

# Birdville Independent School District

2009 Schools FIRST Rating

Public Hearing

September 24, 2009 – 7:00 p.m.



# What is FIRST?

- ◆ Financial Integrity Rating System of Texas
- ◆ Created by Texas Education Agency in response to Senate Bill 875 of the 76<sup>th</sup> Texas Legislature in 1999 to measure the performance of school districts' financial resources
- ◆ Rating system includes 24 indicators
- ◆ Rating calculations are based on data from the 2007-2008 fiscal year



# Determination of Rating

- ◆ Ratings are determined by the number of points earned on the 24 indicators:
  - Superior Achievement
    - ◆ 75-85 points and “YES” answer on indicator 7
  - Above Standard Achievement
    - ◆ 65-74 points or  $\geq 75$  points and “NO” answer on indicator 7
  - Standard Achievement
    - ◆ 55-64 points
  - Substandard Achievement
    - ◆  $< 55$  points or “NO” answer on one default indicator



# Birdville ISD

## Superior Achievement

- BISD has received a Superior Rating since the inception of the rating system 7 years ago.



# Indicators

1. Was the total fund balance less reserved fund balance greater than zero in the general fund?

YES – 2007-2008 General Fund Balance \$44,909,478

2. Was the total unrestricted net asset balance in the governmental activities column in the statement of net assets greater than zero?

YES – 2007-2008 Unrestricted net asset balance  
\$26,227,863



# Indicators (continued)

3. Were there no disclosures in the annual financial report and/or other sources of information concerning default on bonded indebtedness obligations?

YES – The district has not defaulted on bonded indebtedness.

4. Was the annual financial report filed within one month after the November 27 deadline?

YES – The 2007-2008 annual financial report was filed with TEA on November 24, 2008. The due date was December 28, 2008.



# Indicators (continued)

5. Was there an unqualified opinion in the annual financial report?

YES – The district received an unqualified opinion on the 2007-2008 annual financial report. This is the highest rating a district can receive.

6. Did the annual financial report not disclose any instances of material weakness in internal controls?

NO – The District's 2007-2008 annual financial report did disclose an instance of material weakness in internal controls regarding year end cutoff periods. This issue has been addressed for future audit years.



# Indicators (continued)

7. Did the district's academic rating exceed academically unacceptable?

YES – The district's academic rating for 2007-2008 exceeded academically unacceptable.

8. Was the three-year average percent of total tax collections (including delinquent) greater than 98 percent?

YES – The District's three-year average percent of total tax collections (including delinquents) was 99.58 percent.





# Indicators (continued)

9. Did the comparison of PEIMS data to like information in the annual financial report result in an aggregate variance of less than 3 percent of expenditures per fund type?

YES – Due to the fiscal year change to June 30, the district was exempted from this indicator.

10. Were debt related expenditures (net of IFA and/or EDA allotment) less than \$250 per student?

YES – The district was exempted from this indicator since property taxes collected per penny of tax effort is greater than \$200,000 per student.



# Indicators (continued)

11. Was there no disclosure in the annual audit report of material noncompliance?

**NO** – There was a disclosure in the 2007-2008 annual audit report of material noncompliance . Time and effort documentation related to personnel split-funded between local and federal funds had not been certified in a timely manner. A process to ensure that this occurs in the future is now in place.

12. Did the district have full accreditation status in relation to financial management practices?

**YES** – The district had full accreditation status in relation to financial management practices.



# Indicators (continued)

13. Was the percent of operating expenditures expended for instruction more than 65 percent (functions 11, 36, 93, and 95) (phased in over 3 years-60 percent for 2007-2008)?

YES – For 2007-2008, the percent of operating expenditures expended for instruction was 65.45 percent which exceeds the phased in percentage of 60.

(function 11-instruction, function 36-extra curricular, function 93-shared service arrangements, function 95-JJAEP)



# Indicators (continued)

14. Was the percent of operating expenditures expended for instruction more than or equal to 65 percent (functions 11, 12, 31, 33, 36, 93, and 95)?

YES – For 2007-2008, the percent of operating expenditures expended for instruction was 71.29 percent.

(function 11-instruction, function 12-library, function 31-counselors, function 33-nurses, function 36-extra curricular, function 93-shared service arrangements, function 95-JJAEP)



# Indicators (continued)

15. Was the aggregate of budgeted expenditures and other uses less than the aggregate of total revenues, other resources and fund balance in the general fund?

The District was not awarded points on this indicator due to incorrect data in the FIRST rating system. Since correcting the data in this question will not change the Birdville ISD FIRST rating, TEA will not allow a correction.

