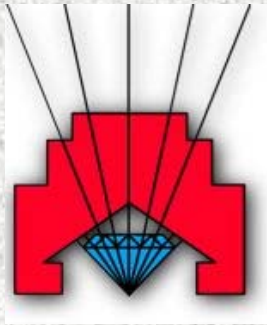


LA JOYA ISD

Financial Integrity Rating System of Texas (FIRST) Report Year Ending 2011



Central Administration at Nellie Schunior
Staff Development Center
November 28, 2012
6:00pm

Financial Accountability Rating System

- ▶ **Senate Bill No. 875, 76TH Legislative Session**
- ▶ **Developed by Commissioner together with Comptroller of Public Accounts**
- ▶ **Proposal presented to Legislature December 2000**
- ▶ **Currently there are 20 indicators for evaluating the district's financial condition**

Goals of FIRST

- ▶ Facilitate Effective and Efficient Use of Resources
- ▶ Strengthen Fiscal Accountability
- ▶ Use of currently collected data
 - Annual Audit Report
 - PEIMS
 - Student
 - Financial

Objectives of FIRST

- ▶ Provide Analysis Tool for School Officials
- ▶ Increase the Proportion of Resources Used in Direct Instructional Activities
- ▶ Increase Efficient Use of Resources in School Support Activities
- ▶ Identify and Recognize Outstanding Performance
- ▶ Increase Financial Well-Being of Public Schools

HOW RATINGS ARE ASSESSED

Rating Worksheet – Five Major Areas with 20 Indicators

- 1. Critical Indicators (6)**
- 2. Fiscal Responsibility (5)**
- 3. Budgeting (3)**
- 4. Personnel (3)**
- 5. Cash Management (3)**

HOW RATINGS ARE ASSESSED

Rating Worksheet – Five Major Areas with 20 Questions

- ▣ Superior Achievement: 64 –70
- ▣ Above Standard Achievement: 58–63
- ▣ Standard Achievement: 52–57
- ▣ Substandard Achievement: <52
or No to “**CRITICAL**” indicators

**The La Joya
Independent School District
earned a
"Superior Achievement"
Rating for the Year Ending
August 31, 2011**

HOW RATINGS ARE ASSESSED

1. Was The Total Fund Balance Less Nonspendable and Restricted Fund Balance Greater Than Zero In The General Fund? Yes

La Joya ISD Fund Balance = \$101,766,064

2. Was the Total Unrestricted Net Asset Balance In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? Yes

Net Asset Balance = \$76,179,322

HOW RATINGS ARE ASSESSED

3. **Were There No Disclosures in the Annual Financial Report and/or Other Sources of Information Concerning Default on Bonded Indebtedness Obligations? Yes**

No Default on Bond Indebtedness–The District made all of their Bond Payments.

4. **Was the Annual Financial Report Filed Within One Month After the Deadline? Yes**

Due Date	=	Feb 28, 2012
La Joya ISD	filed	Jan 26, 2012

HOW RATINGS ARE ASSESSED

5. Was There An Unqualified Opinion in the Annual Financial Report?

La Joya ISD's Audit Report = Unqualified Opinion

6. Did The Annual Financial Report Not Disclose Any Instance (s) Of Material Weaknesses In Internal Controls?

La Joya ISD Audit Report = No Material Weakness

HOW RATINGS ARE ASSESSED

7. Was the Three Year Average Percent of Total Tax Collections Greater than 98 percent?
Measures District's Success in Collecting Taxes

Tax Collection Rate = 99.66%

8. Did the Comparison of PEIMS Data to like Information in the Annual Financial Report Result in an Aggregate Variance of Less Than 3% of Expenditures Per Fund Type –Indicator Measures the Quality of Data

La Joya ISD Variance = .0%

HOW RATINGS ARE ASSESSED

9. Were Debt-Related Expenditures Less than \$350 per student? – Spend Money on Education, Rather Than Extravagant Buildings

Debt Related Expenditures = \$214.19

10. Was There No Disclosure In The Annual Audit Report of Material Noncompliance?

La Joya ISD Audit Report = No Material Noncompliance

HOW RATINGS ARE ASSESSED

11. Did the District Have Full Accreditation Status in Relation to Financial Management Practices?

Yes

12. Budgeted Expenditures and Other Uses *LESS THAN* Total Revenues, Other Resources, and Fund Balance in General Fund?

Fund Balance	=	\$ 93,615,539
Revenues	=	\$ 261,057,909
Expenditures	=	<u>\$(258,307,116)</u>
Difference	=	<u>\$ 96,366,332</u>

HOW RATINGS ARE ASSESSED

13. If the District's Aggregate Fund Balance in the General Fund and Capital Projects Fund was LESS THAN Zero, were Construction Projects Adequately Financed?

General Fund Balance	=	\$112,308,729
Capital Projects Fund Balance	=	\$ 7,498,339

14. Was The Ratio of Cash And Investments To Deferred Revenues In The General Fund Greater Than Or Equal to 1:1?

Cash and Investments	\$113,936,325
Deferred Revenues	\$ 980,831
Ratio	116.16

HOW RATINGS ARE ASSESSED

15. Was The Administrative Cost Ratio Less Than The Threshold Ratio?

Standard = 11.05%

La Joya ISD = 6.90%

16. Was the Ratio Of Students To Teachers Within the Range According To District Size?

Standard = 13.5 to 22

La Joya ISD = 14.61

HOW RATINGS ARE ASSESSED

17. Was the Ratio of Students to Total Staff Within the Range According to District Size?

Standard	=	7.0 to 14
La Joya ISD	=	7.08

18. Was the Decrease in Undesignated Unreserved Fund Balance less than 20 percent over Two Fiscal Years?

Revenues	\$241,276,747
Expenditures	<u>\$218,722,716</u>
Acceptable Expenditure/ Revenue Gap > 0	<u>\$ 22,554,031</u>

