



# **FIRST**

# **Public Hearing**

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**Sandra Callahan**  
**Chief Financial Officer**  
**November 17, 2020**



# Overview of FIRST Rating System

- ★ Goal is to achieve improved performance in the management of school district's financial resources
- ★ 18th year of FIRST reporting; current report is for the 2018-19 fiscal year
- ★ 15 indicators
- ★ District must hold a public hearing to discuss ratings





# Requirements

Every school district in Texas is required to prepare an annual financial management report that includes:

- ★ FIRST rating information
- ★ Additional information required by the Commissioner of Education
  - Superintendent's contract *(included with report)*
  - Reimbursements received by Superintendent and board members *(included with report)*
  - Outside compensation/fees received by Superintendent for professional consulting *(None)*
  - Gifts received by executive officer and board members *(None)*
  - Business transactions between district and board members *(None)*



# Bastrop ISD Final Rating

- ★ Superior (A)
- ★ Yes to Indicators 1-5 (to receive a Superior Rating)
- ★ Score 96
- ★ Passing Score 60



# Overall Ratings

Rating	District 2017-18 FY	District 2018-19 FY
Superior (A)	906	897
Above Standard Achievement (B)	71	81
Meets Standard Achievement (C)	33	32
Substandard Achievement (D)	10	10



# Critical Indicators 1-5

Five indicators result in an automatic *Substandard Achievement (F)* rating should a district fail in that specific category regardless of score

1. Complete annual financial report and data submitted to TEA within 30 days of the November 27 deadline.
- 2A. Unmodified opinion on annual financial report
- 2B. No weak internal controls
3. No default disclosures
4. Timely payments to government agencies (Teacher Retirement System, Texas Workforce Commission, Internal Revenue Service)
5. Was the total restricted net asset balance (Net of the accretion of interest for capital appreciation bonds) greater than zero? **(This indicator not scored for this year)**



## Solvency Indicator 6 & 7

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)?

Yes 63.0542 days

7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? Yes 3.004



## Solvency Indicator 8 & 9

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, the the school district passes this indicator.) **Yes**

9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the district's number of days of cash on hand greater than or equal to 60 days?





## Solvency Indicator 10 & 11

10. Was the debt service coverage ratio sufficient to meet the required debt service. **Yes Bastrop ISD ratio 2.3047**

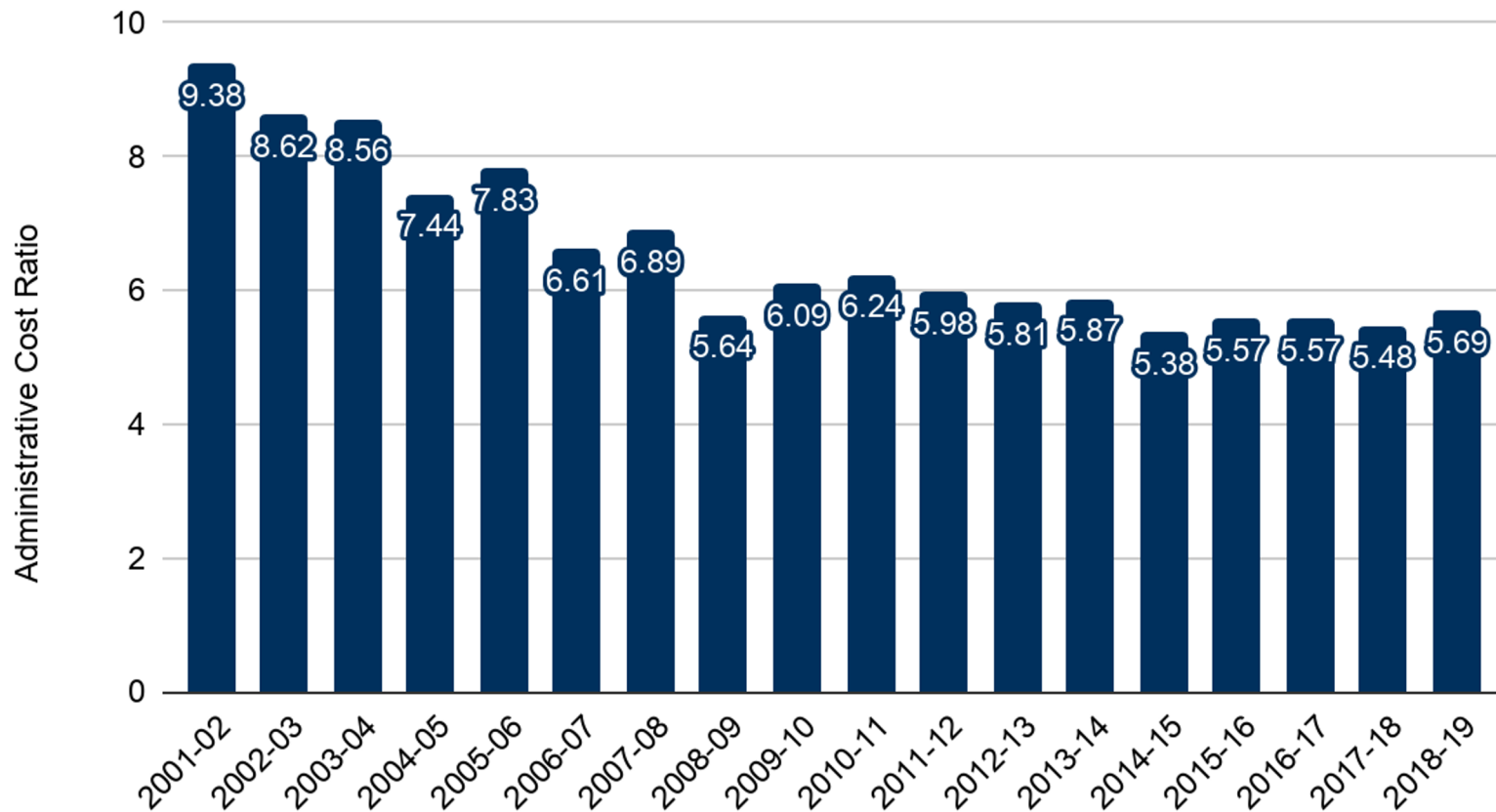
11. Was the school district's administrative cost ratio equal to or less than the threshold ratio?

Yes, an acceptable percentage for a district our size is 8.55%.

**Bastrop ISD is 5.69%**

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.)

# Administrative Cost Ratio





## Competence Indicator 13-15

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? **Yes**

14. Did the external independent auditor indicate that the Annual Financial Report (AFR) was free of material noncompliance for grants, contracts, and laws related to local, state or federal funds?

**Yes, there was no material noncompliance.**

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) as a result of a financial hardship?

**No Adjusted Repayment Schedule**



# Looking Ahead

The 2021-22 FIRST Rating will be based on the 2019-20 fiscal year AFR.

- ★ 20 Indicators
- ★ Ceiling Indicators

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# **Thank you!**

*Any questions ?*

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