



Gainesville ISD



[Financial Integrity Rating System of Texas](#)

Management Report

2011



## GAINESVILLE INDEPENDENT SCHOOL DISTRICT

800 S. Morris Street  
Gainesville, Texas 76240

940.665.0255  
Fax: 940.668.0354

[www.gainesvilleisd.org](http://www.gainesvilleisd.org)

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### MEMO

To: Dr. Brasher and Board of Trustees

From: Paula Garner

Date: October 17, 2011

Re: School FIRST Rating

For the ninth year, Gainesville ISD has earned a “Superior Achievement” rating from TEA with the minimum score 72 for this rating. Last year, our score was a 76. There are twenty-two indicators and our scores changed on three of the indicators. Here are the reasons for the drop in the score.

- Indicator 10 decreased from a 2 to a 0 because our student population went down 43 students and our tax collection increased by \$697,754. Our numbers increased our cost spent per student on buildings rather than educating the student from \$980.1877 to \$1441.3239.
- Indicator 18 increased from a 4 to a 5 because of the decrease in the number of students (down 43) and FTE staff (down 32.807). By dividing the number of students by the number of staff equals 6.5289 which was an increase from 6.1346 last year.
- Indicator 22 decreased when our investment earnings in all funds except debt service fund and capital projects fund fell to a value of \$46,721 down \$21,416 from last year leaving us with less than \$18 per student whereas the year before we had more than \$20 per student.

The ratings are based upon an analysis of staff and student data reported for the 2009-10 school year and budgetary and actual financial data for the 2010 fiscal year. Our 2010-11 accreditation status is “accredited” because TEA takes into consideration a district’s School FIRST rating when assigning an accreditation status.

Attached to this memo you will find the 2009-10 District Status, required disclosures and an explanation of the indicators with a glossary. The information is also posted on the business office webpage. [.gainesvilleisd.org/business](http://www.gainesvilleisd.org/business) The superintendent’s contract is posted on the school website at this link:

[://www.gainesvilleisd.org/10031011513428987/FileLib/browse.asp?A=374&BMDRN=2000&C=OB=0&C=54825](http://www.gainesvilleisd.org/10031011513428987/FileLib/browse.asp?A=374&BMDRN=2000&C=OB=0&C=54825)

Change for next year, beginning with fiscal year 2010-11, the number of financial indicators will be reduced from 22 to 21 with the deletion of the indicator that refers to a school district’s academic rating, which will affect FIRST ratings issued in 2012. Proposed changes will affect the fund balance and cash management indicators on ratings issued in 2012 and 2013. The intent of the agency is to avoid penalizing districts that elect to expend portions of their fund balance in the upcoming biennium as a result of current economic conditions and changes made by the Legislature to the state funding system

YEAR



Financial Integrity Rating System of Texas

## 2009-2010 DISTRICT STATUS DETAIL

Name: <b>GAINESVILLE ISD(049901)</b>	Publication Level 1: 6/17/2011 9:03:31 AM
Status: <b>Passed</b>	Publication Level 2: 8/31/2011 1:00:45 PM
Rating: Superior Achievement	Last Updated: 8/31/2011 1:00:45 PM
District Score: 72	Passing Score: 56

#	Indicator Description	Updated	Score
1	<a href="#">Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?</a>	4/25/2011 3:37:11 PM	Yes
2	<a href="#">Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% more)</a>	4/25/2011 3:37:11 PM	Yes
3	<a href="#">Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?</a>	4/25/2011 3:37:11 PM	Yes
4	<a href="#">Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?</a>	4/29/2011 3:35:39 PM	Yes
5	<a href="#">Was There An Unqualified Opinion in Annual Financial Report?</a>	4/25/2011 3:37:11 PM	Yes
6	<a href="#">Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?</a>	4/25/2011 3:37:12 PM	Yes
			1 Multiplier Sum
7	<a href="#">Did the Districts Academic Rating Exceed Academically Unacceptable?</a>	4/25/2011 3:37:12 PM	5
8	<a href="#">Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?</a>	4/25/2011 3:37:12 PM	5
9	<a href="#">Did The Comparison 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)?</a>	5/10/2011 9:53:56	5

