

FORT BEND ISD

2012 FIRST Report to the Community

October 14, 2013

Schools First

- Financial Integrity Rating System of Texas
 - Developed by Texas Education Agency in response to Senate Bill 875 of the 76th Legislature
 - Authorized for implemented by Senate Bill 218 in 2001 (77th Legislative Session)
 - Goal is to achieve quality performance in the management of districts' financial resources
 - District is rated according to indicators developed by Commissioner rule
 - Presentation tied to submission of audit data to PEIMS in January of each year
 - 11th Year of Statewide Implementation

Rating System Objectives

- Simple and understandable
- Applicable to all districts
- Based on hard data
- Allows for self administration
- Provides an early warning of potential financial problems
- Allows for transparency

Overview of Base Indicators

- Critical Indicators
- Fiscal Efficiencies
- Budgeting
- Personnel
- Cash Management

Scoring System

- Superior Achievement
 - Score range of 64-70
- Above Standard Achievement
 - Score range of 58-63;
- Standard Achievement
 - Score range of 52-57
- Substandard Achievement
 - Score less than 52
 - “NO” response to one critical indicator #1, #2, #3 or #4 or “NO” response to both critical indicators #5 and #6

Ratings Worksheet

20 indicators addressing such areas as

- Audit and governance disclosures
- Cash and investments
- Tax collections
- Fund balances
- Administrative costs
- Staffing levels

Critical Indicators

- Fund balance level
- Unrestricted net asset value
- Default on bonded indebtedness
- Timeliness of reporting
- Unqualified audit opinion
- Instances of material weakness

Timeliness of Reporting

- The annual financial report was filed within 180 days of fiscal year end
 - FBISD's report was received by TEA on November 11, 2012

Indicator #4

Validity of Data

- PEIMS information was compared to the audited financial statements for accuracy
 - The variance between PEIMS information and the audit was less than three percent of expenditures

Indicator # 8

Audit and Governance

- Unqualified audit opinion
 - District has never received a qualified audit opinion
- No instances of material weaknesses in internal control
- No material noncompliance
- No conservator or monitor assigned to the district
- No disclosures in the annual financial report on defaults of bonded indebtedness
 - District has never defaulted on a bond issue

Indicators #3, 5, 6, 10, 11

Cash and Investments

- Ratio of cash and investments to deferred revenue was greater than 1:1 at year end
- Aggregate cash and investments in general fund were greater than zero at year end
- *Investment earnings met or exceeded the three month treasury bill rate*

Indicators # 14, 19 and 20

Current Investment Rates

Investment	Current Rate
TexPool	.04%
TexSTAR	.04%
Lone Star Investment Pool	.06%
TexasTerm	.05%
3-Month Treasury	.02%

Tax Collections

- The three year average percentage of total tax collections was greater than 98%

2010	99.94%
2011	100.45%
2012	99.94%

Indicator #7

Debt Service

- Tax effort per penny in 2011/12 was \$2,337,721

Indicator #9

Financial Stability

- Unreserved fund balances exceed reserved amounts
- Unrestricted net assets were greater than zero
- Aggregate expenditures and other uses were less than total revenues and fund balances
- Construction projects were adequately financed and the amount of fund balance available in construction funds exceeded zero
- District fund balance has not decreased in past two fiscal years

