

2021 School FIRST Annual Financial Management Report

December 16th, 2021



Overview

- TEA produces annual financial accountability rating for each LEA
 - Financial Integrity Rating System of Texas (FIRST)
- Districts compile data on Board and Superintendent reimbursements, gifts, business transactions, and outside compensation, if any
- Districts combine the above into an “annual financial management report” and disclose via public hearing
- Detailed requirements described in CFA (Legal)

2021 School FIRST Performance

School FIRST Background

- Measures districts' financial performance
- Primary goal is to improve districts' financial management
- Encourages resource allocation to direct instructional purposes
- Districts must compare current versus prior year performance
 - 2021 ratings are based on fiscal 2020 data
 - 2020 ratings are based on fiscal 2019 data

Statewide Changes to FIRST

- FIRST rating system more rigorous in FY21 than prior years
- Total indicators increased from 15 to 20
- 5 “Critical Indicators” (#1 to #5). Each must be passed to pass FIRST.
- “Ceiling indicators” (#4, 6, 16, 17, 20) are pass / fail. A fail triggers a deduction of between 5 to 21 points, significantly reducing the rating.
- Remaining indicators are point-based, with some indicator point weights modified relative to 2020
- Passing score raised from 60 to 70 out of 100 possible points

Statewide 2021 FIRST Rating Results

2021 FIRST Rating	Point Range	District Count	Percent of Total	Enrollment	Percent of Total
A= Superior	90-100	856	83.92%	4,352,051	84.63%
B = Above Standard Achievement	80-89	111	10.88%	420,754	8.18%
C = Meets Standard Achievement	70-79	42	4.12%	302,061	5.87%
F= Substandard Achievement	< 70	11	1.08%	67,277	1.31%
Total		1,020	100.00%	5,142,143	100.00%

2020 FIRST Rating	Point Range	District Count	Percent of Total	Enrollment	Percent of Total
A= Superior	90-100	898	88.04%	4,811,053	94.44%
B = Above Standard Achievement	80-89	81	7.94%	180,967	3.55%
C = Meets Standard Achievement	60-79	32	3.14%	52,465	1.03%
F= Substandard Achievement	< 60	9	0.88%	49,684	0.98%
Total		1,020	100.00%	5,094,169	100.00%

Source: Texas Education Agency

Dallas ISD's 2021 FIRST Rating

- Dallas ISD rating: **A = Superior** (highest possible rating)
- 10th consecutive year to achieve top rating
- **Score of 96** of possible 100 points (last year scored 98)
- Passed all critical and ceiling indicators
- Scored maximum possible points on all but two point-based indicators
- Detailed comparison of result for 2021 vs 2020 on subsequent slides
 - Ceiling indicators noted as “Pass” in 2021
 - Indicators new to 2021 noted as “N/A” in 2020

2021 Indicators & Result

Indicator	2021	2020
#1 - Was the annual financial report submitted to TEA within 180 days of fiscal year end?	Yes	Yes
#2 - Was there an unmodified opinion in the annual financial report on the financial statements?	Yes	Yes
#3 - Was the district compliant with the payment terms of all debt agreements at fiscal year end?	Yes	Yes
#4 - Did the district make timely payments to TRS, TWC, IRS, and other government agencies?	Pass	Yes

2021 Indicators & Result

Indicator	2021	2020
#5 - TEA has not scored this indicator since 2019	-	-
#6 - Was the average change in assigned and unassigned fund balances over 3 years less than a 25% decrease, or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?	Pass	N/A
#7 - Was there sufficient cash and current investments in the general fund to cover operating expenditures (excluding facilities acquisition and construction)?	10pt	10pt

2021 Indicators & Result

Indicator	2021	2020
#8 - Was the ratio of current assets to current liabilities sufficient to cover short-term debt?	10pt	10pt
#9 - Did general fund revenues equal or exceed expenditures, excluding facilities acquisition and construction?	10pt	10pt
#10 - Did the school district average less than a 10% variance when comparing budgeted to actual revenues for the last 3 fiscal years?	10pt	N/A
#11 - Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?	8pt	8pt

