

School Financial Integrity Rating System of Texas

2018-2019 FIRST Ratings

Based on 2017-2018 Financial Data



Superintendent Goals:

- ☐ Goal 1 Focus on Student Success
- ☐ Goal 2 Focus on Students. Families and Community
 - ☐ Goal 3 Focus on Operational Excellence
- ☐ Goal 4 Focus on Employees & Organizational Improvement

☑ Goal 5 - Focus on Financial Stewardship

- The Superintendent will present the board with a budget development process and timeline.
- The Superintendent will present the board with a budget plan that maintains strong financial reserves and demonstrates sound fiscal responsibility.

Newspaper Ads



BUSINESS

N.D. leader urges action after oil leak

BIMARCK, N.D. – North Daketa Gox, Doug Burgum appealed to Regioning pipeline owner Tr. Regioning pipeline owner Tr. Regioning pipeline owner Tr. Regioning pipeline owner Tr. Regional metamotoring of the line after it leaded an estimated by Sc.Oot. Regional metamotoring pipeline owner part of the state, early pipeline owner part of the state, early the pipeline owner papels Thursday sight to based in Caligary, Aberra, and farmerly known as TransCandat. Augus after the company shut down the pipeline affer the least about 22 cbox gapare feet of fland below 22 cbox gapare feet of fland.

down the pipeline after the least should zellow again feet of land near Beinburg in Washel County. Burgum raid in a sattement. From the company that the spill would be cleaned in your there. North Dakota regulators said some workinds wore affected burgum Same and the pipeline and the pipeline Same and the pipeline and the Same and the pipeline remained cleaned Priday and the About 4,200 gallons of oil lass been recovered. Glatt said. He did you appeline of the underground



Hanks reported in May it has

to inspect it.

The spill and shutdown come as the company seeks to build the \$8 billion Keystone XI, pipeline that would carry tar sands oil from Alberta to refineries in Texas. The Keystone XI, has drawn opposition from people who fear that it will harm the environment.

Harte Hanks to lay off

150 Austin workers
Harte Hanks is laying off nearly

chasing managers, said Friday that its manufacturing index wen to 48.3 last morth from 47.8 in September, the first upticks since several several september the first upticks since signals a contraction, and manufacturing has been on a three-month losing streak. New orders, production and hiring all contracted, But export as September decline.

Twelve of 18 manufacturing industries contracted in October.

First Publication

on November 2, 2019

Greg Jefferson, Business Editor: greg.jefferson@hearst.com, 210-250-3159

Homebuilding boosts WASHINGTON - U.S. construction spending rose 0.5 percent in september, boosted by government and private residential

Hanks reported in May it has about 3,000 employees. Harte Hanks has struggled with declining revenue and leadership changes. Timothy "Bant" Breen stepped down as CEO and direc-tor in May after four mouths on the job. The company told the state commission this spring it was cutting 73 jobs in Bowie Country after eliminating 460 positions there in February 2618. Spending for private residen-

Spending for private resident that construction increased of operors, the third straight month May and June. Spending on single family house construction rose 1.5 offers the 4.75 percent drop in apartments and multilimity of the property of the private that the private family house construction research of the 4.75 percent drop in apartments and multilimity of the property of the third straight month
WASHINGTON - U.S. manufacturing output dropped for the
third straight month in October
as trade tensions and a slowing
global economy took a toll on
American Encortes.
American Encortes.
The Institute for Supply Man
agement, an association of pur

WeWork employee files suit over firing

Legal Notices

Legal Bids & Proposals

Legals/Public Notices

NOTICE OF PUBLIC HEAVING TO DISCUSS EDGEWOOD INCEPENDENT SCHOOL DISTRICTS

Shuck Shack restaurant is closing for regular service Nov. 30 and will finish out the year with a series of pop-up events, Staff Writ-er Chuck Blount reports. Dady has decided not to renew the lease for the property at 520 E. Gray-son St.

MANUFACTURING

Output declines for third straight month

such as the Momercy, Rot Joy and Tenho Earner, are aming to open a team of the committee of

restaurant, Blount reports. They announced
plants to open it early next
year at 20079 Stone Cak
Parkway,
Brooks BRQ, & More, a
Brown and TATTY Nacoge
doches Kond, opens today,
Blount notes,
Burger Culture in
Southrown lass cleased,
Staff Writer Paul Stephen
raports Montage Lists Noted

stant writer Faust Stephen reports, Meanwhile, Italian reports, Meanwhile, Italian may be opening a restaurant at the Tribute at the Rim development at 852.2 Worth Parkway, a filing with the Texas Department of Lienening and Regulation (TDLR) shows. American Encedible American Encedible American Encedible 2005 S.W. Loop 400 this winter, Staff Writer Madalyn Mendoza reports.

formerly occupied by El Paso Import Co. Staff Writer Richard Marini profiled Lawson Marini profiled Lawson with the Committee of the Committee

BUSINESS

Closings for Sears on way

The owner of Sears and Emer-is dowing almost a third of its remaining stores just mostles after buying the Stuggling retail er out of backruptcy. Trensform Holdco's shatdown

or field of the company, which was once America's biggest department store chain. The merchant has faced a difficult retail

environment and other challengers and is "pruning operations that have struggled due to increased competition and other factors," Transform said in an email ed statement late Thurrady The company is getting \$250 million of new capital from its cosmes, led by Edde Lamps to bedie families and the company is a print property hedge family \$33. Investments to allow with a third-capital.

hedge fund SSL investments inc., slong with a third-party investor.