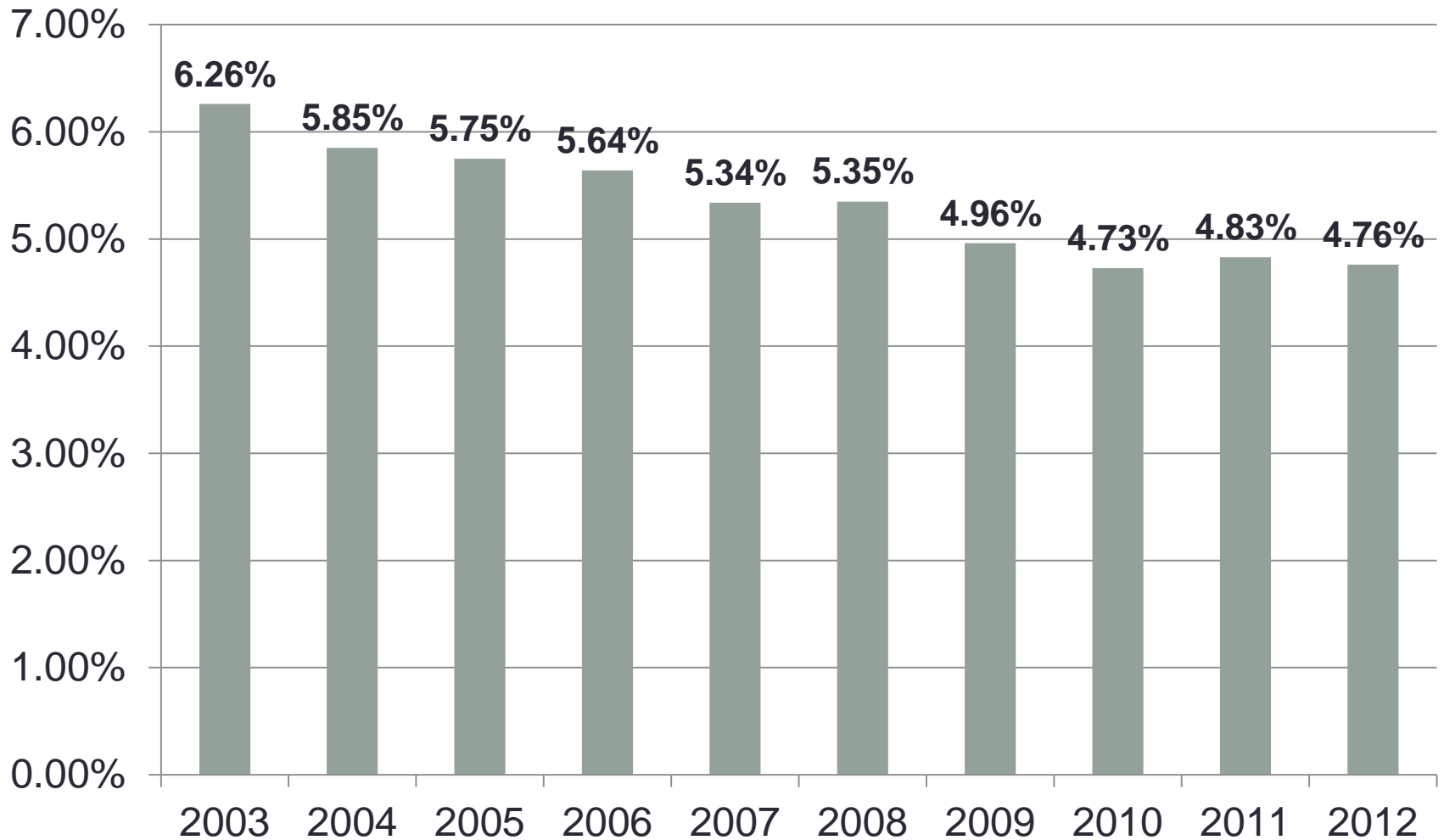
Indicators # 1, 2 12,13,18

Administrative Costs

- The District's administrative cost of 4.76% has been consistently been below the state maximum of 11.05%.

