

STATE OF TEXAS

(Minutes conducted via electronic voting)

COUNTY OF CAMERON

BE IT REMEMBERED, that on the **8th day of December, 2025**, the Board of Trustees of the Brownsville Independent School District met in a **Special Called Board Meeting** at the Administration Building, 1900 Price Road, Brownsville, Texas, for the purpose of transacting any and all business that came before the Board and with the following to wit:

PRESENT:

Daniella Lopez Valdez	President
Frank Ortiz	Vice-President
Minerva Pena	Secretary
Carlos Elizondo	Board Member (via zoom)
Denise Garza	Member
Jessica Gonzalez	Member
Neida Ruth Grantland	Member

ABSENT:

ALSO PRESENT:

Dr. Jesus H. Chavez	Superintendent of Schools
Eric Flores	Attorney for the Board

ALSO ABSENT:

None

WHEREUPON, a quorum being present and it appearing before the Board, it is hereby so found that notice of this **Special Called Board Meeting** has been duly given in the manner and for the length of time as prescribed by law. The meeting was called to order and declared ready for the transaction of business with the following to wit:

- I. Special Called Board Meeting called to order by Daniella Lopez Valdez, Board President at 5:30 p.m.**
- II. Moment of Silence led by Dr. Jesus H. Chavez, Superintendent.**
- III. Pledge of Allegiance led by Daniella Lopez Valdez, Board President.**
- IV. Roll Call. Daniella Lopez Valdez, Board Member** announced that all Trustees are present and Mr. Carlos Elizondo is participating via zoom.
- V. Recommend approving the agenda of the Special Called Board Meeting of Monday, December 8, 2025, with any corrections/deletions.**

Mr. Carlos Elizondo, Board Member stated, I vote yes.

Ms. Jessica Gonzalez, Board Member stated, I motion to approve. Ms. Denise Garza, Board Member stated, second. Ms. Daniella Lopez Valdez, Board President stated, I would like to make a motion to Change the Order of the Day to move VII. A. 1, a, b, c and d before conference presentations. *Mr. Ben Castillo, Board Attorney stated is there a second.* Ms. Jessica Gonzalez raised her and stated, I second. Ms. Denise Garza stated, second.

Mr. Carlos Elizondo stated, I vote yes ma'am

Motion made by Daniella Lopez Valdez, seconded by Jessica Gonzalez, and unanimously carried to recommend approving the agenda of the Special Called Board Meeting of Monday, December 8, 2025 and to Change the Order of the Day, VII. A. 1, a, b, c, d after agenda item V. (7-0-0)

Change Order of the Day VII. A. 1, a, b, c and d after Agenda Item V

VII. Board Agenda Request(s):

A. Conference Presentation(s):

1. Presentation: Board Agenda Request Neida Ruth Grantland/Board Support Daniella Lopez Valdez.

- a. Tax Ratification Election (TRE)
- b. Tax Rate Increase (TRI)
- c. Elementary and Secondary School Emergency Relief (ESSER)
- d. Voter Approved Tax Ratification Election (VATRE)

Dr. Jesus Chavez, Superintendent stated, Madam President and members of the Board, we're going to ask Mary Garza to do a presentation for us. Ms. Mary Garza, Interim Chief Financial Officer stated good evening, Madam Chair, Dr. Chavez. Hello? Good evening, Madam Chair, Dr. Chavez, members of the Board, and audience. So, we're going to go over the Tax Ratification election and the Tax Rate Increase timeline. So, there are two types of taxes for different things. So, I'm going to go a little bit over the tax rate. So, we have the Maintenance and Operation and the Interest and Sinking. The M&O, which is Maintenance and Operation, is for everyday district operations, whereas I&S is for the Debt on school Bonds, which are voter approved. And how does this work? Back in 2015-2016, after the budget was approved, the district decided to go ahead and hold an election a Tax Ratification Election to move the pennies from the I&S over to the M&O side. So that is called a swap, an exchange from one bucket to the other. So, our Maintenance and Operation Tax Rate for 2015-2016, we had \$0.1125 pennies on the Interest & Sinking, and we told the voters that we wanted to swap or move the monies, the pennies, over to the M&O. And at that time, our M&O tax rate was at \$1.04. So when we swapped the money, the pennies over, then we would have a tax rate that was going to generate about \$24 million. And the total tax rate was going to be \$1.15. So from the 24 million, since we no longer have pennies on the interest and sinking side, the state nor, we were not going to have any state aid from the existing debt allotment or the Instructional Facilities Allotment in order to make the bond payment for the principal and interest. So therefore, the money that was going to be generating by maximizing the state aid on the maintenance and operations side, we were going to have to move funds of \$16 million to cover the debt payment. That would generate

extra funds of \$8 million that would be used to cover one-time construction projects. Now, keep in mind, if we don't have pennies on the Interest & Sinking side of the tax rate, that means that the state cannot pay the school district any funds for the existing Debt allotment or the Instructional Facilities Allotment. The total tax rate for the year was going to be \$1.1525. So there was not going to be a difference in the tax rate that was identified during the budget process. So the Tax Ratification Election notice that was in the newspaper and in all of the flyers and presentations that the District did with the community was that we were going to be shifting the pennies over to the M&O side. The total tax rate after the voters would go to the polls was going to remain the same. So, no increase by shifting the pennies over. The funds that would be generated would be used to cover the Pace Early College High School Band Room new facilities, Porter Band Room. It's the Fine Arts building for both Porter and Pace. We were going to upgrade the soccer field at Lopez Early College High School. And for Veterans Memorial Early College High School, we were going to build a visitor's bathroom and facility stadium. For the middle schools, we were going to add a four-lane track and field for Besteiro, Lucio, and Vela. Out of the local tax rate for the rest of the schools, we were going to continue with safety and security resources and library resources. So, this is what we told the tax voters that we would do these construction projects if they would give us the approval to shift the pennies. At the end of the election on October 6th, the district received enough votes and the Ratification Election passed. The first meeting that took place after the TRE election was on Tuesday, October 20th and that was the first of many Facility committee meetings that was going to be taking place. During that agenda, the TRE Projects that were discussed were the Pace and Porter, Fine Arts, Band Halls, the high school soccer fields. And if you notice, it says high school soccer fields, plural. In the flyer that was addressed during the presentations, it was only referencing to Lopez. But once the meeting took place, the rest of the high schools were added. We were also going to be doing the middle school track fields which identified the three campuses. Elementary priorities, we were going to be doing the entry canopies, and that was for two elementary campuses. And we were going to address the visitor side restroom facility. There was other items that were presented at that meeting. So, the timeline. In June of 2015, when the budget was adopted with a slight increase on the I&S Tax Rate, that was done in June of 2015. October 2016, we had the Ratification Election of moving the \$0.1125 pennies from the Interest & Sinking over to the M&O side. On October 20, we had the first Facilities meeting to review the TRE projects. In 2016, that was the second year of the TRE funding and the TRE projects continued. In 2017, the TRE projects were still in progress, 2018 and 2019. Here's a summary of all the projects and the total cost and the dollar amount that was generated from two years of funding under the TRE project. So, we had the Fine Arts Buildings of Porter and Pace and then we had the six high school TURFS, Hanna Porter, Pace Rivera, Lopez, and Veterans. We had the three middle school four-lane tracks for Vela, Lucio, and Besteiro. The two elementary campuses at Morningside and at Martin. And then at Veterans, we ended up doing the restrooms, concession stands, and ticket booth for a total of \$16.6 million. So that lasted for two years, 15-16 and 16-17, so where we had the tax rate. During the budget process in 17-18, with the change in Board, we went ahead and during the budget discussions, it's like, okay, we maximized the State funding on the M&O side, but as I showed in the slide before, we were no longer getting the IFA and the EDA. The only way to be able to get that funding back is if

we put pennies on the I&S side. So, during the budget discussion and based on the needs that the district had for facility upgrades, the district decided to go ahead and increase the pennies on the I&S tax rate side. So, we still had \$1.15. So we said, let's go ahead and put the \$0.1125 pennies, increase the tax rate, so that we could generate the IFA and EDA, and now the state would fund us about 65% and the local would generate 35% through the tax collections. And we would generate approximately \$16 million in order to cover the Debt payment. And we no longer had to use it from the \$20 million that those \$0.1125 pennies were generating on the M&O side for fiscal year 15-16 and 16-17. So now anywhere between 20, 23, \$25 million, those funds now would all be utilized for renovation projects. Because we increased the total tax rate, the district adopted the acronym TRI, Tax Rate Increase, in order to keep track of these funds separate from the TRE funds. So, the total tax rate was \$1.26, and that went on for 17-18 and 18-19. During the budget meetings, And during the month of June, when the budget was approved, this was the flyer that was presented at the budget meeting and also in the newspaper. that the district was going to go ahead and have a higher tax rate in order to generate and free up those 20 to \$25 million on the M & O side in order to do projects. Now, these were proposed projects for a period of five years, from 2017 to 2021. So the additional funds raised for the tax increase over the next fiscal years of 2017 through 2021 will be designated for necessary repairs, maintenance, and safety upgrades at campuses and district facilities, as well as new projects to support student, academic, and extracurricular opportunities. The proposed projects totaled about \$100 million. During the budget process for this fiscal year, 17-18, the Maintenance Department had done a preliminary study of all of the District needs and had identified approximately \$110 million in projects in priority order for HVAC roofing, parking, canopies. Now, the proposed items that were identified in the flyer also include pre-kindergarten programs, which that is not a remodeling project, but the district that year did expand pre-K programs to have the pre-K three-year-old. And then we had discussed having a Performing Arts Center, Phase 1, the early Hanna Early College High School Gymnasium, and any other future athletic facility projects, KBSD ITV reallocation, school renovation projects, including future new schools or replacement of existing schools, Sam Stadium upgrade, in order to meet handicap access and other upgrades. School roofing, HVAC lighting replacement and upgrades, district-wide parking lot repairs and upgrades. The bottom section of the proposed of that flyer also indicated where the district's tax rate compared to other districts within the Valley. As you can see, at the tax rate of \$1.15 before we increase the pennies on the I&S side, was it \$1.15, which was the lowest in Region 1. The 0.1125 added to the 11 and 15 cents brought the tax rate to the \$1.26. So, then we would be right between Ed Couch, Elsa, and Donna, still one of the lowest districts in the Valley with the tax rate. The timeline for the tax rate increase was that in 2017, during the budget planning process and on June 2017 the district budget was with the expectation to reinstate the I&S Interest & Sinking Tax Rate to receive IFA which was the Instructional Facilities Allotment and EDA the Existing Debt Allotment to pay for the voter approved bonds, the principal and interest. This would allow for the M & O, which is the maintenance and operations side, to keep the 11.25 pennies in order to fund facility and maintenance projects and upgrades. The September 2017 tax rate adoption included the 11.25 pennies on the I&S side. December 2017, what ended up happening is during the budget discussions and once the tax rate was approved in that fall of 2017, based on

all the projects that the district wanted to do, the priorities one, two, and three of HVAC roofing, canopies, and parking lots of \$110 million, plus the Hanna gym Stadium upgrades, Performing Arts Center, anything else that would become a priority as the years would progress within that five-year time frame. Their financial advisors came up with a funding mechanism that these \$25 million would assist in paying. So the first funding mechanism that materialized was doing a maintenance tax note for \$52 million to cover only the priority one items of HVAC roofing canopies, and parking lots. And that maintenance tax note was sold in December 2017. Now, other mechanisms were doing other types of financing and also looking into a public-private partnership in order to generate other funding sources to do some of the other projects. So 2018, that was the second year of the tax rate increase funding. So the TRE and the TRC projects continued. In 2019, in May of 2019, during the end of that legislative session, House Bill 3 was passed. And that changed the funding formulas along with tax rate compression. In 2019, the M&O tax rate that was approved by the Board and that was calculated through the state documents, we ended up approving a total, a maintenance tax rate of \$1.05. That's a decrease from the \$1.15, a total of almost 10 cents. It was 9.5 pennies. The TRE, TRS projects continue. 2020, the TRE, TRI projects continue. And 2021, the TRE and TRI projects continue. Now, one thing to keep in mind that with House Bill 3, with tax compression, we lost the capability of generating the 20 to 25 million dollars that were coming in from those 11 and a half years. on the M & O site. So we only were, the district was only able to benefit of that additional funding for two years, 17-18, and 18-19. And as you recall, on 2017 in December, we ended up getting a maintenance tax note that had to be paid off within a period of six years. Now, there was no more funding available starting in 1920 to that tune. The only funds that were becoming available through the 11 quarter pennies that were compressed down to about four pennies was only enough to generate enough money to cover the principal and interest payments of that maintenance tax note. So the maintenance tax note, which was \$52 million, plus the interest that it generated, we were able to cover all of these repairs. Minor maintenance upgrades, HVAC, roofing, parking, canopies, chillers. The CTE Center ended up being located at the Cummings campus. The aquatic center, HVAC, needed to be replaced, and Canales' demolition of some portables. So we ended up doing upgrades to the tune of \$54.8 million. The remaining funds were used to cover that was generated for fiscal year 2017 and 2018, and fiscal year 2018 2019, we were able to generate in those two years a total of \$59.7 million. And those funds were used to cover the principal and interest for the maintenance tax note. Because we had added the pennies on the interest & sinking, there's like a two-year delay between the state fully funding the existing debt allotment and the instructional facilities allotment. So, we had to transfer \$2.3 million in order to complete the debt service payment in those two years. We had the stadium upgrades, we built the Hanna Gym, we had the transportation acquired GPS, maintenance projects, upgrades, high school scoreboards, the Aquatic roof, the campus intercoms, we had an appraisal to one of the properties near Paredes Elementary, mini gyms, HVAC, FNS freezer, the LED lighting, and roofing. For the total of 59 by the spring by the fall of 2019 because some of these projects had already been bid out and of the funds committed and the fact that during the 2018 there was a Board election and based on the needs that the district was having and remember safety was one of the concerns for the district that the district identified two new needs that had not been identified the two years before,

