2005 F.I.R.S.T. REPORT

Financial Integrity Rating System of Texas

Birdville Independent School District

The Honorable Board of Trustees and
Taxpayers of Birdville ISD:

The 2005 Schools FIRST Rating is being presented for your information. FIRST stands for "Financial Integrity Rating System of Texas." It is the annual rating performed by the Texas Education Agency to test the financial performance of school districts as required by Title 19, Texas Administrative Code, Section 109.

The District is required to hold a public meeting to distribute a financial management report that explains the district's performance under each of the 21 indicators and the resultant district's rating. The 2005 rating was based upon analysis of staff and student data reported for the 2003-2004 school year, and budgetary and actual financial data for the fiscal year ended August 31, 2004.

Birdville ISD received a "Superior Achievement" rating for 2005, scoring perfect on all 21 indicators. A district is assigned one of four ratings: Superior Achievement, Above Standard Achievement, Standard Achievement, and Substandard Achievement.

We feel that reaching the goal of Superior Achievement is more significant due to the complexity of accounting associated with the Texas' school finance system. The Schools FIRST accountability rating makes sure that Texas school districts are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently. The information provided by the Schools FIRST system will guide us in our continued efforts to make the most of each taxpayer dollar.

Respectfully Submitted,

Mark J. Tarpley, CPA
Director of Business

Birdville Independent School District
Schools FIRST Rating
Notice of Public Meeting

Published September 7, 2005 and September 14, 2005

NOTICE OF PUBLIC MEETING TO DISCUSS
BIRDVILLE INDEPENDENT SCHOOL DISTRICT'S
State Financial Accountability Rating

Birdville ISD will hold a public meeting at 12:00 PM,
September 21, 2005 in the Board Room at the
Administration Offices, 6125 E. Belknap, Haltom City, Texas 76117

The purpose of the meeting is to discuss Birdville ISD's
rating on the state's financial accountability system.

District Rating Summary

Financial Integrity Rating System of Texas

2003-2004 DISTRICT STATUS

Name: BIRDVILLE ISD(220902)	
Rating: Superior Achievement	**Last Updated:** 8/5/2005 3:29:59 PM
Indicators Answered YES: 21	**Indicators Answered NO:** 0

#	Indicator Description	Updated	Result
1	Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?	5/23/2005 11:44:44 AM	Yes
2	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	5/23/2005 11:44:44 AM	Yes
3	Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?	5/23/2005 11:44:44 AM	Yes
4	Was There An Unqualified Opinion in Annual Financial Report?	5/23/2005 11:44:44 AM	Yes
5	Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	5/23/2005 11:44:44 AM	Yes
6	Was The Percent Of Total Tax Collections (Including	5/23/2005	Yes

	Delinquent) Greater Than 96%?	11:44:45 AM	
7	Did The Comparisons Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 4 Percent Of Expenditures Per Fund Type (Data Quality Measure)?	5/23/2005 11:44:47 AM	Yes
8	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < $770.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 2%, Or If Property Taxes Collected Per Penny Of Tax Effort > $100,000, Then Answer This Indicator Yes)	5/23/2005 11:44:48 AM	Yes
9	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	5/23/2005 11:44:48 AM	Yes
10	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Master Or Monitor Assigned)	5/23/2005 11:44:48 AM	Yes
11	Was The Percent Of Operating Expenditures Expended For Instruction More Than 54%?	5/23/2005 11:44:51 AM	Yes
12	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?	5/23/2005 11:44:52 AM	Yes
13	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	5/23/2005 11:44:53 AM	Yes

	Balance Deficit Situation)		
14	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 Delinquent Taxes Receivable, Then Answer This Indicator Yes)	5/23/2005 11:44:53 AM	Yes
15	Was The Administrative Cost Ratio Less Than The Standard In State Law?	5/23/2005 11:44:54 AM	Yes
16	Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?	5/23/2005 11:44:54 AM	Yes
17	Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?	5/23/2005 11:44:55 AM	Yes
18	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?	5/23/2005 11:44:55 AM	Yes
19	Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance < Total Fund Balance In General Fund Or If Total Revenues > Operating Expenditures In The General Fund, Then Answer This Indicator Yes)	5/23/2005 11:44:57 AM	Yes
20	Was The Aggregate Total Of Cash And Investments In The General Fund More Than $0?	5/23/2005 11:44:57 AM	Yes