District Status Detail

		PM	
10	<u>Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) &lt; \$350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or &gt; 7%, Or If Property Taxes Collected Per Penny Of Tax Effort &gt; \$200,000 Per Student)</u>	4/25/2011 3:37:12 PM	0
11	<u>Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?</u>	4/25/2011 3:37:13 PM	5
12	<u>Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)</u>	4/25/2011 3:37:13 PM	5
13	<u>Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?</u>	4/25/2011 3:37:13 PM	5
14	<u>If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To The Fund Balance Deficit Situation)</u>	5/10/2011 3:57:30 PM	5
15	<u>Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable)</u>	4/25/2011 3:37:14 PM	5
16	<u>Was The Administrative Cost Ratio Less Than The Threshold Ratio?</u>	4/25/2011 3:37:14 PM	5
17	<u>Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?</u>	4/25/2011 3:37:14 PM	5
18	<u>Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?</u>	4/25/2011 3:37:14 PM	5
19	<u>Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?</u>	4/25/2011 3:37:14 PM	5
20	<u>Was The Decrease In Undesignated Unreserved Fund Balance &lt; 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance &lt; Total Fund Balance In General Fund Or If Total Revenues &gt; Operating Expenditures In The General Fund,Then District Receives 5 Points)</u>	4/25/2011 3:37:15 PM	5
21	<u>Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?</u>	4/25/2011 3:37:15 PM	5
22	<u>Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) More Than \$20 Per Student?</u>	4/25/2011 3:37:15 PM	2
			72 Weighted Sum
			1 Multiplier Sum

### DETERMINATION OF RATING

<b>A.</b>	Did The District Answer 'No' To Indicators 1, 2, 3 Or 4? <b>OR</b> Did The District Answer 'No' To Both 5 and 6? If So, The District's Rating Is <b>Substandard Achievement</b> .	
<b>B.</b>	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-22)	
	<b>Superior Achievement</b>	72-80 and Yes to indicator 7
	<b>Above Standard Achievement</b>	64-71 or >= 72 and No to indicator 7
	<b>Standard Achievement</b>	56-63
	<b>Substandard Achievement</b>	<56 or No to one default indicator

### INDICATOR 17 & 18 RATIOS

Indicator 17	Ranges for Ratios		Indicator 18	Ranges for Ratios	
	Low	High		Low	High
District Size - Number of Students Between			District Size - Number of Students Between		
< 500	7	22	< 500	5	14
500-999	10	22	500-999	5.8	14
1000-4999	11.5	22	1000-4999	6.3	14
5000-9999	13	22	5000-9999	6.8	14
=> 10000	13.5	22	=> 10000	7.0	14

### OPTIONS

Audit Home Page: [School Financial Audits](#) | Send comments or suggestions to [schoolaudits@tea.state.tx.us](mailto:schoolaudits@tea.state.tx.us)

THE **TEXAS EDUCATION AGENCY**  
 1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

# School FIRST Annual Financial Management Report

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1005. Amended to be effective 2/3/11. The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

## Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site.

If published on the Internet, the contract is to remain accessible for twelve months.

## Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period  
Ended August 31, 2010

<u>Description of Reimbursements</u>	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Meals	\$	\$	\$	61.55	74.68	55.02	\$	\$
Lodging	966.69			412	412	911.15		
Transportation	54.13			397.83	349.71	120.54		
Motor Fuel								
Other	50			275	275		50	
<b>Total</b>	<b>\$1,070.82</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,146.38</b>	<b>\$1,111.39</b>	<b>\$1,086.71</b>	<b>\$50.00</b>	<b>\$0.00</b>

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-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).  
 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 member not defined above.

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

For the Twelve-Month Period  
 Ended August 31, 2010

<u>Name(s) of Entity(ies)</u>	Amount Received \$
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Total	\$0.00
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Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)  
 (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period  
 Ended August 31, 2010

	Board	Board	Board	Board	Board	Board	Board	
	Superintendent	Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
Total	\$	\$	\$	\$	\$	\$	\$	\$

**Note** – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

**Business Transactions Between School District and Board Members**

For the Twelve-Month Period  
 Ended August 31, 2010

	Board	Board	Board	Board	Board	Board	Board
	Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
Amounts	0	0	0	0	0	0	0

**Note** - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.

## Summary Schedule of Data Submitted under the Financial Solvency Provisions of TEC §39.0822

### General Fund - First-Quarter Expenditures By Object Code

Report **2010-2011 first-quarter (first three months)** of fiscal year 2010-2011) GENERAL FUND expenditures by object code using whole numbers.

