

- TEXAS EDUCATION AGENCY -



South San Antonio

INDEPENDENT SCHOOL DISTRICT

SPECIAL INVESTIGATION

**INV2021-05-163, INV2021-08-094,
IR2023-02-002, & IR2023-10-008**

Final

REPORT

1701 NORTH CONGRESS AVE
AUSTIN, TX 78701

SPECIAL INVESTIGATION REPORT

SOUTH SAN ANTONIO ISD INV 2021-05-163, INV 2021-08-094,
IR 2023-02-002, & IR 2023-10-008

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**TEA Special Investigation
Final Investigative Report
South San Antonio Independent School District
CDN: 015-908**

I. Introduction

South San Antonio Independent School District (“SSAISD” or “District”) serves the southern and southwestern sections of San Antonio, Texas, and is supported by the Region 20 Education Service Center. According to the 2021-2022 Texas Education Agency (“TEA” or the “Agency”) district profile, SSAISD received an accountability rating of “C” (scoring 72 out of 100) and is operating 20 campuses with 7,919 students enrolled. The SSAISD governance structure is comprised of a seven (7)-member board of trustees and a district superintendent. Additionally, a TEA-appointed monitor has been present in the District as a result of a prior Special Investigation that concluded in August 2021, which identified noncompliance with duties and powers of the board.

On June 7, 2021, TEA received a complaint indicating that the SSAISD Board of Trustees (“Board”) continuously micromanaged and interfered with the designated responsibilities of the superintendent by pressuring the superintendent to select specific candidates for key roles within the District. Trustee Alderete further advocated for the TEA Commissioner of Education to appoint a Board of Managers for the District. On September 6, 2021, TEA received an additional complaint alleging that the Board of Trustees had interfered with the duties of the superintendent. The complaint asserted that the Board continuously intervened with the selection of the District’s Chief Executive Officer (“CEO”).

On November 29, 2021, the Commissioner of Education authorized a Special investigation¹ (SI) to be conducted by the TEA Special Investigations Unit (SIU) to address the

¹ Special Investigation pertaining to compliant # INV2021-05-163 & INV2021-08-094

alleged violations pursuant to Tex. Educ. Code (TEC) § 39.003 Special Investigations.² On the same date, SSAISD was notified by SIU of the intended Special Investigation and was provided a copy of the SIU investigative procedures.

Pursuant to Tex. Educ. Code § 39.004(b) and (c), on September 16, 2022, TEA provided SSAISD with a report of preliminary findings resulting from Special Investigation INV2021-05-163 & INV2021-08-094 (“September 2022 Preliminary Report”)³ ⁴. On October 17, 2022, SSAISD’s general counsel⁵ submitted a response to the preliminary report⁶. As required by TEC §39.004(g), SIU considered the response.

On October 26, 2022, shortly after the release of the September 2022 Report, SIU received a complaint alleging that President Arrellano disclosed confidential information during the October 12, 2022, regular board meeting. The complaint states that President Arrellano discussed the contents of the September 2022 Report regarding the ongoing Special Investigation (SI).

An additional complaint was submitted on October 31, 2022, by the TEA Data Reporting Compliance Unit (“DRCU”) alleging that SSAISD was noncompliant with a DRCU-issued Corrective Action Plan (“CAP”). DRCU had previously notified SSAISD of the actions required to comply with the CAP terms on July 7, 2022. According to the DRCU, SSAISD failed to resolve the CAP requirements by the August 2022 due date.

On November 1, 2022, the Commissioner of Education authorized a second TEA Special Investigation⁷ to address the alleged violations that Trustee Arrellano publicly disclosed the

² Tex. Educ. Code § 39.003 – See Appendix A

³ Preliminary Report INV2021-05-163 & INV2021-08-094- See Exhibit 1

⁴ Pursuant to TEC § 39.004(d), the preliminary report and all associated materials are confidential and are excepted from public disclosure – See Appendix B

⁵ SSAISD is represented by the Sanchez and Wilson Law Firm – Marc Sanchez and Robert Wilson

⁶ SSAISD response to Preliminary Report INV2021-05-163 & INV2021-08-094 – See Exhibit 2

⁷Special Investigation pertaining to complaint #IR2023-10-008

contents of the confidential preliminary report without an affirmative vote of the Board of Trustees, pursuant to Tex. Educ. Code § 39.004 (d)(e) Conduct of Special Investigations. On that same date, SIU notified SSAISD of the intended Special Investigation and provided a copy of the SIU investigative procedures. Pursuant to Tex. Educ. Code § 39.004(b) and (c), SIU issued a second preliminary report of investigative findings to the Board and the Superintendent on December 7, 2022⁸ (“December 2022 Report”). SSAISD submitted a response to the December 2022 Report on January 6, 2023. As required by TEC §39.004(g), SIU considered the response.

On February 3, 2023, the SIU received a complaint that alleged that the SSAISD Board of Trustees rejected the Superintendent’s recommendation to close four campuses to address an approximate \$12 million deficit during the January 18, 2023, Regular Board Meeting. In addition to the superintendent’s recommendation, the TEA-appointed monitor, Dr. Abe Saavedra, commented on the upcoming budget concerns and encouraged the Board of Trustees to work together with the Superintendent to prevent a financial exigency.

Thus, on February 24, 2023, the Commissioner of Education authorized a third SI to be conducted by the SIU to address the alleged violations pursuant to TEC § 39.003 Special Investigations.⁹ On that same date, SIU issued a notice of Special Investigation to SSAISD and provided a copy of the SIU investigative procedures. Pursuant to Tex. Educ. Code § 39.004(b) and (c), Preliminary Report or investigative findings to the Board and the Superintendent on April 24, 2023¹⁰ (“April 2023 Report”). SSAISD submitted a response to the April 2022 Report on May 24, 2023. As required by TEC §39.004(g), SIU considered the response.

TEA issued three separate preliminary reports that have been combined to compose this Final Report. The findings of this Final Report are the result of TEA’s analysis of the district’s

⁸ Preliminary Report IR2023-10-008 – See Exhibit 3

⁹ Special Investigation pertaining to complaint #IR2023-02-002

¹⁰ Preliminary Report IR2023-02-002 See Exhibit 4

responses to the preliminary reports INV2021-05-136, IR2023-10-008, and IR2023-02-002. SIU investigators assessed SSAISD documents, videos from multiple recorded board meetings on the YouTube platform, board meeting minutes and agenda items, and the DRCU's communication with the District to establish their findings. SIU investigators also conducted interviews with Superintendent Henry Yzaguirre and all seven members of the Board of Trustees: Board President Ernesto Arrellano, Board Vice President Shirley Ibarra, Trustee Homer Flores, and Trustee Stacey Alderete, as well as former Trustees: Gina Villagomez, Connie Prado, and Gilbert Rodriguez.

II. Background Information

South San Antonio Independent School District has had a prolonged history of governance issues, mostly relating to the relationship between the District superintendent and the Board of Trustees. There have been five (5) superintendents and four (4) interim superintendents over a period of eleven years, from 2011 to 2022. Except for former Superintendent Durbon, all superintendents separated from the District prior to completing their employment contract terms. Since 2018, SSAISD has paid approximately \$352,169 in severance agreements among former superintendents Dr. Abelardo Saavedra, Dr. Alexandro Flores, and Dr. Marc Puig.

In 2015, the TEA Division of Financial Compliance concluded a Special Accreditation Investigation,¹¹ of the South San Antonio Independent School District authorized by the Commissioner of Education. This investigation pertained to allegations that the Board failed to establish and maintain effective management control over its finances and operations.¹² The 2015 SAI determined that: the Board of Trustees failed to monitor the District's finances by not creating

¹¹ Senate Bill 1365 (87 (R)), updated the terminology used to describe the Special Investigation Unit's investigate authority, changing what were previously referred to as "special accreditation investigations" to "special investigations" effective September 1, 2021.

¹² SSAISD Final Report INV2014-01-010 – See Exhibit 5

internal control policies in the District's electronic banking system, the Board of Trustees failed to manage and control the District's finances to ensure the District's financial statements accurately reflect the value of the District's assets on hand, as well as the Board of Trustees and former superintendents failed to manage the day-to-day operations of the District, which included ensuring that SSAISD record retention policies, procedures, schedules and named record retention manager. On November 6, 2015, TEA issued a Corrective Action Plan¹³ ("CAP") to address the concerns identified through the investigation. However, on February 5, 2016, the Commissioner of Education notified the District of the appointment of a Conservator because the District failed to comply with the provisions of the CAP and continued to demonstrate an inability to work collaboratively with its executive administration.¹⁴ The Commissioner of Education appointed Dr. Judy Castleberry, as the District's Conservator to oversee the financial management and governance of the District to ensure the District complied with state and federal law. The District was under TEA conservatorship from 2015 to 2018 due to noncompliance issues relating to the District's failure to establish and gain effective management control over its finances and operations.

On April 18, 2019, the Commissioner of Education authorized a subsequent SAI in response to allegations that the Board of Trustees were action outside of the Boards authority by directing district administrators in day-to-day operations and impeding the Superintendent's duties related to those matters.¹⁵ In response to the findings of this second investigation, the Commissioner of Education appointed a TEA monitor, Dr. Abelardo Saavedra, in November

¹³ November 6, 2015, CAP – See Exhibit 6

¹⁴ Notice of Appointment of Conservator – See Exhibit 7 Pg. 1 ¶ 1

¹⁵ SSAISD Final Report INV2019-01-074 – See Exhibit 8

2021.¹⁶ Dr. Saavedra was tasked with supporting SSAISD's efforts to improve its governance activities and reporting the District's progress to TEA.

