



ROBINSON ISD

**FINANCIAL INTEGRITY RATING
SYSTEM OF TEXAS**

2017-2018 Rating

(2016-2017 School Year Data)



ROBINSON ISD'S FINANCIAL ACCOUNTABILITY RATING 2017-2018

Robinson Independent School District received a rating of “A” for “Superior Achievement” under Texas’ School FIRST financial accountability rating system. The “Superior Achievement” rating is the state’s highest, demonstrating the quality of Robinson ISD’s financial management and reporting system.

This is the 16th year of School FIRST (Financial Accountability Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system. The Schools FIRST accountability rating ensures that Texas school districts are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

Amendments to the School FIRST system were implemented by the Texas Education Agency in August 2015 that combined financial indicators with financial solvency indicators, in accordance with House Bill 5, 83rd Texas Legislature, Regular Session, 2013. The Texas Education Agency assigns one of four financial accountability ratings to Texas school districts, with the highest being “A” for “Superior Achievement,” followed by “B” for “Above-Standard Achievement,” “C” for “Standard Achievement” and “F” for “Substandard Achievement.” Robinson ISD consistently achieved the rating of Superior Achievement every year.

The fifteen indicators looked at by TEA are:

- 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? Yes.**

This is a simple “Yes” or “No” indicator. Was our Annual Financial Report filed by the deadline?

- 2.a. Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)? Yes.**

A “modified” version of the auditor’s opinion in our annual audit report means that we need to correct some of our reporting or financial controls. Our district’s goal, therefore, is to receive an “unmodified opinion” on our Annual Financial Report. This is a simple “Yes” or “No” indicator.

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

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

- 3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its**

forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.) Yes.

This indicator seeks to make certain that our district has paid our bills/obligations on 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 Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? Yes.**

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 Position 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.)? Yes.**

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)?”

Fortunately, this indicator recognizes that high-growth districts incur large amounts of

debt to fund construction, and that total debt may exceed the total amount of assets under certain scenarios.

- 6. Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? RISD had 72.4 days.**

A value between 60 and 74 earned 6 out of 10 points. A value of 90 was required to earn the maximum 10 points. 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.

- 7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? RISD had a value of 2.49.**

A value between 2.0 and 2.5 earned 6 out of 10 points. A value of 3.0 was required to earn the maximum 10 points. 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.

- 8. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) RISD had a value of 0.59 with a 2.5% increase in enrollment.**

A value less than 0.60 earned the maximum 10 points. This question is like asking someone if their mortgage exceeds the market value of their home. Fortunately, this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.

- 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? No, expenditures exceeded revenues, however RISD had 72.4 days of cash on hand.

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.)

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

RISD had a value of 1.74.

A value of 1.20 or more earned the maximum 10 points. This indicator asks about the school district’s ability to make debt principal and interest payments that will become due during the year.

11. Was the school district’s administrative cost ratio equal to or less than the threshold ratio? RISD had a ratio of 8.6%.

A ratio of 11.51% or less earned the maximum 10 points. This indicator measures the percentage of budget that Texas school districts spent on administration.

12. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.) RISD increased enrollment and earned 10 points.

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.)

13. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district’s AFR result in a total variance of less

than 3 percent of all expenditures by function (Data Quality Measure)? Our data variance was less than 0.001% so we earned 10 points.

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 numbers reported in any fund type is 3 percent or more, our district “fails” this measure.

14. Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.) Yes (earned 10 points).

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.

15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds as a result of a financial hardship? RISD does not have an adjusted repayment plan (earned 10 points).

This indicator asks if the district had to ask for an easy payment plan to return monies to TEA after spending the overpayment from the Foundation School Program state aid.

Because the District earned a score of 92 (out of 100) and answered “Yes” to indicators 1, 2.a., and 3-5, the District earned a “Superior” rating. The following pages

contain required disclosures related to financial transactions between the district and superintendent and/or board members.

School FIRST Annual Financial Management Report

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended August 31, 2017

<u>Description of Reimbursements</u>	<u>Michael Hope</u>	<u>Jabo Rubin</u>	<u>Justin Wiese</u>	<u>Barry Gann</u>	<u>Jeff Strain</u>	<u>Kevin Kenny</u>	<u>Laura Crawford</u>	<u>Keith Helpert</u>
Meals	\$ 206.62	\$	\$	\$	\$	\$	\$	\$
Lodging	\$ -							
Transportation	\$ -							
Motor Fuel	\$ -							
Other	\$ 363.75							
Total	\$ 570.37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services

For the Twelve-Month Period
Ended August 31, 2017

NONE

Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any) (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)

For the Twelve-Month Period
Ended August 31, 2017

NONE

Business Transactions Between School District and Board Members

For the Twelve-Month Period
Ended August 31, 2017

NONE

Date given Superintendent: 7/16/18

STATE OF TEXAS

Date returned by Superintendent: 7/25/18

COUNTY OF MCLENNAN

**ROBINSON INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S TERM CONTRACT ADDENDUM**

THIS CONTRACT ADDENDUM is entered into between the Board of Trustees ("Board") of Robinson Independent School District ("District") and Michael Hope ("Superintendent").