and that was the campus intercom systems and the air conditioning of the mini gyms at all of our elementary campuses. Because the summers were getting hotter, we were starting school earlier, and the schools were using the mini gyms and they were not air conditioned. So the history between our tax rate from 2014 to 2023, as you can see, we were at a tax rate of \$1.04 on the M & O, right, with 10 cents on the I&S side. At the time that we approve our budget for 15-16, the I&S had increased to 11 pennies and we did the tax ratification election of moving those pennies over. So, as you can see, 15-16 had zero pennies on the I&S side. That went on for two years, fiscal year 2015-2016 and fiscal year 2016-2017. In year 2017-2018, we reinstated the pennies on the I&S side in order to maintain those \$20 to \$25 million in funding. And then we had, sorry, that was the voter-approved TRE. I should have kept moving the cursor, sorry. And then in 2019, with House Bill 3, there was tax compression. So, as you can see, every year after that, fiscal year 2021, their \$1.05 compressed to \$1.02. And then in 21-22, it compressed, well, there was compression that year where the pennies were supposed to go down, but because there had been bad weather, one year we had a freeze, another year there was a hurricane. Luckily, BISD did not suffer a lot of damage from the hurricane or the freeze, but the district was able to benefit from disaster pennies. So in 21-22, we had disaster pennies of like a penny and a half or two pennies. And then in 22-23, because of the second weather situation that impacted the valley, we were able to use the four pennies of the interest on the M&O side. After this year, in order to keep the four pennies embedded in the M&O tax rate, the district then opted to have the second tax ratification election in the year 23-24. And that one went out to the voters with the premise that the four pennies, whatever funds it would generate, which was equivalent to about \$10 million, would be used for staff raises. The last item on the presentation for today is the ESSER grants. So we were allocated two ESSER grants. Actually, it was a total of three. But in the presentation, it's only two, ESSER III and ESSER II. In order to apply for these funds, the district had to submit an application to TEA and then the federal government would give us the information as to what we could use those funds for. Now, ESSER came into play in the Spring of 2020. because unexpected to anybody, right? The district and the whole country and the whole world was COVID came into existence in March of 2020. So because of COVID, the federal government ended up providing federal funds to the states in order to help them cover the cost of COVID. The United States was under shelter in place in March, April. We left for spring break and we couldn't come back after spring break of March 2020. The kids had to go to from in-person instruction to remote instruction. Now, based on the items that had to be addressed, the district had meetings with different BISD groups in order to come up with a plan as to how the funds would have been utilized. So based on that, we had Activity Part A, Closing the Gaps, Assisting IDEA Students, Adult Education Programs, the CTE, Addressing Public Health, Assisting with Home Visits, Bilingual, Personal Protection Equipment, because the kids were at home and they couldn't come to school, we needed to provide meals for the students. We were able to spend money on technology devices in order for the kids to be using them at home. There was other educational sources. We had mental health. We had parental, we had attendance, we had to help out with air quality, which was the replacement of the HVACs, air filtering control systems, and so forth. So out of all of the activities, we were allocated \$172.4 million for a grand total of \$185 million. This grant did require for the district to spend 20% on closing the gaps, and the district ended up spending

39%. ESSER II, which was awarded first, but because of the planning and what the state needed to do, the ESSER II funds came in after the ESSER III. It followed the same concept as ESSER III on where we had to apply and identify the different areas in which the activities were going to be done. So we ended up receiving a total of \$82.5 million. That concludes the presentation. Thank you very much, are there any questions? Ms. Minerva Pena, Board Member stated, number one, give us a definition for the IDEA, because I know IDEA means different two different people. When we help our IDEA for BISD, what does that mean? Who are the IDEA students? **Ms. M. Garza replied, the IDEA students are the special needs kids that vary from different levels of assistance, whether that is physical or they have some type of disability.** Ms. Pena stated, okay, now is IDEA the name or is that an acronym? **Ms. M. Garza replied, that's an acronym.** Ms. M. Pena stated, what does it stand for? **Ms. M. Garza replied, Curriculum, can you please assist with the...** **Ms. Beatriz Hernandez, Chief Academic Officer stated, Individuals with Disability Education Act.** Ms. M. Pena stated, okay, so the I is for individuals. **Ms. M. Garza stated, yes.** Ms. Pena continued, okay, instead of a different word. Okay, thank you. Another question was, I remember when they took it to vote to move the I&S, Interest and Sinking Funds, into the M&O, Maintenance and Operation. I remember that year. We brought it to the vote. And they said, no, we have to have money. When did TEA change that if we had no money in there, then they wouldn't help us pay for our bonds? When did they make that law that says if you move the money out, you're totally responsible for all your debts and bonds? When did that change? **Ms. M. Garza replied, okay, the rule that you need to have pennies on the I&S side has always been there ever since the state adopted the existing debt allotment and the Instructional Facility Allotment, and that's been in place for quite some time, even before I started.** Ms. M. Pena stated, thank you, and I believe that, and I asked that question when they were asking us to move it. I said, we're going to have to come back and put it in. And I remember, let me finish, that the gentleman that was in charge of that department said, no, we don't have to. I said, just because we have bonds, so we're going to have to come back and put that money back in there. And I was specifically told by the sitting Superintendent and the CFO that, no, we didn't have to. So, the way you mentioned right now, where the TEA says we have to have it, it sounded like the way they made it sound when they had to put it back, that TEA had changed something. But I knew what you just said. It's been there for the longest time. So to move it and then come back and get raised a little taxes to put it back in, that was a little bit confusing at the time. So it's always been that you have to have money there, if you're paying bonds so the state can provide part of that help for you to pay them. Am I correct? Because if you have no money in there, you pay your bond 100 % with no help. Am I correct? **Ms. M. Garza replied, in fiscal year 14-15, our tax rate was \$1.04 for M & O. The maximum that the districts could adopt was \$1.17. So, we were 13 pennies short of the \$1.17. Over the course of the years, from the previous compression, which happened like around 2009, between 2006-2009, the maximum was \$1.17, but for whatever happened within the district as compression with the change of administration over the years, the tax rate stayed at \$1.01. We eventually increased it to \$1.04, but we were not maximizing the pennies on the M&O side. That was the purpose, and a lot of the school districts within the state of Texas were taking advantage of the flexibility of shifting the pennies from the M&O, I mean, sorry, from the I&S to the M&O side in order to maximize the state aid. BISD, because our tax rate had been very low on the M & O side and on the I&S side, we were not able to take advantage of shifting those pennies until 2015 -2016.**

And in order to do it, we had to go to the voters. So we wanted to maximize the pennies on the M&O side. Now, we were not quite at \$1.17 yet. In 2017-2018, during the budget planning process, and with the Board that was in place at the time, The decision was made to go ahead and maximize the pennies on both sides, because why were we only going to maximize on the M&O and not take advantage of the IFA EDA on the interest and sinking side? So the decision was, since we already had voter approval because of the bonds that we could Assess an I&S tax rate the eleven and a quarter pennies were put back on the interest in sinking side in Order to be able to maximize the pennies on both sides We still had as you can see on the tax rate history six fiscal year 16-17, 17-18 and 18-19 We were not at the \$1.17. We still had a little under two pennies that we needed to add to the M &O side in order to maximize the pennies. Now in order to go to a \$1.17, the district had to have another ratification election in order to increase it. So, between years, physical years 2020-2021, and 21-22, and 22-23, because of the disaster pennies, the district was able to adopt two pennies, four pennies, in order to get us to the new maximum tax rate. So after the disaster pennies, you were only able to have those for one year. So that was the reason why in 23-24, in order to keep those pennies on the M&O side, in order to maximize the state funding, that we would then be able to have the second tax ratification election. The tax voters went ahead and approved the second tax ratification election with the premise that those pennies were to be used specifically for the races and they were we. Went ahead and approved a race contingent upon the ratification election passing. So we ended up adjusting everybody's salaries and after November, all the way through December, I think we even made adjustments into January or February because we had to take care of different situations in order to adjust everybody's pay back to where it should be. Now, tax compression comes into play because the state is saying that if your local property values increase more than 3%, then you're going to be compressed because they don't want you to generate a lot of local revenue and have more money than another district. They try to keep all of the school districts within the state of Texas within a certain range and not to have some be able to generate more revenue than others. So the district is already at their maximum of the 17, what they refer to as the golden pennies and the copper pennies. The district already has those 17 pennies based on the two ratification elections that the district went through and that the voters approved. Ms. M. Pena stated, okay thank you and I noticed that you mentioned twice about the vote the Board changed and things were changed but everything that the Board does is a recommendation from administration, and they did change, but it was the same administration, and it was different Board, but it was, everything that we do here, we cannot tell them what to do. We cannot tell anyone here. All we can do is recommend, but the main thing when it comes to money and spending, it comes from whoever's sitting there. So yes, the Board changed. I hear that. But what had to do with this is that an administration changed their mind. It wasn't, the Board's here to just vote, yes or no, because we want to support what they do. But at that time, I remember when administration was making those changes. So I know that you said it two or three times, the board changed. It really wasn't the Board change, because the administrator, you were still here. So the people were still here. And we just honor what they say, because we trust that you guys know the best for the district. **Ms. M. Garza stated in order to maximize the state funding, the district went ahead and reinstated the pennies on the I&S side. Now, what also ended up happening in 2019, fiscal year 2019-2020, with the House Bill 3 and all of the legislative changes that took place that year, the state was realizing**

that the districts were moving their pennies from the I&S to the M&O in order to get more state aid. So, the state realized that it was costing them more money. So the state came back in 1920 and told school districts, you're no longer going to be able to do the swap of moving the pennies over and you cannot use your excess collections on the M&O side to pay your debt. You need to have pennies on the I&S side in order to cover your debt. By fiscal year 1920, the district was already in good standing order, a good standing place, because we had already put back the pennies on the I&S side. Ms. M. Pena stated, so when the state in 2019 and 2020 came and told the districts, you're not going to be able to leave no money in the I&S, otherwise you're going to be responsible for all your debt, because you're right, the M&O money cannot be used to pay the debt. So then prior to that year, did we have school districts that were moving their I&S into their M&O and the state allowed it? That's what I'm saying, when did it change? Because I know, when the state came in and said that, we had to put it in. But prior to that, it had never been done? Is that what happened? **Ms. M. Garza replied, the state allowed for the districts to or there was a ruling or it was allowed within the tax code and within the funding formula to be able to swap the pennies from the I&S to the M & O. It was in place all the way up until fiscal year 1920. Starting that point, you could no longer swap pennies from the I&S to the M&O.** Ms. M. Pena stated, okay. **Ms. Garza stated, that's when it stopped in 19-20.** Ms. M. Pena continued, because from what I understand a lot of districts were doing it So that was going to cost the state a lot more money, it was in their pocket and they wanted it to be the way it was where we shared the expense. They paid part of the bonds and then we pay but if we didn't pay anything they were going to make us pay a hundred percent of our bond and not give us any money for that. Am I correct? **Ms. M. Garza replied, the rule was that you could shift your pennies, and you could maximize all of the cents on the M&O side. And you can also maximize your pennies on the I&S side by having enough pennies there to generate the funds that you need in order to cover your interest, your bond principal and interest payments. And that was allowable for several years, that ruling the state stopped in fiscal year 1920.** Ms. M. Pena stated, okay, you kind of confused me. So you're saying that you could have, in the past, you could have no money in the I&S and have it moved to the M&O so you can use it for projects you needed, but until 2019-2020, then the state said you could no longer do that. Is that correct? **Ms. M. Garza replied, starting in fiscal year 1920, it was no longer permissible to shift the pennies from the INSI to the M&O. It was allowed in the years prior to that, which BISD took advantage of that possibility of that ruling in fiscal year 15-16.** Ms. Pena stated, okay, I understand. **Ms. M. Garza continued with the first tax ratification election.** Ms. M. Pena stated, okay, but the state did it because they didn't want to be fully responsible for having to pay the debt that they were helping us with. They wanted our part to be in there. Like you said, they gave us 69 percent, we paid 31 percent. I'm just giving an example. **Ms. M. Garza stated, back when we did it, it was 65/30 as your property values increase, and your student, if you keep growing, the district is going to contribute more. The state is going to contribute more. In our situation, because our property values keep increasing, and they increase more than 3%, and our student population keeps decreasing every single year, the percentage that the state allocates keeps decreasing. We're now where the state is contributing anywhere from maybe 10 % and we're having to cover the 90%. This will be the last year, fiscal year 25-26, is the last year that the district will have an interest in sinking debt tax rate because we're going to be done with paying off the 2026 bond issue. And since the district has not**

