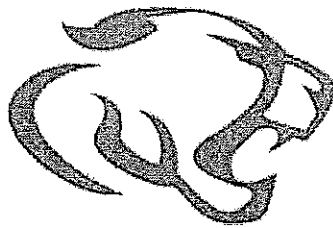


CROSBY ISD



2014 FIRST Report to the
Community
October 19, 2015

Schools First

- Financial Integrity Rating System of Texas
 - Developed by Texas Education Agency in response to Senate Bill 875 of the 76th Legislature
 - Authorized for implemented by Senate Bill 218 in 2001 (77th Legislative Session)
 - Goal is to achieve quality performance in the management of districts' financial resources
 - Presentation tied to submission of audit data to PEIMS in January of each year
 - 13th Year of Statewide Implementation

Schools First

The School FIRST accountability rating system assigns one of two financial accountability ratings to Texas school districts, with the highest being “P” for “Passed” and the other rating being “F” for “Substandard Achievement.”

Schools First

The School FIRST rating was updated in August of 2015 to include major changes in the Commissioner's Rule for School FIRST that were authorized by HB 5, Section 59, 83rd Texas Legislature, Regular Session, 2013. House Bill 5 amended Section 39.082 Texas Education Code to require the commissioner of education to include processes in the financial accountability rating system for anticipating the future financial solvency of each school district and open-enrollment charter school.

Schools First

The changes to the School FIRST system implemented by the Texas Education Agency in August 2015 are being phased-in over three years. During the phase-in period, the new School FIRST system has separate worksheets for rating years 2014-2015, 2015-2016, and 2016-2017 and subsequent years.

Test Question 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?

Was your Annual Financial Report filed by the deadline of January 28? This is a simple yes or no indicator.

Yes

User: Carla Merka
User Role: District

Select An Option



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FIRST**Financial Integrity Rating System of Texas****2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR
DATA INDICATOR TEST 1**

Name:	CROSBY ISD (101906)
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:	4/6/2015 2:49:58 PM

FORMULA

Field	Value
Date Received	2014/10/24
<=Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2015/02/28

RESULT DETERMINATION REFERENCE

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

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Test Question 2

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

A “Modified” version of the auditor's opinion in your annual audit report means that you need to correct some of your reporting or financial controls. A district’s goal, therefore, is to receive an “unmodified opinion” on its Annual Financial Report. This is a simple yes or no indicator.

Yes – Unmodified opinion

User: Carla Merka
User Role: District

[Select An Option](#)[Help](#)[Home](#)[Log Out](#)

FIRST

Financial Integrity Rating System of Texas

2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR DATA INDICATOR TEST 2

Name:	CROSBY ISD (101906)
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:	4/6/2015 2:49:58 PM

FORMULA

Field	Value
Clean Audit	<input type="text" value="true"/>

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district received a "clean audit" (unmodified opinion).

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Test Question 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 through payments to the lender, trust, or sinking fund re current. A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money and their creditors, which include a plan for paying back the debt.)

Test Question 3 (con't)

This indicator seeks to make certain that the district has paid our bills/obligations on financing arrangements to pay for school construction, school buses, photocopiers, etc.

Passed no defaults

User: Carla Merka
User Role: District

Select An Option



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FIRST**Financial Integrity Rating System of Texas****2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR
DATA INDICATOR TEST 3**

Name:	CROSBY ISD (101906)
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:	4/6/2015 2:49:59 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 bonded indebtedness obligations.

The district was able to make all bond payments.

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Test Question 4

- Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)?

Test Question 4 con't

This indicator simply asks, “Did the district’s total assets exceed the total amount of liabilities (according to the very first financial statement in the annual audit report?”

