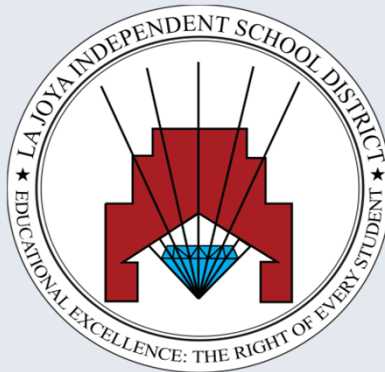


# *LA JOYA ISD*

## Financial Integrity Rating System of Texas (FIRST) Report Year Ending 2013



Central Administration at Nellie Schunior  
Staff Development Center  
October 15, 2014  
5:30pm

# Financial Accountability Rating System

- ▶ Senate Bill No. 875, 76<sup>TH</sup> Legislature – 1999
- ▶ Senate Bill No. 218, 77<sup>TH</sup> Legislature – 2001
- ▶ 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, 2013**

# HOW RATINGS ARE ASSESSED

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

La Joya ISD Fund Balance = \$109,070,764

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 = \$72,960,525



# 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**

<b>Due Date</b>	<b>=</b>	<b>Feb 28, 2014</b>
<b>La Joya ISD</b>	<b>filed</b>	<b>Jan 27, 2014</b>

# HOW RATINGS ARE ASSESSED

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

La Joya ISD's Audit Report = Unmodified Opinion

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

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 = 99.44%

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 Per Student = \$285.89

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	=	\$ 111,586,121
Revenues	=	\$ 263,208,572
Expenditures	=	<u>\$(267,202,795)</u>
Difference	=	<u>\$ 107,591,898</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	=	\$116,054,086
Capital Projects Fund Balance	=	\$ 1,946,079

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	\$122,384,771
Deferred Revenues	\$ 259,660
Ratio	471:1

# HOW RATINGS ARE ASSESSED

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

Standard = 11.05%

La Joya ISD = 7.13%

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

Standard = 13.5 to 22

La Joya ISD = 14.91

# HOW RATINGS ARE ASSESSED

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

Standard = 7.0 to 14  
La Joya ISD = 7.18

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

Revenues	\$255,930,667
Expenditures	<u>\$235,676,152</u>
Acceptable Expenditure/ Revenue Gap > 0	<u>\$ 20,254,515</u>



# HOW RATINGS ARE ASSESSED

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

General Fund Cash and Investments = \$122,384,771

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

3-Month Treasury Bill Rate	=	.07167%
Investment Earnings Rate	=	.4618%

*LA JOYA ISD*

**OTHER REQUIRED  
DISCLOSURES**

# DISCLOSURE #1

## Superintendent's Contract

(Included in FIRST Integrity Rating System of Texas Report)

# DISCLOSURE #2

## Reimbursements Received by Superintendent and Board Members

LA JOYA I.S.D.  
 Disclosure #2  
 Reimbursements Received  
 Year Ending August 31, 2013

For the Twelve-Month Period Ended August 31, 2013	Description of Reimbursements					
	Meals	Lodging	Transportation	Motor Fuel	Other	Total
Dr. Alda T. Benavides	321.95	3,806.71	2,067.00	2,568.62	2,851.16	11,615.44
Esperanza "Espie" Ochoa	309.00	1,324.48	588.00	134.47	982.00	3,337.95
Johnn Valente Alaniz	-	-	-	-	-	-
Joel Garcia	539.00	2,655.07	588.00	1,248.01	1,242.00	6,272.08
Juan Jose "JJ" Garza	390.00	2,703.31	-	1,515.82	375.00	4,984.13
Jesus "Chuy" Avendaño	374.00	1,540.52	588.00	546.28	937.00	3,985.80
Oscar "Coach" Salinas	390.00	2,511.64	-	1,515.82	375.00	4,792.46
Juan "JJ" Pena Jr.	-	-	-	27.12	-	27.12
Arnoldo Ochoa	-	-	-	-	-	-
Narciso Solis	-	-	-	-	-	-
Isaac V. Sulemana	-	-	-	-	-	-
Irene M. Garcia	135.00	878.00	-	385.17	-	1,398.17

# DISCLOSURE #3

## Outside Compensation/Fees Received by Superintendent

**LA JOYA I.S.D.  
Disclosure #3  
Outside Compensation  
Year Ending August 31, 2013**

**Outside Compensation and/or Fees Received by the Superintendent**

For the Twelve-Month Period Ended August 31, 2013	
<b>Name of Entities</b>	
Dr. Alda T. Benavides	-
<b>Total</b>	<b>\$ -</b>

# DISCLOSURE #4

## Gifts Received by the Superintendent and Board Members



**LA JOYA I.S.D.  
Disclosure #4  
Gifts Received  
Year Ending August 31, 2013**

**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, 2013	
Name of Officer/Board Member	Summary Amounts
Dr. Alda T. Benavides	-
Esperanza "Espie" Ochoa	-
Johnn Valente Alaniz	-
Joel Garcia	-
Juan Jose "JJ" Garza	-
Jesus "Chuy" Avendano	-
Oscar " Coach" Salinas	-
Juan "JJ" Pena Jr.	-
Arnoldo Ochoa	-
Narciso Solis	-
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, 2013**

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

<b>For the Twelve-Month Period            Ended August 31, 2013</b>	
<b>Board Member</b>	<b>Summary Amounts</b>
Esperanza "Espie" Ochoa	-
Johnn Valente Alaniz	-
Joel Garcia	-
Juan Jose "JJ" Garza	-
Jesus "Chuy" Avendano	-
Oscar " Coach" Salinas	-
Juan "JJ" Pena Jr.	-
Arnoldo Ochoa	-
Narciso Solis	-
Isaac 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 – 2013–2014 First-Quarter Expenditures by Object Code**

Category	Description	Object Code	Amount
Payroll	Expenditures for payroll costs	6110–6149	\$ 48,418,789
Contract Costs	Expenditures for services rendered by firms, individuals, and other organizations	6200	\$ 3,908,766
Supplies and Materials	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	6300	\$ 6,461,028
Other Operating	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	6400	\$ 2,942,694
Debt Service	Expenditures for debt service	6500	\$ -
Capital Outlay	Expenditures for land, buildings, and equipment	6600	\$ 503,094

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) Does the district have major construction projects underway or planned? (The district is planning on using some of its fund balance to fund construction projects)

  X  

\_\_\_\_\_

# LA JOYA I.S.D.

## Disclosure # 6 (Continued)

### Financial Solvency Provisions of TEC §39.0822

- |  | Yes | No |
|--|-----|----|
| 3) Has the district defaulted on any debts within the past two years?  |     | X  |
| 4) How many business managers has your school district had in the last five years?   |     | 1  |
| 5) Provide comments or explanations for student-to-teacher 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>
8.68	7.38	Under 100
9.95	8.45	100 to 249
11.12	9.45	250 to 499
12.09	10.27	500 to 999
13.29	11.30	1,000 to 1,599
14.32	12.17	1,600 to 2,999
14.98	12.74	3,000 to 4,999
15.81	13.44	5,000 to 9,999
15.89	13.51	10,000 to 24,999
15.88	13.50	25,000 to 49,999
16.08	13.67	50,000 and Over

# LA JOYA I.S.D.

## QUESTIONS