



Cedar Hill Independent School District



2019 – 2020 Rating Presentation

(Fiscal Year 2018-2019 Data)

Purpose

- Expands the public education accountability system in Texas to the Financial Services.
- Originated by SB875 of the 76th Texas Legislature.
- Primary goal to improve management of school district's financial resources.

Objectives

- Assess the quality of financial management in Texas public schools.
- Measure and report the extent to which financial resources are allocated for direct instructional purposes.
- Fairly evaluate the quality of financial management decisions.
- Openly report results to the general public.

Ratings

- HB 5 of the 83rd Texas Legislature in 2013 required the Commissioner of Education to include indicators in FIRST to anticipate the future financial solvency of districts.
- The 2019-2020 rating is determined by the scores on 15 indicators.
 - A = Superior 90 - 100
 - B = Above Standard 80 - 89
 - C = Meets Standard 60 - 79
 - F = Substandard Achievement 0 - 59

How Ratings Are Assessed

1. Was the Annual Financial Report filed within one month of the November 27th deadline based on the District's fiscal year end date of June 30th? **YES**

- 2A. Was there an unmodified opinion in the Annual Financial Report (AFR)? **YES**

- 2B. 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? **YES**

How Ratings Are Assessed

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? **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**
5. Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? **Not Scored**

How Ratings Are Assessed

6. 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**

7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? **4, the ratio of current assets to current liabilities was 1.9066 and did not exceed the 3.00 benchmark for maximum points**

8. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? **4, the ratio of long term liabilities compared to total assets was .8672 and did not meet the benchmark of ≤ 0.60 for maximum points**

How Ratings Are Assessed

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. Was the debt service coverage ratio sufficient to meet the required debt service? **6, General Fund and Debt Service Fund revenues less General Fund and Debt Service Fund expenditures plus debt service payments plus debt service fund balance plus expenditures for facilities acquisition and construction calculation was 1.1168. Range for this indicator is greater than 1.2 in order to receive the 10 points.**

How Ratings Are Assessed

11. Was the school district's administrative cost ratio equal to or less than the threshold ratio?

9.73% **10 points, threshold is 10%**

$$\left(\begin{array}{l} \text{sum of amounts for} \\ \text{function codes 21 and 41} \end{array} \right) / \left(\begin{array}{l} \text{sum of amounts for function} \\ \text{codes 11, 12, 13, and 31} \end{array} \right) = \text{Administrative Cost Ratio}$$

21-Instructional Leadership
 41-General Administration

11-Instruction
 12-Instructional Resources and Media Services
 13-Curriculum and Instructional Staff Development
 31-Guidance, Counseling and Evaluation Services

Only payroll (excluding TRS On-Behalf), professional and contracted services, supplies and materials, other operating costs are used in the calculation of the administrative cost ratio.

How Ratings Are Assessed

12. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? **Yes, 10**

13. 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**

How Ratings Are Assessed

14. 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? **10**

15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship? **10**

Required Disclosures

- Superintendent's Current Contract

<http://www.chisd.net/page/145>

Required Disclosures

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2019
 For the Twelve-month Period Ended June 30, 2019

Description of Reimbursements	Superintendent Dr. Billy Snow	Board President Michael Quildon	Vice President Robert Riggs	Board Secretary Angela Roberts	Board Member Gayle Sims	Board Member Doug Heyerdahl	Board Member Dawn Miller	Board Member Cheryl Wesley	Board Member Keisha Lankford
Meals	\$1,473.50	\$28.04	\$127.50	\$0.00	\$0.00	\$0.00	\$375.00	\$127.50	\$0.00
Lodging	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	1,532.88	203.83	369.01	0.00	173.18	0.00	652.07	384.24	173.18
Motor Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	103.30	0.00	0.00
Total	\$3,006.38	\$231.87	\$496.51	\$0.00	\$173.18	\$0.00	\$1,130.37	\$511.74	\$173.18

Required Disclosures

- Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in fiscal year 2019.

None

Required Disclosures

- Gifts received by the Executive Officer(s) and Board Members (and first degree relatives, if any) in fiscal year 2019.

None

Required Disclosures

- Business transactions between the District and Board Members for fiscal year 2019.

None

What is Cedar Hill ISD's Rating?

- B = Above Standard
 - *Cedar Hill ISD received 84 of 100 maximum points on all indicators.*

Benchmarking with our neighbors...

	Score	Indicators less than 10 points				
Cedar Hill ISD	84	7	8	10		
District #1	92	8	11			
District #2	62	6	7	8	9	11
District #3	92	7	8			
District #4	90	6	7	8	11	
District #5	90	8	11			

Indicator	Description
7	Current Ratio
8	Fixed Assets / Long-Term Debt
10	Debt Service Ratio
11	Administrative Cost Ratio

Where is Cedar Hill ISD's Ratings Located?

- Cedar Hill's Website
<https://www.chisd.net/Page/1908>
- Texas Education Agency (TEA) Website
<https://tealprod.tea.state.tx.us/First/forms/District.aspx?year=2017&district=057904>