Passed

User: Carla Merka
User Role: District

Select An Option



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FIRST

Financial Integrity Rating System of Texas

2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR DATA INDICATOR TEST 4

Name:	CROSBY ISD (101906)
Indicator:	Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)
Status	Passed
Last Updated:	7/30/2015 12:20:28 PM

FORMULA

Field	Value	
(
(
2014 Total Students	5,199	②
- 2010 Total Students	4,997	②
)		
/ 2010 Total Students	4,997	②
)		
>= Threshold for Five-Year Percent Change in Students	0.1	②
Or		
(
(
Total Unrestricted Net Asset Balance	4,810,317	②
+ Accretion of Interest for Capital Appreciation Bonds	3,274,882	②
+ Pension Expense and Net Pension Liability	0	②
)		

> 0
)

Mathematical Breakdown: $0.0404 \geq 0.1$ Or $8,085,199 > 0$

RESULT DETERMINATION REFERENCE

This Indicator will be considered PASSED if EITHER of the following CONDITIONS is TRUE:

1. The District's Five-Year Percent Change in Students was 10% or MORE.

---- OR ----

2. The sum of Total Unrestricted Net Asset Balance in the governmental activities column in the Statement of Net Assets, Accretion of Interest for Capital Appreciation Bonds, and Pension Expense and Net Pension Liability, as applicable, was GREATER THAN ZERO.

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Test Question 5

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

This indicator measures the percentage of our budget that Texas school districts spent on administration. Did we exceed the cap in School FIRST for districts our size? 0-10 points awarded

Crosby received 10 points

User: Carla Merka
User Role: District

Select An Option



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FIRST**Financial Integrity Rating System of Texas****2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR
DATA INDICATOR TEST 5**

Name:	CROSBY ISD (101906)
Indicator:	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)
Result/Points	10
Last Updated:	7/15/2015 11:54:04 AM

FORMULA

Field	Value	
District Administrative Cost Ratio	0.0807	②
And		
ADA	4,914.41	②
Or		
Sparse	false	②

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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Test Question 6

- Did the comparison of Public Education Information Management (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 (Data Quality Measure)?

This indicator measures the quality of data reported to PEIMS and in our Annual Financial Report to make certain that the data reported in each case “matches up.” If the difference in the numbers reported in any fund type is 3 percent or more, we fail this test. You could receive 10 points or 0 points.

Crosby received 10 points

User: Carla Merka
User Role: District

Select An Option



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FIRST

Financial Integrity Rating System of Texas

**2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR
DATA INDICATOR TEST 6**

Name:	CROSBY ISD (101906)
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?
Result/Points	10
Last Updated:	8/17/2015 5:50:05 PM

FORMULA

Field	Value	
Sum of Differences	344	②
/ Denominator	42,983,408	②
< Acceptable Level of Variance	0.03	②
Mathematical Breakdown: $0 < 0.03$		

RESULT DETERMINATION REFERENCE**DETERMINATION OF POINTS**

10	0
< 3%	>= 3%

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Test Question 7

- Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness)

A clean audit of our Annual Financial Report would state our district has no material weaknesses in internal controls. Any internal weaknesses create a risk for the District not being able to properly account for its use of public funds, and should be immediately addressed.

You could receive 10 points or 0 points.

Crosby received 10 points

User: Carla Merka
User Role: District

Select An Option



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FIRST**Financial Integrity Rating System of Texas****2014-2015 RATINGS BASED ON 2013-2014 SCHOOL YEAR
DATA INDICATOR TEST 7**

Name:	CROSBY ISD (101906)
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.)
Result/Points	10
Last Updated:	4/6/2015 2:50:00 PM

FORMULA

Field	Value
Not Weak Internal Controls	false

RESULT DETERMINATION REFERENCE

DETERMINATION OF POINTS	
10	0
Yes	No

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Crosby ISD Results

- Total possible points 30
- CISD 30

Pass Rating

User: Carla Merka
User Role: District

RATING YEAR **2014-2015**

FIRST

Financial Integrity Rating System of Texas

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

Name: CROSBY ISD(101906)		Publication Level 1: 8/20/2015 11:24:40 AM	
Status: Passed		Publication Level 2: 8/20/2015 11:24:40 AM	
Rating: Pass		Last Updated: 8/20/2015 11:24:40 AM	
District Score: 30		Passing Score: 16	
#	Indicator Description	Updated	Score
1	<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>	4/6/2015 2:49:58 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>	4/6/2015 2:49:58 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</u>	4/6/2015 2:49:59 PM	Yes