SIU reviewed Dr. Saavedra's notes for the months of October 2021 through December 2021, noting two (2) overarching goals in the areas of governance and statutory compliance: 1) Ensure the Board adequately collaborates with Superintendent and ensure Board and Superintendent operate within their authority; and 2) Ensure district compliance with Board Policy, TEC, and Commissioner Rules. Dr. Saavedra's October 2021 notes reflect the District is 'off track' with observed progress towards achieving their governance goals.¹⁷ The notes show the monitored activities demonstrate that 40% of them are deemed 'on track', with 0% of the activities completed. Regarding progress towards their second goal, statutory compliance, the notes reflect the same 'off track' status, with only 11% of the District's activities being deemed 'on track, and again, 0% of the activities completed. Further, Dr. Saavedra noted specific violations pertaining to TEC 11. § 201, TEC § 11.051, and Tex. Gov't Code § 551.074.

Dr. Saavedra's notes for November 2021 and December 2021 reflect a comparable status of progress towards monitored activities. The notes for November 2021¹⁸ reflect the exact same position for the District's governance goals as detailed in the October 2021 notes. Forty percent (40%) of the monitored activities are deemed on track, while the District still shows a 0% completion rate for any of the monitored activities. In the area of statutory compliance, the District demonstrated improvement from 11% to 33%, a 22% improvement; however, the District failed to complete any of the targeted activities, and violations of TEC § 11.1151, TEC § 11.1512, TEC § 11.201, and Tex. Gov't Code § 551 were observed by Dr. Saavedra. The December 2021

¹⁶ Notice of Appointment of Monitor – See Exhibit 9

¹⁷ October 2021 Monitor Notes – See Exhibit 10

¹⁸ November 2021 Monitor Notes – See Exhibit 11

notes¹⁹ reflect the same governance status that was identified in Dr. Saavedra's October 2021 and November 2021 notes; however, in the area of statutory compliance, the District suffered an 11% decline, or resulting in 22% of the activities deemed on track. Again, the District did not complete any of the monitored activities, with Dr. Saavedra observing continued minimal positive collaboration between the Board and the Superintendent. The notes for December 2021 do not cite any specific statutory violations.

Dr. Saavedra believed there to be a lack of understanding within the Board's majority that the Superintendent is identified as the Chief Executive Officer of the school district as per TEC § 11.201(a).²⁰ During his January 2022 reporting cycle, Dr. Saavedra noted that the Board failed to meet quorum requirements on three separate occasions, resulting in a disruption in district operations. Dr. Saavedra did not submit a report the following month because the Board failed to meet quorum requirements for four (4) consecutive meetings in a row. In his March 2022 report, Dr. Saavedra stated that governance continued to be a major challenge for the District, as the Board demonstrated a lack of respect towards the interim superintendent by preventing him from executing his duties as Chief Executive Officer.

III. Allegations and Analysis

The specific allegations and TEA's findings of fact and analysis, together with the reasons for TEA's final findings are as follows:

a. Allegation One

The South San Antonio Independent School District Board of Trustees violated Tex. Educ. Code § 11.051(a)(1) and (a)(2) Governance of Independent School District²¹ and Tex. Educ.

¹⁹ December 2021 Monitor Notes -See Exhibit 12

²⁰ Tex. Educ. Code § 11.201 – See Appendix C

²¹ Tex. Educ. Code § 11.051 – See Appendix D

Code § 11.1511(b)(9) Specific Powers and Duties of Board.²² by 1) failing to oversee the management of the district and 2) monitor district finances to ensure that the superintendent is properly maintaining the district's financial procedures and records. The allegations include a failure to meet quorum requirements from January 19, 2022, until March 10, 2022, again on July 11, 2022, and July 20, 2022. Consequently, this failure prevented critical district business from proceeding, which impacted district finances, employee benefits, and the hiring of key personnel.

i. Findings of Fact – Allegation One

The following findings are based on a review of documents, responses submitted by the SSAISD general counsel, and an agency review of board agendas, minutes, and available board meeting recordings.

1. On January 21, 2022, the District posted notice of a special meeting to be held on January 24, 2022. The meeting agenda indicates the Board was to consider the approval of a resolution authorizing the issuance of SSAISD maintenance tax notes, entering into bond purchase agreement, hiring key personnel, and a paying agent/registrar agreement. On January 24, 2022, the board meeting was cancelled when only three (3) trustees appeared in person, resulting in a lack of quorum.²³
2. On January 24, 2022, the District posted notice of a special meeting of the Safety and Security Committee to be held on January 27, 2022. The posted meeting agenda indicated the committee was to discuss the District's drill report, hardening security at both high school campuses, and relocation of SSAISD Police Department. In addition, the same items listed on the January 24, 2022, agenda were, again, listed for consideration and approval. The

²² Tex. Educ. Code § 11.1511 – See Appendix E

²³ SSAISD Board of Trustees Agenda for January 24, 2022 – See Exhibit 13

January 27th board meeting was the second consecutive meeting cancelled due to lack of quorum.²⁴

3. On January 28, 2022, the District posted notice of a February 2, 2022, special meeting to be held for consideration or approval of the same agenda items that were listed on the January 24, 2022, meeting agenda. This third attempt to address critical District needs was also cancelled due to lack of quorum.²⁵
4. On February 7, 2022, the District posted notice of a special meeting to be held on February 10, 2022. The agenda was to discuss, consider, and approve a resolution authorizing the issuance of South San Antonio Independent School District maintenance tax notes; entering into a bond purchase agreement and a paying agent/registrar agreement; delegating to certain district administrative staff and officials the authority to approve all final terms of the notes; and hiring key personnel. On February 10, 2022, the fourth attempt to conduct a board meeting was cancelled due to lack of quorum.²⁶
5. On February 11, 2022, the District posted notice of a regular meeting to be held on February 16, 2022. The agenda for the meeting was to discuss, consider, and approve a resolution authorizing the issuance of South San Antonio ISD maintenance tax notes, entering into a bond purchase agreement, hiring key personnel, and a paying agent/registrar agreement. Also, to amend February's budget; and approve the 2021-2022 Pay and Compensation plan. On February 16, 2022, the fifth attempt to hold a board meeting was cancelled due to lack of quorum.²⁷

²⁴ SSAISD Board of Trustees Agenda for January 27, 2022 – See Exhibit 14

²⁵ SSAISD Board of Trustees Agenda for February 2, 2022 – See Exhibit 15

²⁶ SSAISD Board of Trustees Agenda for February 10, 2022 - See Exhibit 16

²⁷ SSAISD Board of Trustees Agenda for February 16, 2022 – See Exhibit 17

6. On February 25, 2022, the District posted notice of a special meeting to be held on February 28, 2022. The agenda for the meeting was to discuss consideration and approval of a resolution authorizing the issuance of South San Antonio ISD maintenance tax notes, entering into a bond purchase agreement, hiring key personnel, and a paying agent/registrars agreement. Also, to amend the January and February's budget; and approve the 2021-2022 Pay and Compensation plan amendment as recommended. On February 28, 2022, the sixth attempt to hold a board meeting was cancelled due to lack of quorum.²⁸
7. On March 11, 2022, the District posted notice of a regular meeting to be held on March 23, 2022. The agenda for the meeting was to discuss approval of board meeting minutes from December 6, 2021, through March 10, 2022; amend 2021-2022 Pay and Compensation Plan; discuss and possibly take action to elect/organize board officers; and discuss hiring key personnel.²⁹
8. During the March 23, 2022, Board Meeting, the Board of Trustees all met to vote to elect board officers. Trustee Connie Prado made a motion to reorganize the Board as follows: Trustee Ernesto Arrellano as President, Trustee Shirley Ibarra as Vice President, and Trustee Gina Villagomez as Secretary. Trustee Arellano seconded the motion and the Board of Trustees voted 4/3 to approve. Motion passed.
9. On March 25, 2022, the District posted notice of a special meeting to be held on March 29, 2022. The agenda for the meeting was to discuss and take possible action regarding retention of Redistricting Legal Services pursuant to RFQ 2022-2021. This was the 7th meeting cancelled due to lack of quorum.³⁰

²⁸ SSAISD Board of Trustees Agenda for February 28, 2022 – See Exhibit 18

²⁹ SSAISD Board of Trustees Agenda for March 23, 2022 – See Exhibit 19

³⁰ SSAISD Board of Trustees Agenda for March 29, 2022 – See Exhibit 20

10. On April 2, 2022, the Board of Trustees met in a special called meeting to discuss and take possible action regarding retention of Redistricting Legal Services pursuant to RFQ 2022-2021 and consulting with attorney regarding the legal demand by J. Cruz & Associates for legal services performed and non-payment of same.³¹
11. On April 20, 2022, the Board of Trustees met in a special called meeting to discuss and approve the April 2022 budget amendment, approve RFP 2022-2022, discuss the Interim Superintendent's contract, School Board deliberations: level III grievance, and list of to approve several memorandums.³²
12. On May 11, 2022, the Board of Trustees met in a special called meeting to amend the budget and discuss Dr. Marc Puig's employment contract.³³
13. On May 18, 2022, the Board of Trustees met in a special called meeting to approve a budget amendment and 2021-2022 Pay and Compensation Plan Amendment.³⁴
14. On June 3, 2022, the Board of Trustees met in a special called meeting to discuss personnel matters pursuant to Texas Government Code Section 551.074 – Director of Federal Programs and Assistant Athletic Director, and discuss the deployment, or for emergency response protocol, of security personnel.³⁵
15. On June 15, 2022, the Board of Trustees met in a regular called meeting to discuss the May 2022 Quarterly Investment Report, May 2022 Financials, amend the budget, and discuss and take possible action regarding the acceptance of resignation of Trustee from District 5 Connie Prado, effective June 30, 2022.³⁶

