



# Cedar Hill Independent School District



## 2023 – 2024 Rating Presentation

(Fiscal Year 2022-2023 Data)

# Purpose

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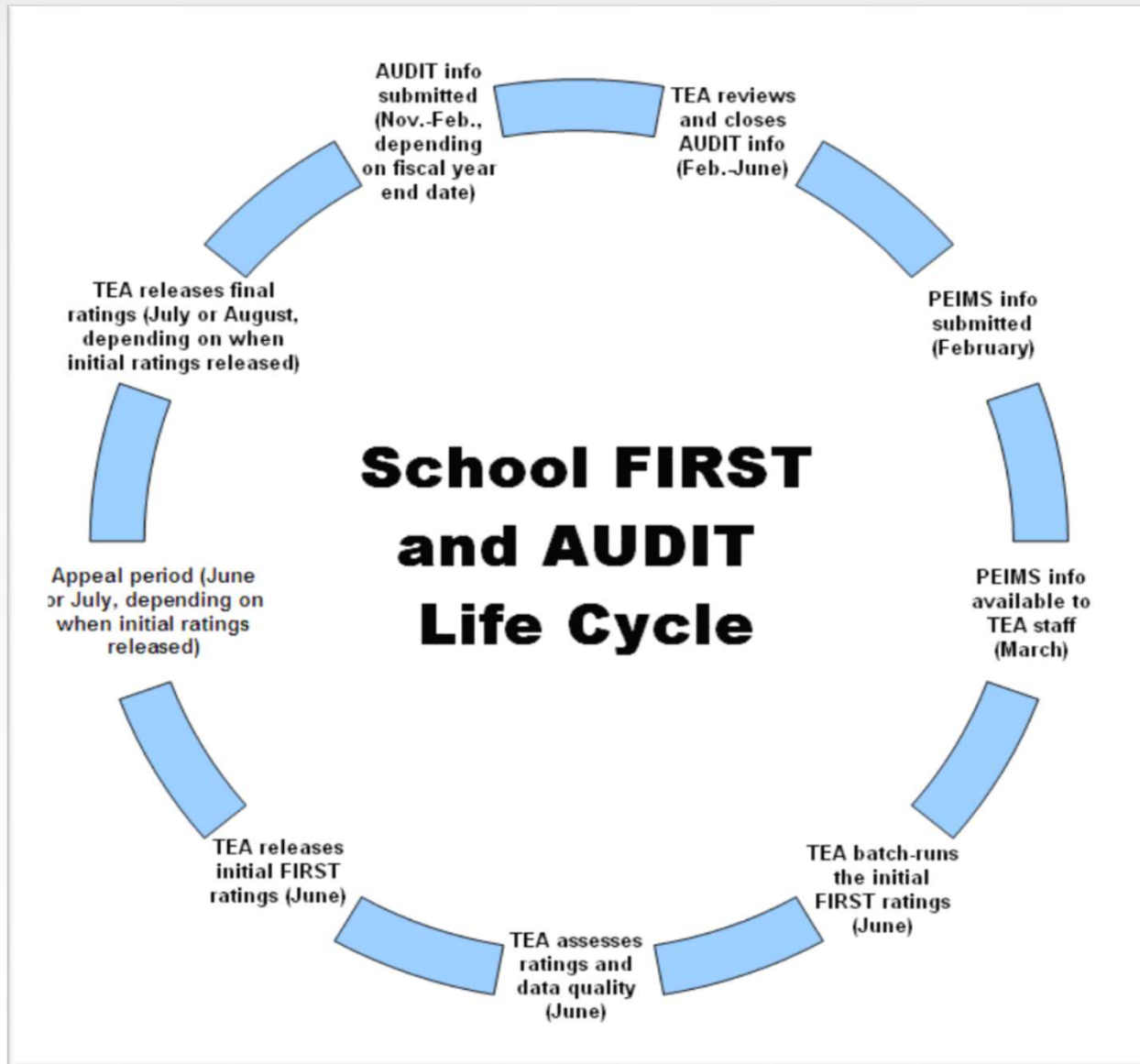
- Expands the public education accountability system in Texas to the Financial Services.
- Originated by SB875 of the 76<sup>th</sup> Texas Legislature in 1999. Passed during 77<sup>th</sup> regular session in 2001
- Primary goal to improve management of school district's financial resources.