	<u>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>		
4	<u>Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)</u>	7/30/2015 12:20:28 PM	Yes
			1 Multiplier Sum
5	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	7/15/2015 11:54:04 AM	10
6	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	8/17/2015 5:50:05 PM	10
7	<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.)</u>	4/6/2015 2:50:00 PM	10
			30 Weighted Sum
			1 Multiplier Sum
			30 Score

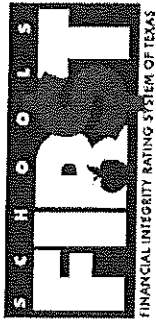
DETERMINATION OF RATING

A.	Did The District Answer ' No ' To Indicators 1, 2, 3, Or 4? If So, The District's Rating Is Substandard Achievement .	
B.	Determine Rating By Applicable Range For Summation of the Indicator Scores (Indicators 5-7)	
	Pass	16-30
	Substandard Achievement	<16

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Additional Reporting Requirements



Disclosures

Reporting requirements for the financial management report for Schools FIRST public hearing are found in Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System. This rule describes requirements for the five (5) disclosures explained below that are to be presented as appendices in the Schools FIRST financial management report.

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 Schools FIRST hearing in calendar year 2015. In lieu of publication in the Schools 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.

FIFTH CONTRACT ADDENDUM

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

WHEREAS, the Board of Trustees ("Board") of Crosby Independent School District ("District"), met on January 20, 2015; and

WHEREAS, at the meeting on January 20, 2015, the Board, on behalf of the District and pursuant to his Contract of Employment ("Contract"), offered Dr. Keith Moore ("Dr. Moore" or "Superintendent") an amendment to his Contract; and

WHEREAS, Dr. Moore has accepted the amendment to the Contract;

NOW, THEREFORE, pursuant to the authority of Section 11.201 of the Texas Education Code, the general laws of the State of Texas, the Board and Dr. Moore agree as follows:

Section 1.1 of the Superintendent's Contract executed on June 1, 2010, is amended to read as follows:

1. The Board, by and on behalf of the District, continues to employ the Superintendent, and the Superintendent accepts continued employment as Superintendent of Schools for the District for a term commencing on July 1, 2015 and ending on June 30, 2020. For each year under the Contract, the contract year shall be from July 1st through June 30th.

Section 3.1 of the Superintendent's Contract executed on June 1, 2010, is also amended to read as follows:

3.1 **Salary.** Effective July 1, 2015, the District shall pay the Superintendent an annual salary in the amount of One Hundred Eighty Five Thousand Dollars (\$185,000.00). This annual salary shall be paid to the Superintendent in equal installments consistent with Board policy. The Superintendent will be evaluated on an annual basis as set forth in Section IV of this Contract.

This Amendment is effective July 1, 2015 upon final execution of the signatures

listed below.

EXECUTED this 15th day of January, 2015.

BOARD OF TRUSTEES
CROSBY INDEPENDENT SCHOOL DISTRICT

By: 

Dr. James Hofmann
President, Board of Trustees

Date: 4/30/15

By: 

Dr. Keith Moore
Superintendent of Schools

Date: 4/28/15

SUPERINTENDENT'S EMPLOYMENT CONTRACT

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

THIS SUPERINTENDENT'S EMPLOYMENT CONTRACT ("Contract") is made and entered into effective the 1st day of July, 2014, by and between the Board of Trustees (the "Board") of the Crosby Independent School District (the "District") and Dr. Keith Moore ("Superintendent").

