



Schools FIRST Rating

Financial Integrity Rating System of Texas

October 15, 2012

School FIRST

- A financial accountability system for Texas school districts developed by TEA in response to SB 218 of the 77th Texas Legislature in 2001
 - Primary goal is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to complexity of accounting associated with Texas' school finance system.

School FIRST

- Four financial accountability ratings given to Texas School Districts
 - Superior Achievement
 - Above-Standard Achievement
 - Standard Achievement
 - Substandard Achievement

GISD 2011-12 Rating

- Granbury ISD received a rating of **Superior Achievement**
 - Received Superior Achievement last 8 or the last 9 years
 - 2009-10 financially ranked as Superior Achievement, but due to unacceptable rating, had to accept Above Standard Achievement

How Ratings are Assessed

- Based on 2010-11 School Year Data
- 20 Indicators are reviewed
- Rating based on points related to yes answers and calculations
 - GISD scored 69 out of 70
 - Scores 64-70 for this rating

Indicators

- #1 – Total fund balance less reserved fund balance greater than Zero in General Fund?
 - \$15,309,910 fund balance
- #2 – Total Unrestricted Net Assets Balance greater than Zero in Governmental Activities?
 - \$17,006,389

Indicators

- #3 – No disclosures in the Annual Financial Report concerning default on bonded indebtedness
 - GISD had no related disclosures
- #4 – Annual Financial Report filed by February 28th filing deadline
 - GISD filed 1/3/12

Indicators

- #5 – Was there an Unqualified Opinion in the Annual Financial Report
 - GISD received an Unqualified Opinion
- #6 – No Disclosures of instances of material weaknesses in internal controls
 - GISD had none
- #7 – Three-year average % of total Tax Collections greater than 98%
 - GISD rate actually 1.0157%

Indicators

- #8– PEIMS data to Financial Report result in variance < 3% of expenditures per fund (Data Quality Measure)
 - GISD had 0 % variance
- #9 – Debt –related expenditures <\$350 per student or Property Taxes Collected per penny of tax effort
 - GISD passed – per penny collections = \$472,015

Indicators

- #10 – NO disclosure in Annual Audit Report of Material Noncompliance
 - None noted
- #11 – Full accreditation status in relation to financial management practices
 - GISD did
- #12 -Budgeted expenditures < total revenues, other resources and fund balance
 - GISD had \$15,699,951 in surplus

Indicators

- #13 –Capital Projects adequately funded
 - GISD had projects adequately funded
- #14 – Ratio of Cash and Investments to Deferred revenue \geq to 1:1
 - GISD Cash and Investments = 23,510,083 deferred revenue was \$8,712,173

Indicators

- #15 – Admin cost ratio < standard in State law
 - GISD ratio .0671 compared to State standard of .125
- #16 – Ratio of Students to Teachers w/in range according to district size
 - GISD 1:13.0899 – State standard for GISD size 1:13 to 1:22

Indicators

- #17 – Ratio of Students to Total staff w/in ranges according to district size
 - GISD 1:6.6446 – State standard for GISD size 1:6.8 to 1:14
 - Lost 1 point due to being lower than standard
- #18 – Decrease in fund balance over last two fiscal years < 20% or Total Revenue > Operating Expenditures
 - GISD = 16,522,745 (2 years prior) and now \$14,285,646 (13.54%) – passed

Indicators

- #19 – Cash and Investments > \$0
 - GISD cash and investments - \$23,510,083
- #20 – Investment earnings > or = to 3-month Treasury Bill Rate?
 - GISD earned .2162% and T-bill rate was .095%

Additional Disclosures

- Reporting requirements related to FIRST public meeting
 - Superintendent's Contract
 - Reimbursements received by the Superintendent and Board Members
 - Outside compensation Received by the Superintendent for Professional Consulting and/or Other Personal Services
 - Gifts Received by Executive Officers & Board Members
 - Business Transactions between GISD & Board Members
 - Summary of data reported to TEA under the financial solvency provisions of TEC § 39.0822 (1st year)

Superintendent's Contract

- Must be attached to the FIRST report or posted on GISD website
 - Posted on Granbury ISD's website
 - Business Office
 - Superintendent Office

Reimbursements to Superintendent & Board Members

| For the twelve month period ended August 31, 2011 | | | | | | | | |
|---|-----------------------------|-------------------------------|--------------------------|------------------------------------|---------------------------|-------------------------|---------------------------------|-------------------------|
| Description of Reimbursement | Superintendent Ron Mayfield | Board President Charlie Cloud | Board Member Nancy Alana | Board Vice President Micky Shearon | Board Member Mark Jackson | Board Member Don Walton | Board Member Barbara Herrington | Board Member BJ Wallace |
| Meals | 976 | 99 | 0 | 36 | 0 | 14 | 96 | 0 |
| Lodging | 2,073 | 463 | 224 | 296 | 678 | 573 | 445 | 0 |
| Transportation | 1,077 | - | 225 | 132 | 290 | 315 | 30 | 30 |
| Other | 2,749 | 350 | 500 | 350 | 795 | 795 | 500 | 500 |
| Total | 6,875 | 911 | 949 | 814 | 1,763 | 1,697 | 1,070 | 530 |

Outside Compensation to Superintendent

- There is none to disclose

Gifts Received by Exec Officers or Board Members

- There are none to disclose

Business Transactions Between ISD and Board Members

- There are none to disclose

Business Transactions Between ISD and Board Members

- There are none to disclose

Summary of Data Submitted under the financial solvency provisions of TEC § 39.0822

| First Quarter Expenditures by Object Code (General Fund) | |
|--|------------|
| Payroll – expenditures for payroll costs | 10,547,914 |
| Contract Costs – expenditures for services rendered by outside parties | 893,056 |
| Supplies & Materials | 190,834 |
| Other Operating expenditures | 433,722 |
| Debt Service | 0 |
| Capital Outlay – buildings and equipment >\$5,000 | 334,928 |
| | |

Summary of Data Submitted under the financial solvency provisions of TEC § 39.0822

- 2. Within the last 2 years did the district (1) draw funds from short-term financing between months of Sept – Oct and (2) for prior fiscal year, have a total fund balance of less than 2% of total expenditures for General Fund function codes 11-61?
 - GISD Response – NO
- Has district declared financial exigency within the past 2 years?
 - GISD Response NO

Summary of Data Submitted under the financial solvency provisions of TEC § 39.0822

- 3) Provide comments or explanations for student-to-staff ratios significantly (more than 15%) below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures, or any other information that may be helpful in evaluating the school district's financial solvency.
 - Student – to – staff Range 14.97 to 12.73 for GISD enrollment
 - GISD Response – N/A

Summary of Data Submitted under the financial solvency provisions of TEC § 39.0822

- 4. How many superintendents has your school had in the last five years?
 - GISD – 3
- 5. How many business managers has your school had in the last five years?
 - GISD - 1

GISD Past Performance

- The FIRST Rating has been given for the last 9 years
 - 2011 (2009-10 Data) – Superior Achievement
 - 2010 (2008-09 Data) – Above Standard Achievement
 - 2009 (2007-08 Data) – Superior Achievement
 - 2008 (2006-07 Data) – Superior Achievement
 - 2007 (2005-06 Data) – Superior Achievement
 - 2006 (2004-05 Data) – Superior Achievement
 - 2005 (2003-04 Data) – Superior Achievement
 - 2004 (2002-03 Data) – Superior Achievement
 - 2003 (2001-02 Data) – Superior Achievement

Questions & Discussion

- Thank you for coming to hear about YOUR school district's FIRST rating



The End