

Charter FIRST Rating 2017 - 2018 Fiscal Year 2017

Horizon Montessori Public Schools

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Senior Accountant

What is Charter School FIRST?

- Charter School FIRST is a financial accountability rating system that holds charter schools accountable for the quality of their financial management practices.
- FIRST stands for Financial Integrity Rating System of Texas

What is Charter School FIRST?

Charter School FIRST is a tool that creates transparency and discloses the quality of local management and decision making processes that the charter school uses concerning the financial resources that it receives.

Charter School Status Detail

Charter School Status Detail Indicator Detail Summary Determination of Rat

Name: HORIZON MONTESSORI PUBLIC SCHOOLS(108802)

Status: PASSED

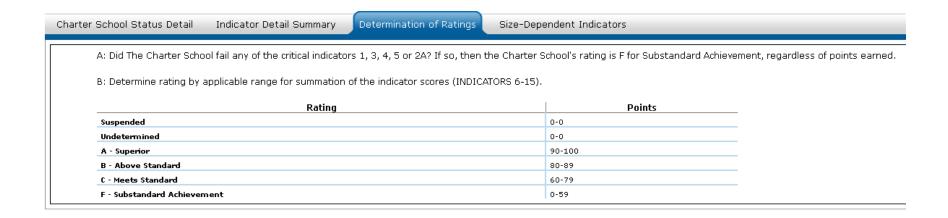
Rating: A - Superior

Charter School Score: 96

Passing Score: 60

Region	Name	Rating	Status	
1	HORIZON MONTESSORI PUBLIC SCHOOLS	A - Superior	/	

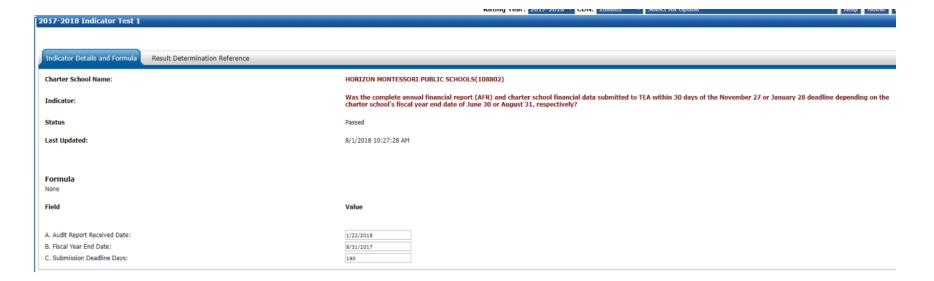
Determination of Ratings

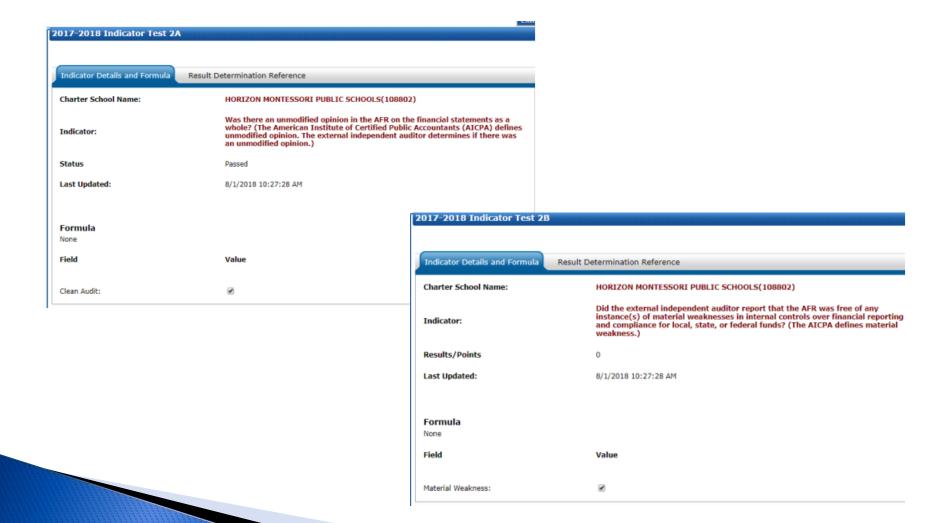


Horizon Montessori Public Schools scored a total of 96 points achieving a Passing Score.