21	Were Investment Earnings In All Funds More Than $15 Per Student?	5/23/2005 11:44:58	Yes

DETERMINATION OF RATING

A.	Did The District Answer **No** To Indicators 1, 2, Or 3? Or Did The District Answer No To Both 4 and 5? If Answered **No** To Either, The District's Rating Is **Substandard Achievement**.
B.	Determine Rating By Applicable Range For The Number Of Indicators Answered **No**:

Superior Achievement	0-2
Above Standard Achievement	3-4
Standard Achievement	5-6
Substandard Achievement	7+ Or **No** To One Default Indicator

INDICATOR 16 & 17 RATIOS

Indicator 16	Ranges for Ratios		**Indicator 17**	Ranges for Ratios	
District Size - Number of Students Between	Low	High	District Size - Number of Students Between	Low	High
< 500	7	22	< 500	4	14
500-999	10	22	500-999	5.5	14
1000-4999	11.5	22	1000-4999	6	14
5000-9999	13	22	5000-9999	6.5	14
=> 10000	13.5	22	=> 10000	6.6	14

Indicator Tests 1 to 21



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 1

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?**
Status:	Passed
Last Updated:	5/23/2005 11:44:44 AM

FORMULA

	Field	Value	
(			
(			
	Total Fund Balance	36,738,536	?
-	Reserves	591,582	?
)			
)			
>	Bankrupt Threshold	0	?

Mathematical Breakdown: 36,146,954 > 0



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 2

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?**
Status:	Passed
Last Updated:	5/23/2005 11:44:44 AM

FORMULA

	Field	Value
Not	Default Disclosures	false



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 3

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?**
Status:	Passed
Last Updated:	5/23/2005 11:44:44 AM

FORMULA

	Field	Value
	Date Received	2004/12/21
<=	Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End)	2005/02/28



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 4

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was There An Unqualified Opinion in Annual Financial Report?**
Status:	Passed
Last Updated:	5/23/2005 11:44:44 AM

FORMULA

Field	Value
Clean Audit	true



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 5

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?**
Status:	Passed
Last Updated:	5/23/2005 11:44:44 AM

FORMULA

	Field	Value
Not	Weak Internal Controls	false



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 6

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Percent Of Total Tax Collections (Including Delinquent) Greater Than 96%?**
Status:	Passed
Last Updated:	5/23/2005 11:44:45 AM

FORMULA

	Field	Value
	Tax Collections	93,099,841
/	Tax Levy	92,189,070
>	Acceptable Tax Collection Rate	0.96

Mathematical Breakdown: 1.0099 > 0.96



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 7

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Did The Comparisons Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 4 Percent Of Expenditures Per Fund Type (Data Quality Measure)?**
Status:	Passed
Last Updated:	5/23/2005 11:44:47 AM

FORMULA

	Field	Value	
	Sum of Differences	1,353,025	?
/	Denominator	168,371,099	?
<	Acceptable Level of Variance	0.04	?

Mathematical Breakdown: 0.008 < 0.04



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 8

Name:	**BIRDVILLE ISD (220902)**
Indicator:	**Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < $770.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 2%, Or If Property Taxes Collected Per Penny Of Tax Effort > $100,000, Then Answer This Indicator Yes)**
Status:	Passed
Last Updated:	5/23/2005 11:44:48 AM

FORMULA

Field	Value
(	
(	
2004 Total Students	22,449
- 2000 Total Students	20,030
)	
/ 2000 Total Students	20,030
> Threshold for 5 Year Student Population Growth	0.02
)	
Or	
(	
Total Tax Collection	93,099,841
/	
(	

	Total Tax Rate	1.617
*	100	
)		
>	Threshold for Revenue Collection Efficiency	100,000
)		
Or		
(		
(		
	Function 71 Expenditures	13,781,388
-	IFA and EDA Allotments	2,571,512
)		
/	2004 Total Students	22,449
<	Maximum Standard for Debt-Related Expenditures per Student	770
)		

Mathematical Breakdown: 0.1208 > 0.02 Or 575,756.5925 > 100,000 Or 499.3486 < 770



