



**Fort Worth**  
INDEPENDENT SCHOOL DISTRICT  
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FORT WORTH ISD  
ANNUAL FINANCIAL  
ACCOUNTABILITY  
MANAGEMENT REPORT

FISCAL YEAR ENDED  
JUNE 30, 2014

FORT WORTH INDEPENDENT SCHOOL DISTRICT  
FORT WORTH, TEXAS





**Fort Worth**  
INDEPENDENT SCHOOL DISTRICT

2015  
Annual Financial  
Accountability  
Management Report  
(School FIRST)

**Fiscal Year Ended June 30, 2014**

Public Hearing

Tuesday, December 8, 2015.

2903 Shotts Street, Fort Worth, Texas 76107



**Fort Worth**  
INDEPENDENT SCHOOL DISTRICT

# 2015 Annual Financial Accountability Management Report

This is the thirteenth year of School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76<sup>th</sup> Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of a school district’s financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system.

Annually, each school district must prepare a Financial Accountability Management Report containing required disclosures within two months of release of final FIRST rating. These disclosures include a copy of the Superintendent’s current contract, compensation received by the Superintendent from other districts or outside entities, a schedule of the reimbursements received by the Superintendent and each Board Member, as well as reportable gifts and business transactions received by the Superintendent, Board of Trustees and Executive Officers. The report must be presented at a Public Hearing. Final FIRST ratings were issued on October 22, 2015 and the School FIRST report will be presented at a public hearing on December 8, 2015, commencing at 5:30 p.m.

In addition to a passing School FIRST rating, Fort Worth ISD has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association, (GFOA) and the Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials International (ASBO) for the 2013-2014 Comprehensive Annual Financial Report, (CAFR). For more information, please contact the Fort Worth ISD Controller’s Office at (817) 814-2141.



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### Overview

The 77<sup>th</sup> Legislature (2001) authorized the implementation of a financial accountability rating system referred to as School FIRST. FWISD's School FIRST rating is based upon an analysis of staff and student data reported for the 2013-2014 school year, and budgetary and actual financial data for the 2014 fiscal year which ended for FWISD on June 30, 2014. Fort Worth ISD's rating under School FIRST for the year ended June 30, 2014, was "Pass" with a perfect score of 30.

A FIRST rating sheet is used to rate the District according to seven (7) defined indicators. A negative response on one of the first four indicators would result in the District receiving a rating of "Substandard Achievement."

The rating criteria for the School FIRST changed somewhat for the 2015 report. Instead of a superior rating, the state has adopted a passing or substandard score for each district. FWISD has been awarded a passing rating with score of 30, which is the highest score possible. As referenced in the Three Year Comparison, many indicators have been removed in the 2015 report. Districts that receive a substandard score rating under FIRST must file a corrective action plan with the Texas Education Agency.

This report briefly describes data used to calculate the rating indicators and includes the required disclosures.



### **Purpose of the Rating System**

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The Financial Accountability Rating System ensures that school districts will be:

- Held accountable for the quality of their financial management practices; and
- Achieve improved performance in the management of their financial resources.

It discloses the quality of local management and decision-making processes that impact the allocation of financial resources in Texas public schools.

This rating system was designed to encourage Texas public schools to manage their financial resources better in order to provide the maximum allocation possible for direct instructional purposes.

# BOARD MEMBERS



**JACINTO RAMOS JR.**  
President  
District 1



**CHRISTENE C. MOSS**  
First Vice  
President  
District 3



**ASHLEY PAZ**  
Second Vice  
President  
District 9



**TOBI JACKSON**  
Secretary  
District 2



**JUDY NEEDHAM**  
District 5



**ANN SUTHERLAND**  
District 6



**NORMAN ROBBINS**  
District 7



**MATTHEW AVILA**  
District 8



**T.A. SIMS SR.**  
District 4



**DR. KENT P. SCRIBNER**  
Superintendent

All nine trustees, active in business, neighborhoods and community groups, are dedicated to the overall success and performance of all students enrolled in FWISD.