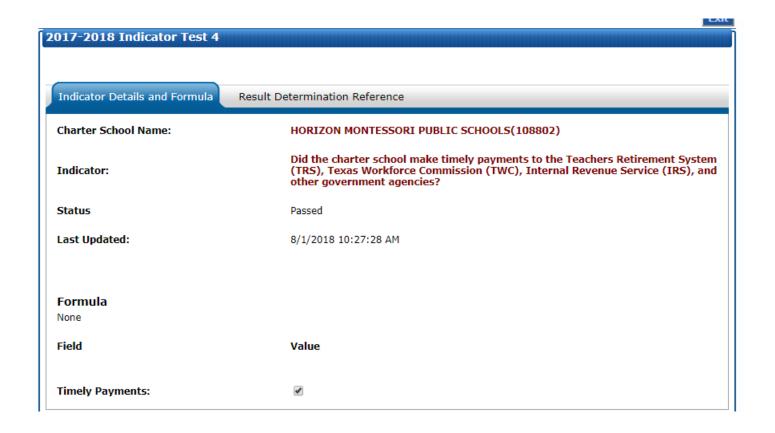
Indicator Detail Summary

ORIZ	ON	ONTESSO	RI PUBLIC SCHOOLS(108802)		
tatus		Indicator Num	Indicator Description	Updated	Score
1	†1	1	Was the complete annual financial report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year and date of June 30 or August 31, respectively?	8/1/2018 10:27:28 AM	YES
	†1	2A	Was there an unmodified pointon in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified pointon. The external independent auditor determines if there was an unmodified pointon.)	8/1/2018 10:27:28 AM	YES
		28	Qid 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? (The AICPA defines material weakness.)	8/1/2018 10:27:28 AM	
,	†1	3	Was the charter school in compliance with the comment terms of all dabt agreements at fiscal year end? (If the charter school was in default in a prior fiscal year, an exemption applies in following years if the charter school is current on its forbearance or payment dam with the lender and the payments are made on schools for the fiscal year being rated, also exempted are technical default in this are not related to monstand vederals. A technical default is a failure to unfold the terms of a debt covenant, contract, or makes or monissory not even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (censor, company, stc. that censor menory) and their creditors, which includes a plan for paying back the debt.	8/1/2018 10:27:28 AM	YES
	†1	4	Did the charter school make timely payments to the Teachers Retirement System (TRS). Texas Workforce Commission (TWC). Internal Revenue Service (IRS), and other government agencies?	8/1/2018 10:27:28 AM	YES
	†1	5	Was the total net asset balance in the Statement of Financial Position for the charter school oreater than zero? (If the charter school's chance of students in membership over 5 years was 2 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have an average of 7 percent provide in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation chances to the 2 percent increase in 5 years.)	8/1/2018 10:27:28 AM	YES
		6	Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? The calculation will use expenses, excluding depreciation. For povernment charter schools, pension expense will be excluded,	8/1/2018 10:27:28 AM	10
		7	Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?	B/1/201B 10:27:28 AM	10
		8	Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency? (If the charter school's change of students in membership over 5 wars was 7 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have an average of 7 percent provide in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 7 percent increase in 5 years.)	8/1/2018 10:27:28 AM	10
		9	Did the charter school's revenues equal or exceed expenses, excluding decreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? The calculation will use expenses, excluding decreciation. For government charter schools, pension expense will be excluded.	8/1/2018 10:27:28 AM	10
		10	Was the debt service coverage ratio sufficient to meet the required debt service?	B/1/2018 10:27:28 AM	10
		11	Was the charter school's administrative cost ratio equal to or less than the threshold ratio?	8/1/2018 10:27:28 AM	6
		12	Qid the charter school not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff?) (If the student enrollment did not decrease, the charter school will automatically pass this indicator.)	8/1/2018 10:27:28 AM	10
		13	Qid the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?	8/1/2018 10:27:28 AM	10
		14	Qid 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? (The AICPA defines material noncompliance.)	8/1/2018 10:27:28 AM	10
		15	Qid the charter school not receive an adjusted recovment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	8/1/2018 10:27:28 AM	10
					96 Weighted Sum
					1 Multiplier Sum