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 9

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?**
Status:	Passed
Last Updated:	5/23/2005 11:44:48 AM

FORMULA

	Field	Value
Not	Material Non-Compliance	false



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 10

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Master Or Monitor Assigned)**
Status:	Passed
Last Updated:	5/23/2005 11:44:48 AM

FORMULA

Field	Value
Full Accreditation	true



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 11

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Percent Of Operating Expenditures Expended For Instruction More Than 54%?**
Status:	Passed
Last Updated:	5/23/2005 11:44:51 AM

FORMULA

	Field	Value
	Expenditures in General, Special Revenue and Capital Projects Funds (Excluding SSA Fund Codes) in Function 11 and Object Codes 6112-6499	87,256,911
/	Expenditures in General Fund, Special Revenue Fund (Excluding SSA Fund Codes), Capital Project Fund, Enterprise Fund 701 (Child Nutrition Program), Functions 11-61 and Object Codes 6112-6499	142,470,104
>	Standard for Instruction Expenditures	0.54

Mathematical Breakdown: 0.6125 > 0.54



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 12

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?**
Status:	Passed
Last Updated:	5/23/2005 11:44:52 AM

FORMULA

Field	Value
Budgeted Revenues in the General Fund	128,115,975
+ Budgeted Other Resources in the General Fund	0
+ Fund Balance in the General Fund as of the Fiscal Year Start	32,594,401
- Budgeted Appropriations in the General Fund	130,283,564
- Budgeted Other Uses in the General Fund	0
> Standard for Budget Surplus	0

Mathematical Breakdown: 30,426,812 > 0



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 13

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**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)**
Status:	Passed
Last Updated:	5/23/2005 11:44:53 AM

FORMULA

	Field	Value
(		
	Fund Balance in the General Fund as of the Fiscal Year End	36,738,536
+	Fund Balance in the Capital Projects Fund as of the Fiscal Year End	11,328,935
>	Standard Capital Fund Margin	0
)		
Or		
(		
	Fund Balance in the General Fund as of the Fiscal Year Start	32,594,401
-	Fund Balance in the Capital Projects Fund as of District Fiscal Year Start	13,989,697
-	Function 81 Expenditures in the General Fund and Capital Projects Fund	7,954,345
-	Other Resources for Real Property Financing in the General	4,979,826

Fund and the Capital Projects Fund

> Standard Construction Margin 0

)

Mathematical Breakdown: 48,067,471 > 0.00 Or 5,670,533 > 0



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 14

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**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 Delinquent Taxes Receivable, Then Answer This Indicator Yes)**
Status:	Passed
Last Updated:	5/23/2005 11:44:53 AM

FORMULA

	Field	Value
(		
	Deferred Revenue in the General Fund	3,980,771
-	Property Tax Receivable Net of Uncollectible	3,980,771
<=	Standard Deferred Revenue Margin	0
)		
Or		
(		
	Standard Ratio of Cash and Investments to Deferred Revenue	1
<=		
(		
	Cash in the General Fund	38,083,613
+	Investments in the General Fund	0

)

/

(

Deferred Revenue in the General Fund 3,980,771

- Property Tax Receivable Net of Uncollectible 3,980,771

)

)

Mathematical Breakdown: 0 <= 0 Or 1 <= [Attempted to divide by zero.]



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 15

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Administrative Cost Ratio Less Than The Standard In State Law?**
Status:	Passed
Last Updated:	5/23/2005 11:44:54 AM

FORMULA

	Field	Value
	Acceptable Administrative Cost Ratio	0.1105
>	District Administrative Cost Ratio	0.06658445

Mathematical Breakdown: 0.1105 > 0.0666



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 16

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?**
Status:	Passed
Last Updated:	5/23/2005 11:44:54 AM

FORMULA

	Field	Value
(		
	Number of Students	22,449
/	Number of FTE Teachers	1,355.0312
>	Standard Lower Limit Ratio of Students to Teachers	13.5
)		
And		
(		
	Number of Students	22,449
/	Number of FTE Teachers	1,355.0312
<	Standard Upper Limit Ratio of Students to Teachers	22
)		

