



# Schools FIRST

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Denton Independent School District  
September 10, 2019



# What is Schools FIRST?

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Schools

F INANCIAL

I NTEGRITY

R ATING

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T EXAS



# Primary Goal

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Achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.



# Determination of Rating

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- If the District answers NO to indicators 1, 2.A, 3, or 4, then the rating is F for Substandard Achievement regardless of points earned.



# Determination of Ratings

## 2017-2018

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Determine the rating by the applicable number of points for indicators 6 - 15:

A = Superior	90 – 100
B = Above Standard	80 – 89
C = Meets Standard	60 – 79
F = Substandard Achievement	< 60

# Denton ISD's Rating

- **Superior**

**2017-2018 – District Score – 100 of 100**

**2016-2017 – District Score – 100 of 100**

**2015-2016 – District Score – 100 of 100**

**2014-2015 – District Score – 100 of 100**

- **Pass - 2013-2014 – District Score – 30 of 30**

- **Superior Achievement**

**2012-2013 – District Score – 70 of 70**

**2011-2012 – District Score – 70 of 70**

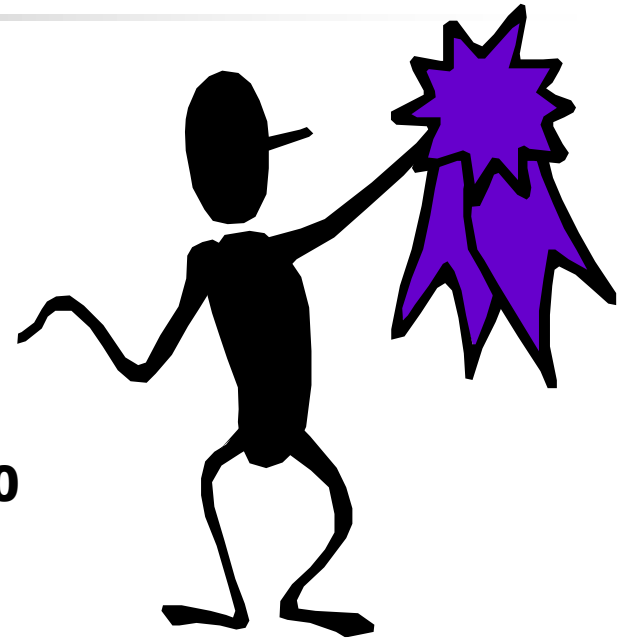
**2010-2011 – District Score – 69 of 70**

**2009-2010 – District Score – 73 of 80**

**2008-2009 – District Score – 77 of 80**

**2007-2008 – District Score – 83 of 85**

**2006-2007 – District Score – 84 of 85**



## **Passed all indicators**

2005-2006

2004-2005

2003-2004

2002-2003

2001-2002

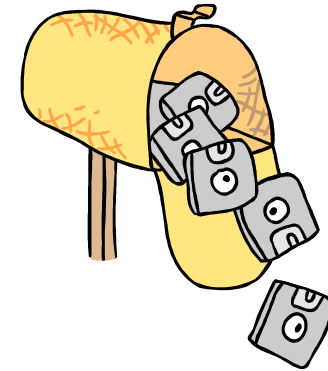


# Indicator #1

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Q - Was the complete Annual Financial Report and data submitted to TEA within 30 days of November 27?



A – Yes, received by TEA on 11/16/2018



## Indicator #2.A

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Q – Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?

A – Pass





## Indicator #2.B

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Q – Did the external independent auditor report that the Annual Financial Report was free of any instance of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?

A – Pass



## Indicator #3

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Q – Was the school district in compliance with the payment terms of all debt agreements at fiscal year-end?

A - Pass





## Indicator #4

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Q – 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?

A – Pass



# Indicator #5

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This indicator is not being scored.



## Indicator #6

Points - 10

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Q – 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?

A – Yes

# of Days Cash on Hand

138.8888

138.8888  $\geq$  90 Days

10 Points



## Indicator #7

Points - 10

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Q – Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

A – Yes

Current Assets	\$301,989,664
Current Liabilities	\$ 90,375,446
Ratio	3.3415
$3.3415 \geq 3.00$	10 Points



## Indicator #8

Points - 10

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Q – Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the change of student membership over 5 years was 7 percent or more, then the district passes this indicator.

