



Financial Integrity Rating System of Texas

School FIRST

Grand Prairie ISD Financial Accountability Rating Presentation

Public Meeting
December 13, 2018



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Financial Rating System

Based on 2016-2017 Data

Critical Indicators 1, 3, 4, 5, & 2.A (Yes=Pass / No=Fail)

Indicators 6-15 determine ratings by total points

Managerial Reports & Summary of Financial Solvency Survey

2017-2018 Report is also available online at:

<http://tuna.tea.state.tx.us/First/forms/main.aspx>

(Go to District# 057910)



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Determine Rating By Applicable Range For The Number Of Total Points & Results of Default Indicators:

A = Superior	90-100
B = Above Standard	80-89
C = Meets Standard	60-79
F = Substandard Achievement	<60

The ISD receives an “F” if scores below the minimum passing score, or if it failed any critical indicator (1, 3, 4, 5, or 2.A), or if the AFR and data were not complete, or if either the AFR or the data were not submitted on time for FIRST analysis.



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Grand Prairie ISD – 2018
(school year 2016-2017)

Total Point Score: 100 of 100 and
answered YES to Critical Indicators

Rating: A = Superior

***** PERFECT SCORE *****



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1. Was the complete annual financial report (AFR) and data submitted to 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?

GPISD Score 2016-2017: Yes

GPISD AFR received by TEA 1/26/2018; due 2/28/2018

(Prior Year: Passed – AFR received by TEA 1/26/2017; due 2/28/2017)



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2.A. 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.)

GPISD Score 2016-2017: Yes

GPISD received an “Unmodified Opinion”
(Prior Year: Passed – “Unmodified Opinion”)



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2.B. 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? (The AICPA defines material weakness.)

GPISD Score 2016-2017: No

GPISD did have a report of material weakness in internal controls as reported and disclosed.
(Prior Year: No; failed – material weakness reported)



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3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc., that owes money) and their creditors, which includes a plan for paying back the debt.)

GPISD Score 2016-2017: Yes

GPISD received a “No Default Disclosures” statement
(Prior Year: Passed – “No Default Disclosures”)



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4. Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

GPISD Score 2016-2017: Yes

GPISD was timely in payments to government agencies.

(Prior Year: Yes = pass – payments were timely)



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5. Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the government activities column in the Statement of Net Assets greater than zero? (If the school district's change in students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)

GPISD Score 2016-2017: Yes

GPISD Unrestricted Net Asset Balance = \$21,514,725 + Accretion of
Capital Appreciation Bonds \$439,949 + Net Pension Liability
\$70,329,904 > \$0, and $\geq 7\%$ change in 5yr enrollment

(Prior Year: Passed = \$16.9M + \$37.4M + \$35.1M > \$0;
and $\geq 10\%$ change in 5yr enrollment)



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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)? (See ranges below.)

GPISD Score 2016-2017: 10 of 10

GPISD number of days: 94.7992 days
(Prior Year: 53.2179 days)

Determination of Points						
Points	10	8	6	4	2	0
Days	≥ 90	$< 90 \geq 75$	$< 74 \geq 60$	$< 60 \geq 45$	$< 45 \geq 30$	< 30



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7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)

GPISD Score 2016-2017: 10 of 10

GPISD Current Assets of \$142,532,678 divided by Current Liabilities of \$44,133,214 = Ratio of 3.2296

(Prior Year: Ratio of 3.9442)

Determination of Points						
Points	10	8	6	4	2	0
Ratio	≥ 3.00	< 3.00 ≥ 2.50	< 2.50 ≥ 2.00	< 2.00 ≥ 1.50	< 1.50 ≥ 1.00	< 1.00



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8. 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 change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) (See ranges below.)

GPISD Score 2016-2017: 10 of 10

GPISD LT Liabilities of \$553M divided by Total Assets of \$642M = Ratio of 0.8621;
and $\geq 7\%$ change in 5yr enrollment
(Prior Year: Ratio of 0.8328)

Determination of Points						
Points	10	8	6	4	2	0
Ratio	≤ 0.60	> 0.60 ≤ 0.70	> 0.70 ≤ 0.80	> 0.80 ≤ 0.90	> 0.90 ≤ 1.00	> 1.00



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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?

GPISD Score 2016-2017: 10 of 10

GPISD Total Revenue \$270M compared to Expenditures (Net) of \$259M = Ratio of 0.0424
(Prior Year: Ratio of 0.0361)

Determination of Points		
Points	10	0
Ratio	$\geq 0\%$	$< 0\%$



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10. Was the debt service coverage ratio sufficient to meet the required debt service?
(See ranges below.)

