

EANES INDEPENDENT SCHOOL DISTRICT

SCHOOL FIRST

Financial Integrity Rating System of Texas

2018 RATING and REPORT



EANES
WESTLAKE
INNOVATIVE SCHOOL DISTRICT

Based on Audited Financial Data

For the 2016 - 2017 Fiscal Year

It is the policy of the Eanes Independent School District not to discriminate on the basis of race, color, national origin, sex, disability or age in its employment or in providing education or access to benefits of educational services, activities, and programs. The following persons are designated to handle inquiries, regarding non-discrimination policies:

Title II, Section 504, and Age Act of 1975: Molly May, Executive Director of Special Education & Section 504, (512) 732-9020
Title IX: Laurie Lee, Executive Director for Human Resources, (512) 732-9010

Both are officed at EISD Central Administration, 601 Camp Craft Road, Austin, TX 78746

EANES INDEPENDENT SCHOOL DISTRICT

Annual Financial Management Report 2018 Financial Integrity Rating System of Texas (FIRST) Rating

Beginning with the 2001-02 fiscal year, the financial health of every school district in Texas is evaluated as part of a financial accountability system known as School FIRST. The primary goal of School FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

Eanes ISD has received a rating of

Superior

for 2018, the highest rating a district can achieve. The 2018 rating is based on an analysis of staff, student, budget and audited financial data for 2016-2017. Eanes ISD has received the highest possible rating for all years since 2003, the first year of implementation for the FIRST accountability system.

The FIRST rating is assigned to each school district based on 15 indicators designed to measure critical financial management practices, ratios, and other indicators. These indicators provide a snapshot of the district's financial stability and management practices and include information about fund balance reserves, the annual financial audit, debt payments, and district expenditures.

This report includes the following information to assist the public in understanding the FIRST rating system and Eanes ISD's rating:

Eanes ISD 2018 Overall Rating	Page 2
Overall 2018 Texas School District Ratings	Page 3
2018 Eanes ISD FIRST Rating – 2016-17 Indicator Results	Page 4
2017 Eanes ISD FIRST Rating – 2015-16 Indicator Results	Page 8
Required Disclosures	Page 13

Questions regarding the District's FIRST rating may be addressed to:

Chris Scott, Executive Director for Business Services
Or
Maria Rockstead, Director of Finance

601 Camp Craft Rd
Austin, TX 78746
(512) 732 – 9000

Financial Integrity Rating System of Texas
Overall Statistics
2018 School District Ratings

Ratings	Number of Districts	% Total
A = Superior	837	81.90%
B = Above Standard	117	11.45%
C = Meets Standard	63	6.16%
F = Substandard Achievement	5	0.49%
Totals	1,022	100.00%



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA - DISTRICT STATUS DETAIL

Name: ANES ISD(227909)	Publication Level 1: 8/6/2018 2:48:24 PM
Status: Passed	Publication Level 2: 8/8/2018 12:11:29 PM
Rating: A = Superior	Last Updated: 8/8/2018 12:11:29 PM
District Score: 96	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>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?</u>	4/20/2018 9:40:47 AM	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.		
2.A	<u>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.)</u>	4/20/2018 9:40:47 AM	Yes
2.B	<u>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.)</u>	4/20/2018 9:40:47 AM	Yes

3	<u>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 or 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.)</u>	4/20/2018 9:40:47 AM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	4/20/2018 9:40:47 AM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (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.)</u>	4/20/2018 9:40:48 AM	Yes
			1 Multiplier Sum
6	<u>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)? (See ranges below.)</u>	4/20/2018 9:40:48 AM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	4/20/2018 9:40:48 AM	6
8	<u>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</u>	4/20/2018 9:40:48 AM	10

	<u>percent or more, then the school district passes this indicator.) (See ranges below.)</u>		
9	<u>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?</u>	4/20/2018 9:40:49 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	4/20/2018 9:40:49 AM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	4/20/2018 9:40:49 AM	10
12	<u>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.)</u>	6/19/2018 11:29:54 AM	10
13	<u>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?</u>	4/20/2018 9:40:50 AM	10
14	<u>Did the external independent auditor 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.)</u>	4/20/2018 9:40:50 AM	10
15	<u>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 a result of a financial hardship?</u>	4/20/2018 9:40:50 AM	10
			96 Weighted Sum
			1 Multiplier Sum

DETERMINATION OF RATING

A. Did the district answer '**No**' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is **F for Substandard Achievement** regardless of points earned.

