



# School FIRST 2019 Report Public Hearing September 16, 2019

---

Rating based on 2017-18 data



# First Integrity Rating System of Texas

---

- ❖ **FIRST** is an accountability rating system developed by TEA in 1999 that holds school districts accountable for the quality of their financial management practices and actual improved performance.
- ❖ Ratings based on 15 indicators established by the Commissioner of Education.

# Types of Ratings

---

- ❖ **A for Superior Achievement** is the highest possible score and recognizes the districts with the highest financial integrity.
- ❖ **B for Above Standard Achievement** indicates that the district has performed significantly above the minimum passing score.
- ❖ **C for Standard Achievement** is the minimum passing score and indicates that the district meets the minimum passing standard for financial integrity.
- ❖ **F for Substandard Achievement** indicates the school district did not pass FIRST for the applicable rating year

# FIRST Indicator Categories

---

## ❖ Critical Indicators

Indicators 1 – 5 Yes/No, Failure to meet requirements of any of these results in an overall F Substandard rating.

## ❖ Solvency Indicators

Indicators 6 – 12, points range from 0 – 10

## ❖ Financial Competence Indicators

Indicators 13 – 15, points range from 0 - 10

# Indicator 1: Filing the Annual Financial Report and Electronic Data Feed

---

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?

**Yes, the AFR was submitted 10/22/18**

## Indicator 2: Review the Annual Financial Report

---

2A. Was there an unmodified opinion in the AFR on the financial statements as a whole?

Yes

2B: 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?

Yes

## Indicator 3: Default on Debt

---

*Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?*

Yes

## Indicator 4: Timely Payment

---

*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**



## Indicator 5: Unrestricted Net Asset Balance

---

Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero?

**This indicator is not being scored.**

## Indicator 6: Days Cash on Hand

---

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)?

**>=90 days**

**Score: 10 Points**

Cash and Equivalents	37,143,006	*	365	=	<b>119.50 days</b>
Expenditures	113,449,920				

# Indicator 7: Current Assets to Current Liabilities

---

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

**2.5 to 2.99**

**Score: 8 Points**

Current Assets	110,600,036	=	<b>2.5351</b>
Current Liabilities	43,626,895		

## Indicator 8: Long-Term Liability to Total Assets Ratio

---

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 percent or more, then the school district passes this indicator.)

**Score: 10 Points**

2018 Total Students	11,508
2014 Total Students	10,519
Five-Year Percent Change in Students	<b>9.4%</b>

## Indicator 9: General Fund Expenditure Analysis

---

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)?

**Score: 10 Points**

Total Revenue	113,631,504
Total Expenditures	113,449,920

# Indicator 10: Debt Service Coverage Ratio

Was the debt service coverage ratio sufficient to meet the required debt service?

**$\geq 1.20$**

**Score: 10 Points**

Total Revenues	143,579,074		
- Total Expenditures	148,679,012		
+ Debt Service (function codes 71, 72, and 73)	35,229,092		
+ Fund Code 599 (Debt Service fund balance)	21,493,781		
+ Function Code 81	0		
	<i>Subtotal</i>		
	<u>51,622,935</u>	=	<b>1.47</b>
Debt Service (function codes 71, 72, and 73)	35,229,092		

## Indicator 11: Administrative Cost Ratio

---

Was the school district's administrative cost ratio equal to or less than the threshold ratio for ADA size 10,000 and above?

**0.1105 to 0.0855**

**Score: 8 Points**

District Administrative Cost Ratio	<b>0.0923</b>
Average Daily Attendance	10,797

## Indicator 12: Student to Staff Ratio

---

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.)

**Score: 10 Points**

2017-2018 Total Enrollment	<b>11,537</b>
2015-2016 Total Enrollment	10,997



## Indicator 13: PEIMS Data Quality

---

Did the comparison of 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?

**Score: 10 Points**

Difference of PEIMS data to District's AFR	91	=	0.0000
Expenditures	113,449,965		

## Indicator 14: Material Noncompliance Noted On Annual Financial Report (AFR)

---

*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?*

**Score: 10 Points**

## Indicator 15: FSP Hardship

---

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?

