



# Schools FIRST

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Denton Independent School District  
October 22, 2013



# What is Schools FIRST?

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Schools

F INANCIAL

I NTEGRITY

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S YSTEM of

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# Primary Goal

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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

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



# Determination of Rating

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- If the District answers NO to indicators 1, 2, 3 or 4, then the rating is Substandard Achievement.
- If the District answers No to both indicators 5 and 6, then the rating is Substandard Achievement.



# Determination of Ratings 2011-2012

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Determine rating by applicable range for the sum of the indicator scores for indicators 7 - 20:

Superior Achievement	64 – 70
Above Standard Achievement	58 – 63
Standard Achievement	52 – 57
Substandard Achievement	< 52 or 'No' to one default indicator <sub>6</sub>



# Denton ISD's Rating

## ■ Superior Achievement

2011-2012 – District Score – 70 of 70

2010-2011 – District Score – 69 of 70

2009-2010 – District Score – 73 of 80

2008-2009 – District Score – 77 of 80

2007-2008 – District Score – 83 of 85

2006-2007 – District Score – 84 of 85

2005-2006 – Passed 20 indicators

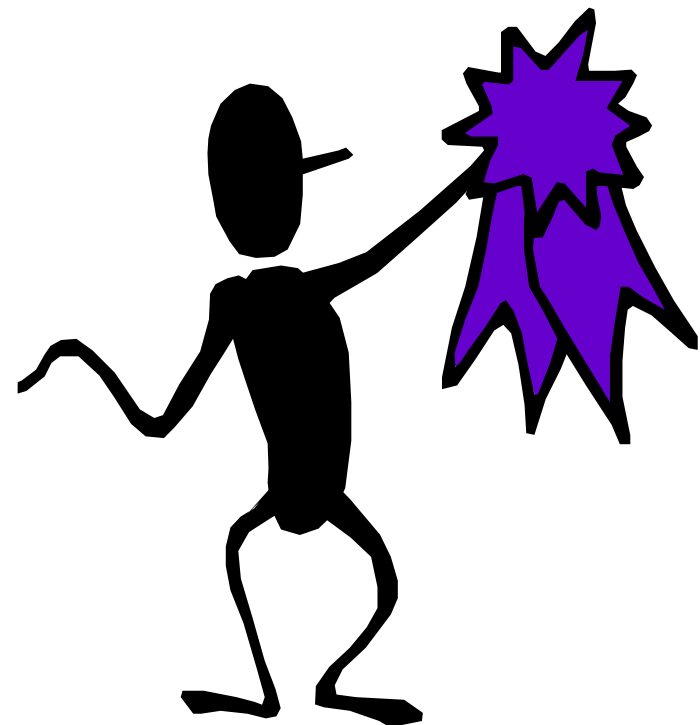
**Passed all 21 indicators**

2004-2005

2003-2004

2002-2003

2001-2002





# Indicator #1

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Q - Was the Total Fund Balance less  
Nonspendable and Restricted Fund Balance  
greater than zero in the General Fund?

A - Yes

Total Fund Balance	\$ 77,427,509
Nonspendable	<u>\$ 538,949</u>
Net Fund Balance	\$ 76,888,560





## Indicator #2

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Q – The District's 5-Year Percent Change in Students was 10% or more.

Or

Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds)  
Greater than Zero?

A – Yes - Student Growth - 18.78% and  
Unrestricted Net Assets Balance - \$81,686,955



## Indicator #3

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

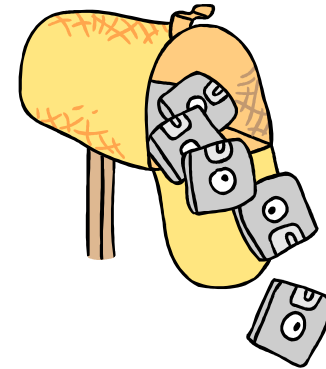
A - No default on bonded indebtedness obligations.



## Indicator #4

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

A – Yes, received by TEA on 11/20/2012





## Indicator #5

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

A – Yes



# Indicator #6

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

A - None





# Indicator #7

# Points - 5

Q - Was the 3-year percent of total tax collections (including delinquent) greater than 98%?

A - Yes

## ■ Collections

■ 2012	148,574,096
■ 2011	145,435,925
■ 2010	<u>143,761,145</u>
■ Total	437,771,166

## ■ Levy

■ 2012	148,426,322
■ 2011	145,428,842
■ 2010	<u>142,291,518</u>
■ Total	436,146,682

Tax Collection Rate –100.37%



## Indicator #8

Points - 5

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Q – Did the comparisons of PEIMS data to like information in Annual Financial Report result in an aggregate variance of less than 3 percent of expenditures per fund type (data quality measure)?

A – Yes – Variance = .00023%



## Indicator #9

Points - 5

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Q – Were debt related expenditures (Net of IFA and/or EDA Allotment) < \$350 per student? If not, was the district's five year percent change in students  $\Rightarrow$  7%, or property taxes collected per penny of tax effort > \$200,000?