NOW, THEREFORE, the Board and 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:

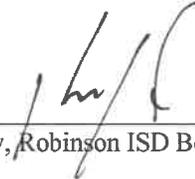
I. Term

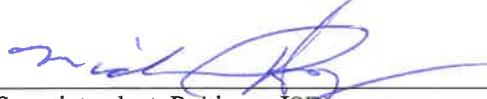
1.1 The Superintendent shall be employed on a 12-month basis, for a term of 4 year(s) commencing on July 1, 2018 and ending on June 30, 2022. The District may, by action of the Board, and with consent and approval of the Superintendent, extend the term of this contract as permitted by law.

EXECUTED at the City of Robinson, County of McLennan and State of Texas, this 16th day of July, 2018, pursuant to action of the Board of Trustees at a meeting held on July 16, 2018, for which there was a properly posted agenda that included an item related to employment of a superintendent.

ROBINSON INDEPENDENT SCHOOL DISTRICT

By: 
(President, Robinson ISD Board of Trustees)


(Secretary, Robinson ISD Board of Trustees)


(Superintendent, Robinson ISD)

It is the policy of the Robinson Independent School District not to discriminate on the basis of sex, disability, race, color, age, religion, national origin, or status as a veteran in its educational and vocational programs, activities, or employment.

Date given Superintendent: _____

STATE OF TEXAS

Date returned by Superintendent: _____

COUNTY OF MCLENNAN

ROBINSON INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S TERM CONTRACT

THIS CONTRACT is entered into between the Board of Trustees ("Board") of Robinson Independent School District ("District") and Michael Hope ("Superintendent").

NOW, THEREFORE, the Board and 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 The Superintendent shall be employed on a 12-month basis, for a term of 4 year(s) commencing on July 1, 2016 and ending on June 30, 2020. The District may, by action of the Board, and with consent and approval of the Superintendent, extend the term of this contract as permitted by law.
- 1.2 The Board has not adopted any policy, rule, regulation, law or practice providing for tenure. No right of tenure is created by this term 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 educational leader and 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 assigned by action of the Board, and shall comply with all Board directives, state, and federal law, district policies, rules, and regulations as they exist or may hereafter be amended. The Superintendent shall perform the duties of the Superintendent of Schools for the Robinson ISD with reasonable care, diligence, skill, and expertise and shall devote substantially all of his/her time, skill, labor, and attention to his/her employment and the performance of these duties during the term of this contract.
- 2.2. *Professionalism Certification.* The Superintendent shall at all times during employment by the District hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the Texas Education Agency or the State Board of Educator Certification and all other certificates required by law. The Superintendent represents that he/she has made written disclosure to the Board of any arrest, indictment, conviction, no contest, or guilty plea, or other adjudication. The Superintendent shall also be subject to a criminal history record check, and his/her employment is contingent upon such results being favorable and consistent with information previously disclosed to the Board.
- 2.3. *Board Meetings.* The Superintendent shall attend all meetings of the Board, both open to the public and closed, unless a majority of the Board determines that the Superintendent should be excluded. The Superintendent generally shall be excluded from all or a portion of those closed meetings devoted to the consideration of any matter regarding the Superintendent's employment, the Superintendent's salary and benefits, and the Superintendent's evaluation and from those closed meetings devoted to interpersonal relationships between individual Board members. In the event of illness or Board-approved absence, the Superintendent's designee shall attend such meetings.

- 2.4 *Criticisms, Complaints.* Individual Board members shall refer to the Superintendent all substantive criticisms, complaints, and suggestions brought to their attention by employees or members of the public. The Superintendent shall look into the matter and direct a complainant to the appropriate policy for resolution of the complaint. When the matter is a substantive criticism or suggestion, the Superintendent shall investigate and make a report to the Board for its consideration.
- 2.5 *Civic Activities.* The Superintendent is encouraged to participate in community and civic affairs including chamber of commerce, civic clubs, governmental committees, and educational organizations. The cost of membership in such activities, if any, and subject to Board approval in advance, shall be borne by the District.
- 2.6 *Reassignment.* The Superintendent cannot be reassigned from the position of Superintendent without the Superintendent's express written consent.
- 2.7 *Indemnification.* To the extent it may be permitted to do by applicable law, including, but not limited to Texas Civil Practice & Remedies Code, Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorney's fees incurred in any legal proceedings brought against 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 or omission of Superintendent as an employee of the District, acting within the course and scope of Superintendent's employment with the District; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorney's fees for those claims or any causes of action where it is determined that Superintendent committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the District or by Superintendent. The selection of Superintendent's legal counsel shall be with mutual agreement of Superintendent and District if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent this Section 2.7 exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 2.7 shall survive the termination of this contract.