GPISD Score 2016-2017: 10 of 10

GPISD Debt Service Coverage Ratio = 1.4781

(Prior Year: Ratio = 1.3544)

Determination of Points						
Points	10	8	6	4	2	0
Ratio	≥ 1.20	< 1.20 ≥ 1.15	< 1.15 ≥ 1.10	< 1.10 ≥ 1.05	< 1.05 ≥ 1.00	< 1.00



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11. Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See range below.)

GPISD Score 2016-2017: 10 of 10

GPISD District Administrative Ratio = 0.0721

(Prior Year: 10/10 pts 0.0675<0.0855)

Determination of Points						
Points	10	8	6	4	2	0
Ratio for ISD of 10,000 ADA and above	≤ 0.0855	> 0.0855 ≤ 0.1105	> 0.1105 ≤ 0.1355	> 0.1355 ≤ 0.1605	> 0.1605 ≤ 0.1855	> 0.1855



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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)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)

GPISD Score 2016-2017: 10 of 10

GPISD 3 year enrollment did not decrease
(Prior Year: GPISD enrollment did not decrease)

Determination of Points		
Points	10	0
Result	Yes	No



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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?

GPISD Score 2016-2017 = 10 of 10 points

GPISD – Sum of differences: 275 / denominator 261,231,823 = 0%.

(Prior Year: 10/10 points 0 < 0.30)

Determination of Points		
Points	10	0
Ratio	< 3%	>= 3%



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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? (The AICPA defines material noncompliance.)

GPISD Score 2016-2017 = 10 of 10 points

GPISD had no material noncompliance.

(Prior Year: GPISD had no material noncompliance)

Determination of Points		
Points	10	0
Result	Yes	No



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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?

GPISD Score 2016-2017 = 10 of 10 points

GPISD had no adjusted repayment schedule.

(Prior Year: GPISD had no adjusted repayment schedule)

Determination of Points		
Points	10	0
Result	Yes	No



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2018 School FIRST Annual Financial Management Report GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended August 31, 2017

	Susan Hull	Terry Brooks Board	Gloria Carrillo Board	David Espinosa Board	Burke Hall Board	Katrina Jones Board	Aaron King Board	Chester McCrary Board	Steve Pryor Board	John Stewart Board
Description of Reimbursements	Superintendent	Member	Member	Member	Member	Member	Member	Member	Member	Member
Meals	\$ 226.00	\$ 50.00	\$ 27.01	\$ 310.50	\$ 25.00	\$ -	\$ -	\$ 114.38	\$ -	\$ -
Lodging	\$ 1,681.97	\$ -	\$ -	\$ 1,990.19	\$ 337.44	\$ -	\$ -	\$ 337.44	\$ 506.16	\$ -
Transportation	\$ 513.40	\$ -	\$ 125.81	\$ 928.74	\$ 421.80	\$ -	\$ -	\$ 664.12	\$ 363.96	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ 94.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 3,904.68	\$ 187.50	\$ 700.00	\$ 2,352.50	\$ 512.50	\$ 187.50	\$ -	\$ 620.26	\$ 512.50	\$ 187.50
Total	\$ 6,326.05	\$ 237.50	\$ 852.82	\$ 5,676.18	\$ 1,296.74	\$ 187.50	\$ -	\$ 1,736.20	\$ 1,382.62	\$ 187.50

All "reimbursements" expenses regardless of the manner of payment including direct pay, credit card, cash and purchase order are to be reported.

Items to be reported per category include:

Meals - meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals)

Lodging - Hotel charges

Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls)

Motor Fuel - Gasoline

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board



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2018 School FIRST Annual Financial Management Report					
GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT					
Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services					
For the Twelve-Month Period Ended August 31, 2017					
<u>Name(s) of Entit(ies)</u>			<u>Amount Received</u>		
Dallas Baptist University			4,600.00		
University of North Texas at Dallas			3,500.00		
Total			\$ 8,100.00		
Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.					



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2018 School FIRST Annual Financial Management Report

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)
(gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period
Ended August 31, 2017

	Susan Hull Superintendent	Terry Brooks Board Member	Gloria Carrillo Board Member	David Espinosa Board Member	Burke Hall Board Member	Katrina Jones Board Member	Aaron King Board Member	Chester McCrary Board Member	Steve Pryor Board Member	John Stewart Board Member
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note - An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.



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2018 School FIRST Annual Financial Management Report										
GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT										
Business Transactions Between School District and Board Members										
For the Twelve-Month Period Ended August 31, 2017										
	Susan Hull	Terry Brooks	Gloria Carrillo	David Espinosa	Burke Hall	Katrina Jones	Aaron King	Chester McCrary	Steve Pryor	John Stewart
	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
Amounts	\$ -	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
<p>Note - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.</p>										



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A copy of the Superintendent's contract is available online at the Grand Prairie ISD Webpage:

(Visit the *Legal Postings* webpage under *About GPISD*.)

<http://www.gpisd.org/Domain/90>



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Questions and Comments:

Please contact

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