



SCHOOLS FIRST

Denton Independent School District



What is SCHOOLS FIRST?

SCHOOLS

F INANCIAL

I NTEGRITY

R ATING

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T EXAS



Primary Goal

Achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.



Ratings

- Superior Achievement
- Above Standard Achievement
- Standard Achievement
- Substandard Achievement
- Suspended-data Quality



Determination of Rating



- If the District answers NO to indicators 1, 2 or 3, then the rating is Substandard Achievement.
- If the District answers No to both indicators 4 and 5, then the rating is Substandard Achievement.



Determination of Ratings - continued

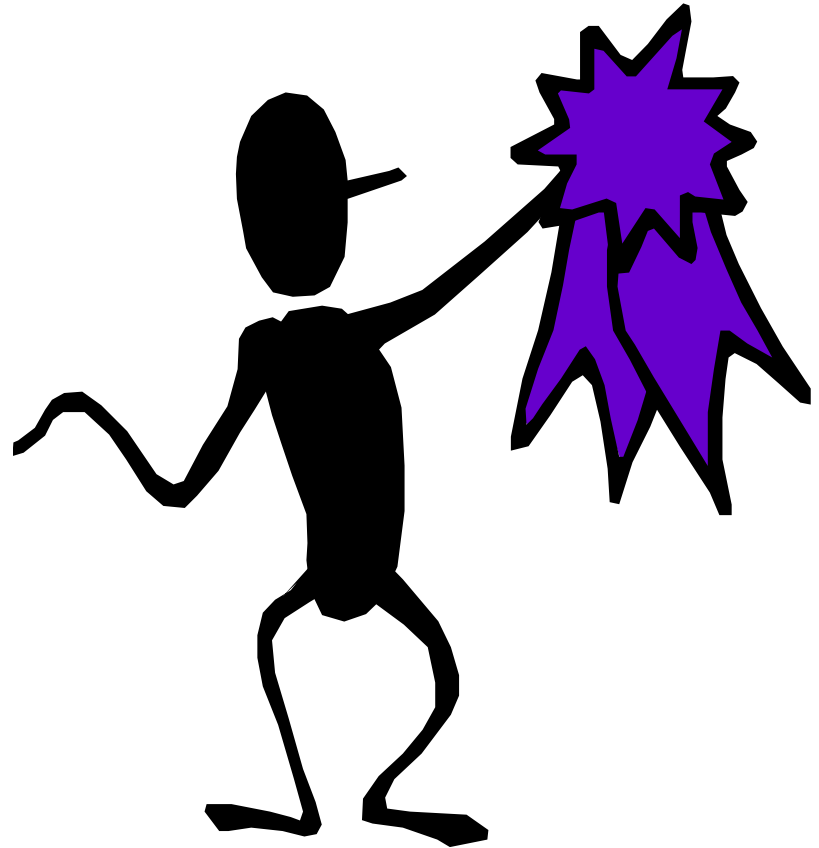
Determine rating by applicable range for the number of indicators answered 'NO':

Superior Achievement	0 - 2
Above Standard Achievement	3 - 4
Standard Achievement	5 - 6
Substandard Achievement	7 + or 'No' to one default indicator



Denton ISD's Rating

- **Superior Achievement**
 - **Passed all 21 indicators**





Indicator #1



Q - Was the Total Fund Balance less
Reserved Fund Balance greater than
zero in the General Fund?

A - Yes

Total Fund Balance	\$ 23,517,592
Reserves	<u>\$ 935,613</u>
Net Fund Balance	\$ 22,541,979



Indicator #2



Q - Were there no disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?

A – Yes, there were no disclosures.

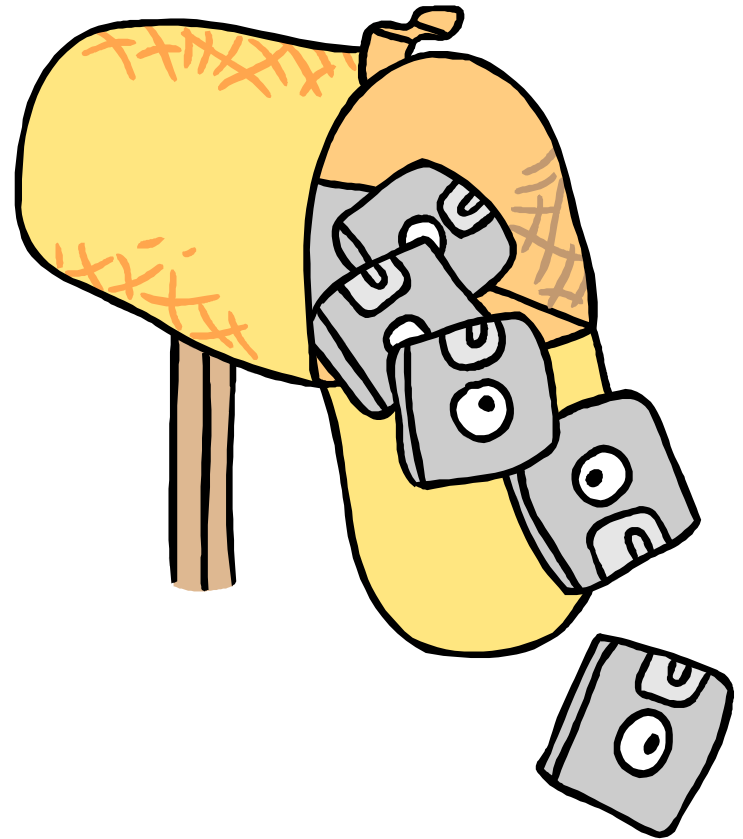


Indicator #3



Q - Was the Annual Financial Report filed within one month after November 27?