A – Yes







# Indicator #8 continued

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## Enrollment

2018	29,152
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2014	<u>26,047</u>
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Increase	3,105
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% Increase	11.92%
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Five-Year Percent Change Greater Than 7% =  
Pass



## Indicator #9

Points - 10

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Q – Did the school district’s general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the district’s number of days of cash on hand greater than or equal to 60 days?

A – Yes



# Indicator #9 continued

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Total Revenue	\$266,325,760
Total Expenditures	\$258,603,498
Less: Facilities Acquisition and Construction	<u>(\$ 1,401,742)</u>
Net Expenditures	\$257,201,756
Net Revenue less Expenditures	\$ 9,124,004
>= 0	10 Points
# of Days Cash on Hand	138.8888
138.888 Days of Cash on Hand > 60 Days	



# Indicator #10

# Points - 10

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Q – Was the debt service coverage ratio sufficient to meet the required debt service?

A – Yes

Total Revenue (General and Debt)	\$345,427,693
Total Expenditures (General and Debt)	(\$319,585,846)
Debt Service – 71, 72, 73	\$ 60,982,348
Fund 511 Fund Balance	\$ 62,894,210
Function Code 81	<u>\$ 1,401,742</u>
Total	\$151,120,147
Divided by Debt Service – 71, 72, 73	\$ 60,982,348
Ratio	2.4781
>= 1.2	10 Points



# Indicator #11

Points - 10

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Q - Was the Administrative Cost Ratio equal to or less than the threshold ratio?

A – Yes

District Standard for 10 points	.0855
Denton ISD	.0556



## Indicator #12

Points - 10

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Q – Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the enrollment did not decrease the district will automatically pass this indicator.

A – Yes

Enrollment Increased

1,856



## Indicator #13

Points - 10

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Q – Did the comparisons of PEIMS data to like information in Annual Financial Report result in a total variance of less than 3 percent of expenditures by function?

A – Yes – Variance = .0001%



## Indicator #14

Points - 10

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Q – Did the external independent auditor indicate the Annual Financial Report was free of any instance of material noncompliance for grants, contracts and laws related to local, state, or federal funds?

A – Yes





## Indicator #15

Points - 10

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Q – 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?

A – Yes



# Disclosures

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## **Superintendent's Employment Contract**

The Superintendent's employment contract is posted on the Denton ISD web page under the Department Tab, Business Office and Reports.



# Disclosures

	Dr. Jamie Wilson	Charles Stafford	Jim Alexander	Mia Price	Doug Chadwick	Barbara Burns	Jeanetta Smith	Dorothy Martinez	Total
<b>Meals</b>	412.57	81.91	511.35	82.65	525.45	281.10	164.71	133.32	\$ 2,193.06
<b>Lodging</b>	4,506.15	0.00	3,537.70	1,830.56	4,769.19	1,395.45	1,431.87	2,079.75	\$ 19,550.67
<b>Air, gas, rental</b>	3,175.04	0.00	661.80	520.00	1,242.53	1,504.65	348.61	405.22	\$ 7,857.85
<b>Mileage</b>	2,433.06	0.00	72.88	72.78	230.60	0.00	43.54	42.80	\$ 2,895.66
<b>Registration/ other</b>	3,703.18	0.00	2,671.00	1,611.95	4,277.04	1,940.00	1,510.00	1,629.44	\$ 17,342.61
<b>Total</b>	\$ 14,230.00	\$ 81.91	\$ 7,454.73	\$ 4,117.94	\$ 11,044.81	\$ 5,121.20	\$ 3,498.73	\$ 4,290.53	\$ 49,839.85



# Disclosures

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No outside compensation has been reported by the Superintendent for the 2017-2018 Fiscal Year.



# Disclosures

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No gifts have been reported by the Superintendent or Board of Trustees for the 2017-2018 Fiscal Year.



# Disclosures

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No business transactions between the Denton ISD and the Board of Trustees have been reported for the 2017-2018 Fiscal Year.



# Questions

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