gone to the voters and received approval to issue new voter-approved debt, we will no longer have an interest in sinking tax rate. Ms. M. Pena stated, so thank you. Bottom line is you only have an interest in sinking fund if you have a pending bond. If there's no bond and I think you have to pay back with the taxpayer's approval, then we don't have to have money in the interest in sinking. We can keep the money in the M&O. Is that correct? Ms. M. Garza replied, the M&O tax rate is determined by the state. It's no longer determined by a school district. And your interest in sinking, you can only have a tax rate on the interest in sinking side if you have an outstanding voter approved bond. Ms. Daniella Lopez Valdez, Board Member stated, thank you, Ms. Grantland. Ms. Neida Ruth Grantland stated, thank you, Madam President. Going over to the ESSER monies. These grants, the initiatives that you placed here, this list of initiatives, the essence of that was to improve student performance, correct? Ms. M. Garza replied, yes, there was student performance, air quality, there was another one, hold on safety, technology. There was one more. Ms. Grantland stated, so the base of my question is this. How much of that was invested in staff that had to be absorbed after the ESSER money was gone percentage -wise? Just a ballpark. Ms. M. Garza replied, I don't think we ever calculated a percentage wise but the only individuals that were funded out of ESSER was the, it was the counselors we had the first year of remote learning we had remote, we had remote teachers and then we also had Reading teachers out of the ESSER in order to help close the gap and then for sustainability purposes we also did one month's worth of the teacher's salary in general once a year. Because it was also intended for sustainability because of the fact that the kids were not coming to school because of COVID. They were staying home and they were kind of based on CDC, if you tested positive, you couldn't come, you couldn't be around individuals until you were COVID free. So because of the reduced attendance, these federal government allowed the districts to use it for sustainability purposes. Ms. Grantland stated, so these, let's just say the reading teachers, were they existing staff that were just funded by this now and not funded by some other funding source or was it new people? Ms. Garza replied, we did not, the district did not hire any new people. What the district was doing is it was shifting the funding in order to keep the district afloat and moving forward. So it was existing personnel. We did not hire new personnel. Ms. Grantland stated, okay, so then my last part of this question is with the money that was freed up by doing that, what did we do? Ms. M. Garza stated, that happened to increase the fund balance so that the school BISD and all the districts within the state had the capability, if they planned accordingly, they would build up their fund balance so that they could be prepared to size the district with the impact of COVID because everybody ended up losing students and they never recovered. It was not just BISD. It was not just the state of Texas. It has happened all over the place. It was built in fund balance and that's where we have the over \$100 million in fund balance that was there in order to help the district downsize itself and be able to readjust once the ESSER went away. It was called the ESSER cliff and the district had to prepare for that and so. Ms. Lopez Valdez stated, Ms. Garza. Ms. Denise Garza stated, thank you, Ms. Lopez Valdez, Ms. Garza, quick question. On the TRE, on the notice that was sent out, what day was this actually posted? Because I see that then there was a Facilities Meeting, which then took place October 20th. So when was the actual notice posted on the newspaper? Ms. M. Garza stated, that notice, you're talking about the TRE, right? Ms. D. Garza stated yes, the TRE, it says October 6th election. And this is the one that says Lopez College High School soccer field upgrade. But then when we go to the facility meeting that was

on October 20th, that's where you mentioned that it now says high school soccer fields, which now is more than one, and middle school track fields. **Ms. M. Garza stated, all right. I would need to go back to our Public Information Office and look to see how many times they put it in the newspaper. But it was throughout the community outreach that the district was doing to disseminate information to our taxpayers. And it was also used in the presentations that were being conducted at the campuses and at the community centers and with anybody that would request for us to do a presentation.** Ms. D. Garza stated, the reason I ask this, because this election obviously took place on October 6th, because it says election day October 6th. Is that correct? **Ms. M. Garza replied, back in 2015-2016, the legislature allowed the school districts to conduct elections at different times within a certain window. That's no longer permissible. Over the legislative years, they've changed that to where...** Ms. D. Garza interjected, but in 2015, that took place October 6th. **Ms. M. Garza stated, that one was allowable at that particular time.** Ms. D. Garza stated, so after the voters went and approved what was on the notice, then there's a Facilities Meeting October 20th with three Board Members who are no longer here on the committee, and they decided to, I guess, add soccer fields, which is all the high schools now. **Ms. M. Garza replied, yes, the flyer only indicated Lopez Early College High School, but once the election passed and there was the facilities meeting to go over the items that had been presented, then the additional soccer fields were added. I believe Lopez was our first, if I'm not mistaken, Lopez was the first school that had a state championship, followed by Porter, or vice versa. I know they opted to do Lopez first, but then after that, because the district was kind of like the champion of soccer, and we had Porter also getting the state soccer championship, and then there was Rivera and Hanna were also in, I don't think they had a state championship, but they did, end up going to the last round.** Ms. D. Garza interjected.... Right and I get that. It's just that, you know, as an election, we post a notice, we post what our priorities are, and then after that election, you then add additional, you know, do you kind of see where the voters possibly do not trust the district because after an election, things get changed? **Ms. M. Garza replied, I don't know how specifically the presentations were, and I know that on the presentation, as the monies became available, based on the funding that the TRE generated, if you look at the flyer, the flyer said that it was going to generate approximately \$5 to \$6 million. But it actually ended up generating between 7 and 8 for a total of 16 million. So there was additional money in order to cover the remaining schools. Now, the other thing that you may want to point out is that for the Veterans Memorial High School, it was only calling for the restroom facility. Based on the needs that were identified at Veterans High School, they also needed a concession stand on the visitor's side, and they needed a ticket booth. So, as the funds were generating more funds, still within the same scope of items, that's how the additional soccer fields were done, and that's how the, we ended up adding the concession stand and the restrooms at Veterans, since that was going to become the district's second stadium.** Ms. D. Garza stated, okay, but again, I think moving forward, we learned from this last bond that voters did not trust what was going out there, what was being said, because as we can see before our time here, You know, we've seen where things get added on, new priorities get added, but I don't think our voters and our stakeholders are ever given that clarification where these additional funds are coming. So it seems that we're possibly moving money around from the bonds or from the tax ratification election or from the TRI. That was just my thing that I'm pointing out as we see that there was an election October 6th with a notice, with the priorities, and then

come October 20th after the election, three committee members who are no longer here, are part of this agenda where now all high schools are at it instead of just Lopez High School. I just want to make that I want to just point that out there so we can just be aware of you know decisions that are made whether we're here or not then come and impact the future and this is where we're at now because this took place in 2015 here we are 10 years later and we've been impacted by so much negativity with the community not trusting us. Yet, I wasn't here, Jessica wasn't here, Mr. Ortiz, Daniela, Ms. Grantland, we weren't here back in 2015. So, but we're going to get the heat for stuff like this. I just want to point it out there so that we can be a little more cautious on, you know, how we relay information to our community and maybe work on bettering our communication to our community.

Ms. M. Garza stated, now, one of the things to keep in mind also that even though it does say election priority projects pending a successful tax ratification election, the district plans to pursue the following district priorities. The paragraph right above it did say it would generate approximately between 5 to 6 million per year in additional state funding to be used for one-time expenditures to improve, repair, and expand district facilities and enhance security. So, if you look at the, I don't have the actual ballot, but the actual ballot was like the wording here in that paragraph of like generic to where you could expand if there was additional funding. Dr. Jesus Chavez, Superintendent stated yes, just to add some additional information. And again, this is just my perspective, you know, as Superintendent not only here but in a number of other places. And I think whenever you are thinking about construction bonds, the listing and the clarification of what you're going to do is very important. And so if you go back to just this past election, we were very specific. We talked about number of rooms. We talked about roof square footage. We talked about the amounts. And so I just wanted to point that out, right, as it relates to this past election. And then to say to the district and to all of us, we need to continue doing that as you look at other elections coming down the road. Mr. Frank Ortiz, Board Member stated, yes, I just want to recap a couple of things. I'm going back to the ESSER grant and the funds. Under Part A1, Closing the Gap, you did indicate that we did have some of our employees that were paid with ESSER funds and that basically allowed us to build up the fund balance. You also talked about the ESSER cliff. So what happened and where did the money come from once the ESSER funds were no longer available to be able to then pick up the tab on our employees that were being paid by ESSER funds? Where did that money come from when that ESSER cliff hit? Ms. M. Garza replied, with the counselors, the counselors were moved back to general fund because that's where they were getting paid prior to ESSER coming on board. And because of COVID, we were required to address mental health and the counselors were handling the mental health aspect. So as a matter of fact, the district has approved two programs dealing with mental health curriculum that is part of everyday transactions or activities at the campus level, both at the elementary and the secondary. So, the counselors, once ESSER went away, they came, they fell back into 199. Mr. Ortiz stated, and the teachers as well, the reading teachers? In other words, everyone that we had getting paid out of ESSER funds, they went back to 199? Ms. M. Garza stated, they went back to their funding source. So, the reading teachers, some of them were picked up by categorical funding. So they went back to whatever funding source was paying them prior to ESSER being available. Mr. Ortiz stated, okay, so once the ESSER funds were gone for these employees, did we have to go back into the general fund and pull money out from there to pick up their pay? Ms. M. Garza stated, it was based, the funding came back from the

district's regular operations. Mr. Ortiz interjected, but where did that money come from? You indicated that that money was put into the general fund. So if they go back, wouldn't you have to go and take the money out of the general fund again to fund them? **Ms. M. Garza replied, because their teachers, because their staff, the salaries have to come from the regular operating budget in order to sustain every personnel. Not the fund balance, but from the regular operations. The fund balance was there to assist the district resize itself depending as to what was happening with the student enrollment and attendance because across the state and even the US there was poor attendance because of COVID. We still haven't been able to go back to the attendance rates that we had prior to COVID.** Mr. Ortiz stated, I'm a little confused here because earlier you indicated when the question was asked to you, where did that money go that we were saving on teacher salaries? You said it went into the fund balance so that we can build it up. And now you're telling me that once we had to pay these teachers, our employees again, that money came out from their funding source, which is not what you said a little while ago. You didn't say that the money went back to the funding source. You said that the money went back into the general fund to build it up. So explain that to me, you know, if it was going back to the funding source, that money should have, you know, it shouldn't have gone into the general fund. **Ms. M. Garza stated, the staff that was paid out of the general fund, which were the counselors and the nurse that was shifted to ESSER, those went back to general fund. There were a few reading teachers because some of the reading teachers, some were paid out of categorical and some were paid out of 199. So depending on the fund, everybody that was 199 went back to 199.** Mr. Ortiz stated, I still feel that money did come out of the fund balance and this is why we started hitting it and this is why we're where we're at. **Ms. M. Garza replied, well, because the district has been losing students over the last 10 years and because their property values keep increasing, both of those affect us negatively into how much state revenue we're going to be generating. And that's what because we are operating with 50 schools at anywhere from 36,000 students, 35,000 this year, we're at 34,000 students. So the fund balance, we've been using it to help us downsize the district as we move forward.** Ms. Lopez Valdez stated Dr. Chavez, did you have to... **Dr. Chavez stated, let me just say that I think here with regards to the use of dollars, we actually are using both, right, from the standpoint of yes, we're using our general fund but in addition to that, there are dollars that we may have saved up that we've got to use as well. So that's the situation that we've been in here over the last several years. You know, as it relates one to the governmental dollars not being there anymore to help and support. And then, yes, with us, it's a matter of we have been losing some students, so we have had to reduce. So that's the situation. But we're happy to get you more information. and we can certainly provide that.** Ms. Lopez Valdez stated, Ms. Gonzalez? Ms. Jessica Gonzalez, Board Member stated, thank you. Quick question, kind of going back to what Denise was saying on how the voters don't trust us because of what, you know, what has happened in the past. When you're saying on the TRI notice, and it says Performing Arts Center Phase 1, so we got a lot of pushback from the community with this last bond that failed that said that they approved money for a Performing Arts Center and nothing was ever done. So can you explain what phase one means? Like I know, but just briefly, thank you. **Ms. M. Garza stated, for the tax rate increase in 2017-2018, the projects that were identified was to be taken place over a five-year time frame contingent upon the funding generated from the 11 and a quarter pennies. Unfortunately, in fiscal year 1920, because of the state funding**