	LAI
2017-2018 Indicator Test 3	
Indicator Details and Formula	Result Determination Reference
Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
Indicator:	Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end? (If the charter school was in default in a prior fiscal year, an exemption applies in following years if the charter school is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)
Status	Passed
Last Updated:	8/1/2018 10:27:28 AM
Formula None	
Field	Value
No Debt Defaults:	



2017-2018 Indicator Test 5	
Indicator Details and Formula Result Determination Reference	
Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
Indicator:	Was the total net asset balance in the Statement of Financial Position for the charter school greater than zero? (If the charter school's change of students in membership over 5 years was 7 percent or more, then the charter school passes tindicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have an average of percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations the calculation changes to the 7 percent increase in 5 years.)
Status	Passed
Last Updated:	8/1/2018 10:27:28 AM
	7,7
Formula A + B > C OR (((D - E) / E) * 100) >= F	
B = B1 + B2 + B3	
Field	Value
A. Total net asset balance in the statement of financial position:	5761515.0000
B1. Pension Expense:	0.0000
B2. Other Post Employment Benefits (OPEB):	0.0000
B3. Net Pension Liability(NPL):	0.0000
B. Pension Expense, Other Post Employment Benefits (OPEB), and Net Pension Liability (NPL), as applicable:	0.0000
C. Net Assets Threshold:	0
OR	
D. Number of students in membership in year 5 from base year:	1350
E. Number of students in membership in base year:	881
F. Threshold for percent change in students in membership:	7

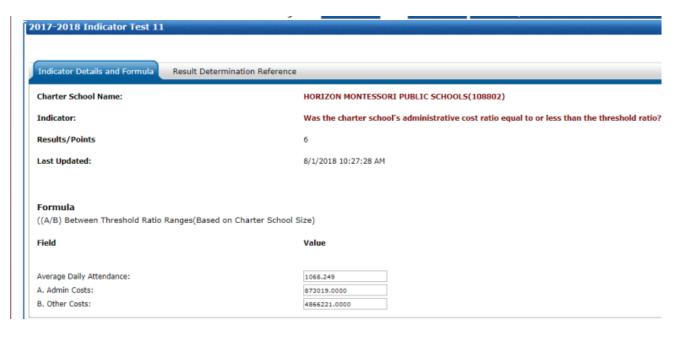
2017-2018 Indicator Test 6	
Indicator Details and Formula R	esult Determination Reference
Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
Indicator:	Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.
Results/Points	10
Last Updated:	8/1/2018 10:27:28 AM
Formula [(A+B)/(C-D-E)] * 365	
Field	Value
A. Cash & Equivalents:	3412672.0000
B. Current Investments:	0.0000
C. Total Expenditures:	11341167.0000
D. Depreciation Expense:	397753.0000
E. Pension Expense:	0.000

2017-2018 Indicator Test 7		
	Describ Determination Defended	
Indicator Details and Formula	Result Determination Reference	
Charter School Name:		HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
Indicator:		Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?
Results/Points		10
Last Updated:		8/1/2018 10:27:28 AM
Formula		
A/B		
Field		Value
A. Current Assets:		3847931.0000
B. Current Liabilities:		1110734.0000
C. Threshold for Current Assets to C	urrent Liabilites Ratio :	1