For 2007-2008 Birdville ISD's budgeted expenditures and other uses was less the total of revenues, other resources and fund balance in the general fund.



# Indicators (continued)

16. If the district's aggregate fund balance in the general fund and capital projects fund was less than zero, were construction projects adequately financed?

YES – The district's 2007-2008 aggregate fund balance in the general fund and capital projects fund was greater than zero.



# Indicators (continued)

17. Was the ratio of cash and investments to deferred revenues in the general fund greater than or equal to 1:1?

YES – The ratio of cash and investments to deferred revenues in the general fund for 2007-2008 was greater than 1:1.

18. Was the administrative cost ratio less than the threshold ratio?

YES – The administrative cost ratio for 2007-2008 was 6.27 percent. The maximum percentage for district's with greater than 10,000 ADA was 11.05 percent.



# Indicators (continued)

19. Was the ratio of students to teachers within the ranges shown according to district size?

YES – The ratio of students to teachers for 2007-2008 was 15.211. The range was 13.5 to 22.

20. Was the ratio of students to total staff within the ranges shown according to district size?

YES – The ratio of students to total staff for 2007-2008 was 7.9099. The range was 7 to 14.





# Indicators (continued)

21. Was the total fund balance in the general fund more than 50 percent and less than 150 percent of optimum according to the fund balance and cash flow calculation worksheet in the annual financial report?

YES – The total fund balance for 2007-2008 in the general fund was 74.4177 percent of optimum fund balance.

22. Was the decrease in undesignated unreserved fund balance less than 20 percent over the two fiscal years?

YES – The undesignated unreserved fund balance increased during the last two fiscal years.



# Indicators (continued)

23. Was the aggregate total of cash and investments in the general fund more than zero?

YES – Cash and Investments at the end of 2007-2008 were \$44,649,188.

24. Were investment earnings in all funds (excluding debt service fund and capital projects fund) more than \$20 per student?

YES – Investment earnings for 2007-2008 were \$131.91 per student.



# Five Additional Disclosures

1. Superintendent's Employment Contract in place during the public hearing
2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2008
3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services for Fiscal Year 2008



# Five Additional Disclosures

4. Gifts Received by the Executive Officer and Board Members (and First Degree Relatives, if any) in Fiscal Year 2008
5. Business Transactions Between School District and Board Members for Fiscal Year 2008



# Disclosure No. 1

## Superintendent's Employment Contract

The superintendent's current contract is posted on the Birdville ISD website



# Disclosure No. 2

## Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2008(including amounts paid on-behalf of the Superintendent and Board members)

All reimbursements received by the Superintendent and the Board Members for the twelve months ending August 31, 2008 are listed by category on the following worksheet.



# Disclosure No. 2 (continued)

For the Twelve-month Period Ended August 31, 2008								
Description of Reimbursements	Stephen Waddell Superintendent	Dolores Webb Board Member 1	Wanda Strong Board Member 2	Sherry Dunn Board Member 3	David Pokluda Board Member 4	Ralph Kunkel Board Member 5	Joe Tolbert Board Member 6	Richard Davis Board Member 7
Meals	598.17	195.93	13.65		238.58	179.47	12.00	175.81
Lodging	3,883.31	1,213.25			1,181.25	1,134.77		945.00
Transportation	3,871.30	699.10			604.48	563.00	47.43	438.80
Motor Fuel								
Other	1,401.85	1,365.83	55.00		1,365.83	1,560.83	705.83	1,365.83
<b>Total</b>	<b>9,754.63</b>	<b>3,474.11</b>	<b>68.65</b>	<b>0.00</b>	<b>3,390.14</b>	<b>3,438.07</b>	<b>765.26</b>	<b>2,925.44</b>



# Disclosure No. 3

## Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services for Fiscal Year 2008

No outside compensation and/or fees for professional consulting and/or other personal services were received by the Superintendent during fiscal year 2008.





# Disclosure No. 4

Gifts Received by the Executive Officer and Board Members (and First Degree Relatives, if any) in Fiscal Year 2008 (gifts with an economic value of \$250 or more in the aggregate)

No gifts with an economic value of \$250 or more in the aggregate were received by any executive officer or board member (or first degree relatives) during fiscal year 2008.



# Disclosure No. 5

## Business Transactions Between School District and Board Members for Fiscal Year 2008

<u>Company</u>	<u>Board member</u>	<u>Amount</u>
Lift Aids	Richard Davis	\$6,572