³¹ SSAISD Board of Trustees Agenda for April 2, 2022 - See Exhibit 21

³² SSAISD Board of Trustees Agenda for April 20, 2022 – See Exhibit 22

³³ SSAISD Board of Trustees Agenda for May 11, 2022 – See Exhibit 23

³⁴ SSAISD Board of Trustees Agenda for May 18, 2022 – See Exhibit 24

³⁵ SSAISD Board of Trustees Agenda for June 3, 2022 – See Exhibit 25

³⁶ SSAISD Board of Trustees Agenda for June 15, 2022 – See Exhibit 26

16. On June 21, 2022, the Board of Trustees met in a special called meeting to discuss the 2022 Redistricting Plan, the hiring of three school principals, and to discuss possible action on the hearing of the Grievance submitted by Dr. Marc Puig against the South San Antonio ISD Board of Trustees.³⁷
17. On June 30, 2022, the Board of Trustees met in a special called meeting to consult with the attorney to discuss the process for the appointment to fill the vacancy of the District 5 seat on the Board of Trustees and discuss redistricting the map.³⁸
18. On July 5, the District posted a special meeting to be held on July 11, 2022. The agenda for the meeting was to discuss and possibly take action on adopting the redistricting map, filling in vacant District 5 seat via appointment, and temporarily suspend Board Policy DC (LOCAL). This was the 8th meeting cancelled due to lack of quorum.³⁹
19. On July 14, 2022, the Board of Trustees met in a special called meeting to discuss key personnel (Directors for Bilingual Education, technology, payroll, and purchasing) and adopt redistricting map.⁴⁰
20. On July 14, 2022, the District posted a regular meeting to be held on July 20, 2022. The agenda for the meeting was to discuss the status of construction projects at West Campus High School, 2022-2023 campus safety and security, June 2022 financials, annual review of investment policy CDA (LOCAL), SSAISD student code of conduct 2022-2023 school year, 2022-2023 early college high school memorandum of understanding, discussion, and action to fill in vacant seat for District 5 and 6 via appointment, and discussion hiring key personnel. This was the 9th meeting cancelled due to lack of quorum.⁴¹

³⁷ SSAISD Board of Trustees Agenda for June 21, 2022 – See Exhibit 27

³⁸ SSAISD Board of Trustees Agenda for June 30, 2022 – See Exhibit 28

³⁹ SSAISD Board of Trustees Agenda for July 11, 2022 – See Exhibit 29

⁴⁰ SSAISD Board of Trustees Agenda for July 14, 2022 – See Exhibit 30

⁴¹ SSAISD Board of Trustees Agenda for July 20, 2022 – See Exhibit 31

21. On July 26, 2022, the Board of Trustees met in a special called meeting for discussion and action to fill the vacant seats of District 5, and District 6 Connie Prado and Gilbert Rodriguez via appointment.⁴²

ii. Analysis of Allegation One

TEA finds that Allegation One is substantiated. The SSAISD Board of Trustees failed to oversee the management of the district when they failed to meet for six (6) consecutive meetings due to their inability to meet quorum, resulting in the interruption of District's operations. From January 2022 to the writing of this report, the District has cancelled a total of nine (9) board meetings. As a result of the Board failing to generate quorum between January 19, 2022, until March 10, 2022, the Board failed to oversee the management of the District when it failed to ensure that the superintendent implemented and monitored plans, procedures, programs, and systems to achieve appropriate, clearly defined, and desired results in major areas of district operations, which is in violation of TEC § 11.051(a)(2). Due to the Board's failure to oversee the District and hold meetings, Superintendent Yzaguirre was left with no choice but to transfer funds from the General Fund to the Self-Funded Insurance Fund without prior Board approval, to keep the health insurance fund solvent. The Board also violated TEC § 11.1511(b)(9) because the Board failed to monitor the District's finances to ensure that the superintendent is properly maintaining the District's financial procedures and records; under the circumstances described above, the Board created barriers to ensuring the District's finances were properly maintained. Additionally, because of the Board's failure to approve a budget amendment, Superintendent Yzaguirre was unable to hire key personnel and issue teacher contracts. Accordingly, the inaction

⁴² SSAISD Board of Trustees Agenda for July 26, 2022 – See Exhibit 32

by the Board constitutes a violation of TEC § 11.1512 relating to the collaboration between boards and superintendents.

As detailed in findings of fact 1-4, Superintendent Yzaguirre continuously posted notices to call a meeting of the SSAISD Board of Trustees for consideration and approval of a resolution authorizing the issuance of South San Antonio ISD maintenance tax notes, entering into a bond purchase agreement and a paying agent/registrar agreement, and hiring key personnel such as, Chief Academic Officer, Executive Director of Human Resources, Director of Facilities, and a Director of Communications. Although the SSAISD Board of Trustees attempted to meet on January 27, 2022, special called meeting, only three (3) trustees attended the meeting in person, while the remaining four (4) trustees attended the meeting virtually. Because at least four (4) trustees were required to attend the meeting in person to meet quorum requirements, the January 27, 2022, special called meeting was cancelled. The superintendent continued to post agendas for board meetings to be held on February 2, 2022, and February 10, 2022, however those meetings were also cancelled due to the Board's failure to meet with a quorum of its members. The Board's repeated failure to hold meetings to discuss essential district operations amounts to a failure by the Board to oversee the management of the District.

As detailed in findings of fact 5 and 6, Superintendent Yzaguirre posted a notice of regular meeting to be held on February 16, 2022, and later posted notice of a special call meeting to be held on February 28, 2022. The two meetings were called to amend the budget to transfer funds from the General Fund to the Self-Funded Insurance Fund to keep the health insurance fund solvent. The Board failed to meet quorum requirements again, forcing the superintendent to take independent action and transfer funds without the explicit consent from the Board. The superintendent does not have the authority to make these types of decisions, however, failure to do so would have resulted in the District defaulting on payment. This default in payment would

have placed the District's medical insurance coverage at risk and medical service providers could have refused service to District employees and their families. Therefore, the Board failed to oversee the management of the District when it again failed to hold meetings and when the Board's actions (or inactions) put the District's medical insurance coverage at risk.

As detailed in findings of fact 7-8, the SSAISD Board of Trustees finally gathered in a quorum after a two-month hiatus. The Board met to ratify the superintendent's fund transfer and to re-organize the board officers for the third time since June 2021. However, the Board continued to prevent the superintendent from hiring key personnel by postponing the discussion of the agenda item for another meeting. While the Board finally approved hiring key personnel during the June 26, 2022, board meeting, some candidates had already accepted other job offers in the 6 months that had lapsed. The repeated failure of the Board to hold meetings and conduct essential business such as the hiring of key personnel amounts to a failure to oversee the management of the district.

As detailed in findings of fact 9, the SSAISD Board of Trustees failed to meet quorum once more. This was the 7th board meeting cancelled in 2022, which again amounts to a failure to oversee the management of the district.

As detailed in findings of fact 19-21, Superintendent Henry Yzaguirre posted notice for a total of four (4) meetings in July. The special meeting on July 11, 2022, and regular meeting on July 20, 2022, were not held due to the Board's failure to hold a meeting with a quorum, thus continuing a delay in discussion and approval of hiring key personnel, budget for 2022-2023 school year, adopt redistricting map, and discussion of the campus safety plan. By July 20, 2022, the SSAISD Board of Trustees cancelled nine (9) board meetings.

Therefore, TEA sustains that the SSAISD Board of Trustees failed to oversee the management of the District when the Board failed to meet quorum requirements for six

consecutive meetings (and two additional consecutive meetings later in the year). The Board's failure to conduct meetings stalled District business and forced the interim superintendent to execute financial decisions that were not in his authority to make. Tex. Educ. Code § 11.051(a)(1) explicitly requires the board of trustees to oversee the management of the district, which at the minimum, includes holding meetings with a quorum of trustees who are tasked with addressing key district business at these meetings.

b. Allegation Two

The SSAISD Board has struggled to retain a superintendent for the past 11 years, thus preventing any long-term planning or the development and execution of long-term educational plans. This failure to retain and collaborate with the superintendent demonstrates that the Board is in violation of TEC § 11.1512(b)(3) Collaboration Between Board and Superintendent⁴³ because it failed to provide educational leadership for the district, including leadership in developing the district vision statement and long-range educational plan.

i. Findings of Fact – Allegation Two

The following findings of fact are based on a review of documents and responses submitted by the SSAISD general counsel on behalf of Superintendent Yzaguirre, TEA interviews, an agency review of board agendas, minutes, and available board meeting recordings.

1. On April 4, 2011, the SSAISD Board of Trustees appointed Linda Zeigler as Interim Superintendent after releasing former Superintendent Ronaldo Durbon of his duties.⁴⁴
2. On June 22, 2012, the Board of Trustees welcomed Rebecca Robinson as the lone finalist for SSAISD Superintendent to replace Interim Superintendent Linda Zeigler. Ms. Robinson was offered a three-year contract from 2012-2015.⁴⁵

⁴³ Tex. Educ. Code § 11.1512 – See Appendix F

⁴⁴ April 4, 2011 Board Meeting – See Exhibit 33 Pg. 3 ¶ 2

⁴⁵ June 22, 2012 Board Meeting – See Exhibit 34 Pg. 3 Item 1

3. On July 22, 2013, the Board of Trustees moved to accept the resignation of Superintendent, Rebecca Robinson, completing only one academic year under her three-year contract. On the same day, the Board of Trustees moved to appoint Mr. Mourette Hodge as Interim Superintendent.⁴⁶
4. On March 19, 2014, the Board of Trustees voted to select Dr. Abelardo Saavedra as the lone finalist for SSAISD Superintendent. Dr. Saavedra was offered a five-year contract from March 19, 2014, to March 19, 2019.⁴⁷
5. By November 6, 2015, the TEA Division of Financial Compliance conducted a Special Accreditation Investigation and provided the SSAISD Board of Trustees a Final Investigative Report. This investigation was based on allegations regarding the governance of the district's finances and internal control structure.⁴⁸
6. On February 5, 2016, the Commissioner of Education appointed a conservator to the SSAISD due to the District's ongoing noncompliance with a Corrective Action Plan resulting from the November 6, 2015, Special Accreditation Investigation.⁴⁹
7. On October 3, 2018, the Board of Trustees agreed to end the contract of Dr. Abelardo Saavedra six months before completion by accepting Superintendent Saavedra's resignation.⁵⁰ Dr. Saavedra's separation agreement was in the amount of \$138,813.03.⁵¹
8. On October 3, 2018, the Board of Trustees voted to select Dr. Alexandro M. Flores as lone finalist for SSAISD Superintendent. Dr. Flores was offered a four-year contract from October 15, 2018, to June 30, 2022.⁵²

