



# Canutillo Independent School District

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TO: Board of Trustees  
Dr. Murphy, Superintendent




FROM: Martha Aguirre, Executive Director 

DATE: October 10, 2012

SUBJECT: 2011 FIRST Report

A public hearing has been set on October 23, 2012 to present the Schools Financial Integrity Rating System of Texas as required by 19 TAC Chapter 109. Attached you will find a copy of the 2011 FIRST Report and Management Disclosures that will be presented on October 23, 2012.

If you have additional questions or concerns I may be contacted at 915 877-7425.



Presented By: Martha Aguirre  
Executive Director  
Financial Services Division  
October 23, 2012

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## Purpose

Primary goal of the Financial Accountability Rating System (FIRST):

- ❖ Attain quality performance in the management and practices of the district's financial resources.
- ❖ The ratings issued in 2012 are reporting on the activity that occurred during the 2010-2011 fiscal year.

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# Possible Ratings

<b>Superior Achievement</b> • 64-70	<b>Above Standard Achievement</b> • 58-63	<b>Standard Achievement</b> • 52-57	<b>Substandard Achievement</b> • <52
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# FIRST Categories

- ❖ **Consist of 20 Indicators**
- ❖ **Divided into several areas:**
  - ❖ Indicators 1 to 6 = Critical Indicators
  - ❖ Indicators 7 thru 11 = Fiscal Responsibilities and Academic Performance
  - ❖ Indicators 12 thru 14= Budgeting
  - ❖ Indicators 15 thru 17 = Personnel
  - ❖ Indicators 18 thru 20 = Cash Management

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# Critical Indicators

- ❖ First six indicators are considered “Critical”.
- ❖ Did the District answer “No” to any of the first four indicators, then the district automatically receives a “Substandard Achievement” rating.
- ❖ Did the District answer “No” to *both* the fifth and six indicators, then the district receives a “Substandard Achievement” rating.

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Critical Indicators

# 20 Indicators

- 1) Total Fund Balance less Reserves was greater than zero.  
Fund Balance = \$11,429,531
- 2) Total Unrestricted Net Asset Balance in the Statement of Net Assets was greater than zero.  
Unrestricted Net Asset Balance = \$15,309,723
- 3) There were No Disclosures in the Annual Financial Report concerning default on bonded indebtedness obligations.  
Passed

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Critical Indicators

## 20 Indicators

4) The Annual Financial Report was filed within one month after November 27, 2011 deadline.

Yes, Date Received by TEA was December 22, 2011



5) The external auditors issued an Unqualified Opinion in the Annual Financial Report.

Yes, CISD Received a Clean Audit.



6) The Annual Financial Report did not disclose any instance of material weakness in internal controls.

None Found



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## 20 Indicators

7) The District's three-year average percent of total tax collections (including delinquent) was greater than 98%?

CISD = 99.52%



8) The PEIMS Data was accurately reflected (aggregate variance less than 3 percent) in the Annual Financial Report.



9) Debt-Related Expenditures (net of IFA & EDA allotment) were less than \$350 per student.



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## 20 Indicators

- 10) There was no disclosure in the Annual Audit Report of Material Noncompliance. **None Found** ✓
- 11) The district received full accreditation status in relation to financial management practices. **CISD Received Full Accreditation** ✓
- 12) The aggregate of Budgeted Expenditures and Other Uses was less than the aggregate of Total Revenues, Other Resources and Fund Balance in the General Fund. **Aggregate Expenditures & Other Uses = Less by \$6,185,084** ✓

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## 20 Indicators

- 13) The District's construction projects were adequately financed to avoid creating a deficit fund balance. ✓
- 14) The ratio of Cash and Investments to Deferred Revenues (excluding net delinquent taxes) in the General Fund was greater than or equal to 1:1. ✓

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# 20 Indicators

15) The Administrative Cost Ratio was less than the threshold ratio.

CISD Ratio = 11.7%



16) The Ratio of Students to Teachers was within the range according to district size.

District Size	Low	High
5,000-9,999 students	13	22

CISD Ratio = 16.21%  
# of Students = 5,938  
# of FTE Teachers = 366



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# 20 Indicators

17) The Ratio of Students to Total Staff was within the ranges according to district size.