# Objectives

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- 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.

# First Life Cycle



# Ratings

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- HB 5 of the 83<sup>rd</sup> Texas Legislature in 2013 required the Commissioner of Education to include indicators in FIRST to anticipate the future financial solvency of districts.

The 2023-2024 rating is determined by the scores on **19 out of 21** indicators.

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|-------------------------------|----------|
| – A = Superior                | 90 - 100 |
| – B = Above Standard          | 80 - 89  |
| – C = Meets Standard          | 70 - 79  |
| – F = Substandard Achievement | <70      |

# Ratings

**CRITICAL**  
**Indicators**  
**1 - 4**

**SOLVENCY**  
**Indicators**  
**6 - 12**

**COMPETENCE**  
**Indicators**  
**13 - 21**

	Indicator	Pass / Fail
<b>CRITICAL</b>	1. Timely Filing of Audit	Pass
	2. Auditor's Opinion	Pass
	3. Debt Covenants	Pass
	4. Timely Payment to Gov't. Agencies	Pass

# Ratings

	Indicator	Pass / Fail
	5. Unrestricted Net Position	Pass
SOLVENCY	6. Fund Balance	Pass
	7. Cash on Hand	10 Points
	8. Liquidity	6 Points
	9. Revenues > Expenditure	10 Points
	10. Budget to Actual Variance (not evaluated)	10 Points
	11. Leverage Ratio	8 Points
	12. Ability to Pay Debt/Interest	10 Points

# Ratings

	Indicator	Pass / Fail
COMPETENCE	13. Administrative Cost Ratio	10 Points
	14. Student to Staff Ratio	10 Points
	15. Pupil Projection (not evaluated)	5 Points
	16. Accuracy of Financial Data	Pass
	17. Federal Funds Compliance	Pass
	18. Free of Material Non-Compliance	10 Points
	19. Financial Transparency	5 Points
	20. Impact to funding Discussion	Pass
	21. Adjusted Repayment Schedule	Pass

# How Ratings Are Assessed

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1. Was the Annual Financial Report filed within thirty days of the November 27<sup>th</sup> deadline based on the District's fiscal year end date of June 30<sup>th</sup> ? **YES**
2. Was there an unmodified opinion in the Annual Comprehensive Financial Report (ACFR)? **YES**
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**

# How Ratings Are Assessed

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5. Was the total net position in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero? **Ceiling Passed**
6. Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? **Ceiling Passed**
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 (excluding facilities acquisition and construction)? **10 points, CHISD had 174.0674 days on hand to receive the maximum points**

# How Ratings Are Assessed

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8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? **6 points**, the ratio of current assets to current liabilities was 2.3916 and did not exceed the 3.00 benchmark for maximum points (increased from 2.2615 in the prior year)
9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days? **10 points**
10. This indicator was not evaluated. **10 points**

# How Ratings Are Assessed


11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? **8 points**, the ratio of long term liabilities compared to total assets was .6258 and did not meet the benchmark of  $\leq 0.60$  for maximum points (decreased from .6919 in the prior year)
12. Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? **10 points**
13. Was the school district's administrative cost ratio equal to or less than the threshold ratio? **9.71% 10 points (threshold is 10%)**

$\left( \begin{array}{l} \text{sum of amounts for} \\ \text{function codes 21 and 41} \end{array} \right) /$ 

21-Instructional Leadership  
41-General Administration

$\left( \begin{array}{l} \text{sum of amounts for function} \\ \text{codes 11, 12, 13, and 31} \end{array} \right) \div$ 

