRACT - SUPERINTENDENT**

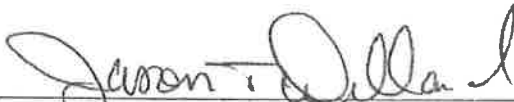
1. This amendment (the "Amendment") is made by GRISD Board of Trustees and Dr. Trig Overbo, parties to the agreement dated February 4, 2021 (the "Agreement").
2. The Agreement is amended as follows:


At Section 3.9 Relocation Expenses, replace the language "The District shall provide a one-time reimbursement to the Superintendent for reasonable moving expenses, not to exceed \$5,000.00." with the following language, "The District shall provide the Superintendent a one-time disbursement of Five Thousand and No/100 Dollars (\$5,000) for reasonable moving expenses."


3. Except as set forth in this Amendment, the Agreement is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this amendment and the Agreement or any earlier amendment, the terms of this amendment will prevail.

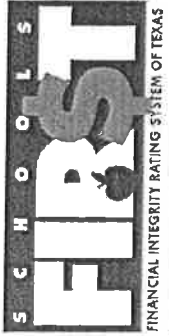
EXECUTED this 26th day of April, 2021.

GLEN ROSE INDEPENDENT SCHOOL DISTRICT:

By: 
Jason Dillard, President
Board of Trustees

Attest: 
Jason Evans, Secretary

SUPERINTENDENT

Trig Overbo, Ed. D.

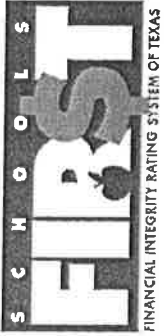


DISCLOSURES

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2020

For the Twelve-Month Period Ended June 30, or August 31, 2020	
Name(s) of Entity(ies)	\$
Total	\$

Note – Compensation does not include business revenues from the superintendent’s livestock or agricultural-based activities on a ranch or farm. Report gross amount received (do not deduct business expenses from gross revenues). Revenues generated from a family business that have no relationship to school district business are not to be disclosed.

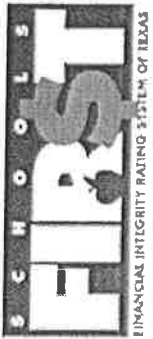


DISCLOSURES

4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2020

For the Twelve-Month Period Ended June 30, or August 31, 2020	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Summary Amounts	\$	\$	\$	\$	\$	\$	\$	\$

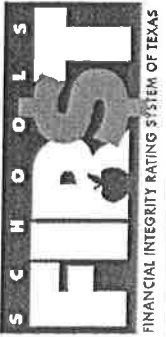
Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. Gifts received by first degree relatives, if any, will be reported under the applicable school official.



DISCLOSURES

5. Business Transactions Between School District and Board Members for Fiscal Year 2020

For the Twelve-month Period Ended August 31, 2020	Superintendent (Sept - Dec)	Superintendent (March 22 - Aug)	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
	Wayne Rotan	Dr. Trig Overbo	Jason Dillard	Jason Evans	Jeff Hansen	Matt Langford	Tanya Myers	Marilyn Phillips	Paul Phillips
Summary Amounts						\$ 6,452.59			\$ 15,500.00



DISCLOSURES

6. Any other information the board of trustees of the school district or open-enrollment charter school determines to be useful.



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Accounting: A standard school fiscal accounting system must be adopted and installed by the board of trustees of each school district. The accounting system must conform to generally accepted accounting principles. This accounting system must also meet at least the minimum requirements prescribed by the state board of education, subject to review and comment by the state auditor.

Ad Valorem Property Tax: Literally the term means "according to value." Ad valorem taxes are based on a fixed proportion of the value of the property with respect to which the tax is assessed. They require an appraisal of the taxable subject matter's worth. General property taxes are almost invariably of this type. Ad valorem property taxes are based on ownership of the property, and are payable regardless of whether the property is used or not and whether it generates income for the owner (although these factors may affect the assessed value).

Adopted Tax Rate: The tax rate set by the school district to meet its legally adopted budget for a specific calendar year.

All Funds: A school district's accounting system is organized and operated on a fund basis where each fund is a separate fiscal entity in the school district much the same as various corporate subsidiaries are fiscally separate in private enterprise. All Funds refers to the combined total of all the funds listed below:

- The General Fund
- Special Revenue Funds (Federal Programs, Federally Funded Shared Services, State Programs, Shared State/Local Services, Local Programs)
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds for the National School Breakfast and Lunch Program

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assigned Fund Balance: The assigned fund balance represents tentative plans for the future

use of financial resources. Assignments require executive management (per board policy to assign this responsibility to executive management prior to end of fiscal year) action to earmark fund balance for bona fide purposes that will be fulfilled within a reasonable period of time. The assignment and dollar amount for the assignment may be determined after the end of the fiscal year when final fund balance is known.

