



Cedar Hill Independent School District



2022 – 2023 Rating Presentation

(Fiscal Year 2021-2022 Data)

Purpose

- Expands the public education accountability system in Texas to the Financial Services.
- Originated by SB875 of the 76th Texas Legislature in 1999. Passed during 77th regular session in 2001
- Primary goal to improve management of school district's financial resources.

Objectives

- Assess the quality of financial management in Texas public schools.
- Measure and report the extent to which financial resources are allocated for direct instructional purposes.
- Fairly evaluate the quality of financial management decisions.
- Openly report results to the general public.

Ratings

- HB 5 of the 83rd Texas Legislature in 2013 required the Commissioner of Education to include indicators in FIRST to anticipate the future financial solvency of districts.

The 2022-2023 rating is determined by the scores on **16 out of 20** indicators.

- | | |
|-------------------------------|----------|
| – A = Superior | 90 - 100 |
| – B = Above Standard | 80 - 89 |
| – C = Meets Standard | 70 - 79 |
| – F = Substandard Achievement | <70 |

Ratings

**CRITICAL
Indicators
1 - 5**

**SOLVENCY
Indicators
6 - 14**

**COMPETENCE
Indicators
15 - 20**

	Indicator	Pass / Fail
CRITICAL	1. Timely Filing of Audit	Pass
	2. Auditor's Opinion	Pass
	3. Debt Covenants	Pass
	4. Timely Payment to Gov't. Agencies	Pass
	5. Unrestricted Net Position	Not Evaluated

Ratings

	Indicator	Pass / Fail
SOLVENCY	6. Fund Balance	Pass
	7. Cash on Hand	10 Points
	8. Liquidity	6 Points
	9. Revenues > Expenditure	10 Points
	10. Budget to Actual Variance (not evaluated)	10 Points
	11. Leverage Ratio	8 Points
	12. Ability to Pay Debt/Interest	10 Points
	13. Administrative Cost Ratio	8 Points
	14. Student to Staff Ratio (not evaluated)	10 Points

Ratings

	Indicator	Pass / Fail
COMPETENCE	15. Biennial Pupil Projection (not evaluated)	5 Points
	16. Accuracy of Financial Data	Pass
	17. Federal Funds Compliance	Pass
	18. Free of Material Non-Compliance	10 Points
	19. Financial Transparency	5 Points
	20. Property Value Discussion	Pass

Total Score: 92
Rating: A (Superior)

How Ratings Are Assessed

1. Was the Annual Financial Report filed within thirty days of the November 27th deadline based on the District's fiscal year end date of June 30th ? **YES**
2. Was there an unmodified opinion in the Annual Comprehensive Financial Report (ACFR)? **YES**
3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? **YES**
4. 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? **YES**

How Ratings Are Assessed

5. This indicator is not being evaluated.
6. 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? **Ceiling Passed**
7. 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)? **10 points, CHISD had 129.0737 days on hand to receive the maximum points**

How Ratings Are Assessed

8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? **6 points**, the ratio of current assets to current liabilities was 2.2615 and did not exceed the 3.00 benchmark for maximum points (increased from 2.0923 in the prior year)
9. 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? **10 points**
10. This indicator is not being evaluated. **10 points**

How Ratings Are Assessed

11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? **8 points**, the ratio of long term liabilities compared to total assets was .6919 and did not meet the benchmark of ≤ 0.60 for maximum points (decreased from .7771 in the prior year)
12. Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? **10 points**
13. Was the school district's administrative cost ratio equal to or less than the threshold ratio? **10.78% 8 points (threshold is 10%)**

$\left(\begin{array}{l} \text{sum of amounts for} \\ \text{function codes 21 and 41} \end{array} \right)$

21-Instructional Leadership
 41-General Administration



$\left(\begin{array}{l} \text{sum of amounts for function} \\ \text{codes 11, 12, 13, and 31} \end{array} \right)$

11-Instruction
 12-Instructional Resources and Media Services
 13-Curriculum and Instructional Staff Development
 31-Guidance, Counseling and Evaluation Services



Administrative
 Cost Ratio

Only payroll (excluding TRS On-Behalf), professional and contracted services, supplies and materials, other operating costs are used in the calculation of the administrative cost ratio.

How Ratings Are Assessed

- 14. This indicator is not being scored. **10 points**
- 15. This indicator is not being scored. **5 points**
- 16. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's ACFR result in a total variance of less than 3 percent of all expenditures by function? **Ceiling Passed**
- 17. Did the external independent auditor report that the ACFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?
Ceiling Passed

How Ratings Are Assessed

18. 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? **10 points**
19. 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? **5 points (maximum)**
20. Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? **Ceiling Passed**

What is Cedar Hill ISD's Rating?

A = Superior Achievement

*Cedar Hill ISD received 92 of 100
maximum points on all indicators.*

Where are Cedar Hill ISD's Ratings?

- Cedar Hill's Website

<https://www.chisd.net/Page/1908>

- Texas Education Agency (TEA) Website

<https://tealprod.tea.state.tx.us/First/forms/District.aspx?year=2020&district=057904>

Required Disclosures

- Superintendent's Current Contract
<http://www.chisd.net/page/145>

Required Disclosures

Reimbursements Received by the Superintendent and Board Members for
Fiscal Year 2022

For the Twelve-month Period Ended June 30, 2022

Description of Reimbursements	Superintendent Dr. Gerald B. Hudson	Board Member Robert Riggs	Board Member Gayle Sims	Board Member Keisha Lankford	Board Member Cheryl Wesley	Board Member Ramona Ross-Bacon	Board Member Dr. Denise Roache-Davis	Board Member Dr. Jeremiah Martin
Meals	\$ 658.50	\$ 88.50	\$ 206.50	\$ 0.00	\$ 206.50	\$ 14.00	\$ 0.00	\$ 0.00
Lodging	1,537.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	2,661.09	216.45	340.53	0.00	0.00	35.05	0.00	0.00
Motor Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	1,429.26	48.05	98.10	90.10	49.05	0.00	0.00	0.00
Total	\$ 6,286.45	\$ 353.00	\$ 645.13	\$ 90.10	\$ 255.55	\$ 49.05	\$ 0.00	\$ 0.00

Required Disclosures

- Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in fiscal year 2022. **None Reported**
- Gifts received by the Executive Officer(s) and Board Members (and first degree relatives, if any) in fiscal year 2022. **None Reported**
- Business transactions between the District and Board Members for fiscal year 2022. **None Reported**

Comparison to our Neighbors & Peers

2022-2023 FIRST

2021-2022 Financial Data

	TOTAL SCORE			Score by Indicator #			
	2021	2022	2023	8	11	12	13
Cedar Hill ISD	86	90	92	6	8	10	8
District #1	100	98	96	10	8	8	10
District #2	92	94	96	6	10	10	10
District #3	92	92	94	10	6	10	10
District #4	52	78	72	4	6	8	4
District #5	90	79	94	10	8	10	6
District #6	98	94	96	10	10	10	6
District #7	92	96	98	10	10	8	10
District #8	90	90	90	10	6	8	6
District #9	94	96	94	10	4	10	10
District #10	79	88	90	10	6	8	6
District #11	90	94	100	10	10	10	10
District #12	90	94	92	6	8	8	10

<i>Indicator</i>	<i>Description</i>
8	Current Ratio
11	Total Assets / Long-Term Debt
12	Debt per \$100 of property value Ratio
13	Administrative Cost Ratio