

The Garland Independent School District



2015 – 2016 Rating Presentation

(Fiscal Year 2014-2015 Data)

Purpose

- Expands the public education accountability system in Texas to the Financial Services.
- Originated by SB875 of the 76th Texas Legislature in 1999.
- Primary goal to improve management of school district's financial resources.

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.

Ratings

- The 2013-2014 rating was determined by the scores on 20 indicators.
- HB 5 of the 83rd Texas Legislature in 2013 required the Commissioner of Education to include indicators in FIRST to anticipate the future financial solvency of districts.
- The 2014-2015 rating was a transition year. The rating was determined by the scores on 7 indicators. Districts earned a rating of Pass or Substandard Achievement..

Ratings

- The 2015-2016 rating is determined by the scores on 15 indicators.
 - A = Superior 70 - 100
 - B = Above Standard 50 - 69
 - C = Meets Standard 31 - 49
 - F = Substandard Achievement 0 - 30
- The 2016-2017 rating will be determined by the scores on 15 indicators.
 - A = Superior 90 - 100
 - B = Above Standard 80 - 89
 - C = Meets Standard 60 - 79
 - F = Substandard Achievement 0 - 59

How Ratings Are Assessed

1. Was the Annual Financial Report filed within one month after November 27th or January 28th deadline depending upon the District's fiscal year end date? (June 30th or August 31st)

YES

- 2A. Was there an unqualified opinion in the Annual Financial Report? **YES**

- 2B. Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? **YES**

How Ratings Are Assessed

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? **YES**
4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? **YES**
5. 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? (If the District's 5 year % change in Students was 10% more) **YES**

How Ratings Are Assessed

6. Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? **10**

7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? **10**

8. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10% or more, then the school district passes this indicator.) **10**

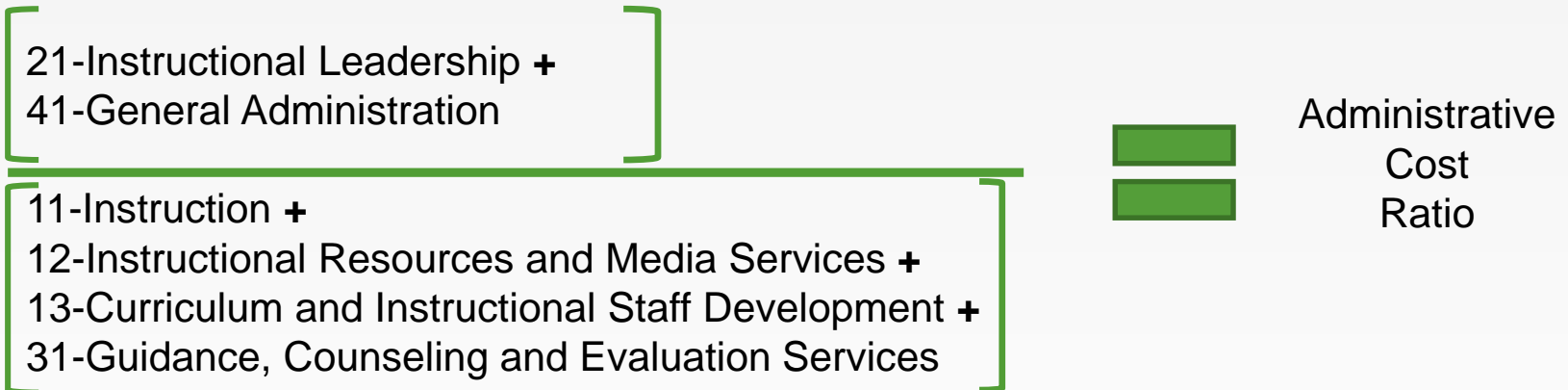
How Ratings Are Assessed

9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? **10**

10. Was the debt service coverage ratio sufficient to meet the required debt service? **10**

How Ratings Are Assessed

11. Was the Administrative Cost Ratio less than the Threshold Ratio? 7.97% **10 of 10 points**



Only payroll (excluding TRS On-Behalf), professional and contracted services, supplies and materials, other operating costs are used in the calculation of the administrative cost ratio.

How Ratings Are Assessed

12. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? **10**

13. Did the comparison of PEIMS data to like information in the Annual Financial Report result in an aggregate variance of less than 3% of Expenditures per function? **10**

How Ratings Are Assessed

14. Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? **10**

15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship? **10**

What is GISD's Rating?

- A = Superior
 - *GISD received a YES or the maximum points on all indicators.*
 - *The district received the highest rating possible as established under guidelines and rules established by the Texas Education Agency.*

Required Disclosures

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2015
 For the Twelve-month Period Ended August 31, 2015

Description of Reimbursements	Superintendent	Board Member Place 1	Board Member Place 2	Board Member Place 3	Board Member Place 4	Board Member Place 5	Board Member Place 6	Board Member Place 7
	Bob Morrison	Larry Glick	Charles Axe	Linda Griffin	Dr. Cindy Castañeda	Scott Luna	Steve Knagg/Robert Selders	Rick Lambert
Meals	\$458.99	\$94.28	\$134.42	\$905.02	\$132.00	\$0.00	\$200.13	\$34.94
Lodging	\$4,464.24	\$195.12	\$1,172.89	\$4,498.34	\$257.12	\$0.00	\$1,433.73	\$3,273.02
Transportation	\$3,373.73	\$1,379.91	\$527.34	\$6,067.52	\$503.22	\$0.00	\$332.34	\$2,463.74
Motor Fuel		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$170.57	\$0.00
Other	\$1,780.50	\$912.20	\$1,695.00	\$3,522.57	\$635.07	\$325.00	\$1,385.00	\$1,833.32
TOTAL	\$10,077.46	\$2,581.51	\$3,529.65	\$14,993.45	\$1,527.41	\$325.00	\$3,521.77	\$7,605.02

* Robert Selders was elected to Place 6 in May 2015

Required Disclosures

- Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in fiscal year 2015.

None

Required Disclosures

- Gifts received by the Executive Officer(s) and Board Members (and first degree relatives, if any) in fiscal year 2015.

None

Required Disclosures

- Business transactions between the District and Board Members for fiscal year 2015.

None

Required Disclosures

Report 2015-16 First-Quarter (first three months of fiscal year 2015-16) General Fund expenditures by object code whole numbers.

Payroll	Expenditures for payroll costs	Object codes series 6100	\$79,501,016
Contract Costs	Expenditures for services rendered by firms, individuals, and other organizations	Object code series 6200	\$7,335,092
Supplies and Materials	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	object code series 6300	\$4,654,213
Other Operating	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	Object code series 6400	\$873,453
Debt Service	Expenditures for debt service	Object code series 6500	\$0
Capital Outlay	Expenditures for land, buildings, and equipment	object code series 6600	\$470,280

Required Disclosures

- Districts with a September 1 – August 31 fiscal year. Within the last two years, did the school district:
 - Draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive **NO**
 - For the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund Function codes 11-61 **NO**

Required Disclosures

- Financial exigency disclosure:
 - Has the school district declared financial exigency within the past two years? **NO**

Required Disclosures

- Superintendent
 - How many superintendents has the school district had in the last five years? **2**
- Business Manager
 - How many business managers the school district had in the last five years? **1**