Mathematical Breakdown: 16.5671 > 13.5 And 16.5671 < 22



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 17

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?**
Status:	Passed
Last Updated:	5/23/2005 11:44:55 AM

FORMULA

	Field	Value
(		
	Number of Students	22,449
/	Number of FTE Staff	2,514.7268
>	Standard Lower Limit Ratio of Students to Staff	6.6
)		
And		
(		
	Number of Students	22,449
/	Number of FTE Staff	2,514.7268
<	Standard Upper Limit Ratio of Students to Staff	14
)		

Mathematical Breakdown: 8.927 > 6.6 And 8.927 < 14



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 18

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?**
Status:	Passed
Last Updated:	5/23/2005 11:44:55 AM

FORMULA

	Field	Value
(		
	Total General Fund Balance as of the Fiscal Year End	36,738,536
>	Minimum Fund Balance	0.5
*		
	(	
	Total Reserved Fund Balance in the General Fund	591,582
	+ Total Designated Fund Balance in the General Fund	12,500,000
	+ Estimated Amount to Cover Fall Cash Flow Deficit in the General Fund	0
	+ Estimate of One Month's Cash Disbursement Amount During the Regular School Session	11,421,000
	)	
)		
And		

(		
	Total General Fund Balance as of the Fiscal Year End	36,738,536
<	Maximum Fund Balance	1.5
*		
	(	
	Total Reserved Fund Balance in the General Fund	591,582
+	Total Designated Fund Balance in the General Fund	12,500,000
+	Estimated Amount to Cover Fall Cash Flow Deficit in the General Fund	0
+	Estimate of One Month's Cash Disbursement Amount During the Regular School Session	11,421,000
	)	
)		

Mathematical Breakdown: 36,738,536 > 12,256,291 And 36,738,536 < 36,768,873



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 19

Name:	**BIRDVILLE ISD (220902)**
Indicator:	**Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance < Total Fund Balance In General Fund Or If Total Revenues > Operating Expenditures In The General Fund, Then Answer This Indicator Yes)**
Status:	Passed
Last Updated:	5/23/2005 11:44:57 AM

FORMULA

	Field	Value
(		
	Expenditures in the General Fund in Functions 11-61 and Expenditure Object Codes 6100-6400	125,081,871
-	Total Revenues in the General Fund	133,189,005
<	Acceptable Expenditure Revenue Gap	0
)		
Or		
(		
(		
	Total Reserved Fund Balance in the General Fund	591,582
+	Total Designated Fund Balance in the General Fund	12,500,000
+	Estimated Amount to Cover Fall Cash Flow Deficit in the General Fund	0

+	Estimate of One Month's Cash Disbursement Amount During the Regular School Session	11,421,000
)		
*	Optimum Fund Balance Multiplier	1.5
<	Total General Fund Balance in the General Fund	36,738,536
)		
Or		
(		
	Undesignated, Unreserved Fund Balance in General Fund - 2 Years Prior	28,515,966
*		
(		
	1	
-	Maximum Allowable 2 Year Percentage Decrease in Fund Balance that Still Qualifies as Stable	0.2
)		
<	Undesignated, Unreserved Fund Balance in General Fund	23,646,954
)		

Mathematical Breakdown: -8,107,134 < 0 Or 36,768,873 < 36,738,536 Or 22,812,772.8 < 23,646,954



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 20

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Was The Aggregate Total Of Cash And Investments In The General Fund More Than $0?**
Status:	Passed
Last Updated:	5/23/2005 11:44:57 AM

FORMULA

Field	Value
Cash in the General Fund	38,083,613
+ Investments in the General Fund	0
> Acceptable Lower Limit for Cash and Investments	0

Mathematical Breakdown: 38,083,613 > 0



Financial Integrity Rating System of Texas

2003-2004 INDICATOR TEST 21

Name:	**BIRDVILLE ISD** (**220902**)
Indicator:	**Were Investment Earnings In All Funds More Than $15 Per Student?**
Status:	Passed
Last Updated:	5/23/2005 11:44:58 AM

FORMULA

	Field	Value
	Investment Earnings	1,092,993
/	Number of Students	22,449
>	Acceptable Level of Earnings Per Student	15

Mathematical Breakdown: 48.6878 > 15