⁴⁶ July 22, 2013, Board Meeting – See Exhibit 35 Pg. 2 Item 2

⁴⁷ March 19, 2014, Board Meeting – See Exhibit 36 Pg. 1 Item 1

⁴⁸ SSAISD Final Report INV2014-01-010 - See Exhibit 5

⁴⁹ Notice of Appointment of Conservator 2016 – See Exhibit 7

⁵⁰ October 3, 2018, Board Meeting – See Exhibit 37 Pg. 3 Item 1

⁵¹ Dr. Abelardo Saavedra's Separation Agreement – See Exhibit 38

⁵² October 3, 2018, Board Meeting – See Exhibit 37 Pg. 4 Item 2

9. In 2019, the TEA Special Investigations Unit conducted a Special Accreditation Investigation on SSAISD based on allegations that the SSAISD Board of Trustees interfered with the duties of the superintendent; as a result, a monitor was appointed.⁵³
10. On September 3, 2019, the Board of Trustees agreed to accept Superintendent Flores' resignation⁵⁴. Dr. Flores' separation agreement was in the amount of \$187,577.50.⁵⁵ This separation came 11 months after the Board of Trustees had offered Dr. Flores a four-year contract.
11. On September 3, 2019, the Board of Trustees appointed Ms. Dolores Sendejo as Interim Superintendent.⁵⁶
12. On June 4, 2020, the Board of Trustees voted to select Dr. Marc Puig as lone finalist for SSAISD Superintendent. Dr. Puig was offered a three-year contract from June 8, 2020, to June 30, 2023.⁵⁷
13. On May 12, 2021, the SSAISD Board of Trustees voted to raise Dr. Puig's salary and extended his contract for two additional years until 2025.⁵⁸
14. On December 6, 2021, nearly six-months after approving a salary increase and contract extension, the Board voted to place Dr. Puig on paid administrative leave effective immediately.⁵⁹
15. On December 6, 2021, the Board appointed Mr. Henry Yzaguirre as Interim Superintendent.⁶⁰
16. On February 25, 2022, TEA-appointed monitor Dr. Abelardo Saavedra, received a letter via email from the Interim Superintendent's office. In this letter, Trustee Connie Prado, Trustee

⁵³ SSAISD Final Report INV2019-01-074 – See Exhibit 8

⁵⁴ September 3, 2019, Board Meeting – See Exhibit 39 Pg. 3 Item 1

⁵⁵ Dr. Alejandro Flores Separation Agreement - See Exhibit 40

⁵⁶ September 3, 2019, Board Meeting – See Exhibit 39 Pg. 3 Item 2

⁵⁷ June 4, 2020, Board Meeting – See Exhibit 41 Pg. 3 Item 3

⁵⁸ May 12, 2021, Board Meeting – See Exhibit 42 Pg. 2 Motion 3

⁵⁹ December 6, 2021, Board Meeting – See Exhibit 43 Pg. 6 Item 1

⁶⁰ December 6, 2021, Board Meeting – See Exhibit 43 Pg 7 ¶ 7

Ernesto Arellano, and Trustee Shirley Ibarra requested that a conservator be appointed due to the level of dysfunction in the District's governance.⁶¹

17. On May 18, 2022, the Board voted to suspend Dr. Marc Puig .⁶²

18. On June 21, 2022, the Board reinstated Dr. Puig to the position of Superintendent and compensated him \$25,778.60 as back-pay from May 19, 2022, through June 21, 2022, the date of his voluntary resignation.⁶³

19. From June 21, 2022, through June 23, 2022, TEA investigators conducted interviews with Board President Ernesto Arellano, Board Vice President Shirley Ibarra, Trustee Connie Prado, Trustee Gilbert Rodriguez, Board Secretary Gina VillaGomez, Trustee Homer Flores, Trustee Stacey Alderete, and Interim Superintendent Henry Yzaguirre.⁶⁴

20. From December 2021 to June 2022, the District paid Marc Puig and Henry Yzaguirre approximately \$200,000 while Mr. Puig was under investigation and Mr. Yzaguirre served as Interim Superintendent.⁶⁵

21. During the August 1, 2022, special Board meeting the Board of Trustees announced that Mr. Henry Yzaguirre was the lone finalist for the position of Superintendent.⁶⁶

ii. Analysis of Allegation Two

TEA finds that Allegation Two is substantiated because the SSAISD Board has failed *repeatedly* to collaborate with the Superintendent, in violation of Tex. Educ. Code § 11.1512(b)(3). SSAISD has employed nine Superintendents and Interim Superintendents since 2011, and not one single contracted superintendent has completed their employment contract to term. Further, despite prior (and current) TEA interventions that have been implemented since 2015, the Board

⁶¹ Trustee Memo Requesting Conservator – See Exhibit 44

⁶² May 18, 2022, Board Meeting – See Exhibit 45 Pg. 4 Item C

⁶³ June 21, 2022, Board Meeting – See Exhibit 27 Pg.5 Item 2

⁶⁴ Trustee Interview Recordings – See Exhibit 46

⁶⁵ Overall Superintendent Payment – See Exhibit 47

⁶⁶ Public Notice for Lone Finalist – See Exhibit 48

continues to struggle with issues regarding governance problems between the Board and the superintendent. This is further evidenced by multiple complaints received by TEA that alleged the SSAISD Board micromanaged and interfered with the duties of the superintendent. One such complaint was submitted by current Trustee Stacey Alderete. TEC § 11.1512 Collaboration Between the Board and Superintendent, requires the board of trustees to work together with the superintendent to accomplish the district's goals; however, the findings show that the Board failed to do so.

As detailed in findings of fact 1-3, SSAISD has a longstanding pattern of hiring and releasing superintendents from their contracts before serving a full term. In 2011, Ronaldo Durbon and Linda Zeigler were the 1st and 2nd superintendents to be employed by SSAISD over the course of 11 years. In 2012, former Superintendent Rebecca Robinson was offered a three-year contract, making her the 3rd superintendent employed by SSA ISD in 11 years. However shortly after she completed her first year, she submitted her resignation and was relieved from her duties by Interim Superintendent Mourette Hodge, who became the 4th superintendent employed by the SSAISD in 11 years.

As detailed in findings of fact 4-7, eight months after former Superintendent Robinson resigned, Dr. Abelardo Saavedra was selected as the lone finalist for SSAISD Superintendent in March 2014 and was offered a 5-year superintendent contract by the SSAISD Board of Trustees, which made Dr. Saavedra the 5th superintendent employed by the SSAISD in 11 years. By November 2015, TEA provided SSAISD with a final investigative report stating that the SSAISD Board of Trustees failed to collaborate with the Superintendent. According to the 2015 report, the Board of Trustees resisted the adoption of financial operating policies, procedures, and internal controls created by the superintendent. TEA recommended a Corrective Action Plan (CAP) to address the Board's deficiencies in collaborating with the Board. However, the District failed to

comply with the terms of the CAP, including the provisions aimed to improve collaboration between the Board and Superintendent, and as a result, the Commissioner of Education appointed Dr. Judy Castleberry as the District's Conservator on February 5, 2016. The District was not released from conservatorship until January 17, 2018. Similar to the departure of prior superintendents, Dr. Saavedra separated from the District on October 3, 2018, which was 5 months before the maturity of his contract.

As detailed in findings of fact 8-11, on October 3, 2018, the same day that the Board approved Dr. Saavedra's resignation, the Board selected Dr. Alexandro Flores as the lone finalist for SSAISD Superintendent and offered him a 4-year contract. At that time, Dr. Flores became the 6th superintendent employed by SSAISD in 11 years. By April 2019, fifteen months after being released from conservatorship, TEA notified the SSAISD Board of a second Special Accreditation Investigation. This investigation found that the SSAISD Board failed to adequately collaborate with the Superintendent on actionable items, and that individual trustees operated outside their authority when contacting vendors relating to the re-opening of certain schools. Due to these findings, the Commissioner of Education appointed Dr. Saavedra, former SSAISD Superintendent, as a TEA Monitor. While TEA conducted this second Special Accreditation Investigation, the District lost another superintendent. Dr. Flores separated from the District just 11 months after being appointed as Superintendent. As a result, the Board selected Dolores Sendejo as Interim Superintendent on September 3, 2019, making Ms. Sendejo the 7th superintendent employed by SSAISD since 2011.

As detailed in findings of fact 12-15, nine months after the Board selected Ms. Sendejo as Interim Superintendent, the Board named Dr. Marc Puig as the lone finalist for SSAISD Superintendent, making Dr. Puig the 8th superintendent employed by SSAISD in 11 years. The Board had initially offered Dr. Puig a three-year contract, however, on May 21, 2021, a year into

his original contract, the board decided to give Dr. Puig a raise and extend his contract by two years. Seven months after his contract extension, the Board placed Dr. Puig on administrative leave and on December 6, 2021, the Board appointed Mr. Henry Yzaguirre as interim Superintendent.

As detailed in findings of fact 16, in addition to the currently appointed TEA monitor, Trustees Arrellano, Ibarra, and Prado felt it was necessary to reach out to the Commissioner of Education requesting that a conservator be appointed due to the level of dysfunction within the District's governance.