Auditing: Accounting documents and records must be audited annually by an independent auditor. Texas Education Agency (TEA) is charged with review of the independent audit of the local education agencies.

Beginning Fund Balance: The General Fund balance on the first day of a new school year. For most school districts this is equivalent to the fund balance at the end of the previous school year.

Budget: The projected financial data for the current school year. Budget data are collected for the general fund, food service fund, and debt service fund.

Budgeting: Not later than August 20 of each year, the superintendent (or designee) must prepare a budget for the school district if the fiscal year begins on September 1. (For those districts with fiscal years beginning July 1, this date would be June 20.) The legal requirements for funds to be budgeted are included in the Budgeting module of the TEA Resource Guide. The budget must be adopted before expenditures can be made, and this adoption must be prior to the setting of the tax rate for the budget year. The budget must be itemized in detail according to classification and purpose of expenditure, and must be prepared according to the rules and regulations established by the state board of education. The adopted budget, as necessarily amended, shall be filed with TEA through the Public Education Information Management System (PEIMS) as of the date prescribed by TEA.

Capital Outlay: This term is used as both a Function and an Object. Expenditures for land, buildings, and equipment are covered under Object 6600. The amount spent on acquisitions, construction, or major renovation of school



GLOSSARY

district facilities are reported under Function 80.

Capital Project Funds: Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds.)

Cash: The term, as used in connection with cash flows reporting, includes not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Chapter 49: A key "equity" chapter in the Texas Education Code (TEC) is Chapter 41. This chapter is devoted to wealth equalization through the mechanism of recapture, the recovery of financial resources from districts defined by the state as high property wealth. Resources are recovered for the purpose of sharing them with low-wealth districts. Districts that are subject to the provisions of Chapter 49 must make a choice among several options in order to reduce their property wealth and share financial resources.

Committed Fund Balance: The committed fund balance represents constraints made by the board of trustees for planned future use of financial resources through a resolution by the board, for various specified purposes including commitments of fund balance earned through campus activity fund activities. Commitments are to be made as to purpose prior to the end of the fiscal year. The dollar amount for the commitment may be determined after the end of the fiscal year when final fund balance is known.

Comptroller Certified Property Value: The district's total taxable property value as certified by the Comptroller's Property Tax Division (Comptroller Valuation).

Days of Cash on Hand: The number of days the school district can disburse funds for its

operating expenditures without receiving any new revenues.

Debt Service Fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Services: Two function areas (70 and 71) and one Object (6500) are identified using this terminology "debt services." Function 70 is a major functional area that is used for expenditures that are used for the payment of debt principal and interest including Function 71. Expenditures that are for the retirement of recurring bond, capital lease principal, and other debt, related debt service fees, and for all debt interest fall under Function 71. Object 6500 covers all expenditures for debt service.

Debt Service Coverage Ratio: This ratio measures an organization's ability to make debt principal and interest payments that will become due during the year.

Deferred Revenue: Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Ending Fund Balance: The amount of unencumbered surplus fund balance reported by the district at the end of the specified school year. For most school districts this will be equivalent to the fund balance at the beginning of the next school year.

Excess (Deficiency): Represents receivables due (excess) or owed (deficiency) at the end of the school year. This amount is recorded as Asset Object 1200.

Existing Debt Allotment (EDA): Is the amount of state funds to be allocated to the district for assistance with existing debt.

Federal Revenues: Revenues paid either directly to the district or indirectly through a local



GLOSSARY

or state government entity for Federally-subsidized programs including the School Breakfast Program, National School Lunch Program, and School Health and Related Services Program. This amount is recorded as Revenue Object 5900.

Fiscal Year: A period of 12 consecutive months legislatively selected as a basis for annual financial reporting, planning, and budgeting. The fiscal year may run September 1 through August 31 or July 1 through June 30.

Foundation School Program (FSP) Status: The Foundation School Program (FSP) is the shared financial arrangement between the state and the school district, where property taxes are blended with revenues from the state to cover the cost of basic and mandated programs. The nature of this arrangement falls in one of the following status categories: Regular, Special Statutory, State Administered, Education Service Center, or Open Enrollment Charter School District.

FTE: Full-Time Equivalent measures the extent to which one individual or student occupies a full-time position or provides instruction, e.g., a person who works four hours a day or a student that attends a half of a day represents a .5 FTE.

Function: Function codes identify the expenditures of an operational area or a group of related activities. For example, in order to provide the appropriate atmosphere for learning, school districts transport students to school, teach students, feed students and provide health services. Each of these activities is a function. The major functional areas are:

- Instruction and Instructional-Related Services
- Instructional and School Leadership
- Support Services - Student
- Administrative Support Services
- Support Services; Non-Student Based
- Ancillary Services
- Debt Service
- Capital Outlay
- 90 Intergovernmental Charges

Fund Balance: The difference between assets

and liabilities reported in a governmental fund.