formulas changing and tax compression, those 11 and a quarter-pennies were compressed down and they were no longer generating the \$25 million a year in order to cover all of these projects. So at the time, of the fall of 2019 as the district was having its facilities meetings and based on the changes in funding formulas and the fact that the funding mechanism in order to be able to borrow money through different means was no longer going to be there in order to cover all these projects. Now, the Performing Arts Center phase one was the initial amount anywhere between \$25- \$30 thousand. Now, all of the discussions at the facilities meetings that the district had, there was discussions about what kind of a Performing Arts Center would the district want to have. So it was from a range of anywhere from 800 sitting capacity to anywhere from 4,000, 5,000 in order to house indoor graduations. So it was a big range of capacity, sitting capacity. And because of the fact of the changing funding formulas that took place and that the funding was no longer going to be available based on the district's needs, that took place in because and not, and the thing is we were just going into COVID as well that particular year. And for the safety of the students, the air conditioning of the mini gyms and the replacement of the intercom system took higher priority than with the funding that was left, than the Performing Arts Center. Now, this particular list of projects was never voter approved. It was discussed during the budget process and the pennies were set aside to cover that in 17-18, not knowing what the funding formula was going to have down the line. If the funding formula stayed the same, we might have been able to complete all of these projects. Because the other thing that never took place is we never relocated KBSD. They stayed at Porter. We never built future schools or replaced schools. We did the priority one, items of roofing, HVAC, lighting, and parking, but we didn't get to address everything after two years. Ms. Gonzalez stated, correct, and thank you for specifically, that's what I was looking for, for you to say the words, the voters never approved a performing arts. You know, we can go out there and promise all that we want, but at the end of the day, if we say, and that's more here to the TRE paper, if we say this is what we're going to do, this is what we're going to do. At the same time, we as elected officials can, we shouldn't, but we can promise the world to the people. But I do hope that people understand this. I know sometimes, unfortunately, they won't, no matter how many times you put it in black and white, no matter how many times you've seen it. I wish I could count the times how many times we've done this TRE one. And we weren't even on the board when this happened. And the fact that we're still talking about it and we're still taking the blame for what boards did 10 years ago, it gets frustrating. I can only imagine for you guys, but I'll speak for myself, and I've only been here five years. Wow. Thank you guys for all this. And then the ESSER Cliff, that just reminded me so much of when Dr. Cantu would be out there, and the ESSER Cliff, it's coming, it's coming. I still have you here in my head, Dr. Cantu, saying the ESSER Cliff is coming, and you prepared us for that. So thank you. Thank you, all you guys, for all that you did. Thank you. **Ms. M. Garza stated, and for information purposes, this is the fourth time that we're presenting this information.** Ms. M. Pena stated, questions? Ms. Lopez Valdez stated, Ms. Grantland, one more question? Ms. Grantland stated, yes, well, an answer to that, I requested this because I was nowhere near the board when this all transpired. And if I'm going to make a decision on something that's like a six-figure expenditure, I need to be informed, and I will never vote without the information and the background that I need. So I thank you for indulging this. I think there's many lessons to be learned in this situation. One of them is that, as administration changes, as boards change, anyone who follows

needs to be cognizant of the fact that there's been foundation laid. And it's like when I was a principal and then I went to another school, whatever I left behind got trashed. I'm saying it didn't happen, thank God, but it could have gotten trashed and then they would have had to start from, no, trash from ground zero. So you take steps backward. And so this is a lesson for us all to learn that when new boards and new administration come in, you're the constant. You're the ones that are here longer than we are. And so because of that, it's important that you continue to be diligent as you are, that you continue to speak up and say, you know, this is something you need to consider because we don't have all the answers. But it is frustrating to answer to the public and be accused of things that, number one, we had nothing to do with, and number two, now we have to come up and solve things. And we will, because I believe that hard times bring out the best in people. And so I think that this is bringing out the best in us. I thank you very much for indulging me in this request. I have a better foundation on what the information was. On this ESSER thing, I can see where the public sometimes thinks that money was spent on people, on staffing, and staffing that was, it was soft money, and so that staffing, the cliff was definitely going to come. But they don't know that piece about, well, it was to help you to put more money into the fund balance. And then, of course, every budget year, you get new funding sources. And so, within that budget year, you don't necessarily have to tap into the fund balance because of the new funding sources that come in, state comp monies and such to take care of the reading programs and all. So, we need to be very, very aware of, you know, the fact that we can't spend money that we don't have. And this is my concern in decisions that we're about to make, that we are spending money that is so needed and yet so not there. So, thank you again for everything you do. **Ms. M. Garza stated, yes, ma'am.** Ms. M. Pena stated, if I may? Ms. Lopez Valdez stated Ms. Pena, quickly. Ms. Pena continued, and yes, also, and I know that we keep saying the board, the board, but I'm going to go back and say it again. I went to those meetings when they said about the performing arts. I was with administration. And some people have it out there where the administration said they were going to build the Performing Arts. Jessica's right. They didn't put it in writing because of where they did it. They knew what they were doing. So we trust what administration tells us is going to happen. Because I got a question on our last bond that just was up for election. They said that he made a statement. and you can go back and look at the meeting, where Dr. Chavez said, we're not going to be able to fix everything. And they're like. Almost half a billion dollars and you're not going to be able to fix it? They were like freaking out. It's very careful in the verbiage. And you're right. You have to say and do what you say. It's very, very important. And he was right in saying, it might not be enough money. We're going to do it in sections. It'll take about five years. I got asked the question, how do we know how much a piece of wood is going to cost in five years? You're not going to have enough left over. I couldn't answer those questions. I would send them all, go ask the people who are in charge. So at the end of the day, it's not to turn around and say it was the board that was here. The board only supported what administration, and that's what we all do. We support what administration. And if administration is not correct, we have to politely say, I don't agree with that, because it's going to harm, and it's not even good. And for the last 10 years, we have been losing money and losing students, like you said. But we have created positions at administration here at the top, at main office, that you look at them like, did we really need those? But we can't do anything. We just have to either recommend, I mean, support or vote against. At the end of the day, administration, all of you, are in charge of what happens to our money. We're just here to vote yes or no. So I would never turn around and say, and blame

a prior board because I look at the administration that was in charge. And back then it was the same administration doing two different things. But what do you do? You trust that they're telling us what we need to do and we're going to have faith in what they're telling us because they are running the district. So no, I wouldn't, and I would never say, well, the board before, no, because I'm here to take responsibility for what I do and what we do and how we do it. And that's when the public looks at you and says, you know what? You're good, because you don't blame anybody else. You're sitting there taking responsibility. But if we sit here and blame everybody else, they're never going to have confidence in us, and they'll never vote for anything we put out there. Because we have to be able to stand on our own and answer for our questions, answer for what we do, and then move forward. Because right now, it's us. It's not the past. It's not what's going to happen a year from now. It's what's going to happen right now. So thank you, Mary, you've been here for a long time. A long time. Thank you. Keep doing a great job. And I really appreciate you. Thank you. Ms. Lopez Valdez stated, thank you, Ms. Garza. Ultimately, thank you for this presentation. I know, as you said, it was the fourth one. So thank you for continuing and I guess what I'm seeing is the, it seems like a manufactured distrust because from what I'm seeing of the facts and data, it was presented correctly. So thank you very much. And Mr. Flores, just for clarification, the Board's role in this administration, could you just give us a very brief thing before we move on to the next? A brief description of what the board does and how we support or uphold administration's decisions and whether we have what our responsibility is as a board member. *Mr. Eric Flores, Board Attorney stated, so, you know, from a high-level perspective as a Board Member, right, you all are policy makers. You guys do not intertwine with administration. Really and truly administration brings before, you know, the best policies and practices the district should be implementing. You all review that and put that into effect. So again, a reminder from a 50,000-foot view is you all are policy makers and you adopt the best practices put before you, before administration for the district.* Ms. Lopez Valdez stated, so ultimately, we do have the decision-making power. *Mr. Flores replied, that is absolutely correct.* Ms. Lopez Valdez stated, thank you. Okay. Well now we're done with this presentation. Thank you all so much. Now we'll go ahead and move on to the next part of our agenda.

Resume Order of the Day

VI. Conference Presentation(s):

- A. Presentations regarding RFQ #26-122 Forensic Audit Services.

Ms. Rosario Pena, Procurement Director stated, good evening Madam President Lopez-Valdez, Superintendent Dr. Chavez, members of the board and audience. Today we're coming to the conclusion of the procurement cycle for RFQ 26-122 Forensic Audit Services. The first portion of this would be the presentation by the firms that have responded to the solicitation. Tonight we have three firms. I'm going to go over I'll give you a quick overview of the process, and then I'm going to relate to you the rules of engagement on the presentation portion of this, if I may. So we use the qualification method for this solicitation as outlined by TEA, Texas Education Code, following professional services. We published a qualification for two consecutive weeks. We actually extended this one, one more week because of lack of participation. So we allowed them one more week to go ahead and submit their solicitations. We notified the registered vendors through our e-bidding system, but we also notified them manually. In other words, if vendors were interested and we got a list from our internal

audit department that were not registered within our system, we went ahead and notified them via email and send them the bid. And of course, due to the importance of this solicitation, we accepted both online bids and manual bids. The solicitation award schedule was in your binders that we submitted prior to this meeting. Before the meeting, the firms gathered in the boardroom and they drew for their presentation orders. The responding firms will be kept in the Procurement Services Department until it is their turn to present. Each responding firm has been allowed five representatives in the boardroom. Once they have completed their presentations and answered all questions, they will be guided back to the Procurement Office, where they will remain until the completion of the ranking and the award of the solicitation. The length of each presentation will be a total of 30 minutes, 10 minutes for presentation, 20 minutes for question and answers. At the direction of the board president, each board member will be limited to two questions. During the question and answer portion, the board members must ask the same questions of all presenting firms. Because this is a request for qualifications, discussion of any fees is not permitted at this time. The time will be managed in the same manner used for public audience. First of all, and before we start the presentations, I want to thank my team for being here and assisting during the presentations and the ranking. We will be tabulating after we receive your ranking sheet. I will go over the rules of engagement for the ranking portion of it. And so if we're ready, I will be calling the first firm And that is the firm of Clifton Larson Allen, St. Louis, Missouri.

Ms. Daniella Lopez Valdez stated, before you begin, I would just like legal counsel to just go over the rules for the board real quick.

Mr. Eric Flores, Board Counsel stated, if we could return one slide, so I just want to highlight a couple of things here. So, it's a total of 30 minutes, 10 minutes for the presentation. So, you all have 10 minutes for that and then 20 minutes for the questions. Each board member has two questions. There are six here physically present. I believe Mr. Elizondo is on the screen. This will be what they call a hard stop. So at the end of time, those 30 minutes, the 20 and the 10 broken up, will be hard stop. Y'all will not be allowed to carry over. I will give a two-minute kind of reminder. Hey, you have two minutes left. So do be cognizant that you have about approximately a minute and a half for the question and answer portion. I do believe that questions were requested from each of the board members. I don't know if everybody turned in questions, that is okay, so long as that the two questions that you do have get asked consistently across all of the presenters.

Ms. Lopez Valdez stated, so it is okay if you do have only one question instead of two? *Mr. Flores replied, yep, absolutely.* Ms. Lopez continued, but I just want to make sure that all questions are noted and written down and asked exactly. I did receive some from Mr. Ortiz. Okay. Ms. Jessica Gonzalez, Board Member interjected, I'm sorry, I only have one, I didn't get to submit it, but I can send it to you right now. Ms. Lopez Valdez stated, okay, perfect, that way we all make sure we ask the same question and there aren't any duplicates.

Mr. Flores continued, alrighty, for whatever reason as the questions get asked and we are not tracking it here, there will be a duplicative question. We will then adjust to make sure that it's not duplicative moving forward. So if one of the Board Members does notice that, that it does match your question, please raise your hand and we will fix that before you ask.

Ms. Lopez Valdez stated, can you give us just a few minutes to make sure we have our questions? *Mr. Flores stated, Ms. Pena, without saying your question out loud, I did overhear it. If for whatever reason, during their presentation, your question that you were going to ask is answered, please, you can change your question to something else. Just make sure that it is consistent across the three presenters.* Ms. Pena stated, in other words, do not duplicate the question, don't ask the same question again. *Mr. Flores stated well, like for example, your question may be answered during the presentation, right? So asking that question may not, you know, be beneficial to yourself or the Board, so you may change it at that time.* Ms. Pena stated, so if he is answering another question and inside that question he answers what I was going to ask, then change it. *Mr. Flores replied, correct, so long as you keep that question for all the presenters.*

Mr. Flores continued, so are all the firms present here are the presenters all three are they outside okay so what we'll do is when they come in I will give them a brief overview of the rules because they may have not heard the rules, so as each one comes in, I will read the rules to them and make sure they don't have any questions before beginning the presentation. **Ms. Rosie Pena, Director of Procurement Services stated, we actually send them the instructions prior to the meeting, sir.** *Mr. Flores stated, okay great.* **Ms. R. Pena continued, but you're more than willing to emphasize.** *Mr. Flores continued, yea, so then what I'll do is I'll just ask them, confirm, and then save us some time there. Thank you, ma'am.*

Ms. Lopez Valdez stated Mr. Elizondo, are you ready? Mr. Carlos Elizondo, Board Member stated, yes, ma'am, I'm ready, can you hear me? I'm ready. Ms. Lopez Valdez stated, Mr. Elizondo's ready. I believe all of us are ready.

