

EDGEWOOD

*of
San Antonio*

**Financial Integrity Rating
System of Texas**

**for Fiscal Year Ended,
August 31, 2015**

November 15, 2016

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 resource
- 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 Schools FIRST rating is based on analysis of the district's financial data for the fiscal year ended August 31, 2015. On October 24, 2016, Texas Education Agency affirmed its preliminary rating. The District is pleased to announce a ***“Superior Achievement”*** rating for the Edgewood Independent School District based on the fifteen indicators established by the Texas Education Agency.

To follow 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

DISTRICT STATUS DETAIL

	2015-2016	2014-2015
Name: Edgewood ISD (015905)		
Rating / District Score:	Superior / 96	Pass / 28
Number of Indicators	15	7

Financial Integrity Rating System of Texas

2016-17*		2015-2016		2014-2015	
A = Superior	90-100	A = Superior	70-100	Pass	16-30
B = Above Standard	80-89	B = Above Standard	50-69		
C = Meets Standard	60-79	C = Meets Standard	31-49		
F = Substandard	<60	F = Substandard	<31	Substandard	<16

*** With the current score of 96, Edgewood ISD would still achieve a Superior Rating even with the more stringent standards.**

FIRST Current and Prior Year Indicators / Results

15-16 #	14-15 #	Indicator Description	2015-2016 Results	2014-2015 Results
1	1	Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 th or January 28 th deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?	Yes	Yes
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.	Yes	
2.A	2	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		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	
3	3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?	Yes	Yes
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

FIRST Current and Prior Year Indicators / Results

15-16 #	14-15 #	Indicator Description	2015-2016 Results	2014-2015 Results
5	4	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 school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)	Yes	Yes
			1 Multiplier Sum	
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	
7		Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	10	
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 10 percent or more, then the school district passes this indicator.)	10	
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	

FIRST Current and Prior Year Indicators / Results

15-16 #	14-15 #	Indicator Description	2015-2016 Results	2014-2015 Results
10		Was the debt service coverage ratio sufficient to meet the required debt service?	10	
11	5	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	6	8
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	
13	6	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	7	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		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	
			96 Weighted Sum	28 Weighted Sum
			1 Multiplier Sum	1 Multiplier Sum
			96 Score	28 Score

FIRST Rating DISCLOSURES

Reimbursements Received by the Superintendent and Board Members									
For the Twelve-Month Period August 31, 2015			Sept. 2014- Nov. 2014	Nov. 2014 Aug. 2014					
Description of Reimbursements	Jose A. Cervantes	Joseph Guerra	Eddie Rodriguez	Velma Peña	Tina Morales	Mary Lou Mendoza	Sonia Elizondo	John Morales	Johnny Perez
Meals	\$ 2,247.18	\$ 198.00	\$ -	\$ 138.00	\$ 198.00	\$ 198.00	\$ -	\$ 138.00	\$ 198.00
Lodging	857.97	553.34	-	510.12	510.12	553.34	-	510.12	553.34
Transportation	298.00	-	-	11.00	-	-	-	165.39	-
Motor Fuel	-	-	-	-	-	-	-	-	-
Other	5,019.15	325.00	456.00	990.00	675.00	325.00	-	675.00	650.00
Total	\$ 8,422.30	\$ 1,076.34	\$ 456.00	\$ 1,649.12	\$ 1,383.12	\$ 1,076.34	\$ -	\$ 1,488.51	\$ 1,401.34

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) 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, 2015	
Name(s) of Entity(ies)	Amount Received
	\$ -
	-
	-
Total	\$ -

Note: Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

FIRST Rating DISCLOSURES

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, 2015.									
	Jose A. Cervantes	Joseph Guerra	Eddie Rodriguez	Velma Peña	Tina Morales	Mary Lou Mendoza	Sonia Elizondo	John Morales	Johnny Perez
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, 2015									
	Joseph Guerra	Velma Peña	Eddie Rodriguez	Tina Morales	Mary Lou Mendoza	Sonia Elizondo	John Morales	Johnny Perez	
Amounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.



QUESTIONS?

VISION STATEMENT

For every child, success in life.
Edgewood Proud!