2021 Indicators & Result

Indicator	2021	2020
#12 - Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments?	10pt	10pt
#13 - Was the district's administrative cost ratio equal to or less than the threshold ratio?	8pt	10pt
#14 - Did the school district <i>not</i> have a 15 percent decline in the total enrollment to total staff ratio over 3 years?	10pt	10pt
#15 - Was the district's ADA within the allotted range of the biennial pupil projection(s) submitted to TEA?	5pt	N/A

2021 Indicators & Result

Indicator	2021	2020
#16 - Did PEIMS data and annual financial report data differ by less than 3% of all expenditures by function?	Pass	10pt
#17 - Was the annual financial report free of instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	Pass	Yes
#18 - Was the annual financial report free of instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	10pt	10pt

2021 Indicators & Result

Indicator	2021	2020
#19 - Did the district post the required financial information on its website in accordance with codes, statutes, laws, and rules in effect at the district's fiscal year end?	5pt	N/A
#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?	Pass	N/A

Public Information Portal

- Additional information on Dallas ISD Public Information Portal at:
<http://www.dallasisd.org/pip>
 - Annual Financial Management Reports
 - Annual Comprehensive Financial Reports
 - Adopted Budgets
 - District Check Registers

Other Required Disclosures

Required Disclosures for FY20

- The Superintendent's contract is posted on the District's website at <http://www.dallasisd.org/Page/38808>
- The Superintendent did not receive compensation or fees from an outside entity for consulting or other personal services in FY20
- Board members and Superintendent did not receive gifts from District vendors
- No business transactions between Board members and the District
- Reimbursements paid to, and amounts paid on behalf of, Board members and the Superintendent during FY20 included (next slide):

FY20 Reimbursements & Payments On-Behalf

Amounts Paid On Behalf Of

Description	Board Members									
	District 1 Flores	District 2 Marshall	District 3 Micciche	District 4 Garcia	District 5 Johnson	District 6 Foreman	District 7 Mackey	District 8 Solis	District 9 Henry	Superintendent Hinojosa
Meals	-	-	-	-	-	-	-	-	-	-
Lodging	-	-	-	1,021.88	(12.79)	-	-	-	1,516.10	4,985.57
Transportation	-	-	-	947.55	-	343.96	-	-	742.60	4,633.25
Motor Fuel	-	-	-	-	-	-	-	-	-	-
Other	1,067.24	642.24	925.00	2,327.24	1,044.74	1,020.00	650.00	143.00	2,210.24	14,172.12
Allowances/Benefits	-	-	-	-	-	-	-	-	-	96,799.46
Paid On-Behalf Total	\$1,067.24	\$642.24	\$925.00	\$4,296.67	\$1,031.95	\$1,363.96	\$650.00	\$143.00	\$4,468.94	\$120,590.40

Reimbursements Paid To

Description	Board Members									
	District 1 Flores	District 2 Marshall	District 3 Micciche	District 4 Garcia	District 5 Johnson	District 6 Foreman	District 7 Mackey	District 8 Solis	District 9 Henry	Superintendent Hinojosa
Meals	-	-	-	183.00	-	61.00	-	-	315.00	-
Lodging	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	78.00	-	-	81.00	647.31
Motor Fuel	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Allowances/Benefits	-	-	-	-	-	-	-	-	-	-
Paid To Total	\$-	\$-	\$-	\$183.00	\$-	\$139.00	\$-	\$-	\$396.00	\$647.31
Total	\$1,067.24	\$642.24	\$925.00	\$4,479.67	\$1,031.95	\$1,502.96	\$650.00	\$143.00	\$4,864.94	\$121,237.71

Note: Amounts paid on-behalf and amounts reimbursed are broken out as separate subtotals for clarity.

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