<b>Payroll-</b>	Expenditures for payroll costs	object codes 6110-6149	<u>\$4,021,449</u>
<b>Contract Costs-</b>	Expenditures for services rendered by firms, individuals, and other organizations	object code series 6200	<u>\$758,705</u>
<b>Supplies and Materials-</b>	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	object code series 6300	<u>\$237,445</u>
<b>Other Operating-</b>	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	object code series 6400	<u>\$290,789</u>
<b>Debt Service-</b>	Expenditures for debt service	object code series 6500	<u>\$41,102</u>
<b>Capital Outlay-</b>	Expenditures for land, buildings, and equipment	object code series 6600	<u>\$370,629</u>

### Additional Financial Solvency Questions

1) Districts with a September 1- August 31 fiscal year:

Within the last two years, did the school district

- |   | Yes   | No |
|---|-------|----|
| 1) draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive, and              | _____ | X  |
| 2) 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  |

Districts with a July 1- June 30 fiscal year:

Within the last two years, did the school district

- |   |       |       |
|---|-------|-------|
| 1) draw funds from a short-term financing note (term less than 12 months) between the months of July and October, inclusive, and                    | _____ | _____ |
| 2) 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? | _____ | _____ |

2) Has the school district declared financial exigency within the past two years?

_____	X	
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3) Provide comments or explanations for student-to-staff ratios significantly (more than 15%) below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures, or any other information that may be helpful in evaluating the school district's financial solvency.

<u>Mean Enroll-to-Teacher Ratio</u>	<u>85% of Mean Enroll-to-Teacher Ratio</u>	<u>School District Size</u>
8.39	7.13	Under 100
9.48	8.06	100 to 249
10.73	9.12	250 to 499
11.48	9.76	500 to 999
12.45	10.58	1,000 to 1,599
13.52	11.50	1,600 to 2,999
14.29	12.15	3,000 to 4,999
14.80	12.58	5,000 to 9,999
14.88	12.65	10,000 to 24,999
15.01	12.76	25,000 to 49,999
15.06	12.80	50,000 and Over

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4) How many superintendents has your school district had in the last five years? 2

5) How many business managers has your school district had in the last five years? 3

Figure: 19 TAC §109.1002(d)

School FIRST - Rating Worksheet Dated March 2010

School Year \_\_\_\_\_

Fiscal Year Ended June 30, \_\_\_\_ Or August 31, \_\_\_\_

County District # \_\_\_\_\_

District Name : \_\_\_\_\_

Check The  
Appropriate  
Box Below

Critical Indicators		Yes	No
1	Was Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?		
2	Was The Total Unrestricted Net Asset Balance (Net Of Accretion Of Interest On Capital Appreciation Bonds) In The Governmental Activities Column In The Statement Of Net Assets Greater Than Zero? (If The District's Five-Year Percent Change In Students Was A 10% Increase Or More Then Answer Yes)		
3	Were There <b>No</b> Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?		
4	Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?		
5	Was There An Unqualified Opinion In The Annual Financial Report?		
6	Did The Annual Financial Report <b>Not</b> Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?		