As detailed findings of fact 17, 18 and 20, the Board voted to terminate Dr. Puig as superintendent 18 months after employment with SSAISD. However, a month later, the Board decided to reinstate Dr. Puig just to accept his resignation. Dr. Puig's suspension period cost the District approximately \$200,000 in six months due to the dual employment of two superintendents.

As detailed in finding of fact 19, during SIU interviews, four Trustees (Gilbert Rodriguez, Connie Prado, Gina VillaGomez, and Shirley Ibarra) acknowledged governance shortcomings and the benefits of a potential TEA conservator. Board leadership has changed three times since the issuance of TEA's most recent SSAISD final report in May 2021.

As detailed in finding of fact 21, the SSAISD Board of Trustees voted to approve Mr. Henry Yzaguirre as the lone finalist for superintendent making Mr. Yzaguirre the 9th superintendent in 11 years. As detailed in Allegation One, the Board has continued to struggle with collaborating with the Superintendent on essential financial matters.

Therefore, TEA finds that the SSAISD Board has repeatedly failed to collaborate with the superintendent, in violation of TEC §11.1512. Since the Board appointed Linda Zeigler as interim superintendent in 2011, there have been eight (8) superintendents. Only one superintendent, Dr. Saavedra, carried out most of his contract and completed four (4) out of the five (5) years; however

two (2) of those years were under the conservatorship of TEA. Of those eight (8) superintendents, five superintendents were employed for less than a full year. SSAISD has failed to have consistent administrative leadership since the District was released from TEA conservatorship in 2018.

c. Allegation Three

On October 12, 2022, the SSAISD Board President acted individually on behalf of the Board when he disclosed protected information from the confidential TEA preliminary report without an affirmative majority vote by the Board of Trustees, in violation of TEC § 39.004(d)-(e) Conduct of Special Investigations,⁶⁷ and TEC §11.051 (a-1) Governance of Independent School District.⁶⁸

i. Findings of Fact – Allegation Three

During the October 12, 2022, regular board meeting, the SSAISD Board President disclosed protected information from the confidential preliminary report issued on September 16, 2022, by the TEA Special Investigations Unit.

The following findings reflect the violation of Tex. Educ. Code § 39.004(d)-(e) Conduct of Special Investigations and TEC § 11.051(a-1) Governance of Independent School District.

1. On September 16, 2022, TEA released a preliminary report containing evidence protected as confidential under TEC § 39.004, regarding Special Investigations INV2021-05-163 and INV2021-08-094⁶⁹. As required by TEC § 39.004(b), TEA presented these preliminary findings to the applicable persons and entity that TEA determined had violated a law, rule, or policy in this special investigation. Additionally, as required by TEC §

⁶⁷ Tex. Educ. Code § 39.004 – See Appendix B

⁶⁸ Tex. Educ. Code § 11.051 - See Appendix D

⁶⁹ Preliminary Report INV2021-05-163 & INV2021-08-094 – See Exhibit 1

39.004(c)(2), TEA provided the District with the evidence relied on in making these preliminary findings.

2. On September 19, 2022, the SSAISD Board of Trustees gathered in a regular board meeting to discuss and consider action on the TEA Special Investigation preliminary report. The Board moved to file a rebuttal against the preliminary report and the motion passed 4-0.
3. During the “Board President Remarks” portion of the October 12, 2022, regular board meeting, Board President Arrellano divulged protected information within the September Report.
4. Board President Remarks – YouTube Video:
 - a. [40:42] Another investigation was launched by TEA during the end of last year, 2021.
 - b. [40:47] The preliminary report focuses on two main factors.
 - c. [40:51] Number One: the inability of the board to have meetings for seven consecutive weeks.
 - d. [41:05] Number Two: the majority of the board, during interviews, that the TEA investigators conducted in June, indicated that South San should have a conservator.
 - e. [41:19] The preliminary report indicates that the agency is leaning heavily towards a conservator for South San.
 - f. [43:22] Now let’s go over his⁷⁰ involvement with the “no quorum” issue in the TEA’s Preliminary Report.
 - g. [45:28] There were two items, two issues that came up during those, during that time. One: Uh, Mr. Yzaguirre was trying to hire key personnel and staff.

⁷⁰ Board President Arrellano referred to then-Trustee Gilbert Rodriguez

- h. [45:40] Number Two: and more important was uh, the, uh, the District's uh, the District's health insurance balance was, uh, needed to be adjusted.
 - i. [47:22] We're being hit by the Texas Education Agency for not having a quorum for seven weeks in a row.
 - j. [47:36] So those actions pretty much is what caused that first issue the TEA is hitting us with.
 - k. [49:13] Let's move on to the second thing, majority of the board wanting a conservator.
 - l. [49:24] Now the TEA Investigation, during their investigation in June, the TEA um, conducted interviews with all the Board Members.
 - m. [49:40] As I said, they⁷¹ stated that the Board, the majority, majority of the Board was asking for a conservator.
 - n. [49:52] Now Mr. Rodriguez, when they interviewed him, and we have access to, to that recording, and we've, we've heard that recording. I've heard that recording, all of them. Mr. Rodriguez indicated that he wanted the TEA to not have a conservator, not a board of managers, he wanted the District dissolved. Shut it down, to put it in his words.
 - o. [50:29] Number Two, Trustee Prado resigned because she retired and she asked for a conservator because she was basically concerned that we were gonna, if the, if the board leadership changed that we would uh, be taken over by the TEA completely.
5. As of the October 24, 2022, special called meeting, the SSAISD Board of Trustees had not voted to release a copy of the September Report.⁷²

⁷¹ Board President Arrellano referred to TEA Investigators

⁷² October 24, 2022, Regular Meeting Minutes – See Exhibit 49

6. On November 1, 2022, the SSAISD Board of Trustees gathered in a special called meeting to discuss and consider action regarding the pending TEA investigation. The Board moved to pass a resolution indicating that the Board had never authorized the release of the September Report and the motion passed 4-0.⁷³

ii. Analysis of Allegation Three

TEA finds that Allegation Three is substantiated. The SSAISD Board President disclosed confidential information from the September 2022 Report without receiving consent by a majority vote from the SSAISD Board of Trustees, and not within the scope of his authority to discuss in an open forum. Board President Arrellano shared specific content from the confidential September 2022 Report and disclosed protected evidence that is prohibited by statute. Therefore, the Board President's comments were in violation of TEC § 39.004 (d)-(e) Conduct of Special Investigations, and TEC § 11.051(a-1) Governance of Independent School District.

TEC § 39.004(d) explicitly protects the report of preliminary findings and all associated materials produced by TEA in support of the report from public disclosure as audit working papers. The exception to this rule indicates that a school district may publicly release a report of preliminary findings only if the release is approved by an affirmative vote of the board of trustees of the district. There is no record available indicating that the SSAISD Board of Trustees voted in favor of publicly releasing the contents of the confidential September Report prior to the October 12, 2022, board meeting. Additionally, on November 1, 2022, the Board convened in a special called meeting and voted and passed a resolution indicating that the Board had not authorized the release of the September Report.

⁷³ November 1, 2022, Special Called Meeting Agenda – See Exhibit 50

TEC § 39.004(e) prohibits the disclosure of all evidence collected by the agency in connection with a special investigation, including witness statements and videos of agency interviews. During the “Board President Remarks” portion of the October 12, 2022, regular board meeting, Board President Arrellano shared specific details of the interviews between SIU Investigators and SSAISD Trustees. These interviews were identified as evidence in the preliminary report.

TEC § 11.051(a-1) Governance of Independent School District restricts an individual Trustee from acting on behalf of the board without prior consent by majority vote. Board President Arrellano disclosed contents of the preliminary report on behalf of the Board without receiving prior approval by majority vote.

As detailed in findings of fact 1 and 2, TEA released the preliminary report on September 16, 2022. As per the District’s posted agenda, the SSAISD Board of Trustees gathered on September 19, 2022, during a regular board meeting to discuss and consider action on the TEA-issued report. The Board moved to file a rebuttal against the preliminary report and the motion passed 4-0. However, there was no consideration or action taken by the SSAISD Board of Trustees to release a copy of the preliminary report.⁷⁴

As detailed in findings of fact 3 and 4, on October 12, 2022, the SSAISD Board President publicly addressed and commented on the contents of the preliminary report during a regular board meeting without authorization from the SSAISD Board of Trustees.

As detailed in findings of fact 4(a) – 4(d), Board President Arrellano identified the topic of his discussion as the investigation launched by TEA in 2021.⁷⁵ The Board President also paraphrased Allegation One of the September Report and thereafter, disclosed protected

⁷⁴ September 19, 2022, Regular Board Meeting Agenda – See Exhibit 51

⁷⁵ Notice of Special Investigation – See Exhibit 52

information discussed in interviews between SIU Investigators, and SSAISD Trustees during the special investigation.

As detailed in finding of fact 4(e), Board President Arrellano stated that the September Report indicated TEA's intent was to seek conservatorship of the District. However, there was no indication or mention of the Agency's recommendation for sanction by the Commissioner of Education in the September 2022 Report. TEC § 39.004(c)(4) states that TEA's preliminary findings "may not include recommended sanctions of interventions" and the September Report is completely devoid of a recommended sanction.

As detailed in findings of fact 4(f) – 4(j), Board President Arrellano went into further detail exposing the contents of the preliminary report; specifically, the Board's issues with meeting quorum requirements and the repercussions of not meeting quorum for seven (7) weeks.

As detailed in findings of fact 4(k) – 4(o), the Board President's comments transitioned from a discussion of the preliminary report to the disclosure of evidence protected as confidential. Board President Arrellano shared specific details of witness statements and interviews between SIU Investigators and individual SSAISD Trustees with the public. The information disclosed was identified as evidence in the preliminary report, and therefore exempt from public disclosure.