General Administration: The amount spent on managing or governing the school district as an overall entity. Expenditures associated with this functional area are reported under Function 41.

General Fund: This fund finances the fundamental operations of the district in partnership with the community. All revenues and expenditures not accounted for by other funds are included. This is a budgeted fund and any fund balances are considered resources available for current operations.

I&S Tax Rate: The tax rate calculated to provide the revenues needed to cover Interest and Sinking (I&S) (also referred to as Debt Service). I&S includes the interest and principal on bonds and other debt secured by property tax revenues.

Incremental Costs: The amount spent by a school district with excess wealth per WADA on the purchase of attendance credits either from the state or from other school district(s). Expenditures associated with this functional area are reported under Function 92.

Instruction: The amount spent on direct classroom instruction and other activities that deliver, enhance or direct the delivery of learning situations to students regardless of location or medium. Expenditures associated with this functional area are reported under Function 11.

Instructional Facilities Allotment (IFA): (State Aid) Provides assistance to school districts in making debt service payments on qualifying bonds and lease-purchase agreements. Proceeds must be used for the construction or renovation of an instructional facility.

Intergovernmental Charges: "Intergovernmental" is a classification used when one governmental unit transfers resources to another. In particular, when a Revenue Sharing District purchases WADA or where one school district pays another school district to educate transfer students. Expenditures associated with this functional area are reported



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under Function 90.

Investments in Capital Assets, Net of Related Debt:

One of three components of Net Position that must be reported in both government-wide and proprietary fund financial statements. Related debt, for this purpose, includes the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of capital assets of the government.

Local & Intermediate Revenues: All revenues from local taxes and other local and intermediate revenues. For specifics, see the definitions for Local Tax and Other Local & Intermediate Revenues. This amount is recorded under Object 5700.

Local Tax: This is all revenues from local real and personal property taxes, including recaptured funds from 1) Contracted Instructional Services Between Public Schools (Function 91) and 2) Incremental Costs associated with Chapter 41 of the Texas Education Code (Function 92).

M&O Tax Rate: The tax rate calculated to provide the revenues needed to cover Maintenance & Operations (M&O). M&O includes such things as salaries, utilities, and day-to-day operations.

Modified Opinion: Term used in connection with financial auditing. A modification of the independent auditor's report means there exists one or more specific exceptions to the auditor's general assertion that the district's financial statements present fairly the financial information contained therein according to generally accepted accounting principles.

No New Revenue Tax Rate: Provides the unit with approximately the same amount of local tax revenue it had the year before on properties taxes in both years. A comparison of the no new revenue tax rate to the taxing unit's proposed tax rate shows if there will be a tax increase.

Nonspendable Fund Balance: The portion of fund balance that is in non-liquid form, including

inventories, prepaid items, deferred expenditures, long-term receivables and encumbrances (if significant). Nonspendable fund balance may also be in the form of an endowment fund balance that is required to remain intact.

Object: An object is the highest level of accounting classification used to identify either the transaction posted or the source to which the associated monies are related. Each object is assigned a code that identifies in which of the following eight major object groupings it belongs:

- 1000 Assets
- 2000 Liabilities
- 3000 Fund Balances
- 5000 Revenue
- 6000 Expenditures/Expenses
- 7000 Other Resources/NonOperating Revenue/Residual Equity Transfers In
- 8000 Other Uses/NonOperating Revenue/Residual Equity Transfers Out

Operating Expenditures: A wide variety of expenditures necessary to a district's operations fall into this category with the largest portion going to payroll and related employee benefits and the purchase of goods and services.

Operating Expenditures/Student: Total Operating Expenditures divided by the total number of enrolled students.

Operating Revenues and Expenses: Term used in connection with the proprietary fund statement of revenues, expenses, and changes in Net Position. The term is not defined as such in the authoritative accounting and financial reporting standards, although financial statement preparers are advised to consider the definition of operating activities for cash flows reporting in establishing their own definition.

Other Local & Intermediate Revenues: All local and intermediate revenues NOT from local real and personal property taxes including:

- Revenues Realized as a Result of Services Rendered to Other School Districts
- Tuition and Fees
- Rental payments, interest, investment income



GLOSSARY

- Sale of food and revenues from athletic and extra/co-curricular activities
- Revenues from counties, municipalities, utility districts, etc.

Other Operating Costs: Expenditures necessary for the operation of the school district that are NOT covered by Payroll Costs, Professional and Contracted Services, Supplies and Materials, Debt Services, and Capital Outlay fall into this category and include travel, Insurance and bonding costs, election costs, and depreciation. This amount is recorded as Expenditure/Expense Object 6400.