Fiscal Efficiencies And Academic Performance		Determination of Points									
		Points	5	4	3	2	1	0			
7	Did The District's Academic Rating Exceed Academically Unacceptable?	Yes						No			
8	Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?	> 98%	> 95%	=< 98%	> 92%	=< 95%	> 89%	=< 92%	> 86%	=< 89%	=< 86%
9	Did The Comparison 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						No			
10	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) Less Than \$350.00 Per Student? (If The District's Five-Year Percent Change In Students Was A 7% Increase Or More, Or If Property Taxes Collected Per Penny Of Tax Effort Were More Than \$200,000, Then The District Receives 5 Points)	< \$350	=> \$350	< \$600	=> \$600	< \$850	=> \$850	< \$1,000	=> \$1,100	< \$1,350	=> \$1,350
11	Was There <b>No</b> Disclosure In The Annual Audit Report Of Material Noncompliance?	Yes						No			
12	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g., No Conservator Or Monitor Assigned)	Yes						No			
Budgeting											
13	Was The Aggregate Of Budgeted Expenditures And Other Uses <b>Less Than</b> The Aggregate Of Total Revenues, Other Resources And Fund Balance In General Fund?	Yes						No			
14	If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was <b>Less Than</b> Zero, Were Construction Projects Adequately Financed? (Were Construction Projects Adequately Financed Or Adjusted By Change Orders Or Other Legal Means To Avoid Creating Or Adding To The Fund Balance Deficit Situation?)	Yes						No			
15	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable, Then The District Receives 5 Points)	=> 1.00	=> 0.95	< 1.00	=> 0.90	< 0.95	=> 0.85	< 0.90	=> 0.80	< 0.85	< 0.80
Personnel											
16	Was The Administrative Cost Ratio Less Than The Threshold Ratio? (See Ranges Below)	Yes						No			
17	Was The Ratio Of Students To Teachers Within The Ranges Shown Below According To District Size?	UL* <= 100%	> 100%	=< 105%	> 105%	=< 110%	> 110%	=< 115%	> 115%	=< 120%	> 120%
		LL** => 100%	=> 95%	< 100%	=> 90%	< 95%	=> 85%	< 90%	=> 80%	< 85%	< 80%
18	Was The Ratio Of Students To Total Staff Within The Ranges Shown Below According To District Size?	UL <= 100%	> 100%	=< 105%	> 105%	=< 110%	> 110%	=< 115%	> 115%	=< 120%	> 120%
		LL => 100%	=> 95%	< 100%	=> 90%	< 95%	=> 85%	< 90%	=> 80%	< 85%	< 80%
Cash Management											
19	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?	UL < 150%	> 150%	=< 152.5%	> 152.5%	=< 155.0%	> 155.0%	=< 157.5%	> 157.5%	=< 160.0%	> 160.0%
		LL > 50%	> 47.5%	=< 50%	> 45.0%	=< 47.5%	> 42.5%	=< 45.0%	> 40.0%	=< 42.5%	=< 40.0%
20	Was The Decrease In Undesignated Unreserved Fund Balance Less Than 20% Over Two Fiscal Years? (If 1.5 Times Optimum Fund Balance Is Less Than Total Fund Balance In General Fund Or If Total Revenues Exceeded Operating Expenditures In The General Fund, Then The District Receives 5 Points).	< 20%	=> 20%	< 21%	=> 21%	< 22%	=> 22%	< 23%	=> 23%	< 24%	=> 24%
21	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	Yes						No			
22	Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) More Than \$20 Per Student?	> \$20	> \$19	=< \$20	> \$18	=< \$19	> \$17	=< \$18	> \$16	=< \$17	=< \$16
<b>Total Points</b>											

**Determination Of Rating**

A.	Did The District Answer <b>No</b> To Indicators 1, 2, 3 Or 4; <b>OR</b> Both 5 And 6 If The District Answered <b>No</b> To Either, The District's Rating Is <b>Substandard</b>	
B.	Determine Rating By Applicable Number Of Points	Points
	<b>Superior Achievement</b>	>=72 AND Yes To Indicator 7
	<b>Above Standard Achievement</b>	>=64 <72 OR >=72 AND No To Indicator 7
	<b>Standard Achievement</b>	>=56 <64
	<b>Substandard Achievement</b> (If Less Than 55 Points OR If The District Answered No To Indicators 1, 2, 3 Or 4; OR Both 5 And 6)	<56 OR Answered No To One Default Indicator

\* UL - Upper limit

\*\* LL - Lower limit

For Questions Call The Division Of Financial Audits At (512) 463-9095.

**Administrative Cost Ratio Indicator 16**

ADA Group	Standard
10,000 and Above	0.1105
5,000 to 9,999	.1250
1,000 to 4,999	.1401
500 to 999	.1561
Less than 500	.2654
Sparse	0.3614

**Student To Teacher Ratio Indicator 17**

District Size - Number of Students Between	Ranges for Ratios	
	Low	High
<500	7.0	22
500 - 999	10.0	22
1,000 - 4,999	11.5	22
5,000 - 9,999	13.0	22
=>10,000	13.5	22

**Student To Staff Ratio Indicator 18**

District Size - Number of Students Between	Ranges for Ratios	
	Low	High
<500	5.0	14
500 - 999	5.8	14
1,000 - 4,999	6.3	14
5,000 - 9,999	6.8	14
=>10,000	7.0	14

