



# School FIRST

**Financial Integrity Rating System of Texas  
Era ISD 2021 Report**

**Presented by Carolyn Kasdorf, CFO**

December 13, 2021



## Financial Accountability Rating System

### History & Purpose:

- ❖ FIRST (Financial Integrity Rating System of Texas) was originated by SB 875 in the 76<sup>th</sup> Legislature in 1999 with the intent to expand the public education accountability system in Texas to the financial services area.
- ❖ The primary goal is to improve management of school district financial resources.
- ❖ The system measures and reports allocations of financial resources for direct instructional purposes, evaluates the quality of financial management decisions and reports the result to the general public.



***Scoring for RATINGS***  
***Based on 2019-20 fiscal year data***  
***Based on 20 indicators***  
***Range of scores for the 20 indicators***  
***A = Superior 90-100***  
***B = Above Standard 80-89***  
***C = Meets Standard 70-79***  
***F = Substandard Achievement <70.***



## **Era ISD Rating**

**Status: Passed**

**Rating: A – Superior Achievement**

**District Score: 98**

**(Increase of 2 points from 2018-19 FY data)**



## **Indicator #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 = Passed**

**Date Received 10/30/2020**



## Indicator #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 = Passed**



### **Indicator #3**

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

**YES = Passed**



## Indicator #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 = Passed**



## Indicator #5

Not Scored



## Indicator #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?**

**Ceiling Passed Score of 89**



## Indicator #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)?**

**8 points**



## Indicator #7 Continued

**Cash & Cash Equivalents = \$1,085,945**

**Total Expenditures = \$5,429,681**

Cash & Equivalents + Current Investments		Total Expenditures			
\$1,085,945.00		\$5,429,681.00	x 365	=	73.00059
					Days

Acceptable Days Cash on Hand = 60



## Indicator #8

**Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short term debt?**

**Score 10**

Current Assets	Current Liabilities	Ratio
\$2,713,799.00	\$528,944.00	5.130598

Ratio greater than 3 scores 10



## Indicator #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?**

**Score 10**

**Total Revenue = \$5,668,003**

**Total Expenditures = \$5,429,681**



### Indicator #10

**Did the school district average less than a 10% variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last three fiscal years?**

	17-18	18-19	19-20
Actual Revenues	\$4,670,822	\$5,280,992	\$5,668,003
Budgeted Revenues	\$4,483,772	\$4,951,148	\$5,653,320
Variance	0.9599535	0.9375413	0.9974095

**Score 10**



## Indicator #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% or more, then the school district automatically passes this indicator (Score 10).**

Long Term Liabilities	\$4,458,926.00
Total Assets	\$10,478,883.00
2020 Total Students	477
2016 Total Students	482
2016 Total Students	482
Threshold for 5 Year % increase in Students	0.07



## Indicator #12

**Was the debt per \$100 of assessed property value ratio sufficient to support future debt investments?**

Total Local and Intermediate Sources	\$320,677.00
Total Revenue	\$331,078.00
Long Term Liabilities	\$4,458,926.00
Assessed Property Value	\$187,496,579.00
Ratio	0.02
< = 4 equals a score of 10	

**Score 10**



## Indicator #13

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

District Administrative Cost Ratio	0.1907
ADA	457.947
ADA Size less than 500 $\leq$ .2404 scores a 10	

**Score 10**



## Indicator #14

**Did the school district not have a 15% decline in the students to staff ratio over three years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.**

**Score 10**

**Total Enrollment for 2019-2020 remained unchanged from 2017 – 2018 total enrollment. Total enrollment = 479**



## **Indicator #15**

**Did the school district not have a 15% decline in the students to staff ratio over three years (total enrollment to total staff)?  
If the student enrollment did not decrease, the school district will automatically pass this indicator.**

**Score 10**

**Actual ADA = 463.572**

**Projected ADA = 466**



## Indicator #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% of all expenditures by function?**

**Ceiling Passed**

**Score 89**

**Above Standard Achievement**



## **Indicator #17**

**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?**

**Ceiling Passed**

**Score 79**

**Meets Standard Achievement**



## **Indicator #18**

**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?**

**Ceiling Passed**

**Score 79**

**Meets Standard Achievement**



## Indicator #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?**

**Score 5**



## Indicator #20

**Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points. B = Above Standard Achievement.)**

**Ceiling Passed**

**Score 89 – Above Standard Achievement**



## Disclosure Reports

**Superintendent Current Contract  
Reimbursements to Superintendent & School Board Members  
Outside Compensation/Fees received by Superintendent  
Gifts received by Executive Officers & School Board Members  
Business Transactions with School Board Members**



## **Disclosure #1**

### **Superintendent Current Contract**

**Posted at [www.eraisd.net](http://www.eraisd.net)**



## Disclosure #2

### Reimbursements to Superintendent & School Board Members

12 month period ending June 30, 2021	Superintendent	Adrian Anderle Board Member	Jeff Brown Board Member	James Eaton Board Member	Chad Greer Board Member	Jennifer Hunter Board Member	Todd Reiter Board Member	KD Weaver Board Member
Meals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lodging	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Motor Fuel	\$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	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



## Disclosure #3

### Outside Compensation/Fees received by Superintendent

Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in FY2021 ending June 30, 2021.

12 month period ending June 30, 2021	Superintendent																		
Name of Entity (ies)	Amount																		
<b>Total</b>	<b>\$0.00</b>																		



## Disclosure #4

### Gifts received by Executive Officers & School Board Members

Gifts received by the executive officer(s) and board members (and first degree relatives, if any) in FY 2021 ending June 30, 2021? (Gifts that had an economic value of \$250 or more in the aggregate in the fiscal year).								
12 month period ending June 30, 2021	Superintendent	Adrian Anderle Board Member	Jeff Brown Board Member	James Eaton Board Member	Chad Greer Board Member	Jennifer Hunter Board Member	Todd Reiter Board Member	KD Weaver Board Member
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note: An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. Gifts received by first degree relatives, if any, will be reported under the applicable school official.



## Disclosure #5

### Business Transactions with School Board Members

Business transactions between school district and board members for fiscal year 2021 ending June 30, 2021								
12 month period ending June 30, 2021	Superintendent	Adrian Anderle Board Member	Jeff Brown Board Member	James Eaton Board Member	Chad Greer Board Member	Jennifer Hunter Board Member	Todd Reiter Board Member	KD Weaver Board Member
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



# Any questions?

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