Ms. Lopez Valdez stated, Trustees, our ranking sheets are under tab seven for your note-taking purposes as the presentations begin. Ms. Pena, will you be keeping time or Mr. Flores? The time is on the screen. *Mr. Flores replied perfect, it makes my job easier.*

Mr. Flores stated, hello, ma'am, before the time begins, my name is Eric Flores, legal counsel for the Board. Did you receive, I guess, the guideline as to the presentation? Ms. Emily Devereux, Director replied yes we did. *Mr. Flores continued, awesome I don't have to read you the rules again or how it will function, but you may begin. I will remind you that I'll give you guys a two-minute warning when that's 28 minutes has passed, and it will be a hard stop 30 minutes. So 10 minutes for the presentation, 20 minutes for the question and answer. Some board members have elected to only ask one question, so you may deviate some of that time because you have approximately a minute and a half per question. You may move it on to the other segment, but 30 minutes hard stop.*

Ms. Devereux stated, thank you for allowing us to be here to present. This is CliftonLarsonAllen. Um, we are, um, a large national firm, and I will kind of go into a little bit about the firm. My name is Emily Devereux. I'm a Signing Director with CLA. I have 23 years' experience in forensic accounting, fraud investigations, litigation support for both public and private sector clients. I have experience in doing presentations to board members, fraud trainings, various different areas and industries. My name is Lea Wyatt, I'm a Director in the forensics practice at CliftonLarsonAllen. I'm a licensed attorney, a certified fraud examiner and a licensed private investigator. I have over 10 years' experience in the area of finance and fraud. Good evening, to the trustees My name is Bhakti Patel. I am the managing principal of our Central Texas offices, which is everything

really from the Valley all the way up to Waco. My background is all state and local government audits for 23 years sort of across the country, and now focused in Texas. My name is Scott Krchnak, I'm a principal in the state and local government practice of CliftonLarsenAllen. And I've been in public accounting 37 years. all of which have been in the state of Texas. I've lived in Texas my entire career and part of the 37 years is 25 plus years in auditing and providing services to Texas school districts. Ms. Devereux stated, so, a little bit about the firm. CliftonLarsenAllen is a national accounting firm. We have about 130 offices across the country with about 9,000 employees, but we do have a strong presence here in Texas. Ms. Patel stated, I am back and forth here, so I'm going to keep mine brief. We have five offices here in Texas, as I mentioned. I'm the managing principal for Central Texas. So one of the things I wanted to point out here is that even though we have five here, we have a lot of people here in different industries, our reach is really across the United States. And so we work together, and as the managing principal, I work with the other managing principals. There's about 150 of us in the firm across all industries and service lines to make sure we're bringing the right experience to every client that we serve. One of our state and local principals who wanted to be here tonight because he is a Brownsville native and UT Brownsville. He had a client deadline so he couldn't be here, but he's one of our leaders in our San Antonio office as well. And I'm going to let Scott tell you a little bit about of our Texas government practice. Mr. Kerchnak stated, here are, this is a sampling of our Texas clients served, various types of governmental entities we serve, state agencies, county cities, special districts, authorities, and education, other I didn't want to go over all of these various clients we have listed here, but one in particular I did want to point out is the very first one in the state agency box, the state of Texas. We perform services directly for the state of Texas, which includes the Texas Education Agency and working directly with TEA. We understand the requirements of TEA and in particular know the ARPA funds or COVID funds and what is allowable and not allowable under that grant and that program. Ms. Devereux stated, some of the forensic experience that we have and the types of forensic accounting engagements and forensic investigations that we have performed, specifically in the construction area, things as far as payment applications, vendor management, documentation to support change orders, those types of things. We've done investigations for COVID-era funding, specifically as it relates to housing development, payment of vendors, payments of employees, looking for ghost vendors, ghost employees, and various other issues surrounding the COVID-era funding. We've done a lot of investigations around procurement and contracting, specifically looking at things for conflict of interest, bid rigging, those types of things, ensuring that policies and procedures are followed when it comes to the procurement and contracting process. We've done a lot of work around budget review and looking at when budgets are not met, what is the cause of those budgets, the budget shortfalls, was it a result of mismanagement, was it a result of misappropriation, those types of things. And then governance and internal control reviews. We do a lot of focus on internal controls so that we can make recommendations for actionable improvements. Ms. Wyatt stated, I'm going to quickly talk about our forensic audit approach. Phase one is we identify the key stakeholders, we talk about the scope, we go over communication protocols. Phase two for assessment, we are reviewing our records, we're reviewing the policies and procedures, and we're identifying the risks. We're also conducting interviews of key personnel and any relevant individuals. For phase three, for systems evaluations, we are using computer-assisted audit techniques to identify any anomalies, any gaps. We're reviewing

the data that we received. Phase four, we go into testing, and we're doing a risk-based sample testing approach, and we're documenting and summarizing our results. And then phase five, we are reporting, we're doing a report or an executive summary. We're giving recommendations. We're also following up to give any support that's needed after. Ms. Devereux stated, and this five-phase approach really meets the requirements of this RFQ in that it provides comprehensive oversight. So our five-phase methodology, it covers all of the areas of contracting, financial review, procurement integrity, scheduling and performance analysis. We do data analytics to really identify the high-risk areas where we can focus then on those highest-risk areas in conducting the testing. Independence and credentials. Our team, as you heard, we have various different credentials, CFE, certified fraud examiners, CPAs, licensed attorneys, and all of these certifications and credentials allow us to be able to perform the work with the highest quality. And confidentiality and documentation. We take confidentiality quite seriously. The work that we do, we never disclose the clients that we're working on. We don't disclose the nature of the investigations unless it becomes public. In any event, we can talk about the procedures that we perform. We can talk about some of the work that we have done, but we do not disclose the individual clients that we are working on or the work that we have done for those individual clients and all of our documents are stored in a secure environment. We have a clear working and reporting plan. That's part of that five phase approach. We sit down and we have interviews up front to determine what is the scope, what is the intent, what is the goal, and then we develop a work plan and a reporting process to make sure that we that we can deliver timely results. And we have interim reporting where we do bi-weekly status meetings to discuss where we are in the process, what are some of the holdups, what are some of the things that we are encountering so that we can overcome some of those obstacles early on in the process to make sure that we can stay on track and deliver in a timely manner. And this requires a lot of collaboration and support where we do discuss, like I said, on a bi-weekly basis or weekly if that's required, minimizing disruption to the district and provide guidance throughout the process of what it is that will make this process go more smoothly. And so some of the key benefits of CLA to the school district is we do have decades of experience in conducting these forensic audits for public schools and for government entities. Engagements of the investigations that we have performed today include complex bond-funded projects. We're familiar with regulatory requirements. Our team includes, like I said, licensed CPAs, CFEs, and professionals with deep expertise in forensic accounting. Our structured five-phase approach has been very successful in allowing us to complete these in a timely manner and with very little disruption. And we are very well-versed in the Texas Education Agency rules, Texas state procurement laws, and government auditing standards. And as Bhakti said, we have access to over 9,000 professionals across the country that have experience and expertise in various different levels that we can draw on as needed. So again, thank you for allowing us to be here and present to you. And I'm happy to answer any questions.

Mr. Carlos Elizondo, Board Member stated I don't have any questions ma'am thank you.

Ms. Minerva Pena, Board Member stated, do you have experts? Am I correct? That work with you? Ms. Devereux replied yes. Ms. Pena continued, and you have experts that have experience and getting what you find and preparing it to be able to present it in a court of law in case, and I pray it doesn't happen, in case that would happen and need it to be done, do you have expertise in

your agency that will be able to handle it to present it properly if the case should require that? Ms. Devereux replied, yes. Yes, I have experience in presenting findings both in deposition as well as in trial and providing expert witness services if it is necessary. Ms. Pena stated, okay, and this is a little bit... I'm just asking a general question. Ms. Daniella Lopez Valdez, Board President stated, Ms. Pena, I'm just writing your question down so that we can make sure it's the same question. Ms. Pena, could you also help me? Thank you. Ms. M. Pena stated, do you want me to repeat the question or you got it? Ms. Lopez Valdez, I got the first one. Ms. M. Pena stated, okay, now the second one is this. Do you all have experience in handling when someone presents some paperwork request and you find that the paper has been modified or is false, you have experience and how to handle that and to take care of that just to make sure we're on the up and up when you are making the presentation to the board? Ms. Devereux replied, we do. We actually have some of our computer assisted techniques that we talked about have built-in functionality and capability to identify when documentation appears to have been altered in some way, shape, or form. And in those instances, we use secondary measures, including things like email review, correspondence interviews, as well as these computer-assisted techniques to identify when documentation has been altered or changed.

Ms. Neida Ruth Grantland, Board Member stated, as you do your review in the scope and sequence that's assigned, if in the course of your review you find that a procedure or practice is ill -advised, will you report that finding and make a recommendation? Ms. Devereux replied, yes. Yes, our report includes not only the processes that we followed, but it does include actionable recommendations and if we do find that there are weaknesses or things in the internal controls or in any of the processes, policies, or procedures, we do make recommendations for best practices.

Ms. Daniella Lopez Valdez, Board President stated, what level of staff time, documentation, preparation and admin support will your audit require from our district employees and how will you minimize disruption in their regular student focused duties? Ms. Devereux replied, good question. It is dependent upon the scope of the work that we would be asked to be performed. But we do everything that we can to minimize the disruption, meaning that we will submit an initial PBC provided by client list, which should be very minimal disruption to you. We do to the extent that we can. If we can get read-only access to the accounting systems as well, then that allows us to be able to pull a lot of that information ourselves with very little disruption. That's our goal, is to not create a lot of burden on you as a school district. We understand that you have a lot of work that you have to do. And so to the extent that we can be provided with read-only access to some of those systems, it does minimize that impact to you. Ms. Lopez Valdez stated and my second question is, given our district's consistent A rating on financial accountability from TEA, how will your firm ensure this process remains strictly evidence-driven and not influenced by public misconceptions? Ms. Devereux replied, we do everything that we can to maintain independence. And everything that we do, we rely on the documentation. Yes, we do interviews, but we understand that interviews do have some level of objectivity. And so any information that we obtain during the interviews, we will look at documentation to substantiate what we have heard or what we have learned through the interview process and everything that we do is document and particularly data-driven using data analytics and using the data and the documents really to drive the results. The interviews really just guide where we look, but all of the evidence that we use will be data and documents.

Mr. Frank Ortiz, Board Vice-President stated, I was going to ask this question, but I think you were very, very thorough in your explanation. It was describing your approach to conducting an audit, so I'm not even going to ask that because you've already answered that, but here's my follow-up question. Describe a time when you had to deliver difficult audit findings and recommendations to a client. How would you go about it? Ms. Devereux replied, there are, I will say, pretty much every investigation that we do, we have to deliver difficult results to our client. It's never anything that a board or a client wants to hear. Understanding that the intent is to improve the process and to improve controls and to improve accountability within an organization allows for the conversation to take place. And so, it's not us, you know, pointing fingers and saying somebody is wrong. It's more of a conversation and an understanding of We understand that there was a shortfall here, but this is what we would recommend to do going forward. And I have not had instances where the conversation has been necessarily confrontational because the approach is that what we are trying to do is help improve the organization and improve the situation and make it so that there's less likelihood of any kind of inappropriate action going forward.

Ms. Denise Garza, Board Member stated, yes, thank you. My question is, will you be working with our internal auditor, and if so, how much assistance will his office be providing to your agency? Ms. Devereux replied, yea, so, yes, we would be working with the internal auditor specifically to obtain data and documents, but we would like our review to be independent of anything. Just so that we don't burn our opinions would not be tainted by any work that has been previously performed. And so the level of work that would be required by him would be more on. PBC side.

Ms. Jessica Gonzalez, Board Member stated, what can you do differently that our internal, external, and federal auditors haven't already done? Ms. Devereux replied so, federal and external audits, those are not intended to identify, or uncover fraud. Those audits, the intent of those is to give reasonable assurance that the financial statements are presented fairly and in accordance with generally accepted accounting principles. The purpose of a forensic audit is a deeper dive, looking more into the details and looking more into the transactional level. And what we would be able to do differently from what an internal auditor would be able to do is that we have access to computer techniques and data analysis tools where we can, with data analytics, review 100 % and really identify the areas where there is the highest risk and identify gaps and anomalies in a timely manner and dig into the details and do it in an unbiased manner. Ms. Gonzalez stated, and my second question, please give recommendations name recognition of anyone who wanted to be here but couldn't just so that we can recognize them and acknowledge that they wanted to be here. Ms. Devereux stated, from our team. Ms. Gonzalez stated, yes I believe somebody said that they wanted. Ms. Devereux interjected Joel Perez.