## Indicator #9 continued

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A –

Total Tax Collections      \$ 148,574,096

Total Tax Rate              \$            1.53

Collections per Penny      \$            971,072

Collections per Penny Greater than  
\$            200,000



# Indicator #9 continued

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## Enrollment

2012	24,738
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2008	<u>20,826</u>
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Increase	3,912
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% Increase	18.78%
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Five-Year Percent Change Greater Than 7%



# Indicator #9 continued

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## Debt Related Expenditures

Function 7X	\$44,654,433
Less EDA Funding	<u>(0)</u>
Net Debt Expenditures	\$44,654,433
2012 Students	24,738
Debt per Student	\$ 1,805.09

Debt-Related Expenditures per Student  
Greater Than \$350



## Indicator #10

Points - 5

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

A – None



## Indicator #11

Points - 5

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

A – Yes



# Indicator #12

Points - 5

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	\$ 189,418,353
Beginning Fund Balance	<u>\$ 63,858,411</u>
Total	\$ 253,276,764
Budgeted Expenditures	\$ 190,090,302



# Indicator #13

Points - 5

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 – General Fund-Fund Balance	\$ 77,427,509
Capital Projects-Fund Balance	\$ 64,384,876



## Indicator #14

Points - 5

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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

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A – Cash/Investments	\$93,167,334
Deferred Revenue in GF	\$ 2,324,636
Property Tax Receivable	<u>\$ 2,886,943</u>
Net	\$ (526,307)

Yes – Deferred Revenue is less than  
Delinquent Taxes Receivable



# Indicator #15

Points - 5

Q - Was the Administrative Cost Ratio less than the threshold ratio?

A – Yes

District Standard	.1105
Denton ISD	.0518



# Indicator #16

Points - 5

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

A – No

Number of Students	24,738
Number of FTE Teachers	1,763.2409

14.0298 or 103.92% of Lower Limit



## Indicator #16 continued

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	<b>14.0298</b>



## Indicator #17

Points - 5

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

A – Yes

Number of students	24,738
Number of FTE Staff	3,056.2913
Students to Staff	8.0941



# Indicator #17 continued

District Size	Low	High	Denton ISD
< 500	5.0	14	
500-999	5.8	14	
1,000-4,999	6.3	14	
5,000-9,999	6.8	14	
= > 10,000	7.0	14	<b>8.0941</b>



## Indicator #18

Points - 5

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Q – Was the decrease in Undesignated Unreserved Fund Balance  $< 20\%$  over two fiscal years? (If Total Revenues  $>$  Operating Expenditures in the General Fund, then Answer this indicator YES)



# Indicator #18

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A – Yes

2011-2012 Fund Balance \$ 59,272,911

(Unassigned)

2009-2010 Fund Balance \$ 53,451,035

(Undesignated/Unreserved)

Increase to Fund Balance \$ 5,821,876





# Indicator #19

Points - 5

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

A – Yes      \$ 93,167,334





# Indicator #20

Points - 5

Q – Did investment earnings in all funds (excluding Debt Service and Capital Projects) meet or exceed the 3-Month Treasury Bill Rate?

A – Yes

Total investment earnings	\$ 129,588
Current Year Cash & Investment	\$ 92,958,722
Prior Year Cash & Investment	\$ 78,072,318
Calculated Earnings Rate	.1515%
3 Month Treasury Bill Rate	.05917%



# Disclosures

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## **Superintendent's Employment Contract**

The Superintendent's employment contract is posted on the Denton ISD web page under the Department Tab, Business Office and Reports.



# Disclosures

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	Dr. Ray Braswell	Mr. Charles Stafford	Dr. Jim Alexander	Ms. Mia Price	Dr. Glenna Harris	Dr. Curtis Ramsey	Dr. Jeanetta Smith	Dr. Rudy Rodriguez	Ms. Barbara Burns	Total
Meals	836.92	468.96	511.84	24.36	356.13	657.68	265.32	530.00	87.45	3,738.66
Lodging	4,032.38	3,627.22	3,515.27	2,005.98	2,920.67	3,180.42	2,945.47	3,086.63	641.25	25,955.29
Trans/Fuel	1,373.26	2,803.00	1,496.91	361.60	1,131.65	1,067.57	762.68	692.11	267.95	9,956.73
Mileage	669.23	5.14	625.93	0.00	578.80	51.64	0.00	759.95	0.00	2,690.69
Other	2,810.68	1,515.57	1,073.72	718.70	1,555.24	790.00	14.00	1,788.77	12.00	10,278.68
Total	9,722.47	8,419.89	7,223.67	3,110.64	6,542.49	5,747.31	3,987.47	6,857.46	1,008.65	52,620.05



# Disclosures

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No outside compensation has been reported by the Superintendent for the 2011-2012 Fiscal Year.



# Disclosures

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No gifts have been reported by the Superintendent or Board of Trustees for the 2011-2012 Fiscal Year.



# Disclosures

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No business transactions between the Denton ISD and the Board of Trustees have been reported for the 2011-2012 Fiscal Year.



# Questions

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