

EANES INDEPENDENT SCHOOL DISTRICT

SCHOOL FIRST

Financial Integrity Rating System of Texas

2022 RATING and REPORT



EANES
WESTLAKE
INNOVATIVE SCHOOL DISTRICT

Based on Audited Financial Data

For the 2020 - 2021 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, Asst Superintendent Curriculum, Instruction, & Assessment, (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 2022 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:

Eanes ISD 2022 Overall Rating	Page 2
Overall 2022 Texas School District Ratings	Page 3
2022 Eanes ISD FIRST Rating – 2020-21 Indicator Results	Page 4
2021 Eanes ISD FIRST Rating – 2019-20 Indicator Results	Page 10
Required Disclosures	Page 16

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 2022, the highest rating a district can achieve. The 2022 rating is based on an analysis of staff, student, budget, and audited financial data for 2020-21. Eanes ISD has received the highest possible rating for all years since 2003, the first year of implementation for the FIRST accountability system.

In 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
2022 School District Ratings

Ratings	Number of Districts	% Total
A = Superior	882	86.56%
B = Above Standard	94	9.22%
C = Meets Standard	35	3.43%
F = Substandard Achievement	8	0.79%
Totals	1,019	100.00%



Financial Integrity Rating System of Texas

2021-2022 RATINGS BASED ON SCHOOL YEAR 2020-2021 DATA - DISTRICT STATUS DETAIL

Name: EANES ISD(227909)	Publication Level 1: 8/2/2022 2:05:39 PM
Status: Passed	Publication Level 2: 8/4/2022 12:15:48 PM
Rating: A = Superior Achievement	Last Updated: 8/4/2022 12:15:48 PM
District Score: 92	Passing Score: 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>	7/12/2022 8:49:40 AM	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>	5/16/2022 1:06:54 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>	5/16/2022 1:06:55 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>	5/16/2022 1:06:55 PM	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>	5/17/2022 9:59:40 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>	5/16/2022 1:06:56 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>	5/16/2022 1:06:56 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>	5/16/2022 1:06:56 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	This indicator is not being scored.		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>	5/16/2022 1:06:58 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>	5/16/2022 1:06:58 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>	6/9/2022 11:24:27 AM	8
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>	5/16/2022 1:06:59 PM	10
15	This indicator is not being scored.		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>	5/16/2022 1:06:59 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 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>	5/16/2022 1:07:00 PM	Ceiling Passed

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>	5/16/2022 1:07:00 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>	5/16/2022 1:07:00 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>	5/16/2022 1:07:00 PM	Ceiling Passed
			92 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			92 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? 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.	
	A = Superior Achievement	90-100
	B = Above Standard Achievement	80-89
	C = Meets Standard Achievement	70-79
	F = Substandard Achievement	<70
<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> <p>The school district receives an F 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 ceiling indicators 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>		
Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement

Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (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**
 1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734



Financial Integrity Rating System of Texas

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

Name: EANES ISD(227909)	Publication Level 1: 8/4/2021 2:00:38 PM
Status: Passed	Publication Level 2: 8/6/2021 11:10:55 AM
Rating: A = Superior Achievement	Last Updated: 8/6/2021 11:10:55 AM
District Score: 94	Passing Score: 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</u>	6/8/2021 4:20:29 PM	Yes

	<u>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	<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 days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.</u>	6/8/2021 4:20:30 PM	10
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 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>	6/8/2021 4:20:33 PM	Ceiling Passed
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

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THE **TEXAS EDUCATION AGENCY**
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Disclosure Requirements

- Copy of Superintendent's Contract
[Current Superintendent 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 2020-2021

For the Twelve-Month Period Ending June 30, 2021									
Description of Reimbursements	Superintendent Dr. Tom Leonard	Board Member Jennifer Champagne	Board Member John Havenstrite	Board Member Christie Bybee	Board Member Ellen Balthazar	Board Member Heather Sheffield	Board Member James Spradley	Board Member Laura Clark	Board Member Kim McMath
Meals	\$ 36.50	\$ 18.00	\$ -	\$ -	\$ -	\$ 18.50	\$ -	\$ -	\$ -
Lodging	\$ 161.48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ 900.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 2,993.05	\$ 991.25	\$ 566.25	\$ 425.00	\$ 1,226.25	\$ 2,651.25	\$ 1,226.25	\$ 1,026.25	\$ 296.25
Total	\$ 4,091.24	\$ 1,009.25	\$ 566.25	\$ 425.00	\$ 1,226.25	\$ 2,669.75	\$ 1,226.25	\$ 1,026.25	\$ 296.25

- 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