

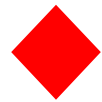


# Sharyland Independent School District



**2023-2024 Rating Based on 2022-2023 Data**

## **Purpose**



To ensure that Texas schools are accountable not only for student learning, but also for achieving these results cost effectively and efficiently.



Primary goal to improve management of school district's financial resources.

## **Objectives**



Assess the quality of financial management in Texas public schools.



Fairly evaluate the quality of financial management decisions.



Openly report results to the general public.

# Ratings



Scores based on summation of points on 21 indicators. Maximum of 100 points:

|                  |                                                                                            |        |
|------------------|--------------------------------------------------------------------------------------------|--------|
| <b>A</b>         | Superior Achievement                                                                       | 90-100 |
| <b>B</b>         | Above Standard Achievement                                                                 | 80-89  |
| <b>C</b>         | Meets Standard                                                                             | 70-79  |
| <b>F</b>         | Substandard Achievement                                                                    | <70    |
| <b>No Rating</b> | No points awarded if critical indicators are not passed.<br>(Indicators 1-6, 16-17, 20-21) |        |

# INDICATORS



| #  | Indicator Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2022-2023 Score       |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1  | 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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Yes                   |
| 2  | Was there an unmodified opinion in the AFR on the financial statements as a whole?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Yes                   |
| 3  | 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.) | Yes                   |
| 4  | 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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Yes<br>Ceiling Passed |
| 5  | Was the total net position in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than 0?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Ceiling Passed        |
| 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? (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.)                                                                                                                                                                                                                                                                                                                                                                                                                               | Ceiling Passed        |
| 7  | 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)?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 10                    |
| 8  | Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 10                    |
| 9  | 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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 10                    |
| 10 | <b>This indicator is not being evaluated.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 10                    |

# INDICATORS



| #                                         | Indicator Description                                                                                                                                                                                                                                                                                                                               | 2022-2023 Score |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 11                                        | 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 or 1,000 or more students in membership, then the district passes this indicator.)                                         | 10              |
| 12                                        | What is the correlation between future debt requirements and the district's assessed property value? (District's ability to make debt principal and interest payments.)                                                                                                                                                                             | 10              |
| 13                                        | Was the school district's administrative cost ratio equal to or less than the threshold ratio?                                                                                                                                                                                                                                                      | 10              |
| 14                                        | Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.)                                                                                                       | 10              |
| 15                                        | <b>This indicator is not being evaluated.</b>                                                                                                                                                                                                                                                                                                       | 5               |
| 16                                        | 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?                                                                                                                               | Ceiling Passed  |
| 17                                        | Did the external independent auditor indicate 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 and free from substantial doubt about the school district's ability to continue as a going concern? (The AICPA defines material weakness.) | Ceiling Passed  |
| 18                                        | 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.)                                                                                                                  | 10              |
| 19                                        | 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?                                                          | 5               |
| 20                                        | Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget?                                                                                                                                 | Ceiling Passed  |
| 21                                        | Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of a financial hardship?                                                                                                                                                       | Ceiling Passed  |
| <b>Score (out of 100 possible points)</b> |                                                                                                                                                                                                                                                                                                                                                     | <b>100</b>      |



# Disclosures

Copies of the following items are available for the public:



[Superintendent's Current Employment Contract](#)



[School FIRST Annual Financial Management Report](#)

# **Sharyland ISD Business Office**



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