**Score: 10 Points**

# Georgetown ISD 2019 Rating

---

Georgetown ISD received the highest possible rating of

**A = Superior Achievement**

With a score of **96 out of 100**

# Required Disclosures

## Board Member and Superintendent Disclosures

(Fiscal Year 2017-18)

---

### Superintendent's Employment Contract

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2018. In lieu of publication in the Schools FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

*The Superintendent's Employment Contract is available on the District's webpage found at the following link:*

<https://www.georgetownisd.org/Domain/79>

# Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2018

Description of Reimbursements	Fred Brent	Scott Stribling	Scott Alarcon	Andy Webb	Melanie Dunham	Greg Eady	Marcos Gonzalez	David Phillips	Ben Stewart
<b>Meals</b>	\$200.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$240.69	\$0.00	\$0.00
<b>Lodging</b>	\$3,055.97	\$0.00	\$0.00	\$0.00	\$605.13	\$0.00	\$0.00	\$0.00	\$0.00
<b>Transportation</b>	\$1,753.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Motor Fuel</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Other (includes membership dues)</b>	\$4,572.14	\$0.00	\$0.00	\$600.00	\$975.00	\$145.50	\$445.00	\$975.00	\$650.00
<b>Total</b>	\$9,582.17	\$0.00	\$0.00	\$600.00	\$1,580.13	\$145.50	\$685.69	\$975.00	\$650.00

**Meals** – Meals consumed off of the school district’s premises, and in-district meals at area restaurants.

**Lodging** - Hotel charges.

**Transportation** - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

**Motor fuel** – Gasoline.

**Other** - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.



User: Pamela Sanchez  
User Role: District

RATING YEAR DISTRICT NUMBER 

Financial Integrity Rating System of Texas

## 2018-2019 RATINGS BASED ON SCHOOL YEAR 2017-2018 DATA - DISTRICT STATUS DETAIL

<b>Name:</b> GEORGETOWN ISD(246904)	<b>Publication Level 1:</b> 8/7/2019 3:33:27 PM
<b>Status:</b> Passed	<b>Publication Level 2:</b> 8/8/2019 2:06:12 PM
<b>Rating:</b> A = Superior	<b>Last Updated:</b> 8/8/2019 2:06:12 PM
<b>District Score:</b> 96	<b>Passing Score:</b> 60

#	Indicator Description	Updated	Score
1	<a href="#">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?</a>	8/6/2019 12:43:20 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	<a href="#">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.)</a>	8/6/2019 12:43:20 AM	Yes
2.B	<a href="#">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.)</a>	8/6/2019 12:43:20 AM	Yes
3	<a href="#">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.)</a>	8/6/2019 12:43:21 AM	Yes
4	<a href="#">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?</a>	8/6/2019 12:43:21 AM	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>	8/6/2019 12:43:21 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>	8/6/2019 12:43:22 AM	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 7 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	8/6/2019 12:43:22 AM	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>	8/6/2019 12:43:23 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/6/2019 12:43:24 AM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	8/6/2019 12:43:24 AM	8
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>	8/6/2019 12:43:25 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>	8/6/2019 12:43:26 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>	8/6/2019 12:43:26 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>	8/6/2019 12:43:26 AM	10
			96 Weighted Sum
			1 Multiplier Sum
			96 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)				
	<table border="1"> <tr> <td><b>A = Superior</b></td> <td>90-100</td> </tr> <tr> <td><b>B = Above Standard</b></td> <td>80-89</td> </tr> </table>	<b>A = Superior</b>	90-100	<b>B = Above Standard</b>	80-89
<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
<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>	

Home Page: [Financial Accountability](#) | Send comments or suggestions to [FinancialAccountability@tea.texas.gov](mailto:FinancialAccountability@tea.texas.gov)

THE **TEXAS EDUCATION AGENCY**  
1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.7.1.0