The suncoun cement shows that Sers., which narrosity es-osped liquidation after its 2008 bealingupce, in withering as con-sumers move on from the chain sumers move on from the chain. Lampert bought Senra' amets out of bankruptcy earlier this year, expressing fields in its future and wowing to preserve jobs, but its still facing the same fun damental problems that led it to seek court



on in New York whose his over-sight.

The smaller Hometown store feature appliances as well as lawn and garden merchandise and are in areas not served by full-sized Learn stores.

AUTOMAKERS Honda profit falls

as demand weakens TOXYO - Honda has become

mand softens.
The company said Priday that its profit in the July-September quarter fell 6.7 percent from a year earlier to \$1.8 billion as webide and motorcycle sales discount.

arned in the previous fiscal Amtrak might be on

path to breaking even

liminate operating losses as oon as next year. The government-owned pas-enger radroad said it provided

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nat forced some service out

bades.
Total operating revenue rose more than 3 percent to \$3.3 billion, with an operating loss of just under \$30 million. That's the

just under \$40 million. That's the smallest loss in Ambral's 44-9 mar history. Ambrak reported an operating loss of about \$170 million in 2008.

Officials said they expect to break even by the end of the next fiscal year, which would mark a first in Ambral's bistory. also burt earnings, the Tokyo-based automaker sad.
Honds Motor Cox quarterly revenue declined 2.9 per cent to \$M billion as also declined in the US, jupus, the rest of Asis and Burope.
Honds said higher the expensi-es also burt results.
Monds results have respen-

Gap ousts CEO after lackluster quarter

Backluster Quarter

No longer the khali king of
the 1990s, Gap Inc. has been in
need of an overhauf for a long
time – and Ast Peck won the the
one to deliver it after all.
Gap fired the CEO late Thursday after his turnar ound efforts
field to reignite sales growth,
with disconninion bind-quarter with disappointing third-quarter

es also hurt rends.

Honds lowered the fail-year net profit forecast for the fascal year through March 2020 to \$5.2 billion. That's down from a \$5.9 billion estimate given in August and below the \$5.6 billion. With dissprenting third-quarter performance estading shares plummeting in late trading. The apparel company that includes the namesake Gap broad, Affile-ta and Bonana Republic brought back an ember of the founding family to lead the companywhile.

percent for the year.

After a brief transition, Peck

role and vacate his post on the retader's board. Robert Pisher, the company's current non-

Ben & Jerry's sued

over 'happy cows' BURLENGTON, Vt. — Ben & Jerry's in facing a lawest accus-ing the ice cream maker and its parent company of false ad-vertising by saying the milk and cream in its products comes

advoose james Bliers accuses the company and Unilever of deceiving consumers. He says many of the farms that produce the milk and cream are factor putyle, mass production dairy operations. He says only come are part of the company's

Legals/Public Notices

PUBLIC NOTICE

Public Hearing to inform Eligewood independent School District'S community of its SUPERIOR rating based on School Financial Integrity Rating System of Texas (FIRST), the Texas Education Agency's system developed to monitor and Improve the management of the District's financial resources.

NOTICE OF PUBLIC HEARING TO DISCUSS EDGEWOOD INDEPENDENT SCHOOL DISTRICT'S

State Financial Accountability Rating. Edgewood Independent School District will hold a public hearing on Tuesday, November 19, 2019 at 5:30 p.m. at the District Conference Center

TOMLINSON From page Bi

idea, a demonstrated commitment and are either from or willing to serve a community in need of investment. Faculty and business experts serve as supervisors.

"They help you look at

what she looks for as a commercial loan officer.

While the entrepreneurs have more life experience, the students have formal education and access to UH resources that can lead to smarter decisions. Judy Young, who completed the program and now volunteers for it, said students are a valuable sounding board. Khumawala said

students experience. Th students' grade depends on the entrepreneurs' satisfaction.

"In the past, we work solely with underserved communities," Becker said, "but we've grown t where we still serve a lot those same people, but a also have people who ar ver y a cademically and

Intended Learning Outcomes:

- Discuss the purpose of the Financial Integrity Rating System of Texas (FIRST)
- 2. Review the FIRST scoring rubric
- 3. Review Edgewood JSD's Rating
- 4. Review Edgewood ISD's Indicators

Financial Integrity Rating System of Texas

- ◆ Developed in 1999 by the Texas Education Agency in response to Senate Bill 875 of the 76th Legislature.
- Primary goal is to achieve quality performance in the management of school district's financial resources.
- District's are rated on indicators outlined by the rule of the Commissioner of Education.
- Information obtained from financial audits, PEIMS reported data, and other governmental entities.