Rating Year: 2017-2018 V CDN: 108802 V Select An Option 2017-2018 Indicator Test 8 Indicator Details and Formula Result Determination Reference Charter School Name: HORIZON MONTESSORI PUBLIC SCHOOLS(108802) Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency? (If the charter school's change of students in membership over 5 years was 7 percent or more, then the charter school passes this Indicator: indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have an average of 7 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 7 percent increase in 5 years.) Results/Points 10 Last Updated: 8/1/2018 10:27:28 AM Formula (A - B) / C (((D - E) / E) * 100) >= F B = B1 + B2 + B3Field Value A. Long Term Liabilities: 5933270.0000 B1. Pension Expense: 0.0000 B2. Other Post Employment Benefits (OPEB): 0.0000 B3. Net Pension Liability(NPL): 0.0000 0.0000 B. Pension Expense, OPEB, and NPL, as applicable: C. Total Assets: 12805519.0000 OR D. Number of students in membership in year 5 from base year: 1350 E. Number of students in membership in base year: 881 F. Threshold for percent change in students in membership:

Indicator Details and Formula	Result Determination Reference	
Charter School Name:		HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
Indicator:		Did the charter school's revenues equal or exceed expenses, excluding depreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? The calculation will use expenses, excluding depreciation government charter schools, pension expense will be excluded.
Results/Points		10
Last Updated:		8/1/2018 10:27:28 AM
Formula [A / (B - C - D) - 1] > 0		
Field		Value
A. Total Revenue:		12439923.0000
B. Total Expenses:		11341167.0000
C. Depreciation:		397753.0000
D. Pension Expense:		0.0000

017-2018 Indicator Test 10		
ndicator Details and Formula	Result Determination Reference	
Charter School Name:	LIODIZON MONTESS	SORI PUBLIC SCHOOLS(108802)
Charter School Hame.	HORIZON HONTESS	on Public Schools (100002)
Indicator:	Was the debt service	e coverage ratio sufficient to meet the required debt service?
Results/Points	10	
Last Updated:	8/1/2018 10:27:28 A	М
Formula		
(A - B + C + D - E) / D		
D = D1 + D2		
Field	Value	
Field	value	
A. Total Revenue:	12439923.0000	
B. Total Expenses:	11341167.0000	
C. Depreciation:	397753.0000	
D1. Interest Amount:	375270.0000	
D2. Principal Amount:	411606.0000	
E. Pension Expense:	0.0000	





2017-2018 Indicator Test 12		
Indicator Details and Formula Result Determination Reference	ce ce	
Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)	
Indicator:	Did the charter school not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the charter school will automatically pass this indicator.)	
Results/Points	10	
Last Updated:	8/1/2018 10:27:28 AM	
Formula (A / B) - 1 > -0.15 Or C - D > 0		
A = A1 / A2		
B = B1 / B2		
Field	Value	
A1. Number of currently enrolled students:	1350	
A2. Number of current FTE Staff:	185.1808	
B1. Number of students enrolled 3 years prior to the year under review:	1125	
B2. Number of FTE Staff 3 years prior to the year under review:	158.4685	
C. Number of currently enrolled students:	1350	
D. Number of students enrolled 3 years prior to the year under review:	1125	

ı	2017-2018 Indicator Test 13	
	Indicator Details and Formula Result Determination Reference	
	Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
	Indicator:	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?
	Results/Points	10
	Last Updated:	8/1/2018 10:27:28 AM
	Formula ((A / B) < C)	
	Field	Value
	A Date Verinne (Com of Difference)	
П	A. Data Variance (Sum of Differences) :	32.0000
П	B. Total Expenses:	11341167.0000
	C. Threshold for percentage of Data Variance:	3

Ľ	117-2018 Indicator Test 14		
į	Indicator Details and Formula	Result Determination Reference	
	Charter School Name:		HORIZON MONTESSORI PUBLIC SCHOOLS(108802)
	Indicator:		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? (The AICPA defines material noncompliance.)
	Results/Points		10
	Last Updated:		8/1/2018 10:27:28 AM
	Formula None		
	Field		Value
	(Not) Material Non-Compliance:		€

ľ	2017-2018 Indicator Test 15		
	Indicator Details and Formula Result Details	ination Reference	
	Charter School Name:	HORIZON MONTESSORI PUBLIC SCHOOLS(108802)	
	Indicator:	Did the charter school 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?	
	Results/Points	10	
	Last Updated:	8/1/2018 10:27:28 AM	
	Formula None		
	Field	Value	
	No Adjusted Repayment Schedule:	z	

Superintendent's Salary

FY:17 (2017–2018) \$178,927.16

FY:18 (2018-2019) \$195,270.00

SUPERINTENDENT SALARY

The total salary compensation for the superintendent is \$195,270.00 for 2018-19 school year.

