

Boerne Independent School District  
Boerne, Texas



**Annual Financial Management and Accountability Report  
For the Year Ending June 30, 2014**

**Boerne Independent School District  
Financial Management and Accountability Report  
June 30, 2014**

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**Boerne Independent School District  
Financial Management and Accountability Report  
June 30, 2014**

October 19, 2015

Dale Adams, President  
Members of the Board of Trustees  
Boerne Independent School District  
Boerne, Texas

Dear Mr. Adams and Members:

Senate Bill 218 of the 77<sup>th</sup> Legislature (2001) authorized the implementation of the Financial Integrity Rating System of Texas, officially known as School FIRST as written in law of the Texas Education Code, Chapter 39, and Subchapter D. The district's rating is determined by using the financial indicators specified in 19 Texas Administrative Code (TAC) §109.1001(e). This law requires each school district to prepare and distribute an annual financial management report, and to provide the public an opportunity to comment on the report at a public meeting. The annual financial management report must include a description of the district's financial management performance based on indicators provided by the Texas Education Agency (TEA). The primary goal of School FIRST is to improve the management of school districts' financial resources.

The current School FIRST rating is based on student, staff, budgetary, and actual financial data reported through the Public Education Information System (PEIMS) for the fiscal year ended June 30, 2014. By its letter dated August 7, 2015, TEA notified the District of its 2014-2015 preliminary School FIRST rating. The District is pleased to announce a **"Passed"** rating for the Boerne Independent School District based on the seven indicators established by the Texas Education Agency. Districts receiving the highest ratings prior to 2014-2015 received "Superior" ratings. The Commissioner of Education changed the ratings for the 2014-2015 to "Passed" or "Failed". For subsequent rating years the rating will be "A" for superior achievement; "B" for above standard; "C" for standard; "F" for substandard. Boerne ISD is proud to report this is the thirteenth year of receiving the highest rating available.

This report includes a copy of the worksheet TEA used to determine the rating along with the District's responses to the indicators, other relevant information that expands on the indicators, and additional disclosures as required.

Respectfully submitted,

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David Stelmazewski  
Superintendent

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Tish Grill  
Assistant Superintendent, Business and Finance

**Boerne Independent School District  
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**Financial Integrity Rating System of Texas**

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

<b>Name: BOERNE ISD(130901)</b>		<b>Publication Level 1:</b> 8/20/2015 11:24:40 AM	
<b>Status: Passed</b>		<b>Publication Level 2:</b> 8/20/2015 11:24:40 AM	
<b>Rating:</b> Pass		<b>Last Updated:</b> 8/20/2015 11:24:40 AM	
<b>District Score:</b> 30		<b>Passing Score:</b> 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 2:59:27 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 2:59:27 PM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money) and</u>	4/6/2015 2:59:28 PM	Yes

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	<u>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 12:24:33 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 11:58:12 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 5:54:11 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 2:59:29 PM	10
			30 Weighted Sum
			1 Multiplier Sum
			30 Score

**DETERMINATION OF RATING**

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

Home Page: [Financial Accountability](#) | Send comments or suggestions to [FinancialAccountability@tea.state.tx.us](mailto:FinancialAccountability@tea.state.tx.us)

THE TEXAS EDUCATION AGENCY

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463-9734

## ***Response to Base Indicators***

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1. Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?

**a. YES**

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

**a. YES**

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc. That owes money) and their creditors, which includes a plan for paying back the debt).

**a. YES**

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.)?

**a. YES**

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

**a. Boerne ISD administrative ratio .0574**

**b. State recommended for district our size <.1000**

6. 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)?

**a. .03**

**b. State recommendation <3%**

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. YES**



# DISCLOSURES

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Reporting requirements for the financial management report for School 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 six (6) disclosures explained below that are to be presented as appendices in the School FIRST financial management report.

## 1. Superintendent’s Employment Contract

Superintendent David Stelmazewski 2015-2016 employment contract can be found online at [www.boerne-isd.net](http://www.boerne-isd.net) located under the Superintendent web page.

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

For the Twelve-month Period Ended June 30, 2014	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
Description of Reimbursements	David Stelmazewski	Dale Adams	Donna Sharp	Maritza Gonzalez -Cooper	Ernie Pyles	Susan Allen	Alan Rich	Rich Sena
Meals	\$	\$	\$	\$	\$	\$	\$	\$
Lodging								
Transportation								
Motor Fuel								
Other								
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

# DISCLOSURES

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### 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, 2014	
Name(s) of Entity(ies)	
	\$
<i>NONE</i>	
Total	\$ 0

### 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, 2014	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
	David Stelmazewski	Dale Adams	Donna Sharp	Maritza Gonzalez-Cooper	Ernie Pyles	Susan Allen	Alan Rich	Rich Sena
Summary Amounts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

# DISCLOSURES

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

For the Twelve-Month Period Ended June 30, 2014	Board Member Dale Adams	Board Member Donna Sharp	Board Member Maritza Gonzalez-Cooper	Board Member Ernie Pyles	Board Member Susan Allen	Board Member Alan Rich	Board Member Rich Sena
Summary Amounts	\$0	\$0	\$0	\$0	\$0	\$0	\$0