As detailed in findings of fact 5 - 6, as of the October 24, 2022, special called meeting, the SSAISD Board of Trustees had not specifically voted to release the September Report to the public. Still, during the November 1, 2022, special called meeting, the Board passed a resolution indicating that the Board had never authorized the release of the September Report.

Based on the findings, Board President's Arrellano's unauthorized disclosure of confidential information constitutes a direct violation of TEC § 39.004(d)-(e), and TEC § 11.051(a-1). Board President Arrellano publicly discussed the contents of the September 2022 Report without receiving consent from the Board, and further disclosed protected evidence from

interviews between SIU Investigators and individual SSAISD Trustees. TEA provided notice to the District of its intention to assert the Audit Working Papers Exception to the Texas Public Information Act in the opening letter of the preliminary report. These protocols are set in place to protect the integrity of the investigative process. Further, TEA never prevented the District from releasing the preliminary report as TEC § 39.004 (d) specifically allows the District to release the report by affirmative vote of the board of trustees. Therefore, TEA has determined that Allegation Three is Substantiated.

d. Allegation Four

The SSAISD Board of Trustees violated Tex. Educ. Code § 11.051(a)(1) Governance of Independent School District by failing to oversee the management of the District when the Superintendent disregarded the TEA's Data Reporting Compliance Unit Corrective Action Plan Superintendent failed to timely respond with the requested information.

i. Findings of Fact – Allegation Four

The DRCU requires school districts to respond to data anomalies identified by the Performance-Based Monitoring (PBM) Data Validation System. Upon reviewing SSAISD's data submission, the PBM Data Validation System identified anomalies. As per the DRCU, the District was required to respond to the anomalies using the 2021 Leaver Records Data Validation Compliance Review Form⁷⁶ and submit the response to TEA. The SSAISD failed to submit a response.

1. On March 3, 2022, DRCU released a "To the Administrator Addressed" (TAA) letter announcing 2021 Leaver report findings, requiring districts that triggered indicators to respond with a Compliance Review Form. LEAs that are issued this form are expected to either validate

⁷⁶ Compliance Review Form – See Exhibit 53

and document that data reported to TEA is correct and address any identified potential program implementation concerns found during the process; or improve local data collection and submission procedures if the LEA's identification occurred because of incorrect data.

2. DRCU set a May 5, 2022, deadline for identified districts to submit the Compliance Review Form, in response to the Leaver Report anomalies.
3. SSAISD failed to submit the Compliance Review Form to TEA by the May 5, 2022, deadline.
4. On July 7, 2022, DRCU emailed the SSAISD Superintendent informing him of the missed deadline to submit the Compliance Review Form and notified the Superintendent that the SSAISD was assigned a CAP due on August 11, 2022.⁷⁷
5. SSAISD did not respond to the CAP by the August 11, 2022, deadline.

ii. Analysis of Allegation Four

TEA finds that Allegation Four is substantiated. SSAISD failed to respond to DRCU's attempts to address the data anomaly on two separate occasions. It is the obligation of the superintendent to respond to TEA's requests and the responsibility of the Board of Trustees to oversee the management of the District; therefore, SSAISD violated TEC § 11.051 Governance of Independent School District.⁷⁸

As detailed in findings of fact 1 and 4, TEA issued notice through a TAA, requiring that SSAISD respond with a Compliance Review Form, and later requested that the Superintendent comply with a Corrective Action Plan. The District failed to timely respond on both occasions.

As detailed in findings of fact 2, 3, and 5, the District was required to submit the Compliance Review Form, but failed to respond by the May 5, 2022, deadline. As a result, the

⁷⁷ DRUC Communications – See Exhibit 54

⁷⁸ Tex. Educ. Code 11.051 – See Appendix D

DRCU assigned a Corrective Action Plan to Superintendent Yzaguirre, which was due by August 11, 2022; again, the District failed to respond.

Therefore, Allegation Four is substantiated because the Board failed to oversee the management of the District, which includes ensuring that the District complies with data reporting requirements and addresses any anomalies in a timely manner.

e. Allegation Five

The South San Antonio Independent School District Board of Trustees violated Tex. Educ. Code § 11.051 (a)(1), (a)(2), and (a-1) Governance of Independent School District⁷⁹ by failing to collaborate to oversee and manage the fiscal performance of the District. The allegations include SSAISD Board of Trustees have failed to collaborate with each other and the superintendent to resolve an approximate 12-million-dollar deficit for the current and upcoming school year.

i. Findings of Fact – Allegation Five

Board meeting minutes and data submitted by SSAISD were reviewed and referenced along with recorded board meeting sessions that were posted on the District’s website to support the following findings:

1. During the April 20, 2022, Regular Board Meeting, TEA Monitor Abe Saavedra (“the Monitor”) addressed the Board stating, “This district has some serious financial problems, and I’d like for y’all to really pay attention to Mr. Kingman as he does his presentation. You’ve taken on a lot of debt as a school system. Your interest and sinking debt services is at 49 cents, the cap is 50 cents. I know of no other school district in Bexar County that is at 49 cents. In addition to that, you have taken on debt service in maintenance notes as well.”⁸⁰

⁷⁹ Tex. Educ. Code § 11.051 – See Appendix D

⁸⁰ April 20, 2022, Minutes of Regular Board Meeting, Pg. 2 ¶ 2 – See Exhibit 22

2. During the August 10, 2022, Special Meeting, the Monitor addressed the Board stating, “You have a lot of debt as a school district. You’re nearly at 50 cents in the interest and sinking and you have several million dollars in your maintenance notes as well. The reason I mention this is most of this cannot be addressed as you adopt your budget this month. The ESSER⁸¹ monies over the last couple of years have kept you up, but that money is running out this coming year. This coming year will be the last one we have ESSER money. It’s a very significant amount of money that came from the federal government, that will no longer exist after this next budget that you’re adopting. So, some tough decisions will need to be made by this district at some point in the future.”⁸²
3. During the October 24, 2022, Special Meeting, the Monitor addressed the Board stating, “I’ve told Henry and I’ve told Mr. Arrellano that district finances concern me sometimes. You’re doing fine, right now, but I don’t see a lot of capacity beyond right now. I don’t have to tell you that South San has some of the most deteriorated school buildings in south San Antonio, probably in San Antonio. You don’t have a lot of capacity for bonds right now. So, I think the district needs to really start giving some thought to how to provide not only better facilities for your students.”⁸³
4. During the November 17, 2022, Regular Board Meeting, the Monitor addressed the Board and stated, “There are deep rooted financial issues in this district that need to be addressed. You have a lot of buildings, and not enough students in those buildings. When I came as Superintendent to serve South San, I think in 2014, 8 years ago, there was a little over 10,000 students in this district. That has dropped by 2 or 3 thousand now. South San High School,

⁸¹ (ESSER) Elementary and Secondary School Emergency Relief Fund, a federal program administered by the Department of Education in response to the COVID-19 pandemic.

⁸² August 10, 2022, Special Meeting Minutes Pg. 1 ¶ 1 – See Exhibit 55

⁸³ October 24, 2022, Special Meeting Minutes Pg. 2 ¶1- See Exhibit 56

the bonds for that high school are supposed to be paid off 2037, 15 years from now, but whether you know it or not, you have a balloon note waiting for you at that point of several million dollars. So, it doesn't mean that the bond gets paid in 2037, it means you have several million dollars at that point either to refinance or come up with the cash at that particular point. We have got to face up to these challenges and I would encourage the board to work together to make sure that these things are addressed."⁸⁴

5. During the January 18, 2023, Regular Board Meeting, the Monitor addressed the Board and stated, "The last couple of years South San has had major holes in their budget, deficits in their budget. In 21-22 you plugged that hole by taking \$8 million from ESSER monies provided by the federal government because of COVID situation. But South San used \$8 million, out of 40, the district received \$40 million total in ESSER money, and you used 8 million to plug a financial hole in that budget. This year, this fiscal year, you will receive \$9 million from ESSER money to plug this year's hole."⁸⁵
6. During the January 18, 2023, Regular Board Meeting, the Board voted to permanently close Athens Elementary School, Kindred Elementary School, Kazen Middle School, and West Campus. The motion to close schools failed, 4-2, and the four campuses were to remain open. It was not until after the vote that the Board directed Superintendent Yzaguirre to present his campus closure presentation.⁸⁶
7. On February 9, 2023, the SSAISD Board of Trustees voted to reorganize the Board Officers for the fourth time since the installation of Monitor Saavedra on September 30, 2021. Trustee

⁸⁴ November 17, 2022, Regular Meeting Minutes Pg. 3 ¶ 3 - See Exhibit 57

⁸⁵ January 18, 2023, Regular Board Meeting Minutes Pg. 2 ¶ 1 - See Exhibit 58

⁸⁶ January 18, 2023, Regular Board Meeting Minutes Pg. 4 – See Exhibit 58

Cynthia Ramirez motioned to keep Shirley Ibarra as Secretary of the Board, Stacey Alderete as Vice President, and Homer Flores as President. The motion passed, 5-2.⁸⁷

8. During the March 22, 2023, Regular Board Meeting, the Board of Trustees discussed and voted to permanently close Kazen Middle School, Kindred Elementary School, and Athens Elementary School. Motion passed, 5-2.⁸⁸

9. During the April 5, 2023, Special Meeting, the Board was set to discuss and take possible action to permanently close West Campus. The Board was unable to vote as there was a disruption between the Board of Trustees which led to the removal of Trustee Lopez from the dais. Trustee Arrellano and Trustee Ibarra walked out of the board room leaving the Board without sufficient Trustees to meet quorum requirements. The Special Meeting was adjourned without a vote.⁸⁹

10. Board President Flores, Trustee Arrellano, and Trustee Lopez remarks during the April 5, 2023, Special Meeting – YouTube video:⁹⁰

a) [22:28] Trustee Arrellano – Mr. Flores, as I said in the last meeting, um, and it’s even more important for this meeting that we have more than one round of three minutes...

b) [23:00] President Flores – Mr. Arrellano, I’ll stop you right there. I’m the presiding officer and we’re going to keep the meeting, uh, short, because it’s not about us...

c) [23:07] Trustee Arrellano – I have a motion...I have a motion...I have a motion, Mr. Flores.

d) [23:11] President Flores – I’m going to ask you to stop right there and if you continue to proceed, it’s disruption and I’ll ask you to exit.