The charter school does not issue any contracts.

http://www.hmps.net/apps/pages/index.jsp?uREC_ID= 94680&type=d&pREC_ID=529904

Reimbursements Received l	у іпе	Supermie	шае	ен ана	Doaru N	теш	ibers								
For the Twelve-Month Period															
Ended August 31, 2018															
			Jan	nes	Hassan		Randa	II	Patric	ia	Aurora		Sofia		
Description of Reimbursements	Superintendent		Hayes		Ahmad		Summers		Quesada		Saenz		Kamal		
Meals	\$	1,214	\$	1,208			\$	36							
Lodging			\$	202											
Transportation	\$	699	\$	8,160	\$ 2	213	\$	87	\$	78	\$	87	\$	165	
Motor Fuel															
Other															
Total	\$	1,912	\$	9,570	\$ 2	213	\$	123	\$	78	\$	87	\$	165	

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:

Meals – Meals consumed out of town, and in geographic-boundary meals at area restaurants (outside of board meetings, excludes catered board meeting 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

Outside Compensation and	dor Fees Receive	ed by the	Superintend	ent for Prof	essional Co	nsulting a	nd/or Other I	Personal Se	rvices
outside compensation and	aror rees receive	ou sy the	опретичени		essional ec	a surring in		CISOLILI SC	111003
For the Twelve-Month Period									
Ended August 31, 2018									
Name(s) of Entity(ies)			Amount Received						
N/A			\$						
Total			\$						
Compensation does not includ	le business revenue	s generated	d from a family	business (fa	rming, ranch	ing, etc.) tha	at has no relati	on to charter	school busir
Gifts Received by Executi	ve Officers and E	Board Me	mbers (and l	First Degre	e Relatives	, if any)			
•			-			, if any)			
(gifts that had an economic			-			, if any)			
(gifts that had an economic			-			, if any)			
Gifts Received by Executi (gifts that had an economic For the Twelve-Month Period Ended August 31, 2018			-			, if any)	Sofia		
(gifts that had an economic		more in t	the aggregat	e in the fisc	al year)		Sofia Kamal		
(gifts that had an economic	c value of \$250 or	more in t	the aggregat	Randall	Patricia	Aurora		-	

For the Twelve-Month Period										
Ended August 31, 2018										
	Alim		Jar	nes	Hassan	Randall	Patricia	Auro	ra	Sofia
	Ansar	i	Hay	yes	Ahmad	Summers	Quesada	Saen	ız	Kamal
Amounts	\$	148,224	\$	48,000	\$ -	\$ -	\$ -	\$	1,000	

Final Charter FIRST Rating and Required Reporting

We will issue final ratings to charter schools after we have reviewed any submitted appeals. Final 2016¬–2017 Charter FIRST ratings are anticipated to be released in October 2017.

Within two months of the release of its final Charter FIRST rating, your charter school must announce and hold a public meeting to distribute a financial management report that explains the charter school's rating and its performance under each indicator for the current and previous year's ratings. The report also must provide the financial information described in 19 TAC §109.1001(o)(3). We encourage your charter school to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the charter school's performance under one or more of the indicators.

The first of two required newspaper notices to inform taxpayers of the meeting must be published no more than 30 days and no fewer than 14 days before the public meeting. Your charter school may combine the meeting with a scheduled regular meeting of the board of trustees.

For full requirements related to the report and meeting, see 19 TAC §109.1001(o). For a template that your charter school can use in developing its financial management report, see the TEA Charter FIRST web page.

Accreditation Status

Please note that the TEA considers a charter school's Charter FIRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC §97.1055.

Contact for Further Information

If you have questions about your charter school's Charter FIRST rating, please contact Robin Aldridge at (512) 463-3940 or by email at Robin.Aldridge@tea.texas.gov or Yolanda Walker at (512) 463-0947 or by email at Yolanda.Walker@tea.texas.gov.