WITNESSETH:

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

I. Term

1.1 **Term.** The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept continued employment as Superintendent of Schools for the District commencing on July 1, 2014 and ending on June 30, 2019. In all years of this Contract, the contract year shall be from July 1st through June 30th. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Contract as permitted by state law. Failure to reissue the Contract for an extended term shall not constitute nonrenewal under Board policy.

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

II. Employment

2.1 **Duties.** The Superintendent is the chief executive of the District and 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 amended. Specifically, it shall be the duty of the Superintendent to recommend for employment all professional employees of the District subject to the Board's approval. It shall be the further duty of the Superintendent to employ all other personnel consistent with the Board's policies. The Board maintains the authority to employ and/or discharge members of the Superintendent's immediate family. It shall be the further duty of the Superintendent to direct, assign, reassign, evaluate and accept resignations all of the employees of the District consistent with Board policies and federal and state law. It shall be the further duty of the Superintendent to organize, reorganize, and arrange the staff of the District, and to develop and establish administrative regulations, rules, and procedures which the Superintendent deems necessary for the efficient and effective operation of the District consistent with the Board's lawful directives,

the Board's policies, and state and federal law. It shall be the further duty of the Superintendent to accept all resignations of employees of the District consistent with the Board's policies, except the Superintendent's resignation, which must be accepted by the Board. The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, diligence, skill and expertise. 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. The Superintendent shall at all times during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the State Board for Educator Certification or the Texas Education Agency and all other certificates required by law.

2.3 Reassignment and Suspension. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's express written consent; however, the Superintendent can be suspended with pay or placed on administrative leave with pay by the Board, with or without the Superintendent's consent.

2.4 Board Meetings. Unless otherwise prohibited by law, the Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Contract or the Superintendent's salary and benefits as set forth in this Contract, or 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. There may also be times when the Board and the Superintendent agree that it is appropriate for the Superintendent not to attend a Board meeting or a portion of a Board meeting. In that case, the Superintendent will be excused from attending the meeting or portion of the meeting. In the event of illness or Board President approved absence, the Superintendent's designee shall attend such meetings.

2.5 Criticisms, Complaints, and Suggestions. The Board, individually and collectively, shall refer all substantive criticisms, complaints, and suggestions called to the Board's attention to the Superintendent for study and appropriate action, and the Superintendent shall investigate such matters and inform the Board of the results of such action.

2.6 Legal Defense/Indemnification. The District agrees that, to the extent permitted by state law, it shall defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity or in his official capacity as agent and employee of the District if the incident in question arose while the Superintendent was acting within the course and scope of his employment and in conformity with the policies of the District. This defense and indemnity excludes criminal or other illegal acts and any other act, action or omission of the Superintendent which is determined to have been done, taken, or committed with malice or with intent to cause the injury or damage suffered by the claimant. This provision does not apply if the Superintendent is found to have materially breached his contract, to have acted with gross negligence or with intent to have violated a person's clearly established legal rights, to have acted outside the course and scope of his employment, to have engaged in criminal conduct, or to have engaged in official misconduct. This provision also does not apply to criminal investigations or proceedings. At its sole discretion, the District may fulfill the obligation under this paragraph by purchasing insurance coverage for the benefit of the Superintendent or by including the

Superintendent as a covered party under any contract providing errors and omissions insurance coverage purchased for the protection of the Board and the professional employees of the District. The Board may retain attorneys to represent the Superintendent in any proceeding for which he could seek indemnification under this paragraph, to the extent that damages are recoverable or a defense is provided under any such contract of insurance. In no event shall any individual Board member, present or future, be personally liable for defending or indemnifying the Superintendent against any such demands, claims, suits, actions and legal proceedings. The Board shall not be required to pay any costs of any legal proceedings in the event the Board and the Superintendent are adverse to each other in any such proceedings. The Superintendent shall reasonably cooperate with the District in the defense of any and all demands, claims, suits, actions and legal proceedings brought against the District. The Superintendent's obligation under this paragraph and the obligation of the District under this paragraph shall continue after the termination of this Contract.