To receive voter data including voter precinct, polling place and state, county and local representatives, visit the Tarrant County Website at <https://gisit.tarrantcounty.com/VoterLookup/>.



we're doing everything

# **NPURPOSE**

## **MOTTO**

Singleness of Purpose

## **MISSION**

Preparing students for success in college, career and community leadership

## **VISION**

Fort Worth ISD: Igniting in every child a passion for learning

## **VALUES**

- >> Student Achievement
- >> Stakeholder Collaboration
- >> Leadership Development
- >> Respect for Diversity
- >> Equity in Access
- >> Perseverance & Commitment
- >> Continuous Improvement



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**Financial Integrity Rating System of Texas**

**2014-2015 RATINGS BASED ON SCHOOL YEAR 2013-2014 DATA - DISTRICT STATUS DETAIL**

<b>Name:</b> FORT WORTH ISD(220905)	<b>Publication Level 1:</b> 8/20/2015 11:24:40 AM
<b>Status:</b> Passed	<b>Publication Level 2:</b> 8/20/2015 11:24:40 AM
<b>Rating:</b> Pass	<b>Last Updated:</b> 8/20/2015 11:24:40 AM
<b>District Score:</b> 30	<b>Passing Score:</b> 16

#	Indicator Description	Updated	Score
1	<a href="#"><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></a>	4/6/2015 3:18:07 PM	Yes
2	<a href="#"><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></a>	4/6/2015 3:18:08 PM	Yes
3	<a href="#"><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></a>	4/6/2015 3:18:08 PM	Yes
4	<a href="#"><u>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? (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></a>	7/30/2015 12:32:25 PM	Yes
			1 Multiplier Sum
5	<a href="#"><u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u></a>		10

		7/15/2015 12:06:11 PM	
6	<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>	8/17/2015 6:02:12 PM	10
7	<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>	4/6/2015 3:18:11 PM	10
			30 Weighted Sum
			1 Multiplier Sum
			30 Score

## DETERMINATION OF RATING

<b>A.</b>	Did The District Answer 'No' To Indicators 1, 2, 3, Or 4? If So, The District's Rating Is <b>Substandard Achievement</b> .	
<b>B.</b>	Determine Rating By Applicable Range For Summation of the Indicator Scores (Indicators 5-7)	
	<b>Pass</b>	16-30
	<b>Substandard Achievement</b>	<16

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

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

**Fort Worth ISD**  
**Financial Integrity Rating System of Texas**  
**2013-2014 REPORT (THREE YEAR COMPARISON)**



The district's financial management performance under each indicator for the current and previous years' financial accountability ratings is shown below:

Previous Indicators	Current Indicators	Indicator Description	2012 Result	2013 Result	2014 Result
4	1	Was the complete Annual Financial Report (AFR) and data submitted to TEA within 30 days of the November 27 or January 28 deadline depending upon the District's fiscal year end date of June 30 or August 31, respectively?	Yes	Yes	Yes
5	2	Was There An Unmodified Opinion in Annual Financial Report as a whole?	Yes	Yes	Yes
N/A	3	Was the District in compliance with the payment terms of all debt agreements at fiscal year end?	N/A	N/A	Yes
2	4	Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) in the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 year % Change in Students was 10% More)	Yes	Yes	Yes
15	5	Was The Administrative Cost Ratio Less Than The Threshold Ratio?	5	5	10
8	6	Did The Comparisons Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?	5	5	10
6	7	Did the external independent auditor report the Annual Financial Reports was free of any material weakness in internal controls over financial reports and compliance for local, state, or federal funds?	Yes	Yes	10

Previous Indicators	Current Indicators	Indicator Description	2012 Result	2013 Result	2014 Result
1	Indicator Removed	Was The Total Fund Balance Less Non-Spendable and Restricted Fund Balance Greater Than Zero In The General Fund?	Yes	Yes	N/A
3	Indicator Removed	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	Yes	Yes	N/A
7	Indicator Removed	Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?	5	5	N/A
9	Indicator Removed	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < \$350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 7%, Or If Property Taxes Collected Per Penny Of Tax Effort > \$200,000, Then Answer This Indicator Yes)	5	5	N/A
10	Indicator Removed	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	5	5	N/A
11	Indicator Removed	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)	5	5	N/A
12	Indicator Removed	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?	0***	0***	N/A
13	Indicator Removed	If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To The Fund Balance Deficit Situation)	5	5	N/A
14	Indicator Removed	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivables) In The General Fund = Or > 1:1? (If Deferred Revenues < Net	5	5	N/A

Previous Indicators	Current Indicators	Indicator Description	2012 Result	2013 Result	2014 Result
		Delinquent Taxes Receivable)			
16	Indicator Removed	Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?	5	5	N/A
17	Indicator Removed	Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?	5	5	N/A
18	Indicator Removed	Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If Total Revenues > Operating Expenditures In The General Fund, Then District Receives 5 Points)	0	0	N/A
19	Indicator Removed	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	5	5	N/A
20	Indicator Removed	Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) Meet or Exceed the 3-month Treasury Bill Rate?	5**	5**	N/A