A – Yes, received by TEA 12/2/02





Indicator #4



Q – Was there an unqualified opinion in Annual Financial Report?

A – Yes – “Clean Audit”



Indicator #5



Q - Did the Annual Financial Report not disclose any instance of **Material Weaknesses in Internal Controls**?

A – Yes, there were no disclosures of any instances of material weaknesses.





Indicator #6

Q - Was the percent of total tax collection (including delinquent) greater than 96%?

A – Yes

Total levy	\$ 81,230,266
Tax Collections	\$ 80,747,809
Percentage	99%



Indicator #7

Q – 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)?

A – Passed – Forced: District has a fiscal year end date of June 30



Indicator #8

Q – Were debt related expenditures (Net of IFA and/or EDA Allotment) $< \$770$ per student? (If the district's five year percent change in students $\Rightarrow 2\%$, or if property taxes collected per penny of tax effort $> \$100,000$, then answer this indicator YES.



Indicator #8 continued

A – Yes

Total Tax Collections	\$ 80,747,809
Total Tax Rate	\$ 1.854
Collections per Penny	\$ 435,533



Indicator #9

Q - Was there no disclosure in the Annual Audit Report of **Material Noncompliance**?

A – Yes, there were no disclosures.



Indicator #10

Q – Did the District have full accreditation status in relation to financial management practices? (e.g. No master or monitor assigned)

A - Yes



Indicator #11

Q - Was the percent of operating expenditures expended for instruction more than 54%?

A – Yes

Instruction Expenditures	53,059,519
Total Expenditures	92,454,426
Percentage	57.39%



Indicator #12

Q – Was the aggregate of budgeted expenditures and other uses less than the aggregate of total revenues, other resources and fund balance in General Fund?

A – Yes

Budgeted Revenues	\$ 88,533,369
Beginning Fund Balance	<u>\$ 15,799,265</u>
Total	\$104,332,634
Budgeted Expenditures	\$ 83,064,403



Indicator #13

Q – 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)

A – Yes

General Fund-Fund Balance \$23,517,592

Capital Projects-Fund Balance \$28,656,110



Indicator #14

Q – Was the ratio of cash and investments to deferred revenues (excluding amount equal to net delinquent taxes receivables) in the General Fund \Rightarrow 1:1? (If deferred revenues $<$ net delinquent taxes receivable, then answer this indicator YES)



Indicator #14 continued

A – Yes

Cash/Investments	\$30,723,618
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Deferred Revenue in GF	\$ 3,442,972
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Property Tax Receivable	<u>\$ 3,440,381</u>
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Net	\$ 2,590
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Ratio 11,862:1



Indicator #15

Q - Was the Administrative Cost Ratio less than the standard in state law?

A – Yes

District Standard	.1105
Denton ISD	.0848



Indicator #16

Q – Was the ratio of students to teachers within the ranges according to district size?

A – Yes

Number of Students	14,180
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Number of FTE Teachers	1,038.2624
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Ratio of Students to Teacher	13.66:1
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Indicator #16

District Size	Low	High	Denton ISD
<500	7	22	
500-999	10	22	
1,000-4,999	11.5	22	
5,000-9,999	13	22	
=> 10,000	13.5	22	13.66



Indicator #17

Q – Was the ratio of students to total staff within the range according to district size?

A – Yes

Number of students	14,180
Number of FTE Staff	1,936.3788
Ratio of Students to Total Staff	7.32:1



Indicator #17 continued

District Size	Low	High	Denton ISD
< 500	4	14	
500-999	5.5	14	
1,000-4,999	6	14	
5,000-9,999	6.5	14	
=> 10,000	6.6	14	7.32



Indicator #18

Q – 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?



Indicator #18 continued

A – Yes

Optimum Fund Balance	\$ 29,642,320
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50% Optimum Fund Balance	\$ 14,821,160
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Denton ISD Fund Balance	\$ 23,517,592
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150% Optimum Fund Balance	\$ 44,463,480
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Indicator #19

Q – Was the decrease in Undesignated Unreserved Fund Balance $< 20\%$ over two fiscal years? (If $1.5 \times \text{Optimum Fund Balance} < \text{Total Fund Balance}$ in General Fund or If $\text{Total revenues} > \text{Operating Expenditures}$ in the General Fund, then Answer this indicator YES)



Indicator #19

A – Yes

2001-2002 Fund Balance	\$ 22,464,347
(Undesignated/Unreserved)	
1999-2000 Fund Balance	<u>\$ 9,999,464</u>
Increase to Fund Balance	\$ 12,464,883



Indicator #20

Q – Was the aggregate total of cash and investments in the General Fund more than zero?

A – Yes

\$ 30,723,618





Indicator #21

Q – Were investment earnings in all funds more than \$15 per student?

A – Yes

Total investment earnings	\$2,231,846
Number of students	14,180
Earnings per student	\$ 157.39