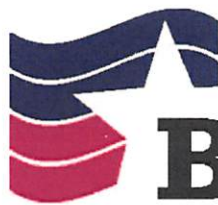


2021 ANNUAL FINANCIAL MANAGEMENT REPORT



Beaumont ISD
Preparing Our Next Generation

INTRODUCTION

INTRODUCTION

The Financial Integrity Rating System of Texas (FIRST) was developed by the Texas Education Agency (TEA) in response to senate Bill 875 of the 76th Texas Legislature in 1999. It is administered by TEA and calculated on information submitted to TEA via our Public Education Information Management System (PEIMS) submission each year.

Each school district is required to prepare an annual financial accountability report and hold a public hearing within two months of the receiving the official ratings.

The primary objective of the rating system is to assess the quality of financial management in Texas public schools. A secondary objective is to measure and report the extent to which financial resources in Texas public schools assure the maximum allocation possible for direct instructional purposes. Other objectives reflect the implementation of a rating system that fairly and equitably evaluates the quality of financial management decisions.

The School FIRST rating system for the rating year 2020-21 (based on 2019-20 data) consists of 20 base indicators.

The School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts: “A” for “Superior”; “B” for “Above Standard”; “C” for “Meets Standard”; and “F” for “Substandard Achievement”. Districts that receive the “Substandard Achievement” ratings under the School FIRST must file a corrective action plan with TEA.

This is the 20th year of the Schools FIRST rating system. Beaumont Independent School District currently has a rating of “Superior” for the 2020-2021 fiscal year.

FIRST
(Financial Integrity Rating System of Texas)
2020-2021 Ratings Based on 2019-20
School Year Data



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA -
DISTRICT STATUS DETAIL

Name: BEAUMONT ISD(123910)	Publication Level 1: 8/4/2021 2:00:38 PM
Status: Passed	Publication Level 2: 8/6/2021 11:10:55 AM
Rating: A = Superior Achievement	Last Updated: 8/6/2021 11:10:55 AM
District Score: 92	Passing Score: 70

#	Indicator Description	Updated	Score
1	<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>	6/8/2021 3:46:49 PM	Yes
2	<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>	6/8/2021 3:46:49 PM	Yes
3	<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>	6/8/2021 3:46:49 PM	Yes
4	<u>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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that</u>	7/1/2021 9:07:31 AM	Yes Ceiling Passed

	<u>the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)</u>		
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>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? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/28/2021 11:10:50 AM	Ceiling Passed
7	<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 in the Determination of Points section.</u>	6/8/2021 3:46:49 PM	10
8	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:49 PM	6
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? See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:49 PM	10
10	<u>Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?</u>	7/2/2021 1:35:35 PM	10
11	<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 increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:51 PM	10
12	<u>Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:51 PM	10
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:51 PM	6
14	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total</u>	6/8/2021 3:46:51 PM	10

	<u>staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.</u>		
15	<u>Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section.</u>	6/8/2021 3:46:52 PM	5
16	<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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 3:46:52 PM	Ceiling Passed
17	<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.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)</u>	6/8/2021 3:46:52 PM	Ceiling Passed
18	<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>	6/8/2021 3:46:52 PM	10
19	<u>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?</u>	6/8/2021 3:46:52 PM	5
20	<u>Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	6/8/2021 3:46:52 PM	Ceiling Passed
			92 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			92 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points.	
	A = Superior Achievement	90-100
	B = Above Standard Achievement	80-89
	C = Meets Standard Achievement	70-79
	F = Substandard Achievement	<70
<p>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.</p> <p>The school district receives an F if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.</p>		

CEILING INDICATORS

<p>Did the school district meet the criteria for any of the following ceiling indicators 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.</p>		
Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement

SUPERINTENDENT'S CONTRACT



Superintendent's Current Employment Contract



The Superintendent's contract has been posted on the district website at www.bmtisd.com



The contract will remain posted for the next twelve months

OTHER REQUIRED INFORMATION



Reimbursements Received by the Superintendent and Board of Trustees
Fiscal Year Ending June 30, 2021

	Meals	Lodging	Registration	Transportation	Other	Total
Dr. Shannon Allen	\$ 40.00	\$ 211.74	\$ 875.00	\$ 318.08	\$ 38.00	\$ 1,482.82
Darrell Antwine			983.13			\$ 983.13
Zenobia Bush			163.13			\$ 163.13
Robert C. Dunn			1,018.13			\$ 1,018.13
Joe Evans			410.00			\$ 410.00
Tillie Hickman			1,913.13			\$ 1,913.13
Stacey Lewis			-			\$ -
Kevin Reece			133.13			\$ 133.13
Woodrow Reece			1,088.13			\$ 1,088.13
Thomas Sigee			618.13			\$ 618.13
Denise Wallace-Spooner			1,418.09			\$ 1,418.09

Outside Compensation and/or Fees Received by the Superintendent
Fiscal Year Ending June 30, 2021



The Superintendent did not receive any outside compensation



Gifts Received by the Superintendent and Board of Trustees

(Gifts that had an economic value of \$250 or more in the aggregate)

Fiscal Year Ending June 30, 2021



The Superintendent and the Board of Trustees did not receive gifts that totaled \$250 or more

Business Transactions Between BISD and the Board of Trustees

Fiscal Year Ending June 30, 2021



No business transactions occurred between BISD and the Board of Trustees