Other Resources: This amount is credited to total actual other resources or non-operating revenues received or residual equity transfers in. This amount is recorded under Object 7020.

Payments for Shared Services

Arrangements: Payments made either from a member district to a fiscal agent or payments from a fiscal agent to a member district as part of a Shared Services Arrangement (SSA). The most common types of SSAs relate to special education services, adult education services, and activities funded by the Elementary and Secondary Education Act (ESEA). Expenditures associated with this functional area are reported under Function 93.

Payroll: Payroll costs include the gross salaries or wages and benefit costs for services or tasks performed by employees at the general direction of the school district. This amount is recorded as Expenditure/Expense Object 6100. *(NOTE: Payroll amounts do not include salaries for contract workers, e.g., for food service and maintenance. Therefore, this figure will vary significantly between districts and campuses that use contract workers and those that do not.)*

PEIMS: A state-wide data management system for public education information in the State of Texas. One of the basic goals of PEIMS, as adopted by the State Board of Education in 1986, is to improve education practices of local school districts. PEIMS is a major improvement over previous information

sources gathered from aggregated data available on paper reports. School districts submit their data via standardized computer files. These are defined in a yearly publication, the PEIMS Data Standards.

Plant Maintenance & Operations: The amount spent on the maintenance and operation of the physical plant and grounds and for warehousing and receiving services. Expenditures associated with this functional area are reported under Function 51.

Property /Refined ADA: The district's Comptroller Certified Property Value divided by its total Refined ADA.

Property/WADA: The district's Comptroller Certified Property Value divided by its total WADA.

Refined ADA: Refined Average Daily Attendance (also called RADA) is based on the number of days of instruction in the school year. The aggregate eligible days attendance is divided by the number of days of instruction to compute the refined average daily attendance.

Restricted Fund Balance: This is the portion of fund balance that has externally enforceable constraints made by outside parties.

Revenues: Any increase in a school district's financial resources from property taxes, foundation fund entitlements, user charges, grants, and other sources. Revenues fall into the three broad sources of revenues: Local & Intermediate; State; and Federal.

Robin Hood Funds: See Wealth Equalization Transfer.

School Year: The twelve months beginning September 1 of one year and ending August 31 of the following year or beginning July 1 and ending June 30. Districts now have two options.

Special Revenue Fund: A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital



GLOSSARY

projects) that are legally restricted to expenditures for specified purposes.

State Revenues: Revenues realized from the Texas Education Agency, other state agencies, shared services arrangements, or allocated on the basis of state laws relating to the Foundation School Program Act. This amount is recorded as Revenue Object 5800.

Unassigned Fund Balances: Available expendable financial resources in a governmental fund that are not the object of tentative management plans (i.e., committed or assigned). One primary criterion of rating agencies for school bonds is the relative amount of unassigned fund balance. Bond rating agencies view unassigned fund balances as a reflection of the financial strength of school districts and show concern when district fund balances decrease.

Unmodified Opinion: Term used in connection with financial auditing. An unmodified independent auditor's opinion means there are no stated exceptions to the auditor's general assertion that the district's financial statements present fairly the financial information contained according to generally accepted accounting principles.

Unrestricted Net Position Balance: The term Net Position refers to the amount of total assets less total liabilities. Unrestricted Net Position balance refers to the portion of total Net Position that is neither invested in capital assets nor restricted.

Voter Approved Tax Rate: Provides governments other than school districts with approximately the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra 8 percent cushion, and sufficient funds to pay its debts in the coming year. For school districts, the M&O portion of the rollback tax rate allows school districts to add four cents (\$0.04) to the lesser of the prior tax year compressed operating tax rate or the effective M&O rate to generate operating funds. School districts will get to add to the compressed operating rate any additional cents approved by voters at a 2006 or subsequent

rollback election, not 8 percent. The rollback rate is the highest rate that the taxing unit may adopt before voters can petition for an election to roll back the adopted rate to the rollback rate. For school districts, no petition is required; it's an automatic election if the adopted rate exceeds the rollback rate.

WADA: A Weighted Average Daily Attendance (WADA) is used to measure the extent students are participating in special programs. The concept of WADA in effect converts all of a school district's students with their different weights to a calculated number of regular students required to raise the same amount of revenue. The greater the number of students eligible for special entitlements, the greater a school district's WADA will be.

Wealth Equalization Transfer: The amount budgeted by districts for the cost of reducing their property wealth to the required equalized wealth level (Function 91). Sometimes referred to as Robin Hood Funds.

DISCLAIMER

All of the information provided is believed to be accurate and reliable; however, TASBO and TSPRA assume no responsibility for any errors, appearing in this information or otherwise. Further, TASBO and TSPRA assume no responsibility for the use of the information provided.

T T | A | S | B | O



Revised August 2021