

# EANES INDEPENDENT SCHOOL DISTRICT

## **SCHOOL FIRST**

Financial Integrity Rating System of Texas

2021 RATING and REPORT



Based on Audited Financial Data

For the 2019 - 2020 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, Chief Student Support Officer, (512) 732-9020

Title IX: Laurie Lee, Chief Human Resources Officer, (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 2021 Financial Integrity Rating System of Texas (FIRST) Rating

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

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2021 Eanes ISD FIRST Rating – 2019-20 Indicator Results	Page 4
2020 Eanes ISD FIRST Rating – 2018-19 Indicator Results	Page 10
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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 2021, the highest rating a district can achieve. The 2021 rating is based on an analysis of staff, student, budget, and audited financial data for 2019-20. Eanes ISD has received the highest possible rating for all years since 2003, the first year of implementation for the FIRST accountability system.

For 2021, the accountability standards were revised to include 20 indicators as compared to 15 in the prior year. The FIRST rating is assigned to each school district based on indicators 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.

Questions regarding the District's FIRST rating may be addressed to: Chris Scott, Chief Financial Officer or Maria Rockstead, Director of Finance at 601 Camp Craft Rd, Austin, TX 78746, (512) 732-9000.

Financial Integrity Rating System of Texas  
Overall Statistics  
2021 School District Ratings

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<b>Ratings</b>	<b>Number of Districts</b>	<b>% Total</b>
A = Superior	845	82.84%
B = Above Standard	119	11.67%
C = Meets Standard	43	4.22%
F = Substandard Achievement	13	1.27%
Totals	1,020	100.00%



**Financial Integrity Rating System of Texas**

**2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA - DISTRICT STATUS DETAIL**

<b>Name: EANES ISD(227909)</b>	<b>Publication Level 1:</b> 8/4/2021 2:00:38 PM
<b>Status: Passed</b>	<b>Publication Level 2:</b> 8/6/2021 11:10:55 AM
<b>Rating:</b> A = Superior Achievement	<b>Last Updated:</b> 8/6/2021 11:10:55 AM
<b>District Score:</b> 94	<b>Passing Score:</b> 70

#	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>	6/8/2021 4:20:29 PM	Yes
2	<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>	6/8/2021 4:20:29 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,</u>	6/8/2021 4:20:29 PM	Yes

	<u>etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>		
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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)</u>	7/1/2021 9:15:31 AM	Yes  Ceiling Passed
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/28/2021 11:18:59 AM	Ceiling Passed
7	<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 in the Determination of Points section.</u>	6/8/2021 4:20:30 PM	10
8	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:30 PM	4
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</u>	6/8/2021 4:20:30 PM	10

	<u>days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.</u>		
10	<u>Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?</u>	7/2/2021 2:08:25 PM	10
11	<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 increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:31 PM	10
12	<u>Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:32 PM	10
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:32 PM	10
14	<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>	6/8/2021 4:20:32 PM	10
15	<u>Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:32 PM	5
16	<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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 4:20:32 PM	Ceiling Passed
17	<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</u>	6/8/2021 4:20:33 PM	Ceiling Passed

	<u>local, state, or federal funds? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)</u>		
18	<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>	6/8/2021 4:20:33 PM	10
19	<u>Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?</u>	6/8/2021 4:20:33 PM	5
20	<u>Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 4:20:33 PM	Ceiling Passed
			94 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			94 Score

## DETERMINATION OF RATING

<b>A.</b>	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is <b>F for Substandard Achievement</b> regardless of points earned.	
<b>B.</b>	Determine the rating by the applicable number of points.	
	<b>A = Superior Achievement</b>	90-100
	<b>B = Above Standard Achievement</b>	80-89
	<b>C = Meets Standard Achievement</b>	70-79
	<b>F = Substandard Achievement</b>	<70
<p><b>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.</b></p> <p>The school district receives an <b>F</b> if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.</p>		