Ms. Daniella Lopez Valdez stated, that concludes our question and answer and thank you all very much for your thorough presentation Ms. Pena, if we can have five minutes to finish our ranking sheet. **Ms. Rosario Pena, Director of Procurement Services stated, Madam Chair, if I may, the ranking we can do in the following section, in the following, but right now we're just doing the presentations and allowing you time to really listen to them. We will rank in the following section.** Mr. F. Ortiz stated, Legal, just a question. Since I didn't ask my first question due to the fact that they answered it during the presentation, if the other two firms come in, do I need to skip that question or can I still have the option to ask that question? *Mr. Eric Flores, Board*

Attorney replied, you still have the option to ask the question. Um, so long as you were going to ask that question for all three of them, uh, you're more than welcome to ask the question. But just like I told Ms. Pena earlier, Mr. Ortiz, if the question is answered, um, you're more than welcome to, um, keep the question, adjust the question so long as that it's asked consistently. Mr. Ortiz stated, okay and that's what I meant. That's why I mentioned it. So you would be able to know what question I was going to be asking if I did follow up with them. Mr. Flores stated, yes, sir. No worries.

Ms. R. Pena stated, our next firm is a firm of Weaver and Tidwell from Houston, Texas.

Mr. Eric Flores, Board Counsel stated, hello my name is Eric Flores, Board Counsel. Just a couple housekeeping rules. Did you all receive the guidelines as to how the presentation would go? Awesome. So I won't recap those, but I will just give you all some brief insight. It's 30 minutes, 20 minutes for questions. Question and answer, 10 minutes for your presentation. This is a hard stop presentation, so I will stop you guys. And then you all, of course, will not see anything further. We'll give you a two-minute warning after 28 minutes has passed. You all can see the clock, one of the clocks here, and if not. Sasha Gartman, Director stated, yeah, we can see that. So first, we're starting with the presentation, right? Mr. Flores replied yes, presentation and question and answer. Some Board members may elect to not ask any questions. It doesn't mean it takes away any of your allotted time. It's approximately a minute and a half to answer per question. Some may ask one, two, or no questions. You are welcome to move the time as you see fit. Any questions? You may begin.

Ms. Sasha Gartman, Director of Forensic and Litigation Services stated, good evening, everyone. Good evening, Superintendent Dr. Chavez, Board President Lopez Valdez, and esteemed members of the board. Thank you for the opportunity given to us to talk about the forensic advisory services which we were providing. And my name is Sasha Gartman. I'm a Director at Forensics and Litigation Services. I have over 15 years of experience conducting forensic investigations, litigation services, third party due diligence, money laundering. I participated in forensic audits for school districts and other government entities, including San Benito, and Tumble ISD. I'm a certified fraud examiner. I'm also a current member of the ACP chapter in Houston, and I'm a certified money laundering specialist. Hi, my name is Andrew Medinal am a Manager out of Weaver's Forensic and Litigation Practice based out of the San Antonio office. I have about a decade of experience providing financial forensic services, including investigations, litigation dispute services, risk assessment and compliance reviews, as well as business interruption matters. I've worked numerous financial cases involving complex financial matters, including detailed models and analysis. I've serviced several industries, including education, not -for -profit, other public sector entities, as well as healthcare, construction, and such. And in addition to my accounting degrees, I have the Certified Fraud Examiner credential, as well as a CPA credential. Ms. Gartman stated, our company is a national accounting and consulting firm with rapid growing, with 23 U.S. locations across 11 states, with over 16,000 professionals, and we actually offer best of both worlds, big firm experience combined with a commitment to a personalized client service, every client matters. And we tailor our services to the specific needs of each client. Mr. Medina stated, yes, and even with the growth of our firm as a national firm, our presence has been primarily based in Texas, with seven office locations, with our largest office locations out of the DFW and Houston metroplex areas, as well as Austin

and San Antonio. And our forensic accounting services, we do offer a wide variety of services, including investigative services, dispute services, as well as valuations and others. Ms. Gartman stated, as a firm, we have huge experience public sector, and we have many years of experience conducting forensic audits and investigation for public sector entities, many of which involve allegation of fraud, waste, and abuse. It is also to be mentioned that Weaver is the auditor of the largest school district in Texas, including Dallas and Houston metropolia. In the past years, our team has conducted more forensic audits for Texas school districts, as you can see here, than any other firm. And we collectively have provided services to many public entities, not only including school districts, but also municipalities, higher education institutions and states and federal agencies. Some of them to mention are from Rio Grande Valley, like Weslaco ISD, San Benito ISD, Far San Juan Alamo, Donna ISD, and Socorro and El Paso. And for some of them you received already the links to the reports which are publicly available in our RFQ response. Mr. Medina stated, and so some of the other types of services we provide during these forensic audits do include services related to reviews of bond programs, construction expenditures, assessing vendor expenditures, as well as reviewing procurement, and even providing benchmarking comparisons from school districts in terms of what their expenses are in comparison to other similar school districts around the state. And other areas of review include the Education Foundation, tax ratification elections, as well as board elections. And another thing to mention that our services being forensic audits, they do differ inherently from your traditional financial statement audit where it's more systemic when you're going through these annual audits versus from a forensic audit perspective. Our audits are focused on in certain key areas, depending on what the scope of the issues are, as well as the availability of information. So, we tailor our audits specific to whatever may be needed to review. Ms. Gartman stated, and let's talk a little bit about our approach. Over the years, we have developed a free phases approach, how we call it, and phase one is where we focus on conducting meetings with district leadership to gain a better understanding of key issues. We assess the condition, accessibility, and volume of financial records pre -phase and we develop a work plan which we'll discuss with you and budget and timeline and everything. Mr. Medina stated, and to add to that, this allows us to set clear expectations with all the stakeholders, as well as the Board. And then as we transition to phase two, that's where we execute the work plan, as well as provide the Board, as well as other management periodic updates. we're executing the work plan. We're going through the different areas of review that were established from that work plan. And anything that may have been unforeseen, is one of those situations where we'll proactively bring that up so that way we're being both effective and efficient and avoiding any surprises when it comes to potential fees. Ms. Gartman stated, and that's how, from our experience, again, average, every case is different, the timeline can look like. So from my experience, we develop, of course it's mutually agreed upon timeline and depending on the issues you want us to focus on, but usually it's a six month approach where the first month would be focusing on the phase one, basically developing the plan and also discussing with you actually the analysis, reviewing the initial review of the documents, and then discussing our next steps. Then for probably four months, in average, we will review your documents, analyze the data, do the email review or whatever is needed. And of course, having status updates with you throughout the whole process and tailoring it as needed. And then towards the end, we are starting focusing on capturing all our findings and observations in the report which we usually also present and add to you to the board. Our team of course can be

downsized or scale up depending on the needs and depending on the project. For this project, what we were planning, the leadership was Jeff Lewis, with a lot of abbreviations after his name. He's the managing partner with a lot of experience, also both in investigations and litigation. It's myself and Andrew we have our subject matter Advisors, Jared Jordan, he is our partner in charge for the Forensic and Litigation Services. Travis Kastner, who specializes mostly on government investigations, and it's his bread and butter. And Tim Moore, who is leading our Investigation Division within the Forensic and Litigation Services. We have a dedicated team who can help you work on data analytics, or staff who can do the first level review of the documents, and all the processes established and experience in that. And that's, yeah, giving some pictures. Mr. Medina stated, right this is where we have the bios for our core team. And just to reemphasize, as my colleague Sasha mentioned, we have the ability to scale up as well as scale down, depending on what the magnitude of the review and the assessment is. Ms. Gartman stated, yes and that's it. Thank you very much for your attention, and we are ready for the questions.

Mr. Carlos Elizondo, Board Member stated, I don't have any questions again, ma'am.

Ms. Minerva Pena, Board Member stated, yes. Do your experts have experience in providing a testimony in case these findings end up in court? Ms. Gartman replied, yes we are, I would say, 50-50 investigation litigation. And yes, we have extended experience in providing testimony in court settings. Ms. Pena stated, and my second question is, in any findings, if you find that the documentations have been falsified and the communication given to you is false, how do you handle that? Have you had that experience in dealing with documentation or someone that you're investigating is giving you false information? How does your agency handle something like that? Ms. Gartman stated, you mean if you provide us the documents and we see them? Yes, we will I think usually, first part of the question, we see that. Yes, we do. We do. So I think we saw a lot of over the years. How we'll handle first, we will investigate ourselves how serious an issue and get to you with our immediately with our findings, this and this, we find that it's not correct or could be manipulated, the data, especially the, for example, from my experience, the financial data, we see a lot in accounting that we see manipulations with so.

Ms. Neida Ruth Grantland, Board Member stated, I only have one question. After the scope of your review is determined, if in the course of your review you find that a procedure or practice is ill -advised, will you report the finding and make a recommendation? Ms. Gartman replied, yes, of course. We always keep with our clients close communication throughout the whole process, usually having regular status update calls or presenting our preliminary results, so it won't be a black box for you what you will get in the report at the end.

Ms. Daniella Lopez Valdez, Board President stated, my first question is what level of staff time, documentation preparation and administrative support will your audit require from our district employees and how will you minimize disruption of the regular student focused duties? Ms. Gartman replied, so, we usually during the phase one, we will try to understand, to talk to you who are the persons, the employees we need, depending on the issues. We need to interview or to get the data. We will get all the document requests, data usually at the first phase. So really the first, and it's within the month. And we try to limit this time, so of course, and have it as much structured as we can. And keep it to smaller follow-up

questions during the, Phase two, which is the analytical stage, usually at that point we have most of the data we need, which can be financial data, it can be documents, contracts, and communication regarding email reviews. So that usually we try to define at the beginning, at our scope phase. Mr. Media stated, right, but then to reemphasize, it's really all dependent on what the key issues are to assess and review. Just depending from the slide that we were presenting earlier, there's different types of reviews and analysis, and each of those may require a different approach to address those. Ms. Lopez Valdez stated, my next question is, given our district's consistent A rating on financial accountability from TEA, how will your firm ensure this process remains strictly evidence-driven and informed? influenced by public misconceptions? Ms. Gartman replied, we are usually operating on fact basis, and that's what we're doing. That's investigation, so that's what we're supposed to do. And we will look at the data and determine the documents if we have any findings independent of what's in the media or whatever. So we're just working with facts, documents, numbers.

Mr. Frank Ortiz, Board Member stated, yes, my question is, describe a time when you had to deliver difficult audit findings and recommendations to a client. Mr. Medina replied, so for me personally, I did have that experience where I had to report findings in which a Chief Investment Officer wasn't following the appropriate procedures, not to say there was any improprieties being done, but more so there weren't there weren't following the standards that were being set by the organization and it's one of those situations where we can only report based off the facts what we can support from documentation, from interviews with key individuals or upper management, but we will report, we will put that in the report and then we're also able to work with both the board as well as legal counsel in terms of how to If it gets to the stage where we need to report it in any other manner, we will work with you to report that.

Ms. Denise Garza, Board Member stated, I only have one question. Will you be working with our internal auditor? And if so, how much assistance will they be providing to your firm? Ms. Gartman replied, so usually we will look at the reports as part of probably our phase one. And if we have questions, usually we operate independently if we have questions, follow-up questions will follow up, but again, we need to get the data, we need to get the documents and build our independent opinion about and have findings and observations. But we start with a base and understanding, like a background for us. And if, again, in course we need to have more discussions and interviews, we will reach out and let you also know.

Ms. Jessica Gonzalez, Board Member stated, what can you do differently that our internal, external, and federal auditors haven't already done? Mr. Medina replied, well, I would say, given our firm, we do have the ability, as mentioned, to scale up and scale down, depending on what the needs of whatever analysis is being requested. In addition to that, I would say that our firm has done a great job in terms of staying up to date with the technologies that are required for a lot of the work that our investigations do, whether if it's performing background checks on vendors or reviewing from a data analysis perspective, having to review large data. Our firm has generally given us the resources to be both efficient and effective in whenever we required certain technologies to complete the work. Ms. Gartman stated, and I also want to add something that our work is a little bit usually different than internal auditors. So we have a specific task to find

which they are usually not looking for, meaning fraud, waste, and abuse. And that's a specific mindset, specific things which we are looking at the data. So it's a little bit different approach taken, how we look at the data, how we analyze documents, and how we make the connections between the data, documents, and, for example, emails. Ms. Gonzalez stated, and my second question, I know you guys are traveling and thank you for that, but is there any name recognition, somebody that wanted to be here and couldn't? Feel free to name them now just so that we can recognize them. You don't have to name anybody. Ms. Gartman replied, I think we both, I'm from Houston and Andrew's from San Antonio, so I think it was logical for the Texas team to come over. We are a pretty heavily Texas based company. As you saw, we do a lot of work here locally in the state. And Jeff Lewis, who is a Managing Director, he operates out of DC area. Again, we still, we're all very connected online every day with each other.

Ms. Rosario Pena, Director of Purchasing Procurement stated, and our last presentation is from the firm of Carr, Riggs, and Ingram, Harlingen, Texas.

Mr. Eric Flores, Board Attorney stated, good evening, gentlemen. My name is Eric Flores, I serve as legal counsel to the Board. Did you all receive the guidelines as to how the presentation would proceed? Mr. Matthew Montemayor, stated, the guidelines that we received was an invitation that discussed a 10 -minute presentation of the slides, as well as a 20-minute Q & A. Mr. Flores continued, perfect, so it's a 30-minute hard stop presentation. So 10 minutes, as you said, for the presentation, 20 minutes for question and answer. There are six board members here physically present, one on Zoom. Mr. Elizondo, who is on Zoom, has elected not to ask any questions. Those six presents do have either one or two questions. You are more than welcome to deviate some of that time, as you do approximately have about a minute and a half per question to answer, so you may move some of that time elsewhere. I will give you a two -minute warning, as after 28 minutes have gone by. Any questions?

