



School Financial Integrity Rating System of Texas

2017-2018 FIRST Ratings

Based on 2016-2017 Financial Data

Financial Integrity Rating System of Texas

- ◆ Developed in 1999 by the Texas Education Agency in response to Senate Bill 875 of the 76th Legislature
- ◆ Primary goal is to achieve quality performance in the management of school district's financial resource
- ◆ District's are rated on indicators outlined by the rule of the Commissioner of Education
- ◆ Information obtained from financial audits, PEIMS reported data, and other governmental entities

Financial Integrity Rating System of Texas

The Final 2017-2018 School Financial Integrity Rating System of Texas (FIRST) ratings are based on fiscal year 2017. On August 8, 2018, Texas Education Agency (TEA) affirmed its *preliminary* rating and on October 2018 TEA affirmed its *final* rating. The District is pleased to announce a “**Superior**” rating for the Edgewood Independent School District based on the fifteen (15) indicators established by the Texas Education Agency.

To follow is the TEA district status detail and it’s performance under each indicator for the current and previous year’s rating.

Financial Integrity Rating System of Texas

DISTRICT STATUS DETAIL

	2017-2018	72016-2017
Name: Edgewood ISD (015905)		
Rating / District Score:	Superior / 96	Superior / 96
Number of Indicators	15	15

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2017-2018		2016-2017	
A = Superior	90-100	A = Superior	90-100
B = Above Standard	80-89	B = Above Standard	80-89
C = Meets Standard	60-79	C = Meets Standard	60-79
F = Substandard	<60	F = Substandard	<60

FIRST Current and Prior Year Indicators / Results

17-18 #	16-17 #	Indicator Description	2017-2018 Results	2016-2017 Results
1	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	Yes
2	2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	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.)	Yes	Yes
2.B	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.)	Yes	Yes
3	3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?	Yes	Yes
4	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?	Yes	Yes

FIRST Current and Prior Year Indicators / Results

17-18 #	16-17 #	Indicator Description	2017-2018 Results	2016-2017 Results
5	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? (if the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.	Yes	Yes
			1 Multiplier Sum	1 Multiplier Sum
6	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	10
7	7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	8	8
8	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 10 percent or more, then the school district passes this indicator.)	10	10
9	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

FIRST Current and Prior Year Indicators / Results

17-18 #	16-17 #	Indicator Description	2017-2018 Results	2016-2017 Results
10	10	Was the debt service coverage ratio sufficient to meet the required debt service?	10	10
11	11	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	8	8
12	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.)	10	10
13	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?	10	10
14	14	Did the external independent auditors 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.)	10	10
15	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 result of a financial hardship?	10	10
			96 Weighted Sum	96 Weighted Sum
			1 Multiplier Sum	1 Multiplier Sum
			96 Score	96 Score



Newspaper Ads

First Publication

Second Publication

*****Newspaper view is folded to accommodate spacing on the page.**



QUESTIONS?

VISION STATEMENT

For every child, success in life.
Edgewood Proud!