## CEILING INDICATORS

<p>Did the school district meet the criteria for any of the following <b>ceiling indicators</b> 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.</p>		
<b>Determination of rating based on meeting ceiling criteria.</b>	<b>Maximum Points</b>	<b>Maximum Rating</b>
<b>Indicator 4</b> (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
<b>Indicator 6</b> (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement



<b>Indicator 16</b> (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
<b>Indicator 17</b> (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
<b>Indicator 20</b> (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement

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THE **TEXAS EDUCATION AGENCY**  
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**Financial Integrity Rating System of Texas**

**2019-2020 RATINGS BASED ON SCHOOL YEAR 2018-2019 DATA - DISTRICT STATUS DETAIL**

<b>Name: <span style="color: red;">EANES ISD(227909)</span></b>	<b>Publication Level 1:</b> 8/6/2020 9:26:37 AM
<b>Status: <span style="color: red;">Passed</span></b>	<b>Publication Level 2:</b> 8/6/2020 11:17:34 AM
<b>Rating:</b> A = Superior	<b>Last Updated:</b> 8/6/2020 11:17:34 AM
<b>District Score:</b> 94	<b>Passing Score:</b> 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>	3/30/2020 2:54:03 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>	3/30/2020 2:54:03 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,</u>	3/30/2020 2:54:04 PM	Yes

	<u>state, or federal funds? (The AICPA defines material weakness.)</u>		
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>	3/30/2020 2:54:04 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>	3/30/2020 2:54:04 PM	Yes
5	This indicator is not being scored.		
			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>	3/30/2020 2:54:06 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>	3/30/2020 2:54:06 PM	4
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 increase of students in membership over 5 years was 7 percent or more, then the school district passes this indicator. See ranges below.</u>	3/30/2020 2:54:06 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>	3/30/2020 2:54:07 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	3/30/2020 2:54:08 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/30/2020 2:54:09 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>	3/30/2020 2:54:09 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>	3/30/2020 2:54:11 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>	3/30/2020 2:54:12 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>	3/30/2020 2:54:12 PM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

## DETERMINATION OF RATING

<b>A.</b>	Did the district answer 'No' to Indicators 1, 3, 4, or 2.A? If so, the school district's rating is <b>F for Substandard Achievement</b> regardless of points earned.	
<b>B.</b>	Determine the rating by the applicable number of points. (Indicators 6-15)	
	<b>A = Superior</b>	90-100
	<b>B = Above Standard</b>	80-89
	<b>C = Meets Standard</b>	60-79
	<b>F = Substandard Achievement</b>	<60
<p><b>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.</b></p>		

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# 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 2019-2020

For the Twelve-Month Period Ending June 30, 2020									
<u>Description of Reimbursements</u>	Superintendent Dr. Tom Leonard	Board Member Jennifer Champagne	Board Member John Havenstrite	Board Member Christie Bybee	Board Member Jason Paull	Board Member Ellen Balthazar	Board Member Heather Sheffield	Board Member James Spradley	Board Member Laura Clark
Meals	\$ 820.99	\$ 253.74	\$ 7.49	\$ 13.00	\$ 19.57	\$ 60.22	\$ 58.00	\$ 12.73	\$ -
Lodging	\$ 2,600.71	\$ 1,611.97	\$ 722.67	\$ -	\$ -	\$ -	\$ 1,754.26	\$ -	\$ -
Transportation	\$ 1,278.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 3,953.30	\$ 565.11	\$ 1,785.00	\$ 275.11	\$ -	\$ 195.00	\$ 775.11	\$ 385.11	\$ 425.00
<b>Total</b>	<b>\$ 8,653.02</b>	<b>\$ 2,430.82</b>	<b>\$ 2,515.16</b>	<b>\$ 288.11</b>	<b>\$ 19.57</b>	<b>\$ 255.22</b>	<b>\$ 2,587.37</b>	<b>\$ 397.84</b>	<b>\$ 425.00</b>

- 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*