⁸⁷ February 9, 2023, Special Board Meeting Minutes Pg. 1; Item 1 – See Exhibit 59

⁸⁸ March 22, 2023, Minutes of Regular Board Meeting, Pg. 4; Item 4 – See Exhibit 60

⁸⁹ April 5, 2023, Special Board Meeting Agenda – See Exhibit 61

⁹⁰ See YouTube Video recording: <https://www.youtube.com/watch?v=6NPAJOuVSHE>

e) [23:25] Trustee Arrellano – I still want to make a motion, Mr. Flores. I have the right to make a motion.

f) [23:30] President Flores – There is no motion, I'm the presiding officer, I said 3 minutes one round, that's where we are at.

g) [23:43] Trustee Arrellano – Go ahead, make a motion Mr. Flores, I'm not going to stop until I get my motion.

h) [23:48] President Flores – There is no motion, only the agenda item so we're sticking to that.

i) [25:25] Trustee Ibarra – I was one of the Trustees that requested to have West Campus be brought back up to the agenda since the original agenda back in January 19th, per superintendents recommendation of four schools presented for closure. It is unfair that this campus was not on the list on the last meeting to be voted on. I will say this again, I fought to open three schools, of which West Campus was one of them, but I will not allow this unfairness only closing three schools on the list instead of four.

j) [26:32] Trustee Alderete – Come on, Connie, come on.

k) [26:36] Trustee Ibarra – Do you mind, Ms. Alderete?

l) [27:52] Trustee Arrellano – So on the January meeting, the superintendent recommended closure for four schools including West Campus. During the uh subsequent meetings after that in February and March that we had with the board and the community he continued the same path the four schools. Mr. Yzaguirre, I gave everybody at the dais a copy of the draft agenda that you provided to me that you gave to the president for the March meeting. Is this the draft agenda, Mr. Yzaguirre?

m) [28:42] Superintendent Yzaguirre – Uh, yes sir, I believe it is.

n) [28:45] Trustee Arrellano – So, uh, when you presented this to the board president, did he object to having West Campus on the list?

o) [28:53] President Flores - Point of order we're not here to talk about campus we're not here to talk about agenda item...

p) [29:21] President Flores - Thank you Mrs. Ramirez please if you're going to continue let's talk about the agenda item and not about draft agenda items from a previous meeting, please.

q) [29:49] Trustee Arrellano - So this is the draft agenda just so everybody knows, I have a copy of it so I will continue on so going on...

r) [30:02] President Flores - We're going to ask you to stop again you're being disruptive.

s) [30:03] Trustee Arrellano - No, I'm not being disruptive these are my three minutes. Are you going to censure me?

t) [30:07] President Flores - We're asking you to respect it and talk about it yeah you're hurling stones and accusations.

u) [30:28] Trustee Arrellano - There's no transparency I'm being censured is really what's going on. So when uh when there was a three trustee memo that was put out to force this meeting to happen in order for us to talk about West Campus because it was swept under the rug at the last meeting trying to trying to not let the board have a say in what uh what what's going to happen with the finances of this District which are which is the number one thing that we have responsibility for is finances of the district and by not doing this we have a 12 million dollar deficit right you close three schools let's do simple math 12 divided by three is three million by four is three million dollars so closing three schools saves nine million dollars. We start with three million dollar deficit keeping West Campus open and having to say and having to spend another five million dollars which is was the original recommendation by Mr. Yzaguirre if you kept the west campus open in January was going to add another five that means eight

million dollars minimum that we would still be in debt so by closing three schools we're not doing anything we're not doing anything so we're gonna like Mrs. Ibarra said we're going to end up having to close schools or we're going to force the superintendent to take more drastic action that nobody wants.

v) [32:00] President Flores - Your time is up sir thank you so much as another board member wishes to speak? Mr. Lopez, go ahead.

w) [32:06] Trustee Lopez - First of all like I said, uh, I don't know sometimes I wonder why we sit here and discuss uh the closure of schools or keeping them open because it seems to me like nobody listens to the numbers, nobody listens to the advice given by Mr. Saavedra, nobody listens to the superintendent, nobody listens to our CFO. We sit here, we go back and forth. We play ping pong and say things to each other we insult each other we go after each other but at the end of the night we have to take an important vote here that's going to affect a lot of people for a long time okay this is an embarrassment right here sitting here today it really is I wish you would you just put it up for a vote and get it over with uh. Mr. Flores, I'm sorry but the only one being disruptive here is you.

x) [33:06] President Flores - Okay point of order two minutes sir point of order you want to dictate stop hurling.

y) [33:18] Trustee Lopez - you want to dictate how this is going to be handled.

z) [33:20] President Flores - I'm going to ask you to stop right there.

aa) [33:23] (Trustee Lopez) Or you are going to throw me out.

bb) [33:25] President Flores - Please turn off his mic thank you so much your three minute your minutes are up.

cc) [33:29] (Trustee Lopez) Minutes are not up. Wait, I still got a lot of time left you don't like to hear what I have to say.

dd) [33:31] President Flores – Okay, go ahead and turn off the mic.

ee) [33:35] (Trustee Lopez) Yeah you can turn (MIC. IS OFF)

ff) Trustee Ibarra leaves 34:58 – Trustee Lopez is escorted out 35:32 – Trustee Arrellano leaves 35:32.

iii. Analysis of Allegation Five

TEA finds that Allegation Five is substantiated. The SSAISD Board of Trustees have failed to collaborate with each other and the superintendent to resolve an approximate 12-million-dollar deficit for the current and upcoming school year. As evidenced by the video recording of the contentious meeting, the Board has failed to collaborate on decisions that impact the wellness and overall stability of the District.⁹¹ The Board's decisions, or lack thereof, have led the District on a path of financial turmoil, fiscal uncertainty, and the consequences of those actions/inactions can have a lasting negative impact on the success of students within the South San Antonio community, in violation of TEC §11.051 (a)(1). Further, TEA finds that the SSAISD Board of Trustees failed to manage the District and has prevented the superintendent from executing his duty as CEO of the District in violation of TEC §11.051 (a)(2).

According to TEC § 11.051(a),⁹² it is the Board's responsibility to (1) oversee the management of the district, and (2) ensure that the superintendent implements and monitors plans, procedures, programs, and systems to achieve appropriate, clearly defined, and desired results in the major areas of district operations. In regard to the board's authority relating to voting, § 11.051(a-1) states that "the board shall provide the superintendent an opportunity to present at a meeting an oral or written recommendation to the board on any item that is voted on by the board at the meeting."

⁹¹ Tex. Educ. Code § 11.1512 requires the collaboration between the Board and the Superintendent

⁹² Tex. Educ. Code § 11.051 – See Appendix D

As detailed in findings of fact 1-5, starting in April 2022, the Monitor repeatedly informed the Board about the District's serious financial problems during the TEA Monitor's remarks portion of the monthly board meetings. The Monitor was explicitly clear that the Board needed to work closely with the superintendent, plan accordingly, and make difficult choices to resolve the pending financial crisis once ESSER (Elementary and Secondary School Emergency Relief) funds were exhausted.

As detailed in finding 6, the Board voted on whether to permanently close Athens Elementary School, Kindred Elementary School, Kazen Middle School, and West Campus High School prior to providing the superintendent with the opportunity to present his recommendation to the Board. TEC § 11.051(a-1) requires that the Board shall provide the superintendent with the opportunity to present his recommendation on items that is voted on during a meeting; it would be counter to the statute for the superintendent to present on the item after the vote on the item that has already been completed.

As detailed in findings of fact 6 and 7, the Board reorganized the Board Officers for the fourth time since September 2021. The Board's leadership instability extends into the board meetings as well, where infighting amongst Trustees has prevented the Board from managing the District. Additionally, the Board made decisions to keep underutilized schools open that went against the recommendations of the Superintendent. Superintendent Yzaguirre's presentation regarding the recommendation of four (4) campus closures provided Trustees with data necessary to make an appropriate decision. The data provided the following:⁹³

- The District is facing a \$12 Million Deficit.
- Student enrollment has declined 20% since 2012 (1,974 students).

⁹³ Superintendent Presentation – See Exhibit 62

- In 2018-2019, SSAISD had 8,939 students utilizing 13 campuses.
- In 2022-2023, SSAISD had 7,868 students utilizing 16 campuses, a decrease of 1,071 (12%) students from the 2018-2019 school year.

As detailed in finding of fact 8, the Board reconvened in March 2023, and approved the closure of Athens Elementary, Kindred Elementary, and Kazen Middle School. The Board omitted the West Campus High School closure from the agenda and therefore it will remain open. The District provided the following data regarding operating costs:⁹⁴

Campus	2019-2020	2020-2021	2021-2022	Enrollment 21-22
West Campus HS	\$ 1,112,295.15	\$ 4,701,695.90	\$ 6,100,791.52	355
Kazen Middle	\$ 2,643,436.38	\$ 2,613,201.60	\$ 3,329,720.48	269
Kindred EL	\$ 3,246,751.52	\$ 3,071,307.56	\$ 2,937,232.57	333
Athens EL	\$ 2,848,487.83	\$ 2,327,473.10	\$ 2,660,555.72	242

The table above demonstrates the true operating costs of each campus considered for closure. West Campus High School is the most expensive campus to operate with nearly double the operating costs of the other three, yet enrollment shows a marginal difference amongst the three campuses that have been approved for closure. From the District’s estimations provided in the superintendent’s presentation from the January 18, 2023, Board meeting, proposing to close three out of the four recommended closures at the March 22, 2023, board meeting is estimated to save the District approximately 5 million dollars annually;⁹⁵ however, those actions alone would not be enough to resolve the significant deficit issue in its entirety and an approximate 7 million dollar deficit annually still needs to be addressed.