**\*\*For the 2010-2011 reporting period, the criteria used for rating investment earnings performance changed. In previous years, investment earnings performance was determined by the amount of investment earnings per student (i.e. \$20.00). Beginning with the 2010-2011 reporting period, the investment earnings rating was measured against the 3-month Treasury Bill Rate and whether the District met or exceeded that rate.**

**\*\*\*For the 2011-2012 reporting period, the district received zero points for Indicator 12 as the fall PEIMS submission indicated that budgeted expenditures exceeded the aggregated total of budgeted revenue, other resources and fund balance. The District appealed this rating demonstrating that this was a reporting error only resulting from an incorrect budget entry into the software system and not an actual failure to meet this indicator. Although the District provided evidence supporting this, the appeal was denied resulting in an "Above Standard Achievement" rating in lieu of a Superior rating.**



**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure A  
For the Year Ended June 30, 2014**

**Copy of the Superintendent's Current Employment Contract and all  
Amendments**

The Superintendent employment contracts, together with all amendments,  
may be viewed on the District's website.

Please visit

[http://www.fwisd.org/pages/FWISD/Departments\\_Programs/Departments\\_A-K/Accounting\\_Accounts\\_Payable/Documents/Superintendent\\_s\\_Contract/Dr Patricia Linares](http://www.fwisd.org/pages/FWISD/Departments_Programs/Departments_A-K/Accounting_Accounts_Payable/Documents/Superintendent_s_Contract/Dr_Patricia_Linares)

[http://www.fwisd.org/pages/FWISD/Departments\\_Programs/Departments\\_A-K/Accounting\\_Accounts\\_Payable/Documents/Superintendent\\_s\\_Contract/Walter Dansby](http://www.fwisd.org/pages/FWISD/Departments_Programs/Departments_A-K/Accounting_Accounts_Payable/Documents/Superintendent_s_Contract/Walter_Dansby)

[http://www.fwisd.org/files/5NCZ1/a78fee13569729843745a49013852ec4/Supt\\_Contract\\_Dansby\\_2012.pdf](http://www.fwisd.org/files/5NCZ1/a78fee13569729843745a49013852ec4/Supt_Contract_Dansby_2012.pdf)

[http://www.fwisd.org/files/5NCbB/6669a2f68a50c5f63745a49013852ec4/Supt\\_Contract\\_Dansby\\_2013.pdf](http://www.fwisd.org/files/5NCbB/6669a2f68a50c5f63745a49013852ec4/Supt_Contract_Dansby_2013.pdf)

**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure B**

**Reimbursements Received by Superintendent and Board Members  
For the Year Ended June 30, 2014**

A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member. The summary schedule reports reimbursements for meals, lodging, transportation, motor fuel, and other items separately. It does not include reimbursements for supplies, materials and other costs that were purchased for the operation of the school district or allowances paid as part of the superintendent's employment contract.

<b>Name</b>	<b>Meals</b>	<b>Lodging</b>	<b>Transportation (Air Fare + Mileage+ Rental Car)</b>	<b>Other (Registration, Incidentals, Parking, Baggage + Other)</b>	<b>Total</b>
Walter Dansby	\$706.82	\$2,836.57	\$3,708.44	\$2,902.22	<b>\$10,154.05</b>
Jacinto Ramos	\$1,354.30	\$2,943.30	\$2,202.50	\$1,557.37	<b>\$8,057.47</b>
Tobi Jackson	\$1,099.90	\$1,812.13	\$7,305.77	\$2,058.19	<b>\$12,275.99</b>
Christene C Moss	\$1,427.80	\$1,919.75	\$6,964.84	\$2,383.00	<b>\$12,695.39</b>
T.A. Sims	\$341.00	\$398.83	\$1,866.22	\$667.79	<b>\$3,273.84</b>
Judy Needham	\$852.75	\$1,457.13	\$3,652.98	\$1,782.75	<b>\$7,745.61</b>
Ann Sutherland	\$324.80	\$281.22	\$1,405.03	\$1,596.60	<b>\$3,607.65</b>
Norman Robbins	\$0.00	\$0.00	\$507.27	\$0.00	<b>\$507.27</b>
Matthew Avila	\$57.08	\$741.86	\$926.65	\$1,127.75	<b>\$2,853.34</b>
Ashley Paz	\$1,879.15	\$3,369.57	\$1,243.66	\$1,914.35	<b>\$8,406.73</b>
<b>Totals</b>	<b>\$8,043.60</b>	<b>\$15,760.36</b>	<b>\$29,783.36</b>	<b>\$15,990.02</b>	<b>\$69,577.34</b>