District Size	Low	High
5000-9,999 students	6.8	14

CISD Ratio = 7.49%  
# of Students = 5,938  
# of FTE Teachers = 792



18) The decrease in Undesignated Unreserved Fund Balance was less than 20 percent over the last two Fiscal Years.

FY09 Balance = \$5,740,875  
FY10 Balance = \$5,045,692  
FY11 Balance = \$10,859,531



FY09 Balance @ 80% = \$4,592,700

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# 20 Indicators

19) The Aggregate Total of Cash and Investments in the General Fund was more than \$0.

Total Cash & Investments - \$9,536,536



20) The Investment Earnings in all funds meet or exceed the three-month Treasury Bill Rate.



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Superior  
Achievement

District Score:

70

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## Districts in the Region

Clint ISD – Superior Achievement

El Paso ISD – Superior Achievement

Fabens ISD – Superior Achievement

San Elizario – Superior Achievement

Ysleta ISD – Superior Achievement

Anthony ISD – Superior Achievement

Socorro ISD – Superior Achievement

Tornillo ISD – Superior Achievement

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## Required Management Disclosures for 2010-2011

1. Publish current Superintendent Contract on district website
2. Summary of reimbursements received by the Superintendent and Board Members
3. Summary of outside compensation/fees received by the Superintendent for professional consulting and/or other services
4. Summary amounts of gifts received by the Superintendent and Board Members
5. Summary amounts of business transactions between school district and Board Members

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Revised  
September 18, 2012

The Superintendent's Current  
Employment Contract Is Posted On The  
Canutillo ISD Website

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Reimbursements received by the  
Superintendent and Board Members  
2010-2011

Name	Meals	Lodging	Transportation	Motor Fuel	Other	Total
Dr. D. Murphy Superintendent	\$ 760	\$ -	\$ 88	\$ -	\$ 136	\$ 984
L. Searls President	\$ 365	\$ -	\$ -	\$ -	\$ -	\$ 365
A. Rodriguez Vice-President	\$ 1,090	\$ -	\$ -	\$ -	\$ -	\$ 1,090
L. Gonzalez Secretary	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 150
M. Cazares	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ 400
S. Coronado	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ 400
P. Mendoza	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ 550
R. Quintana	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ 300

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**Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services  
2010-2011**

Name	Entity /Organization	Amount
Dr. Murphy Superintendent	N/A	\$ -

**Business Transactions Between School District and Board of Trustees for  
2010-2011**

Name	Total
Dr. D. Murphy Superintendent	\$ -
L. Searls President	\$ -
A. Rodriguez Vice-President	\$ -
L. Gonzalez Secretary	\$ -
M. Cazares	\$ -
S. Coronado	\$ -
P. Mendoza	\$ -
R. Quintana	\$ -



## Gifts over \$250 Received by Superintendent and Board of Trustees for 2010-2011

Name	Total
Dr. D. Murphy Superintendent	\$ -
L. Searls President	\$ -
A. Rodriguez Vice-President	\$ -
L. Gonzalez Secretary	\$ -
M. Cazares	\$ -
S. Coronado	\$ -
P. Mendoza	\$ -
R. Quintana	\$ -

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**FINANCIAL SOLVENCY  
PROVISIONS OF TEC  
SECTION 39.0822**

**DISCLOSURES**

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## General Fund Expenditures by Object Code for the 1<sup>st</sup> Quarter of 2011-2012

Object Code Series	Description	Total
6110-6149	Payroll Costs	\$ 2,039,380
6200	Contracted Services Costs	\$ 1,827,828
6300	Supplies and Material Costs	\$ 1,767,492
6400	Other Operating Costs	\$ 419,636
6500	Debt Service Costs	\$ 3,923,460
6600	Capital Outlay Costs	\$ 574,073
	Expenditure Total	\$ 10,551,869

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### Within the last two years, did the school district:

Check the Answer	Yes	No
Draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive and		X
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?		X

### Financial Exigency Disclosure:

Check the Answer	Yes	No
Has the school district declared financial exigency within the past two years?		X

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Comments or explanation for significant trends or measures involving:

Check the Answer	Yes	No
Student-to-staff ratios significantly below the norm?		X
Rapid depletion of General Fund Balances?		X
Budget Figures and Projected Revenues and Expenditures?		X
Other?		X

Superintendent and Business Manager:

	Superintendent	Business Manager
How many superintendents and business managers has your school district had in the last five years?	2	2



questions