Completed By: \_\_\_\_\_ Date: \_\_\_\_\_

Notes:

Figure: 19 TAC §109.1002(d)

<b>School FIRST - Rating Worksheet Calculations Dated March 2010</b>		
	<b>Indicator</b>	<b>Calculation Defined</b>
1	Was Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?	$A > 0$ Where $A = [\text{Aggregate Of Unreserved, Designated Fund Balance And Unreserved, Undesignated Fund Balance In General Fund At June 30 or August 31 Depending On Fiscal Year End}]$
2	Was the Total Unrestricted Net Asset Balance (Net of the Accretion of Interest for Capital Appreciation Bonds) in the Governmental Activities Column in the Statement of Net Assets Greater Than Zero? (If The District's Five-Year Percent Change In Students Was A 10% Increase Or More Then The District Answers Yes)	If $((C - D) / D) \times 100 < 10\%$ Then Continue Calculation $A + B > 0$ Where $A = \text{Total Unreserved Net Asset Balance in the Governmental Activities Column in Exhibit A-1, Statement of Net Assets in the Annual Financial Report; B= Accretion of Interest for Capital Appreciation Bonds; }]; C = [\text{Number Of Students In Year 5 From Base Year}]; D = [\text{Number Of Students In Base Year}]$
3	Were There <b>No</b> Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	No Calculation Involved
4	Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?	No Calculation Involved
5	Was There An Unqualified Opinion In Annual Financial Report?	No Calculation Involved
6	Did The Annual Financial Report <b>Not</b> Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	No Calculation Involved

Figure: 19 TAC §109.1002(d)

<b>School FIRST - Rating Worksheet Calculations Dated March 2010</b>		
	<b>Indicator</b>	<b>Calculation Defined</b>
7	Did The District's Academic Rating Exceed Academically Unacceptable?	No Calculation Involved
8	Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?	$((A / B) \times 100)$ Where A = [Tax Collections For Three Years]; B = [Tax Levy For Three Years] Reported In Exhibit J-1 Schedule of Delinquent Taxes Receivable In The Annual Financial Report
9	Did The Comparison 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)?	$((A / B) \times 100)$ Of C Where A = [Absolute Value Of All Differences In Expenditures In Exhibit C-2 Statement of Revenues, Expenditures, and Changes in Fund Balance And PEIMS]; B = [Sum Of Expenditure In PEIMS Per Fund Type Presented In Exhibit C-2]; C = [Fund Class]
10	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) Less Than \$350.00 Per Student? (If The District's Five-Year Percent Change In Students Was A 7% Increase Or More, Or If Property Taxes Collected Per Penny Of Tax Effort Were More Than \$200,000 Per Student, Then The District Receives 5 Points)	If $((B - D) / D) \times 100 < 7\%$ Or $E / F < \$200,000$ , Then Continue Calculation $((A - C) / B)$ Where A = [Function 71 Expenditures Report In The Debt Service And General Funds (Excluding Expenditure Object Codes 6524 and 6525)]; B = [Number Of Students In Year 5 From Base Year]; C = [IFA + EDA Allotments]; D = [Number Of Students In Base Year]; E = [Total Tax Collections]; F = [Total Tax Rate In Pennies]
11	Was There <b>No</b> Disclosure In The Annual Audit Report Of Material Noncompliance?	No Calculation Involved
12	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g., Conservator Assigned)	No Calculation Involved

Figure: 19 TAC §109.1002(d)