Mr. Matthew Montemayor stated, well, good evening, Board President, members of the Board, Superintendent. It's great to be here with you this evening. My name is Matthew Montemayor, I'm a partner with Carr, Riggs, and Ingram. I'm here today with J .P. Tujaague, who is a partner out of our New Orleans office. Let me just start by saying we appreciate the opportunity to be here in front of the Board. I always appreciate the opportunity to come to the board and give a little bit of information about the firm and the firm of who we are and the professionals that we have in our firm. So what I'm going to do is I'm going to go ahead and go through this presentation and give you a little bit of an overview of some information about the firm facts of CRI. I'm also going to cover a little bit of our governmental credentials, some of our CRI forensic audit experience, the Rio Grande Valley presence. We actually have offices here in the Rio Grande Valley, so I'm going to cover that. of topics about that. Go over our forensic audit team and the qualifications of our audit team, and then cover finally the scope of services, our values, and timeliness of deliverables would be a main point of topic also for delivering quality product to the board. So just some firm facts about us. I put this slide together. This is a little graphic. You can take a look at it. CRI was founded in 1997. We operate in over 35 plus markets. In the firm, we have nearly over 2 ,000 plus professionals. We are a top 25 firm in the nation. Some of our clients span upwards of 100,000 clients across the firm. And we've experienced 25 years of consistent growth. So we've done that through the values that we instill in our firm, which include client service, client respect, and integrity. Down

below, you'll see some of the services that we offer. We're a full-service accounting firm. We offer services in the form of advisory, audit and attest, tax services as well. Also listed down below is our industry experience, and you can see there we cover a host of different industries. And as I mentioned, we are considered a top 25 accounting firm. This is from Accounting Today publication, and we just pride ourselves in this. What I would take from this slide and what I'd like to say is this firm does have a lot of resources. We have a lot of resources available to us. There's power in numbers, right? And we're able to lean on the resources that we have throughout the firm and throughout the different offices across, you know, the southern states that we operate in. So moving on, governmental credentials. So you are a Texas public school district. You're considered a government in many ways. And so this slide kind of highlights some of our government credentials. So we do have 500 plus governmental entities with annual revenues totaling over \$26 billion. And in conjunction with our audits of governmental entities, we also do audits of federal single audits as audits over compliance with federal grants. A lot of government entities and districts such as yourself receive federal grant funds, and we have experience performing audits over compliance regarding those federal dollars. Our clients with annual revenues up to \$1.1 billion, that's 80-plus school districts, right? In Texas, I could tell you we do over 30-plus audits of Texas school districts. Those are financial statement audits. But overall, in the firm, we do over 80 different school district audits. And then down below, municipalities over 110 municipalities and 75 plus agencies and authorities. These are all considered governmental entities. So we have familiarity with governmental accounting and funding accounting and things of that nature. Next, I'm going to turn it over to JP to cover a little bit of information over our forensic audit experience. Mr. Tujague stated, good evening. Can you all hear me OK? All right. In addition to the government credentials that Matt talked about a few minutes ago, our forensic team, besides being CPAs, of course, holds various credentials, including certified fraud examiners, certified in financial forensics, master analysts in financial forensics. So we feel it's important that our team kind of embodies the skill sets and the discipline in pursuing these that we find make a strong team. So, we provide, CRI provides a spectrum of forensic services that range from prevention to assessment to investigation. And I like to look at it usually kind of like a fire, or the analogy to a fire, where prevention would be we work with organizations to assess their control, where are the risks, where are the weaknesses, what can we help you with to kind of close those gaps and prevent fire, or in this case, financial fraud or improper activities. The second area is assessments, and that's more like, I smell smoke, I don't see fire, but there's something not right, something's going on, we feel this area is in compliance, but we don't know to what extent. It may not always be actual occupational fraud. It could just be noncompliance. And then, of course, your full-blown fire would be an investigation where we train our resources on the particular areas that have been discovered already, and we try to discover what else there is. In the meantime, we also document, oh, we lost our screens. We also document any necessary evidentiary documentation for the proper authorities, if applicable. Mr. Montemayor stated, all right, a little bit about the Rio Grande Valley presence. I know I mentioned we do have offices here in the Rio Grande Valley. So we actually have offices in Brownsville, Harlingen, and McAllen. And so Carl Rigs and Ingram is the only national CPA firm with local offices here in the Rio Grande Valley. And I think that provides a good resource because you kind of have the best of both worlds, right? You have local attention with national strength and resources. So currently our Rio Grande Valley practice unit is made up of the three offices, as I mentioned. And that is currently composed of nine partners,

five managers, and other professional staff. In the Rio Grande Valley, we have over 19 CPAs. As a firm obviously, we have over 2,000 plus professionals providing readily access to firm resources and expertise outside of the Rio Grande Valley as well. So the forensic engagement, if awarded for the Brownsville Independent School District, that would be performed primarily out of our Louisiana office, where we have some resources there that could provide the specialties needed to conduct this engagement. But however, our presence in the RGV will allow us to provide and foster relationships with the district and use local staff as well as needed. The local engagement team, this was included in your proposal that was submitted. That includes myself. I have Texas School District audit experience, and I'd primarily be a relationship partner, ensuring that the engagement runs smoothly between our New Orleans office and our Harlingen office to ensure that timely deliverables and things of that nature. Jonathan Hall is a CPA. He's also a partner in our Harlingen office, and he's included as a resource partner. And Samantha Atkinson is a CPA, she's also an audit manager in our Harlingen office as well. So these individuals listed here, as well as just the Rio Grande Valley presence, I think it provides good resources to use in this type of engagement for support for JP and his team. Now a little bit of the CRI forensic audit team, JP's going to cover some information on that. Mr. Tujague stated, so as Matt mentioned, if we are to win the project, it'll be run by me out of New Orleans in conjunction with Matt here in Brownsville. I think it's important that we have a Brownsville presence, not only because that's where some of our local school district auditors are, that would be useful in this case, but also from a cost efficiency and effectiveness standpoint. Having somebody boots on the ground, not that I won't be here, but at any time to pick up documents, to drop them off, to work with me, to go through them, I think that's important. But just as important, I think, is the experience of the forensic team in conducting engagements in the valley. You know, me personally and my team have worked in and around Brownsville and Donna and other places in Texas, but primarily down south on forensic engagements such as this. So, we've listed out some of the upper level members of the team, and these are other resources that we could call to bear, you know, as needed. From a cost effectiveness standpoint, it's great to be able to pull in some money that has just a certain bit of niche knowledge that helps you and helps me in assessing the, well, whatever the scope of the services is that it happens to be in this case. I think you all are going to elaborate on that, but in general, I know it's related to bond funds and funding and compliance, at least that's what I've read. I know we were going, if we are awarded, the first, probably the first step would be to sit down with you and hear your... *Mr. Flores interjected, so the presentation portion has concluded. We will now move to your question and answer.*

Mr. Carlos Elizondo, Board President stated, I don't have any questions right now. Thank you.

Ms. Minerva Pena, Board Member stated, do you have experts in your agency that has provided or has been able to testify or present in court in case a case comes up, do you all have experts that are able to present a case in court if that would be the need? Mr. Tujague replied yes, ma'am. good question. That's part and parcel to what I do. I've testified in state and federal courts. I've worked with the FBI. I've worked with sheriff's offices in providing them documentation and the results of our findings. It's not always the end that everybody wants, but if the investigation does go that way, we have to prepare for that from the very beginning. Ms. Pena stated, also, have you experienced and have the ability to deal with someone who presents false documentation or makes false statements? When you are conducting an investigation, do

you have experts that can be able to distinguish when something's been presented falsely as to something that is valid? Mr. Tujague replied, yes, ma'am, I'd like to say we do. The way we conduct our investigation is, you know, I never interview any one person myself because it's hard enough to, you know, to capture all the information and if I'm worried about writing down notes and getting the gist of what they're saying, that I'm not looking at them and seeing how they conduct themselves, their body language. Your body gives off a lot of cues. And so as trained CFEs, we look for those cues. It's not a, oh, they're doing this. They must be guilty. But they're indicators. And so we add up all the indicators. This is what it looks like. This person exhibited stress at certain points. What were they stressed about? And kind of hone in and dig down on that a little bit deeper. And that's a roundabout way to answer your question. We don't get to that phase until we've gone through enough documentation so that we can be certain that the answers they're giving us are true or are potentially false. It's like the lawyers sometimes say, we try not to ask questions that we don't already know the answers to. In the second stage of investigation, that's how it goes. Ms. Pena stated, okay, well, yes, because you kind of confused me when you said, well, if I'm writing stuff down, I'm not looking at them. Then when would you look at them? Another day? Mr. Tujague replied, I left that part out on accident. That's why I always go in with another person. I always bring up someone with me. Ms. Lopez Valdez interjected, Ms. Pena, let's make sure we stick to the same question. Ms. Pena stated, I guess he forgot to say somebody else is with you. That's what I was waiting to say.

Ms. Neida Ruth Grantland stated, thank you for your presentation. Once the scope of the work is determined, if in the course of your review you find that a procedure or practice is ill-advised, will you report the finding and make a recommendation? Mr. Tujague replied, we will definitely report the findings and make a recommendation if that's what the board desires and typically it is. Often, we will keep those reports separate, you know, because some will be released right away, others are for you all's consumption and to use. But whether it's together or apart, we do that, yes.

Ms. Daniella Lopez, Valdez, Board Member stated, my question is what level of staff time, document preparation and administrative support will your audit require district employees? And how will you minimize disruption to their regular student-focused duties? Mr. Tujague replied, I'll answer the second part first. In coordination with who our opponent you all's assuming will assign as a point of contact, in coordination with them, we would be able to get people's schedules and know when they're going to be available, when they're not. As far as the hours go, I would just be throwing something out there if I gave you a number because we would have to identify and understand the scope and your concerns and how far back that goes and what areas it touches. And then that's part of, that would be the first thing we give you all after we have that discussion is a roadmap. Ms. Lopez Valdez stated, and my second question is, given our district's consistent A rating on financial accountability from TA, how will your firm ensure this process remains strictly evidence-driven and not influenced by public misconceptions? Mr. Tujague replied, well, that's the nature of a forensic investigation, is it's fact-driven. So what people think doesn't hold sway and doesn't make it into the report, it's where do the facts lead? At the end of the day, A determination of guilt or innocence or compliance or not is not my purview. I'm not the court. I'm not the authorities. So what you'll get from me is these are the facts that we've documented. This led to this, which led to this. This person did it or, you know, in a

simplistic example. But it will be just the facts and fact -driven. That's the standards that we adhere to in my industry.

Mr. Frank Ortiz, Board Member stated, yes could you describe your approach to conducting an audit? Mr. Tujague stated, an audit or a forensic? Mr. Ortiz stated, Forensic audit. Mr. Tujague continued, well, first, in general, they all kind of start and have the same major flow. We sit down with you all to discuss the concerns, the nature of them, what formed the concern, where, you know, how did it come to light? What's the background information? Because often that kind of drives, that gives us insights. So, once we have an idea of what is the overall scope that we're going to be looking at and how far back it goes, after that meeting, and we, well, I'll skip something, after also getting an idea of what information is available and how, and are key people going to be available, because that all kind of flows into both the manner and the duration of our investigation. Once we're armed with that information, we would go back, we put together a plan, on how we're going to conduct our investigation, layer in timelines, and then we report back to you, all right, this is what it's looking like to us. This is our approach. It'll be general enough, because we, you know, just as investigators, we don't give everything away. But it'll definitely provide you with enough to set your own expectations. Mr. Ortiz stated, okay, my second question is, describe a time when you had to deliver difficult, audit or forensic audit findings and recommendations to a client? Mr. Tujague replied, I can think of a couple. One of them would be in Brownsville. It was a little ways back, a few years ago, and it had to do with the PUB. There was a report there that a lot of people didn't like the outcome and I understand that, but we still had to, we had a job that we were tasked with by the council. We reported to the council and I guess let the chips fall where they may. They released our report, decided to, and there was a lot of, some positive, some negative press, but there were things that the council didn't want to hear in the meeting, but that's what you hire us for.

Ms. Denise Garza, Board Member stated, I only have one question. Will you be working with our internal auditors, and if so, how much assistance will they be providing your firm? Mr. Tujague replied, I don't like answering with a, that depends. If it will assist us and make the engagement more efficient, I'll say it this way, but not bias us or, you know, otherwise make the data that we're going to rely on unreliable, then we would absolutely use what we can from them. But we have to follow our own paths. So, if they provide a means to get information without it being in any way, I don't want to say tainted because that implies that somebody would do that on purpose, but without in any way muddying the waters, then sure.

