

Birdville Independent School District

2014 Schools FIRST Rating

Public Hearing

October 23, 2014– 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 76th Texas Legislature in 1999 to measure the performance of school districts' financial resources
- Rating system includes 20 indicators
- Rating calculations are based on data from the 2012-2013 fiscal year

Determination of Rating

- Ratings are determined by the number of points earned on the 20 indicators:
 - Superior Achievement
 - 64-70 points
 - Above Standard Achievement
 - 58-63 points
 - Standard Achievement
 - 52-57 points
 - Substandard Achievement
 - < 52 points or “NO” answer on one default indicator

Objectives

- Assess the quality of financial management in Texas public schools.
- Measure and report the extent to which financial resources are allocated for direct instructional purposes.
- Fairly evaluate the quality of financial management decisions.
- Openly report results to the general public.

Birdville ISD

Superior Achievement

- BISD received a score of 70.
- BISD has received a Superior Rating since the inception of the rating system 13 years ago.

Indicators

1. Was the total fund balance less non-spendable and restricted fund balance greater than zero in the general fund?
YES – 2012-2013 \$57,054,015
(2011-2012 \$57,009,087)
2. Was the total unrestricted net asset balance (net of accretion of interest on capital appreciation bonds) in the governmental activities column in the statement of net assets greater than zero?
YES – 2012-2013 \$71,461,133 (2011-2012 \$71,629,298)

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. (2011-2012 Yes)

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

YES – The 2012-2013 annual financial report was filed with TEA on November 22, 2013. (2011-2012 Yes)

Indicators (continued)

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

YES – The district received an unqualified opinion on the 2012-2013 annual financial report. This is the highest rating a district can receive. (2011-2012 Yes)

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

YES – The District's 2012-2013 annual financial report did not disclose an instance of material weakness in internal controls. (2011-2012 Yes)

Indicators (continued)

7. 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 99.82 percent. (2011-2012 Yes at 99.6 percent)

8. 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 – The district had zero aggregate variance in PEIMS data versus the annual financial report. (2011-2012 Yes at zero variance)

Indicators (continued)

9. Were debt related expenditures (net of IFA and/or EDA allotment) less than \$350 per student?

YES – The district was exempted from this indicator since the property taxes per penny of tax effort exceeds \$200,000. (2011-2012 Yes)

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

YES – There was no disclosure in the 2012-2013 annual audit report of material noncompliance . (2011-2012 Yes)

Indicators (continued)

11. 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. (2011-2012 Yes)

12. 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?

YES – For 2012-2013, the aggregate of budgeted expenditures and other uses was less the aggregate of total revenues, other resources and fund balance. (2011-2012 Yes)

Indicators (continued)

13. 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 2012-2013 aggregate fund balance in the general fund and capital projects fund was greater than zero. (2011-2012 Yes)

14. 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 2012-2013 was greater than 1:1. (2011-2012 Yes)

Indicators (continued)

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

YES – The administrative cost ratio for 2012-2013 was 5.47 percent. The maximum percentage for districts with ADA of 10,000 and above was 11.05 percent.
(2011-2012 Yes at 5.97 percent)

16. Was the ratio of students to teachers within the range according to district size?

YES – The ratio of students to teachers for 2012-2013 was 15.80. The range was 13.5 to 22.
(2011-2012 Yes at 15.85)

Indicators (continued)

17. Was the ratio of students to total staff within the range according to district size?

YES – The ratio of students to total staff for 2012-2013 was 8.27. The range was 7 to 14.
(2011-2012 Yes at 8.24)

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

YES – The decrease in undesignated, unreserved fund balance was less than 20 percent over two fiscal years. (2011-2012 Yes)

Indicators (continued)

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

YES – Cash and Investments at the end of 2012-2013 were \$56,858,740. This increase from 2011-2012 related to the reclassification of long-term investments to short-term in 2012-13 as they approached their maturity date. (2011-2012 Yes at \$ 44,775,974)

20. Did investment earnings in all funds (excluding debt service fund and capital projects fund) meet or exceed the 3 month treasury bill rate?

Yes – The investment earnings' rate was .7498 percent which exceeded the 3 month treasury rate of .07 percent. (2011-2012 Yes at .059)

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 2013
3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services for Fiscal Year 2013
4. Gifts Received by the Executive Officer and Board Members (and First Degree Relatives, if any) in Fiscal Year 2013
5. Business Transactions Between School District and Board Members for Fiscal Year 2013

Disclosure No. 1

Superintendent's Current Employment Contract

A copy of the superintendent's current contract is available on the District's website under Business Office Financial Reports at the following link:

<http://schools.birdvilleschools.net/Page/16971>

Disclosure No. 2

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2013 (including amounts paid on-behalf of the Superintendent and Board members)

All reimbursements received by the Superintendent and the Board Members for the period ending June 30, 2013 are listed by category on the following worksheet.

Disclosure No. 2 (continued)

For the Period Ending	Darrell	Cary	Jack	Dolores	Joe	Brad	Richard	Ralph
June 30, 2013	Brown	Hancock	McCarty	Webb	Tolbert	Greene	Davis	Kunkel
Description of Reimbursements	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Meals	\$ 442	\$ 481	\$ 293	\$ 364	\$ 435	\$ 435	\$ 320	\$ 502
Lodging	1,315	1,576	886	1,133	1,396	1,381	991	2,569
Transportation	1,129	609	615	690	730	622	387	1,242
Motor Fuel	-	-	-	-	-	-	-	-
Other	1,876	1,293	1,314	1,366	1,436	1,410	1,000	1,723
Total	\$ 4,762	\$ 3,958	\$ 3,107	\$ 3,553	\$ 3,996	\$ 3,848	\$ 2,697	\$ 6,036

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2013, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals – Meals consumed off of the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

Disclosure No. 3

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services for Fiscal Year 2013

No outside compensation and/or fees for professional consulting and/or other personal services were received by the Superintendent during fiscal year 2013.

Disclosure No. 4

Gifts Received by the Executive Officer and Board Members (and First Degree Relatives, if any) in Fiscal Year 2013 (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 2013.

Disclosure No. 5

Business Transactions Between School District
and Board Members for Fiscal Year 2013

None for Fiscal Year 2013