<b>School FIRST - Rating Worksheet Calculations Dated March 2010</b>		
	<b>Indicator</b>	<b>Calculation Defined</b>
13	Was The Aggregate Of Budgeted Expenditures And Other Uses <b>Less Than</b> The Aggregate Of Total Revenues, Other Resources and Fund Balance in General Fund?	$(A + B) - (C + D + E) < 0$ Where A = [Budgeted Appropriations In General Fund]; B = [Budgeted Other Uses In The General Fund]; C = [Budgeted Revenues In General Fund]; D = [Budgeted Other Resources In The General Fund]; E = [Fund Balance In General Fund At July 1 or September 1 Depending On Fiscal Year End]
14	If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was <b>Less Than</b> Zero, Were Construction Projects Adequately Financed? (Were Construction Projects Adequately Financed Or Adjusted By Change Orders Or Other Legal Means To Avoid Creating Or Adding To The Fund Balance Deficit Situation?)	If $(C + D) < 0$ Then Continue Calculation As $(A - B - (C + D)) < 0$ Where A = [Expenditures Function 81 In General Fund and Capital Projects Fund]; B = [Other Resources For Real Property Financing In General Fund and Capital Projects Fund]; C = [Fund Balance In General Fund At July 1 or September 1 Depending On Fiscal Year End]; D = [Fund Balance In Capital Projects Fund At July 1 or September 1 Depending On Fiscal Year End]
15	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable, Then The District Receives 5 Points)	If $B > 0$ Then Continue Calculation As $(A / B)$ Where A = [Cash And Investments In General Fund]; B = [Deferred Revenue In General Fund – Property Tax Receivable Net Of Uncollectible]

Figure: 19 TAC §109.1002(d)

<b>School FIRST - Rating Worksheet Calculations Dated March 2010</b>		
	<b>Indicator</b>	<b>Calculation Defined</b>
16	Was The Administrative Cost Ratio Less Than The Threshold Ratio? (See Ranges Below)	$(A > B)$ A = [Acceptable Administrative Cost Ratio]; B = [Administrative Cost Ratio Of The District]
17	Was The Ratio Of Students To Teachers Within The Ranges Shown Below According To District Size? (See Ranges Below)	$(A / B)$ Where A = [Number Of Students]; B = [Number Of Teachers FTEs]
18	Was The Ratio Of Students To Total Staff Within The Ranges Shown Below According To District Size? (See Ranges Below)	$(A / B)$ Where A = [Number Of Students]; B = [Total Staff FTEs]
19	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% of Optimum According To The Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report?	Deficient Fund Balance Amount In General Fund Is Defined As $A < ((B \times .5)$ And Excess Is Defined As $A > (B \times 1.5)$ Where A = [Total General Fund Balance At June 30, 20XX or August 31, 20XX Depending On Fiscal Year End]; B = Line 10 in Exhibit J-3, Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report.
20	Was The Decrease In Undesignated Unreserved Fund Balance Less Than 20% Over Two Fiscal Years? (If 1.5 Times Optimum Fund Balance Is Less Than Total Fund Balance In General Fund Or If Total Revenues Exceeded Operating Expenditures In The General Fund, Then The District Receives 5 Points).	If $(A - B) > 0$ And Optimum Fund Balance $\times 1.5$ Is Less Than Total Fund Balance In General Fund And $[C] \times .80 > [D]$ , Then Continue Calculation $[A] - [B]$ Where A = [Expenditures In General Fund In Functions 11 Through 61 And Expenditure Object Codes 6100 Through 6400]; B = [Total Revenues In General Fund]; C = [Undesignated, Unreserved Fund Balance In General Fund At June 30 or August 31, Depending On Fiscal Year End, Two Fiscal Years Prior]; D= [Undesignated, Unreserved Fund Balance In General Fund For The Last Fiscal Year]
21	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	$A > 0$ Where A = [Cash and Investments In General Fund]
22	Were Investment Earnings In All Funds (Excluding Debt Service Fund And Capital Projects Fund) More Than \$20 Per Student?	$(A / B)$ Where A = [Investment Earnings In All Funds Except Debt Service Fund And Capital Projects Fund]; B = [Number Of Students]

Figure: 19 TAC §109.1002(d)

Indicator 16	
ADA Group	Standard
10,000 and Above	0.1105
5,000 to 9,999	.1250
1,000 to 4,999	.1401
500 to 999	.1561
Less than 500	.2654
Sparse	0.3614

		Ranges for Ratios	
District Size - Number of Students Between		Low	High
<b>Indicator 17</b>			
	<500	7.0	22
	500 999	10.0	22
	1,000 4,999	11.5	22
	5,000 9,999	13.0	22
	=>10,000	13.5	22
<b>Indicator 18</b>			
	<500	5.0	14
	500 999	5.8	14
	1,000 4,999	6.3	14
	5,000 9,999	6.8	14
	=>10,000	7.0	14

For Questions Call The Division Of School Financial Audits At (512) 463-9095