The superintendent’s presentation on January 18, 2023, also provided current and future projections of the District’s financial and enrollment status to justify why immediate action was

⁹⁴ Campus Operating Cost – See Exhibit 63

⁹⁵ Superintendent Presentation – See Exhibit 62

needed from the Board, as the entity that oversees the management of the district. The data indicates that the District's operating costs for 2022-2023 and anticipated operating costs for 2023-2024 are approximately 85 million dollars with approximately 73 million dollars available to cover expenditures. This difference has led and will continue to lead to the approximate 12-million-dollar deficit year after year unless actions are taken to mitigate the issue. The presentation includes the following reasons for the deficit:

- Less funding due to a decline in student enrollment.
 - 20% student enrollment decline in the past 10 years
- Operating below capacity
 - Capacity – 14,050 students
 - 56% Campus Usage
- Spending on re-opening campuses
- Maintaining aging facilities

The District data supports that 16 million dollars in temporary ESSER funds have been used for the past two years to assuage the financial deficit; however, ESSER funds are not a long-term, viable, and sustainable solution because ESSER funds were established as temporary, emergency measures with a finite amount allocated to the district that will largely be exhausted by September 2023 and completely exhausted by September 2024. Once the ESSER funds are consumed, the only viable means to cover the approximately \$12 million in annual deficit would be to begin to use the District's reserved fund balance which holds approximately 4.2 months' worth of funding to cover the district's operations in its current state. Once the fund balance is depleted, the District would need to resort to a reduction in staffing of roughly 160 positions (approximately \$12 million) and/or reduce all employee salaries by 15% so as to not default on any of the District's fiduciary obligations.

As detailed in findings of fact 9 and 10, the Board gathered for a third time to discuss the closure of West Campus High School. This Special Meeting consisted of a single agenda item, however, arguments amongst Trustees prevented the meeting from moving forward. This meeting ended in Trustee Lopez' removal from the dais at the request of the board president, two trustees voluntarily walking out in protest and no vote was recorded due to lack of quorum. The video recording of this meeting shows that the Board struggles with working together for a common goal, cannot follow the leadership of the superintendent, and cannot make decisions necessary for the financial solvency of the District.

Based on these findings, the SSAISD Board of Trustees have violated TEC § 11.051(a)(1), (2) Governance of Independent School District⁹⁶ by preventing the superintendent from resolving a significant budget deficit to efficiently operate and plan for the District. Trustees were informed about the District's financial struggles on multiple occasions, did not take any action to resolve the issue, and further rejected the superintendent's recommendations to close four underutilized campuses. The Board's actions fail to align with the requirements under these sections of the Education Code and fail to promote the success of the District and the students it serves. The Board has elected to ignore the recommendations of the Superintendent and has not resolved the approximately \$12 million budget deficit for the 2023-2024 school year. Therefore, TEA has determined that allegation six is substantiated.

IV. Summary

The findings described above substantiate allegations that the SSAISD Board of Trustees violated TEC § 11.051(a)(1) and (a)(2), TEC §11.1511(b)(9), TEC §11.1512(b)(3), TEC § 11.201(a), and TEC § 39.004(d)-(e). Furthermore, multiple findings demonstrate that the Board

⁹⁶ Tex. Educ. Code § 11.051 – See Appendix E

failed to oversee the management of the District when it engaged in actions or inaction that could negatively impact District personnel and the students of SSAISD. Such behaviors of the SSAISD Board includes the inability to retain a superintendent to full term since 2011, repeated failures to meet with a quorum of its members to oversee essential District business, and the unsuccessful resolution of a pending 12-million-dollar deficit. In addition, the District's failure to respond to TEA's requests on two separate occasions regarding the anomalies identified in the District's data submission provides further evidence of the Board's struggles with overseeing the management of the District.

V. Recommendation

Based on the findings sustained in TEA's preliminary reports and in consideration of the totality of relevant facts and circumstances for sanction determination as described in 19 Tex. Admin. Code Ch. 97, Subch. EE, Div. 1 (and further described below), the Special Investigations Unit will recommend to the Commissioner of Education that a sanction be issued up to and including the installation of a Board of Managers that replaces the existing board of trustees due to the SSAISD Board of Trustees' demonstrated inability to ensure adherence to state law requirements relating to governance. To this end, the process available to the District described in Tex. Educ. Code § 39.005 applies.

A. Standards for Sanction Determination:

In making a sanction determination under 19 Tex. Admin. Code § 97.1059(a), the commissioner shall consider the seriousness, number, extent, and duration of deficiencies identified by the Texas Education Agency (TEA) and shall impose one or more accreditation sanctions on a district and its campuses as needed to address the results of a special

investigation.⁹⁷ Additionally, the sanction selected must address any ongoing failures to address deficiencies previously identified or patterns of recurring deficiencies; any lack of district responsiveness to, or compliance with, current or prior interventions or sanctions; and any substantial or imminent harm presented by the deficiencies of the district or campus to the welfare of its students or to the public interest.

B. Consideration of Sanction Determination Factors:

i. Seriousness, Number, Extent, and Duration of Deficiencies:

The evidence gathered during this special investigation establishes that governance issues of the SSAISD Board of Trustees (particularly regarding the statutory requirement to collaborate with the district superintendent) have endured for over a decade, requiring multiple TEA interventions:

- 2015 – The Commissioner of Education authorized a Special Accreditation Investigation that demonstrated the Board’s inability to work collaboratively with the District’s administration. The Commissioner of Education appointed a conservator to oversee the financial management and governance of the District from 2016-2018; and
- 2019 - The Commissioner of Education authorized a Special Accreditation Investigation which found that the SSAISD Board failed to adequately collaborate with the Superintendent on actionable items, and that individual trustees operated outside their authority when contacting vendors relating to the re-opening of certain schools. The Commissioner of Education appointed a Monitor to oversee and report to the agency and support SSAISD’s efforts to improve its governance activities from 2020 – Present.

ii. Ongoing Failures to Address Deficiencies Previously Identified:

⁹⁷ 19 Tex. Admin Code § 97.1059

Despite the prior and current efforts to assist the SSISD Board of Trustees to address the deficiencies previously identified by the Agency, this special investigation has identified the district's failure to adequately address these concerns in a manner that sustains the improvements. For example:

- Collaboration between the Board and the Superintendent
 - Trustees operated outside their authority by contacting district vendors, consultants, educational organizations, and district staff without the consent of the superintendent.
 - Despite a continued downward trend in enrollment numbers and projection models for the District, the Board approved a resolution to re-open Athens Elementary, Kazen Middle School, and West Campus High School going against the recommendations of then-Superintendent, Dr. Alex Flores.
 - SSAISD has not had a superintendent complete the terms of their contract since 2011 and has expended \$ 352,169.13 in separation agreement payouts since 2018.
 - TEA Monitor Abe Saavedra believed there to be a lack of understanding within the Board's majority that the superintendent is identified as the Chief Executive Officer of the school district.

C. Sanction Recommendation:

In accordance with Agency rule, the Commissioner of Education may appoint a board of managers when “(1) sanctions under subsection (b) or (c) of this section have been ineffective to achieve the purposes identified in Tex. Admin. Code §97.1057,”⁹⁸ when “a failure in governance results in an inability to carry out the powers and duties of the board of trustees as outlined in

⁹⁸ 19 Tex. Admin. Code § 97.1073(e)(1)

TEC § 11.151 and § 11.1511” as well as when “deficiencies identified in a special investigation warrant the appointment of a board of managers.”

Based on the findings in the three investigative reports combined with this final report as well as prior completed TEA investigation reports and interventions issued to SSAISD to address these concerns, and in consideration of all the relevant factors outlined above, TEA’s Office of Governance believes that the conditions have been met to warrant the imposition of the Board of Manager’s sanction. However, to resolve this matter without further delay and with the intention that South San Antonio ISD expeditiously (a) remedy noncompliance and subsequently maintain compliance with all state and federal law, (b) correct board misconduct, including but not limited to instances of misconduct identified in the Final Report, and (c) improve the school board’s governance of the LEA to reflect best governance practices, the enforcement of this recommended intervention will be stayed for a period of at least one year from the Effective Date of the Agreed Order⁹⁹ relevant to this matter. At that time, or at a subsequent time after one year, the Commissioner of Education may appoint a board of managers to exercise the powers and duties of the board of trustees of the LEA if determined appropriate by Commissioner of Education at his sole discretion.

The above recommendation will enable SSAISD to function in the best interest of students, while policies and procedures can be implemented to address the issues raised in this investigation. TEA reserves the right to implement all available interventions and sanctions under Tex. Educ. Code Chapter 39, and 19 Tex. Admin. Code Chapter 97, to address the current, or any future deficiencies identified for SSAISD.

⁹⁹ Agreed Order – See Exhibit 64

The concern the agency has for the students in this school district cannot be overstated. And the willingness of the agency to enter into the associated agreement should not be viewed as an indication that the agency feels otherwise. However, the board members and superintendent have staked not only their word, but also their credibility to the assurances provided to the agency of their newfound commitment to their responsibilities. It is to be determined as to whether they follow through on these assurances.

The agency arrives ready to partner with the district to meet the expectations of the agency – but more importantly, to meet the expectations of local stakeholders. By the terms of the agreement, South San Antonio ISD’s board of trustees has one year to demonstrate the requisite reforms to the district. If it does not, the Commissioner of Education is authorized to utilize his discretion to take action deemed appropriate, which may include the appointment of a Board of Managers.