Ms. Jessica Gonzalez, Board Member stated what can you do differently that our internal, external, and even federal auditors haven't already done? Mr. Tujague replied, well, I'd say I'd probably answer that question better once I have the full idea of the scope, but just in general, financial auditors do not do the same thing we do. So their purposes are different. They're to provide assurance on financial statements and that whether those financial statements are, you know, within a degree of reasonableness. I forget the exact language. Mr. Montemayor stated, so reasonable assurance, right? So it'd be reasonable assurance that your financial statements aren't materially misstated. Mr. Tujague stated, aren't materially misstated. So it's looking at levels of materiality and sampling and doing what we, as auditors, think is necessary to be able to get that assurance. Whereas for a

forensic investigation, it's going where you think you need to go, following the facts, pursuing our analysis, not from a sample, but from our, We're going to look at everything we need to make a determination. Ms. Gonzalez stated, and my second question, I know some of you traveled, even if it's Harlingen, you're still traveling. You were stuck in that ugly traffic. But thank you for traveling here and from long ways. But is there anybody that you would like to recognize by name that maybe wanted to be here but couldn't? Mr. Tujague replied, other members of my staff, one that I lean on heavily, Jenna Labruzzo, she's very important. There are other members, partners in my firm and in your firm that we'll have discussed things with beforehand when we were putting the proposal together with regard to school districts, auditing of school districts and funds. Some of them were listed in your, in fact, all of them were listed in your proposal and their levels of experience. That would be it and of course, to Matthew for standing up here with me.

Ms. Rosario Pena, stated, Madam Chair, while they fix the PowerPoint, if you can call Ms. Perez to go ahead with the next conference presentation item. Ms. Lopez Valdez stated, Ms. Perez, actually, before we begin, can I call a brief recess for us to finish our rankings? **Ms. Pena stated, may I go through the rules of engagement?** Ms. Lopez Valdez stated, off course, yes, please. **Ms. R. Pena continued, and then we will proceed.**

B. Ranking/Evaluation by Board of Trustees of RFQ #26-122 Forensic Audit Services.

Ms. Rosario Pena, Director for Purchasing Procurement Services stated, so right now, we're going to go through the rules of engagement for the ranking portion of it. It's not cooperating. Thank you for technology, right. Each Board member prior to this meeting received a binder. And in that binder, all the submissions were in there for you to review prior to the meeting. During the evaluation portion, communication among board members should be limited to asking questions that clarify their proposals and enhance the understanding of their contents and requirements. Before evaluating and ranking the solicitations, each board member must sign and submit a nondisclosure statement to safeguard the confidentiality and integrity of the evaluation process. That would be found on your binder under tab six. The evaluation and ranking must be conducted using the scoring matrix and criteria outlined in the solicitation document under the scope of work, tab number three, pages seven and eight. Evaluation and ranking of solicitations will be based exclusively on qualifications according to the published ranking criteria. Discussions regarding pricing or fees are not permitted at this stage. Each board member has been issued three ranking criteria sheets, one for each submission, and that would be found under tab number seven. The ranking criteria has 10 major areas of evaluation and each area has been assigned a determined maximum point value as published on the solicitation. An analysis of firm qualifications has been prepared from the submissions to provide you with an accessible comparison of the participating firms that would be found under tab number four. As requested by the Board, reference checks were conducted by the internal audit department and shared with the board members prior to this meeting. Following established procurement procedures, once the board members have completed the rankings, the ranking sheets will be collected and tabulated to identify the highest ranked firm. At this time, I'm asking that you please either initial your ranking sheets or put your name there so that my team can go ahead and input them into the system. Once the Board of Trustees approves a selected service provider, the district will begin contract negotiations to define the scope of services, establish fees, and finalize all required contract terms. The finalized negotiated

contract will be presented to the Board of Trustees for approval at a future meeting date. So Madam Chair, if you would like to recess at this time. Also, my team is available to assist and we have Mr. Porrás and his team member to assist you with the technical portion of the ranking if you should not be able to understand one of the criteria. Ms. Lopez Valdez stated, thank you very much, Ms. Pena. Ms. Pena, Minerva Pena, Board Member stated, what I see here in the sheets that we're going to use to rank, and one of the questions is, okay, let's see, where is it, number four, I think. it was. Hold on, let me put it over here. Yes, here. The education, including communicating education course taken during the past two years. I didn't hear that discussed, so how can I rank something that I don't remember. Ms. Neida Ruth Grantland interjected, it is in your binder. Ms. Pena continued, oh, so we go by what's in here, not, okay. **Ms. R. Pena stated, yes, ma'am.** Ms. M. Pena stated, then I got the answer. Ms. Lopez Valdez stated, thank you, Ms. Pena, for your very thorough explanation. We'll go ahead and recess right now.

Board Recess: 8:17 p.m.
Board Reconvenes: 9:03 p.m.

VIII. PUBLIC COMMENT:

Adina Alegria - Good evening, President Lopez Valdez, members of the Board, Dr. Chavez, those in the room, and those joining the KBSD ITV channel. My name is Adina Alegria, Executive Director of Texas Valley Educators Association. Tonight's agenda brings us to the question of whether Brownsville ISD should procure an external auditor to review funds received from the voter-approved tax ratification election as their funds from the state, TRE, and TRI. At first, speaking only for myself and not for my membership, I thought perhaps hiring an external auditor might quiet the incessant noise from disgruntled people. Accusations of misappropriation. But then I stopped and asked myself, does this truly make sense? Our district already has internal auditors. We already have external auditors. And the Texas Education Agency has awarded Brownsville ISD an A in financial accountability. So why would we spend over what's a guesstimate of \$300,000 to repeat what three entities have already told us? That money would be wasted on confirming what we already know. Our district's finances are sound. Some in the community argue, well, the district spent \$50,000 on informational materials for the bond and \$210,000 on election cost. Why not spend on an external auditor too? Here's the difference. The bond effort was an investment in possibility. Had it passed, it would have generated \$385 million in revenue, funds for HVAC systems, roofs, safer windows, and had Part B passed, a new CTE building, an opportunity arts center where our students could shine. That spending was justified because it was about informing the community of a transformative opportunity. The return was potentially enormous. Again, bonds are not bad words. If that were the case, the Texas Education Agency would not have a whole page dedicated to bonds. The very first sentence starts like this. The bond guarantee program using the corpus of the permanent school fund guarantees bonds issued by a school district or charter school. It goes on to say that the district or charter must also be financially sound. The TEA also reviews the school first rating, our charter first rating, the annual financial audit report, accreditation status, and any complaints. Folks, that is actually on the TEA website. And I mention this because this district could not have gone out on a bond if this district wasn't financially sound. One community member mentioned verbatim that while they were at Longoria, the library leaked every time it rained and nothing was ever done. She went on to mention that I'm making it sound like Brownsville schools may be run by a slumlord. No, that's not the case, but they do need repair. She may not have had the means to advocate then, but along with so many others, we are here now advocating for the needs of the district and those needs are urgent. So tonight, as an association leader, I stand confident in saying this. We denounce spending hundreds of thousands of dollars on an external audit that will only tell us

what we already know. Instead, let's fix those leaky roofs. Let's plan for the next HVAC systems failure. Let's replace windows in schools that desperately need them. And let's start tackling what was on that long list that came out of the Facilities Committee. Just because the bond didn't pass doesn't mean the problems went away. Our students still walk into classrooms with broken infrastructure, our teachers still work in buildings that need repair, regardless of the magnitude of the problem. The community entrusted each of you with their children's education, not with endless audits. Let's honor that trust by putting every dollar where it matters most, into the classrooms, into the buildings, and into the future of Brownsville ISD. Thank you for your time, service to the Brownsville community, and for your attention this evening.

IX. Action Item(s):

A. Recommend approval of the following Bids/Proposals(s):

1. Discussion, consideration, and possible action to recommend awarding RFQ #26-122 Forensic Audit Services.

Ms. Daniella Lopez Valdez, Board President stated, I want to start by first thanking Dr. Chavez and your staff for this presentation. I want to thank Ms. Mary Garza for her thorough presentation as well as Ms. Rosie Pena and your entire team for this very transparent and tedious process. And of course, thank you to all the presenters and for those who submitted their application. We appreciate you. And very quickly, I'm going to say so according to the tabulation results from all trustees, the highest strength was CLA for auditing services pursuant to RFQ number 26-122, Clifton, Larson, Allen. *Mr. Eric Flores, Board Attorney stated, that is the motion Madam President, you may now entertain a second.* Ms. Neida Ruth Grantland, Board Member stated I second. Mr. Carlos Elizondo, Board Member stated, I second. Ms. Neida Ruth Grantland, Board Member repeated I second.

Mr. Carlos Elizondo, Board Member stated, yes for me, ma 'am. Ms. Patricia Perez, Executive Assistant stated, thank you, sir.

Motion made by Daniella Lopez Valdez, seconded by Neida Ruth Grantland, to recommend awarding RFQ #26-122 Forensic Audit Services to Clifton, Larson, Allen. (7-0-0)

The following vote was recorded

Yea:	Ms. Lopez Valdez, Mr. Ortiz, Ms. Pena, Ms. Grantland, Mr. Elizondo
Nay:	Ms. Gonzalez
Abstain:	Ms. Garza

Motion Carried; 5-1-1

Ms. Patricia C. Perez, Executive Assistant stated, Motion passes, five yes, one no, and one abstention.

X. Announcement(s):

Dr. Jesus H. Chavez, Superintendent stated, with regards to December 9th, we have the Special Called Board Meeting, 5:30 p.m. here in the Boardroom. December 10th through the 12th, Santa and Friends at 7 p.m. over at CAB Auditorium, look forward to that. December 10th, Parents in Education at 9:30 a .m. over at Lopez Early College High School Auditorium. December 13th, Elementary UIL at 8 a.m. and we have that at various campuses. December 15th, Board Workshop at 5:30 p.m. here in our boardroom. December 16th. Rescheduled Regular Board meeting 5:30 p.m. here in our boardroom. December 17th, Community Tamalada at 5 p.m. over at CAB Cafeteria. You're all invited. December 22nd through January 5th, 2026 is the staff holiday break. For our students, December 22nd, 2025 through January 6th, 2026, we have the student holiday break. Thank you so much to everyone. Mr. Frank Ortiz, Board Member stated, just a question, Dr. Chavez. On the activities for the UIL on Saturday, they're going to be at various campuses. Could you send us the different campuses that we'll be hosting? **Dr. Chavez replied yes.** Mr. Ortiz stated, thank you. Ms. M. Pena stated, Dr. Chavez, and what time is the Tamalada? **Dr. Chavez replied, Tamalada, we have it at 5 p .m. over at the CAB cafeteria.** Ms. Pena stated, and it's from 5 to what time? **Dr. Chavez replied, 5, we usually run for about 2 hours, so yeah, 7 o 'clock, yeah.** Ms. Pena stated, I'm going to try to make it, but I have a huge commitment with my family, and you know how they go. It's my birthday. So if I don't go have dinner with them, they might get their feelings hurt. But I will try my best to try and catch you guys then. **Dr. Chavez stated, well, you and I can have tamales next time we get together.** Ms. Pena stated, that would be excellent, sir. (Inaudible) God bless you. Keep you healthy. Ms. Denise Garza, Board Member stated, yes, I just wanted to let the three firms know I abstained only because I was very impressed by all three of you that it was a very hard decision for me because all of you came up here and presented very well and I was very impressed by all three of you. So that is the reason why I abstained because it was really hard on me to make that tough decision. So thank you for taking the time and putting all your effort into this RFQ. Thank you. Ms. Jessica Gonzalez, Board Member stated, I just wanted to reiterate. Obviously, thank you to you guys, but especially thank you to the staff you guys are here staying late it's God it's past 9 p .m. so you know you've been here since 7 whatever in the morning so just thank you guys you have you guys have put countless hours into this and it's additional work that we as a board give to you and we fully recognize it so just thank you thank you thank you and for those that we'll see tomorrow we'll see you tomorrow we have another meeting tomorrow. Ms. Pena stated, also, I want to thank you, the firms. It was really hard. It was very tight. And the squares, like, were right next to each other. I wish you a very, very blessed Christmas and a blessed 2026. Thank you for being here. And keep up your great work, because all of you are outstanding.

XI. Adjournment.

Motion was made by Jessica Gonzalez, seconded by Daniella Lopez Valdez, and unanimously carried to approve to adjourn the Special Called Board Meeting at 9:15 p.m. (7-0-0)

➤ **There being no further business appearing before the Board, the meeting was adjourned.**

(HANDOUTS ADDED TO OFFICIAL MINUTES)

**(AUDIO/VIDEO TAPES OF THE OPEN MEETING AND THE WRITTEN CERTIFIED AGENDA
OF THE CLOSED MEETING ARE ON FILE)**

Approved by:

Daniella Lopez Valdez, President of the Board

Date

Attested by:

Minerva Pena, Secretary of the Board

Date

Notes: Font style designation

Board of Trustees
Administration
Board Attorney
Staff Attorney
Speaker/Presenter

**(Minutes presented at Rescheduled Regular Board Meeting
held on Wednesday, March 4, 2026)**