



# 2020 School FIRST Annual Financial Management Report

December 17, 2020

# 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)

# 2020 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 are required to compare current year versus prior year performance
- 2020 ratings are based on fiscal 2019 data
- 2019 ratings are based on fiscal 2018 data

# Statewide 2020 FIRST Rating Statistics

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%

2019 FIRST Rating	Point Range	District Count	Percent of Total	Enrollment	Percent of Total
A= Superior	90-100	906	88.82%	4,640,546	91.61%
B = Above Standard Achievement	80-89	71	6.96%	301,150	5.95%
C = Meets Standard Achievement	60-79	33	3.24%	101,529	2.00%
F= Substandard Achievement	< 60	10	0.98%	22,323	0.44%
Total		1,020	100.00%	5,065,548	100.00%

Source: Texas Education Agency



# Dallas ISD's 2020 FIRST Rating

- Dallas ISD rating: **A = Superior** (highest possible rating)
- 9<sup>th</sup> consecutive year to achieve top rating
- Score of 98 of possible 100 points (last year scored 98)
- Rating system has 15 indicators
- Performance by rating indicator:
  - > 5 Critical – Pass/Fail – District passed all (one not scored)
  - > 7 Solvency - Earned 68 of 70 possible points
  - > 3 Financial Competence – Earned all 30 possible points

# 2020 Critical Indicators & Result

	<u>2020</u>	<u>2019</u>
• #1 - Was the annual financial report submitted to TEA within 180 days of fiscal year end?	Yes	Yes
• #2 (A+B) - 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?	Yes	Yes

# 2020 Critical Indicators & Result

- |  | <u>2020</u>   | <u>2019</u>   |
|--|---------------|---------------|
| • #5 – TEA no longer scores this indicator since 2019  | <i>Not</i>    | <i>Not</i>    |
| • Discontinued due to GASB Statement No. 75 –<br>“Accounting and Financial Reporting for Post-<br>Employment Benefits Other Than Pensions” | <i>Scored</i> | <i>Scored</i> |
| • GASB 75 has caused many LEAs to report a negative<br>Unrestricted Net Position balance in the Statement of<br>Net Position               |               |               |
| • TEA is considering possible replacement indicators   |               |               |



# 2020 Solvency Indicators

	<u>2020</u>	<u>2019</u>
• #6 - Was there sufficient cash and current investments in the general fund to cover operating expenditures?	10 pts	10 pts
• #7 - Was the ratio of current assets to current liabilities sufficient to cover short-term debt?	10 pts	10 pts
• #8 - Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?	8 pts	8 pts
• #9 - Did general fund revenues equal or exceed expenditures, excluding facilities acquisition and construction?	10 pts	10 pts

# 2020 Solvency Indicators

	<u>2020</u>	<u>2019</u>
• #10 - Was the debt service coverage ratio sufficient to meet the required debt service?	10 pts	10 pts
• #11 - Was the district's administrative cost ratio equal to or less than the threshold ratio?	10 pts	10 pts
• #12 - Did the school district <i>not</i> have a 15 percent decline in the total enrollment to total staff ratio over 3 years?	10 pts	10 pts

# 2020 Financial Competence Indicators

	<u>2020</u>	<u>2019</u>
• #13 - Did PEIMS data and annual financial report data differ by less than 3% of all expenditures by function?	10 pts	10 pts
• #14 - Was the annual financial report free of instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	10 pts	10 pts
• #15 - Did the district <i>not</i> receive an adjusted repayment schedule for an over allocation of FSP funds as a result of a financial hardship?	10 pts	10 pts

# Public Information Portal

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

# Other Required Disclosures

# Required Disclosures

- The Superintendent's contract
  - Available on the District's website at <http://www.dallasisd.org/Page/38808>
- Compensation or fees received by the Superintendent for consulting / other personal services from an outside entity
  - None received in FY19

# Required Disclosures for FY19

- Gifts received from District vendors in FY19
  - Board members and Superintendent reported no gifts received
- Business transactions between Board members and the District in FY19
  - Board members reported no such business transactions
- Reimbursements paid to, and amounts paid on behalf of, Board members and the Superintendent during FY19 included: (next slide)



# FY19 Reimbursements & Payments On-Behalf

## Amounts Paid On Behalf Of

Description	Board Members												
	District 1 Flores	District 2 Marshall	District 3 Micciche	District 4 Resendez	District 4 Garcia	District 5 Blackburn	District 5 Johnson	District 6 Foreman	District 7 Pinkerton	District 7 Mackey	District 8 Solis	District 9 Henry	Superintendent Hinojosa
Meals	-	-	-	-	-	-	-	-	-	-	-	-	-
Lodging	-	-	781.53	-	1,021.88	2,260.97	-	1,097.26	521.02	-	2,117.61	800.23	10,098.06
Transportation	-	-	-	-	1,192.21	1,277.53	498.59	641.93	381.96	-	1,425.85	1,177.94	7,032.70
Motor Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	624.24	654.24	-	300.00	-	907.98	365.00	3,957.48	405.00	395.00	215.00	1,527.20	6,088.28
Allowances/Benefits	-	-	-	-	-	-	-	-	-	-	-	-	93,214.81
<b>Paid On-Behalf Total</b>	<b>\$ 624.24</b>	<b>\$ 654.24</b>	<b>\$ 781.53</b>	<b>\$ 300.00</b>	<b>\$ 2,214.09</b>	<b>\$ 4,446.48</b>	<b>\$ 863.59</b>	<b>\$ 5,696.67</b>	<b>\$ 1,307.98</b>	<b>\$ 395.00</b>	<b>\$ 3,758.46</b>	<b>\$ 3,505.37</b>	<b>\$ 116,433.85</b>

## Reimbursements Paid To

Description	Board Members												
	District 1 Flores	District 2 Marshall	District 3 Micciche	District 4 Resendez	District 4 Garcia	District 5 Blackburn	District 5 Johnson	District 6 Foreman	District 7 Pinkerton	District 7 Mackey	District 8 Solis	District 9 Henry	Superintendent Hinojosa
Meals	-	-	177.00	-	-	942.57	-	301.00	177.00	-	-	751.00	-
Lodging	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	346.29	-	112.00	1,151.92	-	-	360.26	1,416.44
Motor Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowances/Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Paid To Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 177.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,288.86</b>	<b>\$ -</b>	<b>\$ 413.00</b>	<b>\$ 1,328.92</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,111.26</b>	<b>\$ 1,416.44</b>
<b>Total</b>	<b>\$ 624.24</b>	<b>\$ 654.24</b>	<b>\$ 958.53</b>	<b>\$ 300.00</b>	<b>\$ 2,214.09</b>	<b>\$ 5,735.34</b>	<b>\$ 863.59</b>	<b>\$ 6,109.67</b>	<b>\$ 2,636.90</b>	<b>\$ 395.00</b>	<b>\$ 3,758.46</b>	<b>\$ 4,616.63</b>	<b>\$ 117,850.29</b>

Note: Amounts paid on-behalf and amounts reimbursed are broken out as separate subtotals for clarity. In prior years, these were reported as combined amounts under each expense type.

Questions?

# 2020 School FIRST Annual Financial Management Report

December 17, 2020