Indicator # 15

Historical Administrative Cost Ratio

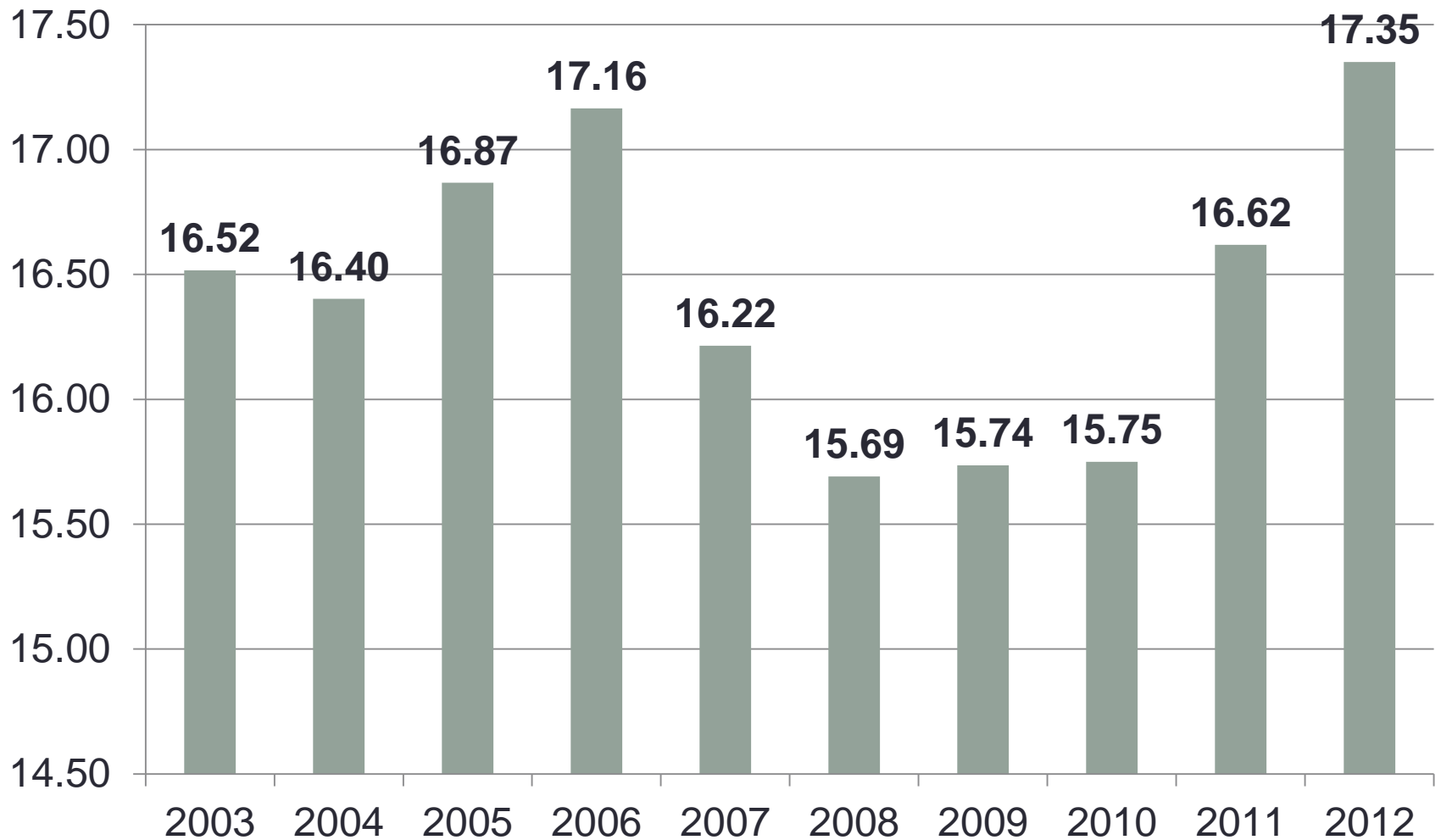


Staffing Ratios

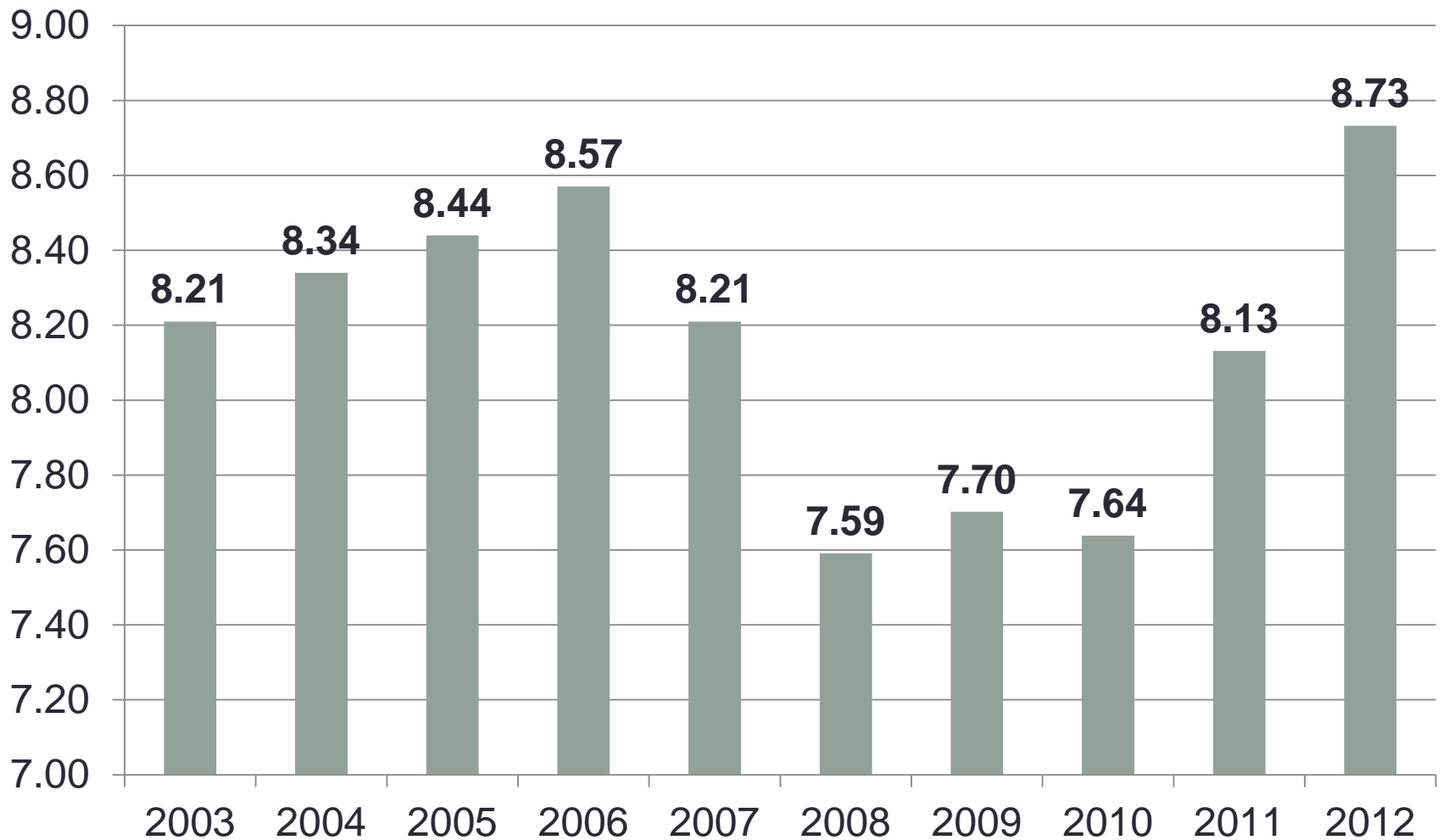
- Ratio of students to teachers within acceptable ranges (13.5 – 22.0)
 - Fort Bend ISD 17.3501:1
- Ratio of students to total staff within acceptable ranges (7.0 – 14.0)
 - Fort Bend ISD 8.7324:1

Indicators #16 and 17

Student to Teacher Ratio



Student to Staff Ratio



Fort Bend ISD Results

Total possible points	70
FBISD	70

Superior Achievement

Additional Reporting Requirements

Reimbursements to the Superintendent

Expense	Amount
Meals	\$1,407.64
Lodging	\$2,211.39
Air Fare and Transportation	\$1,984.77
Other	\$2,885.00
Total	\$8,488.80

Reimbursements to Board Members

Member	Meals	Lodging	Airfare & Transportation	Other	Amount
Albright	\$308.41	\$1,094.41	\$522.22	\$205.83	\$2,130.87
Bailey	\$68.43	\$641.25	\$0.00	\$0.00	\$709.68
Bhuchar	\$42.64	\$434.70	\$50.00	\$27.90	\$1,264.92
Gary	\$65.14	\$614.65	\$241.39	\$125.00	\$1,046.18
Glover	\$111.54	\$618.03	\$0.00	\$50.00	\$779.57
Hohnbaum	\$216.50	\$832.01	\$476.69	\$0.00	\$1,525.20
James	\$130.84	\$676.93	\$104.63	\$0.00	\$912.40
Rice	\$355.88	\$1,251.83	\$574.08	\$0.00	\$2,181.79
Rosenthal	\$68.74	\$646.60	\$267.01	\$0.00	\$982.35

FIRST - Disclosures

- The superintendent did not receive payment for consulting or other personal services in 2011/12

Gifts Reported by Executive Officers & Board Members

- The superintendent and/or board members did not receive any gifts in 2011/12

Business Transactions Reported by Executive Officers & Board Members

- The superintendent and/or board members did not enter into any business transactions with the school district in 2011/12

FINANCIAL SOLVENCY PROVISIONS OF TEXAS EDUCATION CODE §39.0822

Indicator	Response
First Quarter Expenditures 2011/12	
Payroll	\$49,888,432
Contract Costs	\$5,837,119
Supplies & Materials	\$3,839,071
Other Operating	\$3,835,865
Debt Service	\$1,455
Capital Outlay	\$35,584
Within the last two years did the school district draw funds from short-term financing note?	No
For the prior fiscal year, have a total General Fund balance of less than two percent of total expenditures for General Fund functions 11 through 61?	No
Has the district declared financial exigency within last two years?	Yes
Number of Superintendents last five years	2
Number of Business Managers last five years	2