



# ***PURPOSE***

- Originated by SB218 of the 77<sup>th</sup> Texas Legislature in 2001.
  - Amended in 2007 and 2009
- Expands the public education accountability system in Texas to the Financial Services.
- 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  
7 indicators: Maximum of 30 points:

- Pass 16-30
- Substandard Achievement <16
- (No points awarded on questions 1-4)



# ***INDICATORS***

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*

|              |                 |
|--------------|-----------------|
| <b>Due</b>   | <b>12/28/14</b> |
| <b>Filed</b> | <b>11/13/14</b> |



# ***INDICATORS***

2. 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.)

**Yes**



# ***INDICATORS***

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?

**Yes**





# ***INDICATORS***

4. Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)

**Yes**

|   |                     |
|---|---------------------|
| <b>Total Unrestricted Net Asset Balance</b> | <b>\$17,603,742</b> |
|---|---------------------|





# INDICATORS

5. Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)

**Yes – 10 points**

| ADA Size         | 10            | 8                      | 6                      | 4                      | 2                      | 0          |
|------------------|---------------|------------------------|------------------------|------------------------|------------------------|------------|
| 10,000 and Above | $\leq 0.0855$ | $> 0.0855 \leq 0.1105$ | $> 0.1105 \leq 0.1355$ | $> 0.1355 \leq 0.1605$ | $> 0.1605 \leq 0.1855$ | $> 0.1855$ |
| 5,000 to 9,999   | $\leq 0.1000$ | $> 0.1000 \leq 0.1250$ | $> 0.1250 \leq 0.1500$ | $> 0.1500 \leq 0.1750$ | $> 0.1750 \leq 0.2000$ | $> 0.2000$ |
| 1,000 to 4,999   | $\leq 0.1151$ | $> 0.1151 \leq 0.1401$ | $> 0.1401 \leq 0.1651$ | $> 0.1651 \leq 0.1901$ | $> 0.1901 \leq 0.2151$ | $> 0.2151$ |
| 500 to 999       | $\leq 0.1311$ | $> 0.1311 \leq 0.1561$ | $> 0.1561 \leq 0.1811$ | $> 0.1811 \leq 0.2061$ | $> 0.2061 \leq 0.2311$ | $> 0.2311$ |
| Less than 500    | $\leq 0.2404$ | $> 0.2404 \leq 0.2654$ | $> 0.2654 \leq 0.2904$ | $> 0.2904 \leq 0.3154$ | $> 0.3154 \leq 0.3404$ | $> 0.3404$ |
| Sparse           | $\leq 0.3364$ | $> 0.3364 \leq 0.3614$ | $> 0.3614 \leq 0.3864$ | $> 0.3864 \leq 0.4114$ | $> 0.4114 \leq 0.4364$ | $> 0.4364$ |

District Administrative Cost Ratio      0.0745 (<0.0855)



# INDICATORS

6. 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?

**Yes - 10 points**

|                    |              |
|--------------------|--------------|
| Sum of Differences | <u>\$108</u> |
| Total Entries      | \$83,624,890 |
| 0.000% < 3.00%     |              |



# ***INDICATORS***

7. 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.)

***Yes – 10 points***



# ***HOW DID GEORGETOWN ISD RATE?***

**Scored 30 out of 30  
possible points!**

***PASSED!***







# SCHOOLS FIRST DISCLOSURES

October 19, 2015





# Disclosures

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Reporting requirements for the financial management report for Schools FIRST public hearing are found in **Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System**. This rule describes requirements for the five (5) disclosures explained below that are to be presented as appendices in the Schools FIRST financial management report.

## **1. Superintendent's Employment Contract**

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2015. In lieu of publication in the Schools FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site. **If published on the Internet**, the contract is to remain accessible for twelve months.

*The Superintendent's Employment Contract is available on the District's website at the following link:*

<http://www.georgetownisd.org/cms/lib/TX01001838/Centricity/Domain/79/Superintendent%20Contract%20070114-063018.pdf>