III. Compensation

3.1 Salary. Effective July 1, 2014, the District shall provide the Superintendent with an annual salary in the sum of One Hundred Sixty Five Thousand Eight Hundred and Eighty Two dollars and 08/100 cents (\$165,882.08). This annual salary rate 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 Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in Section 3.1 of this Contract except by mutual agreement of the two parties. Such adjustments shall be made pursuant to a lawful Board action. In such event, the parties agree to provide their best efforts and reasonable cooperation to execute a new contract or contract amendment incorporating the adjusted salary. Such adjustments shall be made pursuant to a lawful Board resolution/action.

3.3 Vacation, Holiday and Personal Leave. The Superintendent may take, at the Superintendent's choice, with prior notice to the Board President, the same number of days of vacation authorized by policies adopted by the Board for administrators 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 Contract. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same personal leave benefits as authorized by Board policies for administrative employees on twelve-month contracts. The Superintendent will be compensated at the end of each school year for any vacation days not used during a contract year by paying the Superintendent for such days on a pro rata basis based on the same yearly salary paid during the school year. In addition, effective July 1, 2014, on an annual basis for each contract year, the Board grants the Superintendent's an additional five (5) vacation days for his use during each respective contract year. These extra five (5) vacations days must be used in the respective contract year, do not accrue, and are not eligible for cash reimbursement and/or payment for non-use.

3.4 **Health Insurance.** The District shall pay on the behalf the Superintendent basic premiums for hospitalization, major medical insurance, and any other insurance benefits paid on behalf of employees in Crosby ISD. The amount of these premiums shall not exceed the base amount of premium paid by the District on behalf of all full-time individual employees of Crosby ISD.

3.5 **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 active attendance at and participation in appropriate professional meetings at the local, regional, state and national levels. 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.

3.6 **Civic Activities.** The Superintendent is encouraged to participate in community and civic affairs. The expense of such activities, subject to Board approval, shall be borne by the District.

3.7 **Expenses.** Subject to Board approval, the District shall pay or reimburse the Superintendent for reasonable, business-related expenses incurred by the Superintendent in the continuing performance of his duties under the Contract. The District agrees to pay the actual expenses incurred by the Superintendent for out-of-district travel, including without limitation gasoline, hotels, accommodations, meals, and rental cars

3.8 **Supplemental Pay.** Effective July 1, 2014, the District agrees to pay the Superintendent annual supplemental pay in the amount of Nineteen Thousand Seventy Hundred and Forty Dollars and 00/100 cents (\$19,740). This annual supplemental pay shall be paid to the Superintendent in equal installments consistent with the Board's policies and shall increase annually for the remainder of the term of this contract, as appropriate, to correspond with the annual premium for TRS ActiveCare 3 Family Premium (or equivalent). Effective July 1, 2014 and ongoing, the Superintendent, other than the basic insurance premium provided the Superintendent in Paragraph 3.4 of this Agreement, is to use his own private funds to personally and directly pay for any and all premiums for hospitalization/major medical/health insurance, including dental and vision insurance of any nature to provide coverage for the Superintendent, his spouse and dependents.

3.9 **Allowances.** The District shall pay the Superintendent a Five Hundred Dollar and 00/100 cents (\$500) per month car allowance to assist with the purchase and maintenance of an automobile for personal and business use. This allowance shall be paid to the Superintendent with his regular paychecks, and is subject to all applicable tax requirements.