B. Determine the rating by the applicable number of points. (Indicators 6-15)

A = Superior	90-100
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B = Above Standard	80-89
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C = Meets Standard	60-79
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F = Substandard Achievement	<60
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No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.



Financial Integrity Rating System of Texas

2016-2017 RATINGS BASED ON SCHOOL YEAR 2015-2016 DATA - DISTRICT STATUS DETAIL

Name: ANES ISD(227909)	Publication Level 1: 8/8/2017 2:29:29 PM
Status: Passed	Publication Level 2: 8/8/2017 2:29:29 PM
Rating: A = Superior	Last Updated: 8/8/2017 2:29:29 PM
District Score: 98	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>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?</u>	3/28/2017 12:28:33 PM	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.		
2.A	<u>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.)</u>	3/28/2017 12:28:34 PM	Yes

2.B	<u>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.)</u>	3/28/2017 12:28:34 PM	Yes
3	<u>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 or 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.)</u>	3/28/2017 12:28:34 PM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	3/28/2017 12:28:34 PM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position 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.)</u>	3/28/2017 12:28:35 PM	Yes
			1 Multiplier Sum

6	<u>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)? (See ranges below.)</u>	3/28/2017 12:28:35 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	3/28/2017 12:28:35 PM	8
8	<u>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.) (See ranges below.)</u>	3/28/2017 12:28:35 PM	10
9	<u>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?</u>	3/28/2017 12:28:36 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	5/18/2017 12:38:19 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/28/2017 12:28:36 PM	10
12	<u>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.)</u>	6/21/2017 8:32:19 PM	10

13	<u>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?</u>	3/28/2017 12:28:37 PM	10
14	<u>Did the external independent auditor 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.)</u>	3/28/2017 12:28:37 PM	10
15	<u>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 a result of a financial hardship?</u>	3/28/2017 12:28:37 PM	10
			98 Weighted Sum
			1 Multiplier Sum
			98 Score

DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points. (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89

C = Meets Standard	60-79
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<p>No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.</p>	

Disclosure Requirements

- Copy of Superintendent's Contract

Published on District site

- Summary Schedule of Total Reimbursements Received by the Superintendent and each Board Member

Schools FIRST Report										
Total reimbursements or payments made on behalf of current and past Board Members and the Superintendent for Fiscal Year 2016-2017										
For the Twelve-Month Period Ending June 30, 2017										
Description of Reimbursements	Superintendent Dr. Tom Leonard	Board Member Jennifer Salas	Board Member Julia Webber	Board Member John Havenstrite	Board Member Colleen Jones	Board Member Ellen Balthazar	Board Member Christie Bybee	Board Member Jason Paull	Board Member Rob Hargett	Board Member Kal Kallison
Meals	\$ 904.00	\$ 108.00	\$ 146.50	\$ 57.50	\$ 269.50	\$ 101.00	\$ 116.00	\$ 57.50	\$ 81.50	\$ -
Lodging	\$ 2,130.68	\$ 458.94	\$ 464.66	\$ 464.66	\$ 464.66	\$ 464.66	\$ 464.66	\$ 464.66	\$ -	\$ -
Transportation	\$ 1,654.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 2,865.00	\$ 610.00	\$ 675.00	\$ 545.00	\$ 675.00	\$ 610.00	\$ 935.00	\$ 385.00	\$ 65.00	\$ 65.00
Total	\$ 7,554.64	\$ 1,176.94	\$ 1,286.16	\$ 1,067.16	\$ 1,409.16	\$ 1,175.66	\$ 1,515.66	\$ 907.16	\$ 146.50	\$ 65.00

- Summary Schedule of the Dollar amount of Compensation received by the Superintendent in exchange for Professional Consulting

None to Report

- Total Dollar Amounts of Gifts that had an Economic Value of \$250 or more received by the Superintendent and Board

None to Report

- Summary Schedule of the Dollar Amount of Business Transactions Between a Board Member and School District

None to Report