**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure B**

**Reimbursements Received by Superintendent and Board Members  
For the Year Ended June 30, 2014**

A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member. The summary schedule reports reimbursements for meals, lodging, transportation, motor fuel, and other items separately. It does not include reimbursements for supplies, materials and other costs that were purchased for the operation of the school district or allowances paid as part of the superintendent's employment contract.

<b>Name</b>	<b>Meals</b>	<b>Lodging</b>	<b>Transportation (Air Fare + Mileage+ Rental Car)</b>	<b>Other (Registration, Incidentals, Parking, Baggage + Other)</b>	<b>Total</b>
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<b>Totals</b>	<b>\$8,043.60</b>	<b>\$15,760.36</b>	<b>\$29,783.36</b>	<b>\$15,990.02</b>	<b>\$69,577.34</b>

**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure D**

**Reportable Gifts  
For the Year Ended June 30, 2014**

A summary schedule for the fiscal year of the dollar amount of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year. This reporting requirement only applies to gifts received by the executive officers and board members (and their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or explore matters directly related to the duties of an executive officer or board member, or matters related to attendance at education-related conferences and seminars whose primary purpose is to provide continuing education (this exclusion does not apply to trips for entertainment related purposes or pleasure trips). This reporting requirement excludes an individual gift or a series of gifts from a single outside entity that had an aggregate economic value of less than \$250 per executive officer or board member.

No Amounts Reported

**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure E**

**Business Transactions with District  
For the Year Ended June 30, 2014**

A summary schedule for the fiscal year of the dollar amount received by board members for the aggregate amount of business transactions with the school district. This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.

No Amounts Reported



**Texas Administrative Code  
Chapter 109 Disclosures  
Disclosure F**

**Summary Schedule of Data Submitted  
under the Financial Solvency Provisions of TEC §39.0822**

<b>General Fund - First-Quarter Expenditures By Object Code (2014-2015)</b>			
<b>Payroll-</b>	Expenditures for payroll costs	object codes 6110-6149	<u>\$64,264,222</u>
<b>Contract Costs-</b>	Expenditures for services rendered by firms, individuals, and other organizations	object code series 6200	<u>\$ 7,192,293</u>
<b>Supplies and Materials-</b>	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	object code series 6300	<u>\$ 6,007,813</u>
<b>Other Operating-Debt Service-</b>	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	object code series 6400	<u>\$ 2,567,969</u>
<b>Debt Service-</b>	Expenditures for debt service	object code series 6500	<u>\$ -0-</u>
<b>Capital Outlay-</b>	Expenditures for land, buildings, and equipment	object code series 6600	<u>\$ 513,933</u>

Districts with a July 1- June 30 fiscal year:

Within the last two years, did the school district	<b>YES</b>	<b>NO</b>
1) draw funds from a short-term financing note (term less than 12 months) between the months of July and October, inclusive, and	_____	<u>X</u>
2) for the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61?	_____	<u>X</u>
2) Has the school district declared financial exigency within the past two years?	_____	<u>X</u>

3) Provide comments or explanations for student-to-staff ratios significantly (more than 15%) below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures, or any other information that may be helpful in evaluating the school district's financial solvency.

<u>Mean Enroll-to-Teacher Ratio</u>	<u>85% of Mean Enroll-to-Teacher Ratio</u>	<u>School District Size</u>
8.39	7.13	Under 100
9.48	8.06	100 to 249
10.73	9.12	250 to 499
11.48	9.76	500 to 999
12.45	10.58	1,000 to 1,599
13.52	11.50	1,600 to 2,999
14.29	12.15	3,000 to 4,999
14.80	12.58	5,000 to 9,999
14.88	12.65	10,000 to 24,999
15.01	12.76	25,000 to 49,999
15.06	12.80	50,000 and Over

No significant deficiencies or unfavorable variances to report

---

4) How many superintendents has your school district had in the last five years?	_____	<u>3</u>
5) How many business managers has your school district had in the last five years?	_____	<u>2</u>





FORT WORTH INDEPENDENT SCHOOL DISTRICT  
**SINGLENES OF PURPOSE**



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