HOW RATINGS ARE ASSESSED

19. Was the Aggregate Total of Cash and Investments in the General Fund More Than \$0?

General Fund Cash and Investments = \$113,936,325

20. Were Investment Earnings In All Funds Meet or Exceed The 3-Month Treasury Bill Rate?

3-Month Treasury Bill Rate	=	.0950%
Investment Earnings Rate	=	.3034%

LA JOYA ISD

**OTHER REQUIRED
DISCLOSURES**

DISCLOSURE #1

Superintendent's Contract

(Attached to Handouts)

DISCLOSURE #2

Reimbursements Received by Superintendent and Board Members

LA JOYA I.S.D.
 Disclosure #2
 Reimbursements Received
 Year Ending August 31, 2011

For the Twelve-Month Period Ended August 31, 2011	Description of Reimbursements					
	Meals	Lodging	Transportation	Motor Fuel	Other	Total
Dr. Alda T. Benavides	\$287.23	\$1,888.85	\$2,277.68		\$2,358.68	\$6,812.44
Arnoldo Ochoa	\$480.00	\$2,252.92	\$1,210.00		\$1,706.16	\$5,649.08
Juan "JJ" Pena Jr.	\$240.00	\$958.32	\$526.00		\$817.04	\$2,541.36
Narciso Solis	\$265.00	\$1,044.69	\$630.00		\$363.00	\$2,302.69
Johnn Valente Alaniz						
Esperanza "Espie" Ochoa	\$414.00	\$1,257.50	\$959.00		\$1,606.57	\$4,237.07
Isaac V. Sulemana						
Irene M. Garcia	\$818.00	\$2,623.30	\$1,892.00		\$2,354.12	\$7,687.42

DISCLOSURE #3

Outside Compensation/Fees Received by Superintendent

**LA JOYA I.S.D.
Disclosure #3
Outside Compensation
Year Ending August 31, 2011**

Outside Compensation and/or Fees Received by the Superintendent

For the Twelve-Month Period Ended August 31, 2011	
Name of Entities	
	-
Total	\$ -

DISCLOSURE #4

Gifts Received by the Superintendent and Board Members

**LA JOYA I.S.D.
Disclosure #4
Gifts Received
Year Ending August 31, 2011**

**Gifts Received by Executive Officers and Board Members
Gifts that had an economic value of \$250.00 dollars or more**

For the Twelve-Month Period Ended August 31, 2011	
Name of Officer/Board Member	Summary Amounts
Dr. Alda T. Benavides	-
Arnoldo Ochoa	-
Juan "JJ" Pena Jr.	-
Narciso Solis	-
Johnn Valente Alaniz	-
Esperanza "Espie" Ochoa	-
Isaac V. Sulemana	-
Irene M. Garcia	-

DISCLOSURE #5

Business Transactions Between School District and Board Members

**LA JOYA I.S.D.
Disclosure # 5
Business Transactions
Year Ending August 31, 2011**

**Business Transactions Between School District and Board Members
Gifts that had an economic value of \$250.00 dollars or more**

For the Twelve-Month Period Ended August 31, 2011	
Board Member	Summary Amounts
Arnoldo Ochoa	-
Juan "JJ" Pena Jr.	-
Narciso Solis	-
Johnn Valente Alaniz	-
Esperanza "Espie" Ochoa	-
Issac V. Sulemana	-
Irene M. Garcia	-

DISCLOSURE # 6

Summary Schedule of Data Submitted Under the Financial Solvency Provisions of TEC §39.0822

**LA JOYA I.S.D.
Disclosure # 6
Financial Solvency Provisions of TEC §39.0822**

General Fund – 2011–2012 First-Quarter Expenditures by Object Code

Category	Description	Object Code	Amount
Payroll	Expenditures for payroll costs	6110–6149	\$ 36,588,065
Contract Costs	Expenditures for services rendered by firms, individuals, and other organizations	6200	\$ 3,880,511
Supplies and Materials	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	6300	\$ 4,075,560
Other Operating	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	6400	\$ 2,646,160
Debt Service	Expenditures for debt service	6500	\$ –
Capital Outlay	Expenditures for land, buildings, and equipment	6600	\$ 259,911

LA JOYA I.S.D.

Disclosure # 6 (Continued)

Financial Solvency Provisions of TEC §39.0822

Additional Financial Solvency Questions

1) Districts with a September 1 – August 31 fiscal year:

Within the last two years, did the school district

Yes

No

1) draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive, and

 X

2) for the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61?

 X

2) Has the school district declared financial exigency within the past two years?

 X

LA JOYA I.S.D.
Disclosure # 6 (Continued)
Financial Solvency Provisions of TEC §39.0822

3) Provide comments or explanations for student-to-staff ratios significantly (more than 15%) below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures, or any other information that may be helpful in evaluating the school district's financial solvency.

<u>Mean Enroll-to-Teacher Ratio</u>	<u>85% of Mean Enroll-to-Teacher Ratio</u>	<u>School District Size</u>
8.30	7.05	Under 100
9.54	8.11	100 to 249
10.80	9.18	250 to 499
11.54	9.81	500 to 999
12.65	10.75	1,000 to 1,599
13.65	11.60	1,600 to 2,999
14.43	12.26	3,000 to 4,999
14.97	12.73	5,000 to 9,999
15.12	12.86	10,000 to 24,999
15.27	12.98	25,000 to 49,999
15.44	13.12	50,000 and Over

4) How many superintendents has your school district had in the last five years? 1

5) How many business managers has your school district had in the last five years? 2