Financial Integrity Rating System of Texas

The Final 2018-2019 School Financial Integrity Rating System of Texas (FIRST) ratings are based on fiscal year 2018. On August 8, 2019, Texas Education Agency (TEA) affirmed its preliminary rating and on October 2019 TEA affirmed its final rating. The District was rated based on the fourteen (14) indicators established by the Texas Education Agency, as Indictor #5 was not applicable for this year.

The following slide is the TEA district status detail and it's performance under each indicator for the current and previous year's rating.



Financial Integrity Rating System of Texas Rubric of Measure

2018-2019		2017-2018					
A = Superior	90-100	A = Superior	90-100				
B = Above Standard	80-89	B = Above Standard	80-89				
C = Meets Standard	60-79	C = Meets Standard	60-79				
F = Substandard	<60	F = Substandard	<60				





DISTRICT STATUS DETAIL

2018-2019

2017-2018

Name: Edgewood ISD (015905)

Rating/District Score:

Number of Indicators:

Superior / 94

Superior / 9

15

15



FIRST Current and Prior Year Indicators / Results

18-19 #	17-18 #	Indicator Description	2018-2019 Results	2017-2018 Results
1	1	Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?	Yes	Yes
2	2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	2.A	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)	Yes	Yes
2.B	2.B	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? (The AICPA defines material weakness.)	Yes	Yes
3	3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance of 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.	Yes	Yes



1. Were the annual financial statements submitted on time?

YES



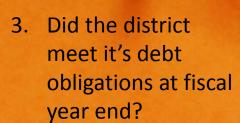
2A. Did the district have an unmodified opinion?

YES



2B. Were the financial statements free of material weaknesses in internal controls?

YES



YES

FIRST Current and Prior Year Indicators / Results

18-19 #	17-18 #	Indicator Description	2018-2019 Results	2017-2018 Results
4	4	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes	Yes
5	5	This indicator is not being scored.	N/A	Yes
			1 Multiplier Sum	1 Multiplier Sum
6	6	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	10
7	7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	8	8
8	8	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)	10	10
9	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	10

4. Did the District make timely payments to the Teachers Retirement System?

YES

5. INDICATOR NOT SCORED

6. Was the cash and investments on hand sufficient to cover operating expenditures?

10 Points

7. Is the measure of current assets to current liabilities sufficient to cover short-term debt?

8 Points

8. Is the measure of long-term liabilities to total assets sufficient to support long-term solvency?

10 Points

9. Are revenues equal or greater than expenditures?

10 Points

FIRST Current and Prior Year Indicators / Results

18-19 #	17-18 #	Indicator Description	2018-2019 Results	2017-2018 Results
10	10	Was the debt service coverage ratio sufficient to meet the required debt service?	8	10
11	11	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	8	8
12	12	Did the school district 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 school district will automatically pass this indicator.)	10	10
13	13	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?	10	10
14	14	Did the external independent auditors 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.)	10	10
15	15	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as result of a financial hardship?	10	10
			94 Weighted Sum	96 Weighted Sum
			1 Multiplier Sum	1 Multiplier Sum
			94 Score	96 Score

10. Was debt service coverage ratio sufficient to meet the required debt service?

8 Points

11.Was the administrative cost ratio equal to or less than the threshold established by TEA?

8 Points

12. Did we have a 15% decline in the students to staff ratio over 3 years?

10 Points

13. Did PEIMS
financial data
submitted have
a 3% or less
variance?

10 Points

14. Did the financial statements contain no material noncompliance issues?

10 Points

15.Did the district not receive an adjusted repayment schedule of state funds for more than one fiscal year?

10 Points

Superintendent and Board Expenses

For the Twelve-Month Period	=											
Ended August 31, 2018												
			Board Board			Board	Board		В	oard		
								Stella				
Description of Reimburseme		nilio Castro	Roy Soto Sr.		Frank Espinosa		Camacho		Timothy Payne		Richard Santoyo	
Meals	\$	805.52	\$	241.00	\$	236.00	\$		\$		\$	177.00
Lodging	\$	5,498.38	\$	1,485.32	\$	1,380.58					\$	1,366.98
Transportation												
Motor Fuel	\$	456.78			\$	155.69						
Other	\$	2,936.52	\$	1,360.00	\$	1,469.74	\$	1,407.00	\$	1,360.00	\$	395.00
Total	\$	9,697.20	\$	3,086.32	\$	3,242.01	\$	1,407.00	\$	1,360.00	\$	1,938.98

Intended Learning Outcomes:

- Discuss the purpose of the Financial Integrity Rating System of Texas (FIRST)
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