

# PUBLIC HEARING FOR FIRST RATING



Educate.   
*Inspire*   
**EMPOWER!** 

# PURPOSE

- Originated by SB218 of the 77<sup>th</sup> Texas Legislature in 2001.
- Expands the public education accountability system in Texas to the Financial Services.
- Primary goal to improve management of school district's financial resources.

# OBJECTIVES

- Assess the quality of financial management in Texas public schools.
- Fairly evaluate the quality of financial management decisions.
- Openly report results to the general public.
- Based on 2022-2023 Data

# RATINGS

**Scores based on summation of points on 21 indicators: Maximum of 100 points:**

- Superior Achievement 90-100
- Above Standard Achievement 80-89
- Meets Standard 60-69
- Substandard Achievement <60
- (No points awarded on several questions. The score is determined by Yes or No)

# INDICATORS

1. Was the annual financial report filed within one month after the November 27<sup>th</sup> or January 28<sup>th</sup> deadline depending upon the district's Fiscal Year end date (June 30<sup>th</sup> or August 31<sup>st</sup>)?

**Yes**

2. Was there an unmodified opinion in the AFR on the financial statements as a whole?

**Yes**

# INDICATORS

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 Teaches Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

**Yes**

# INDICATORS

6. Was the average change in fund balances over 3 years less than a 25% decrease or did the current year's assigned and unassigned fund balance exceed 75 days of operational expenditures?

***Yes – Ceiling Passed***

|                                       |                     |
|---------------------------------------|---------------------|
| <b>2022-2023 Total Expenditures</b>   | <b>\$68,399,345</b> |
| <b>Less: 2022-2023 Capital Outlay</b> | <b>-\$6,709,200</b> |

-----  
**\$61,690,145 / 365 Days \* 75 Days = \$12,676,057**

**\$82,037,281 > \$12,676,057**

# INDICATORS

7. 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?

**Yes – 10 points**

|                                |                      |
|--------------------------------|----------------------|
| Cash, Equivalents, Investments | <u>\$143,041,241</u> |
| Total Expenditures             | \$68,399,345         |
|                                | -----                |
| Percent * 365 Days             | 846 Days >= 90       |



# INDICATORS

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

***Yes – 10 points***

|                            |                             |
|----------------------------|-----------------------------|
| <b>Current Assets</b>      | <b><u>\$378,905,725</u></b> |
| <b>Current Liabilities</b> | <b>\$39,304,738</b>         |

$$9.6402 > 3.00$$

# INDICATORS

9. Did the school district's general fund revenues equal or exceed expenditures? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?

**Yes – 10 points**

|                      |   |               |
|----------------------|---|---------------|
| Cash and Equivalents |   | \$143,041,241 |
| / Total Expenditures |   | \$61,690,145  |
| X 365 Days           | = | 846 Days      |
| 846 Days >= 60 Days  |   |               |

# INDICATORS

11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?

**Yes – 10 points**

**Long Term Liabilities  
 /Total Assets**

**\$328,423,550  
 \$627,193,969**

$$0.5236 \leq 0.60$$

# INDICATORS

12. What is the correlation between future debt requirements and the district's assessed property value?

**Yes – 10 points**

|   |                         |
|---|-------------------------|
| <b>Total Local Intermediate Sources</b> | <b>\$ 35,671,967</b>    |
| <b>/ Total Revenue</b>                  | <b>\$ 35,774,322</b>    |
| <b>x Long-Term Liabilities</b>          | <b>\$328,423,550</b>    |
| <b>x 100</b>                            |                         |
| <b>/ Assessed Property Value</b>        | <b>\$14,550,367,555</b> |

**2.2507 <= 4.00**

# INDICATORS

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

**Yes - 8 points**

| District |   | State Standard | Points |
|----------|---|----------------|--------|
| .1244    | < | .1151 =        | 10     |
| .1244    | < | .1401 =        | 8***   |
| .1244    | < | .1651 =        | 6      |
| .1244    | < | .1901 =        | 4      |

# INDICATORS

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

**Yes – 10 points**

|                                   |                   |
|-----------------------------------|-------------------|
| <b>Total Enrollment 2022-2023</b> | <b>4,937</b>      |
| <b>Total Number of FTE Staff</b>  | <b><u>737</u></b> |
|                                   | <b>6.698</b>      |
| <b>Total Enrollment 2020-2021</b> | <b>4,720</b>      |
| <b>Total Number of FTE Staff</b>  | <b><u>632</u></b> |
|                                   | <b>7.468</b>      |

$$- 1 = .1021$$

**Less than 15% Decline**

# INDICATORS

16. Did the comparisons of PEIMS data to like information in annual financial report result in an aggregate variance of less than 3 percent of expenditures per fund type (Data Quality Measure)?

***Yes – Ceiling Passed***

|                    |              |
|--------------------|--------------|
| Sum of Differences | <u>1,710</u> |
| Total Entries      | 68,397,661   |

**0.000% < 3.00%**

# INDICATORS

17. 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 – Ceiling Passed***

18. Did the external independent auditor indicate the AFR was free of any instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?

***Yes – 10 Points***



# INDICATORS

19. Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and others statues, laws, and rules that were in effect at the school district's fiscal year?

***Yes – 5 Points***

20. Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget?

***Yes – Ceiling Passed***

# INDICATORS

21. Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of the Foundation School Program (FSP) funds because of a financial hardship?

***Yes – Ceiling Passed***

# HOW DID Gregory-Portland ISD RATE?

**Scored 98 out of 100  
possible points!**



***SUPERIOR  
ACHIEVEMENT***

# Gregory-Portland Independent School District