# Disclosures

## 2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2014

| For the Twelve-month Period   |                    | Brd. Member 1        | Brd. Member 2       | Brd. Member 3         | Brd. Member 4     | Brd. Member 5        | Brd. Member 6          | Brd. Member 7    | Brd. Member 8       |
|-------------------------------|--------------------|----------------------|---------------------|-----------------------|-------------------|----------------------|------------------------|------------------|---------------------|
| Ended June 30, 2014           | <b>Supt.</b>       |                      |                     |                       |                   |                      |                        |                  |                     |
| Description of Reimbursements | <b>Joe Dan Lee</b> | <b>Scott Alarcon</b> | <b>Fred Barhydt</b> | <b>Melanie Dunham</b> | <b>Greg Eady</b>  | <b>Ronna Johnson</b> | <b>Scott Stribling</b> | <b>Andy Webb</b> | <b>Mike Hewlett</b> |
| Meals                         | 356.59             | 0.00                 | 0.00                | 42.01                 | 11.64             | 21.38                | 12.72                  | 60.62            | 0.00                |
| Lodging                       | 0.00               | 0.00                 | 0.00                | 525.22                | 220.39            | 733.04               | 448.15                 | 220.39           | 0.00                |
| Transportation                | 0.00               | 0.00                 | 0.00                | 0.00                  | 197.75            | 244.50               | 147.32                 | 0.00             | 0.00                |
| Motor Fuel                    | 0.00               | 0.00                 | 0.00                | 0.00                  | 0.00              | 0.00                 | 0.00                   | 0.00             | 0.00                |
| Other                         | 898.00             | 0.00                 | 0.00                | 350.00                | 645.00            | 1,700.00             | 645.00                 | 645.00           | 0.00                |
| <b>Total</b>                  | <b>\$1,254.59</b>  | <b>\$0.00</b>        | <b>\$0.00</b>       | <b>\$917.23</b>       | <b>\$1,074.78</b> | <b>2,698.92</b>      | <b>\$1,253.19</b>      | <b>\$926.01</b>  | <b>\$0.00</b>       |

**Note** – The spirit of the rule is to capture all “reimbursements” for fiscal year 2014, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

**Meals** – Meals consumed off of the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

**Lodging** - Hotel charges.

**Transportation** - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

**Motor fuel** – Gasoline.

**Other** - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.



# Disclosures

## 3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2014

|   |     |
|---|-----|
| For the Twelve-Month Period Ended June 30, 2014 |     |
| Name(s) of Entity(ies)                          |     |
| <i>NONE</i>                                     | \$0 |
|   |     |
|   |     |
|   |     |
| Total   | \$0 |

**Note** – Compensation does not include business revenues from the superintendent’s livestock or agricultural-based activities on a ranch or farm. Report gross amount received (do not deduct business expenses from gross revenues). Revenues generated from a family business that have no relationship to school district business are not to be disclosed.



# Disclosures

## 4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2014

|   |                    |                      |                     |                       |                  |                      |                        |                  |                     |
|---|--------------------|----------------------|---------------------|-----------------------|------------------|----------------------|------------------------|------------------|---------------------|
| For the Twelve-Month Period Ended June 30, 2014 |                    |                      |                     |                       |                  |                      |                        |                  |                     |
|   | Supt.              | Brd. Member 1        | Brd. Member 2       | Brd. Member 3         | Brd. Member 4    | Brd. Member 5        | Brd. Member 6          | Brd. Member 7    | Brd. Member 8       |
|   | <b>Joe Dan Lee</b> | <b>Scott Alarcon</b> | <b>Fred Barhydt</b> | <b>Melanie Dunham</b> | <b>Greg Eady</b> | <b>Ronna Johnson</b> | <b>Scott Stribling</b> | <b>Andy Webb</b> | <b>Mike Hewlett</b> |
| Summary Amounts                                 | <b>\$0.00</b>      | <b>\$0.00</b>        | <b>\$0.00</b>       | <b>\$0.00</b>         | <b>\$0.00</b>    | <b>\$0.00</b>        | <b>\$0.00</b>          | <b>\$0.00</b>    | <b>\$0.00</b>       |

**Note** – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. (Any gifts received by their immediate family as described in Government Code, Chapter 573, Subchapter B, Relationships by Consanguinity or by Affinity will be reported under the applicable school official.)



# Disclosures

## 5. Business Transactions Between School District and Board Members for Fiscal Year 2014

| For the Twelve-Month Period Ended June 30, 2014 | Board Member 1       | Board Member 2      | Board Member 3        | Board Member 4   | Board Member 5       | Board Member 6         | Board Member 7   | Board Member 8      |
|---|----------------------|---------------------|-----------------------|------------------|----------------------|------------------------|------------------|---------------------|
|   | <b>Scott Alarcon</b> | <b>Fred Barhydt</b> | <b>Melanie Dunham</b> | <b>Greg Eady</b> | <b>Ronna Johnson</b> | <b>Scott Stribling</b> | <b>Andy Webb</b> | <b>Mike Hewlett</b> |
| Summary Amounts                                 | \$0                  | \$0                 | \$0                   | \$0              | \$0                  | \$0                    | \$0              | \$0                 |

**Note** - The summary amounts reported under this disclosure are not to duplicate the items reported in the summary schedule of reimbursements received by board members.



# *Disclosures*

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## **Item 6 Other Information.**

6. Any other information the board of trustees of the school district or open-enrollment charter school determines to be useful.