3.10 **Annual Physical Examination.** The Superintendent shall annually undergo a physical examination performed by a licensed physician mutually acceptable to the Board and the Superintendent. The examination should review the overall health of the Superintendent and determine the Superintendent's continuing physical fitness to fulfill the duties and responsibilities

of the position. The healthcare professional who performs the examination shall submit a confidential summary report directly to the Board President regarding the Superintendent's overall health and fitness to perform the functions of the job. The Board President shall provide the rest of the Board a verbal general overview of the healthcare professional's summary report of the Superintendent's overall health and continued fitness to perform the functions of his job. These report(s) will be maintained as confidential medical records to the extent required by law. The District shall pay all reasonable costs of the examination. The examination shall be conducted in January or February of each year of the Contract, or at such other time during each Contract year as requested by the Superintendent and agreed to by the Board, such agreement not to be unreasonably withheld or delayed.

3.11 **Teacher Retirement System of Texas.** During the term of this Contract, the Superintendent shall participate in the Teacher Retirement System of Texas. Effective July 1, 2014, and through the term of this Contract, the District shall pay the Superintendent's portion of the monthly contribution to the Texas Teacher Retirement System (TRS) on behalf of the Superintendent in the percentage amount required by the Texas Teacher Retirement System (currently 6.5 %) for the account of the Superintendent.

IV. Annual Performance Goals

4.1 **Development of Goals.** On or before September 1st of every year during the term of this Contract, the Superintendent and the Board shall develop the goals for the District. The goals approved by the Board shall be reduced to writing and shall be among the criteria on which the Superintendent's performance will be reviewed and evaluated.

V. Review of Performance

5.1 **Time and Basis of Evaluation.** The Board shall evaluate and assess in writing the performance of the Superintendent at least once each year during the term this Contract. The evaluation and assessment shall be related to the duties of the Superintendent as outlined in the Superintendent's job description, to the adopted annual goals and any Superintendent evaluation requirements of the Texas Commissioner of Education.

5.2 **Confidentiality.** Unless the Superintendent specifically requests otherwise in writing, the formal evaluation of the Superintendent's performance shall be held in executive session and shall be considered confidential to the extent permitted by law. Nothing herein prevents the Board or Superintendent from sharing the content of the Superintendent's formal evaluation with their respective legal counsel.

5.3 **Evaluation Format and Procedure** The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law and based on the evaluation instrument selected by the Board. In the event the Board deems that the evaluation instrument, format and/or procedure is to be modified by the Board and such modifications would require new or different performance expectations, the Superintendent shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated. The Board further agrees to encourage any new member of the Board, who has served less than ninety (90) days on the Board prior to the formal evaluation of the Superintendent to not participate in the formal review process of the Superintendent for that respective contract year.

VI. Renewal or Nonrenewal of Employment Contract

6.1 **Renewal/Nonrenewal.** Renewal or nonrenewal shall be in accordance with Board policy, Texas Education Code Chapter 21, Subchapter E, and applicable law.

VII. Termination of Employment Contract

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

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

7.3 **Dismissal for Good Cause.** The Board may dismiss the Superintendent during the term of the Contract for good cause in accordance with state law and Board policy.

7.4 **Termination Procedure.** In the event the Board proposes the termination of 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.

7.5 **Resignation of Superintendent.** The Superintendent may leave the employment of the District at the end of a school year without penalty by filing a written resignation with the Board. The resignation must be addressed to the Board and filed not later than the 45th day before the first day of instruction of the following year. The Superintendent may resign, with the consent of the Board, at any other time.

Article VIII. Miscellaneous

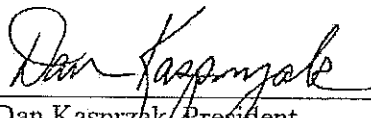
8.1 **Controlling Law.** This Contract shall be governed by the laws of the State of Texas and shall be performable in Harris County, Texas, unless otherwise provided by law.

8.2 **Complete Agreement.** This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties, except as expressly provided herein.

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


8.4 **Savings Clause.** In the event any one or more of the provisions contained in this Contract 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 Contract 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 Contract, and this Contract constitutes the entire agreement between the parties unless amended pursuant to the terms of this Contract.