11-Instruction  
12-Instructional Resources and Media Services  
13-Curriculum and Instructional Staff Development  
31-Guidance, Counseling and Evaluation Services



**Administrative  
Cost Ratio**

*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

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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)? **10 points**
15. This indicator was not evaluated. **5 points**
16. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's ACFR result in a total variance of less than 3 percent of all expenditures by function? **Ceiling Passed**

# How Ratings Are Assessed

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

**Ceiling Passed**

18. 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 points**

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 other statutes, laws and rules that were in effect at the school district's fiscal year end? **5 points (maximum)**

# How Ratings Are Assessed

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20. Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget? **Ceiling Passed**
21. Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of a financial hardship?  
**Ceiling Passed**

# What is Cedar Hill ISD's Rating?

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 = **Superior Achievement**

*Cedar Hill ISD received 94 of 100 maximum points on all indicators.*

# Where are Cedar Hill ISD's Ratings?

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- Cedar Hill's Website  
[www.chisd.net](http://www.chisd.net)
- Texas Education Agency (TEA) Website  
<https://tea.texas.gov/finance-and-grants/financial-compliance/financial-integrity-rating-system-of-texas-first>

# Required Disclosures

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- Superintendent's Current Contract  
[www.chisd.net/our-district-story/superintendent/superintendents-contract](http://www.chisd.net/our-district-story/superintendent/superintendents-contract)

# Required Disclosures

Reimbursements Received by the Superintendent and Board of Trustees for the Twelve-month Period Ending June 30, 2023

Description of Reimbursements	Superintendent Dr. Gerald B. Hudson	Trustee Carma Morgan	Trustee Robert Riggs	Trustee Ramona Ross- Bacon	Trustee Dr. Denise Roache-Davis	Trustee Gayle Sims	Trustee Denishea Williams	Trustee Cheryl Wesley
Meals	\$ 1,578.50	\$ 310.00	\$ 74.50	\$ 591.50	\$ 178.50	\$ 0.00	\$ 74.50	\$ 192.00
Lodging	1,929.11	0.00	801.42	0.00	608.22	0.00	801.42	0.00
Transportation	3,197.01	804.99	506.82	940.33	121.79	0.00	360.25	690.25
Fuel	40.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>\$ 6,745.23</b>	<b>\$ 1,114.99</b>	<b>\$ 1,382.74</b>	<b>\$ 1,531.83</b>	<b>\$ 908.51</b>	<b>\$ 0.00</b>	<b>\$ 1,236.17</b>	<b>\$ 882.25</b>

## Required Disclosures

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- Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in fiscal year 2023. **None Reported**
- Gifts received by the Executive Officer(s) and Board Members (and first degree relatives, if any) in fiscal year 2023. **None Reported**
- Business transactions between the District and Board of Trustees for fiscal year 2023. **None Reported**

# Comparison to our Neighbors & Peers

2023-2024 FIRST

2022-2023 Financial Data

	TOTAL SCORE			Score by Indicator #			
	2022	2023	2024	8	11	12	13
Cedar Hill ISD	90	92	94	6	8	10	10
District #1	98	96	98	8	10	10	10
District #2	94	96	100	10	10	10	10
District #3	92	94	94	10	6	10	10
District #4	78	72	82	2	6	10	4
District #5	79	94	94	10	8	10	6
District #6	94	96	96	10	10	10	6
District #7	96	98	100	10	10	10	10
District #8	90	90	88	8	8	8	4
District #9	96	94	98	10	8	10	10
District #10	88	90	90	10	6	8	6
District #11	94	100	100	10	10	10	10
District #12	94	92	96	10	8	8	10

Indicator	Description
8	Current Ratio
11	Total Assets / Long-Term Debt
12	Debt per \$100 of property value Ratio
13	Administrative Cost Ratio