III. Compensation

- 3.1 *Salary.* The District shall provide the Superintendent with an annual salary in the sum of one hundred fifty-three thousand dollars and no/100 (\$153,000.00). The annual salary shall be paid to the Superintendent in equal monthly installments consistent with the Board's policies.
- 3.2 *Salary Adjustments.* The District will provide the Superintendent with an annual base pay increase of 2% or the percent increase given to District administrators (whichever is greater). If the Board chooses to adjust the Superintendent's salary above that percentage, the adjustment would require Board approval and shall be in the form of a written addendum to this contract or a new contract shall be issued. Such adjustments shall be effective on July 1st of the contract year.
- 3.3 *Vacations, Holidays, Leave Benefit.* Subject to the Board's approval of the scheduling, the Superintendent may take the same number of days of vacation as are authorized by Board policy for administrative employees on twelve-month contracts. These vacation days will be taken at times that will least interfere with the performance of the Superintendent's duties as set forth in this term contract. Unused vacation does not accumulate from year to year and cannot be converted into compensation at the termination of the employment relationship or any other time. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent shall be subject to the leave policies applicable to all employees as stated in adopted board policy.

- 3.4 *Automobile Allowance/Expense Benefit.* The Superintendent shall receive a \$450 car allowance per month for in-district travel. The Superintendent shall be compensated for out-of district travel at actual costs.
- 3.5 *Telecommunications Allowance.* The Superintendent shall receive a \$100 per month allowance for mobile communications.
- 3.6 *Deferred Compensation-Longevity Stipend.* The District desires to promote and encourage a long-term commitment in employing the Superintendent. The District will pay a longevity stipend of \$5,000 to the Superintendent in June of each contract year.
- 3.7 *Professional Organizations.* In its encouragement of the Superintendent to grow professionally, the Board shall pay the membership dues to three professional organizations.
- 3.8 *Expenses.* The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this contract. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

IV. Annual Performance Goals

- 4.1 *Development of Goals.* The Superintendent shall submit to the Board each year, for its consideration and adoption, a preliminary list of goals for the District. The Superintendent and the Board shall meet and the Board shall approve or revise the list of goals. The goals approved by the Board shall at all times be reduced to writing and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated. The Board agrees to work with and support the Superintendent in achieving the District goals.

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 of this term contract. The Board's evaluation and assessment shall be reasonably related to the duties of the Superintendent and shall be based on the District's progress towards accomplishing the District goals. The Board, at its discretion, may evaluate the performance of the Superintendent more frequently.
- 5.2 *Evaluation Format and Procedure.* The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law.
- 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 Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

VI. Renewal or Non-renewal of Term Contract

- 6.1 *Renewal/Non-renewal.* Contract renewal or non-renewal shall be in accordance with Board policy and Texas Education Code Chapter 21, Subchapter E, and applicable law.

VII. Termination of Contract

- 7.1 *Mutual Agreement.* This term 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 *Resignation.* 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 not later than the 45th day before the first day of instruction of the following school year. The Superintendent may resign with the consent of the Board at any other time.
- 7.3 *Retirement or Death.* This term contract shall be terminated upon the retirement or death of the Superintendent.
- 7.4 *Suspension.* In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent without pay during the term of this contract for good cause as determined by the Board.
- 7.5 *Termination and Nonrenewal of Contract.* Termination or nonrenewal of this contract will be pursuant to Texas Education Code Chapter 21.

VIII. Miscellaneous

- 8.1 *Applicable Law and Venue.* This term contract shall be governed by the laws of the State of Texas, and shall be performable in McLennan County, Texas, unless otherwise provided by law.
- 8.2 *Amendment.* This Contract may not be amended except by written agreement of the Board and the Superintendent ("Parties").
- 8.3 *Severability.* If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.
- 8.4 *Entire Agreement.* All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract and any addenda constitute the entire agreement between the Parties.
- 8.5 *Paragraph Headings.* The headings used at the beginning of each numbered paragraph in this Contract are not intended to have any legal effect; the headings do not limit or expand the meaning of the paragraphs that follow them.

EXECUTED at the City of Robinson, County of McLennan and State of Texas, this 18th day of July, 2016, pursuant to action of the Board of Trustees at a meeting held on July 18, 2016, for which there was a properly posted agenda that included an item related to employment of a superintendent.

ROBINSON INDEPENDENT SCHOOL DISTRICT

By: 
(President, Robinson ISD Board of Trustees)


(Secretary, Robinson ISD Board of Trustees)


(Superintendent, Robinson ISD)

It is the policy of the Robinson Independent School District not to discriminate on the basis of sex, disability, race, color, age, religion, national origin, or status as a veteran in its educational and vocational programs, activities, or employment.