CROSBY INDEPENDENT SCHOOL DISTRICT

By: 
Dan Kasprzak, President,
Board of Trustees
Crosby Independent School District

Executed this 17 day of February, 2014.

SUPERINTENDENT

By: 
Dr. Keith Moore

Executed this 17 day of February, 2014.

Disclosures

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2014

For the Twelve-month Period Ended June 30 or August 31, 2014									
Description of Reimbursements	Superintendent	Kaprzak	Windfont	Hofmann	Porter	Lindsey	Eagleton	Crawford	
Meals	\$770.00	\$140.00	\$648.00	\$140.00	\$105.00	\$140.00	\$648.00	\$280.00	
Lodging	\$3,622.87	\$757.35	\$2,979.24	\$725.44	\$484.00	\$854.61	\$3,236.40	\$1,482.79	
Transportation	\$1,754.76	\$367.25	\$2,319.33	\$312.45	\$312.00	\$249.17	\$2,275.27	\$679.70	
Motor Fuel	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other	\$1,849.00	\$865.00	\$2,250.27	\$420.00	\$367.00	\$444.00	\$2,219.15	\$1,285.35	
Total	\$7,996.55	\$2,129.60	\$8,196.84	\$1,598.24	\$1,267.98	\$1,687.95	\$8,378.82	\$3,727.84	

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2014, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

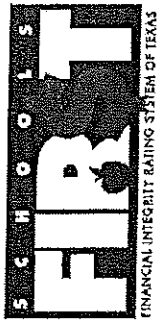
Meals – Meals consumed off of the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.



Disclosures

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2014

For the Twelve-Month Period Ended June 30 or August 31, 2014	
Name(s) of Entity(ies)	
	\$0
Total	\$0

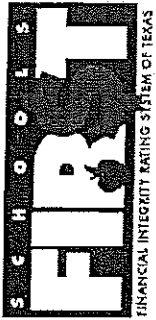
Note – Compensation does not include business revenues from the superintendent's livestock or agricultural-based activities on a ranch or farm. Report gross amount received (do not deduct business expenses from gross revenues). Revenues generated from a family business that have no relationship to school 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 2014

For the Twelve-Month Period Ended June 30 or August 31, 2014									
Summary Amounts	Superintendent	Kaprzak	Windfont	Hofmann	Porter	Lindsey	Eagleton	Crawford	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. (Any gifts received by their immediate family as described in Government Code, Chapter 573, Subchapter B, Relationships by Consanguinity or by Affinity will be reported under the applicable school official.)

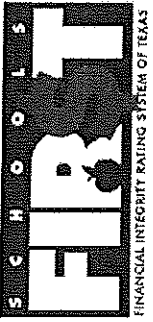


Disclosures

5. Business Transactions Between School District and Board Members for Fiscal Year 2014

For the Twelve-Month Period Ended June 30 or August 31, 2014						
	Kaprzak	Windfont	Hofmann	Porter	Lindsey	Eagleton
Summary Amounts	\$0	\$0	\$0	\$0	\$0	\$0

Note - The summary amounts reported under this disclosure are not to duplicate the items reported in the summary schedule of reimbursements received by board members.



Disclosures

Item 6 Other Information.

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

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 41: 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 41 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).

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.

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.

Effective Tax Rate: Provides the unit with approximately the same amount of revenue it had the year before on properties taxes in both years. A comparison of the effective tax rate to the taxing unit's proposed tax rate shows if there will be a tax increase.

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 or state government entity for Federally-subsidized programs including the School Breakfast Program, National School Lunch Program, and School Health and Related



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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 under Function 90.

Investments in Capital Assets, Net of Related Debt: One of three components of net assets



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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.

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 assets. 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
- 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



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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.

Rollback 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



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required; it's an automatic election if the adopted rate exceeds the rollback rate.

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

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.