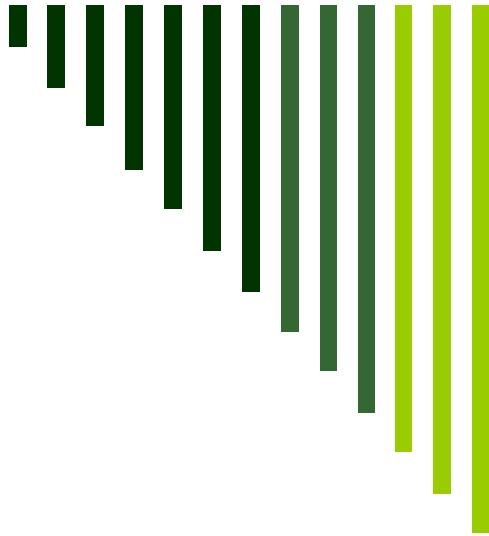
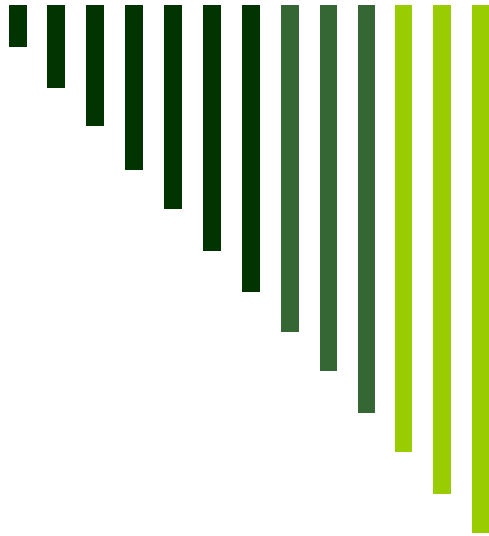


School F I R S T



Financial
Integrity
Rating
System of
Texas



PUBLIC HEARING

School FIRST

2007 Rating

Based on FY 2006 Data



School FIRST

- Created by 77th Legislature in 2001
 - Goal – quality performance in the management of school districts' financial resources
 - 21 financial indicators used to rate district's compliance with financial standards and benchmarks
-



School FIRST

- Rating system (scale based on No answers to 21 indicators)

0 – 2	Superior Achievement
3 – 4	Above Standard Achievement
5 – 6	Standard Achievement
7+ *	Substandard Achievement

* A No answer on indicators 1, 2 or 3 or a No answer on both indicators 4 & 5 result in a Substandard Achievement rating



Rating for Spring Branch ISD

- ❖ Highest Rating – Superior Achievement
 - ❖ For 5 consecutive years
-



Financial Integrity Rating System of Texas

2005-2006 District Status Detail

Name: <i>SPRING BRANCH ISD(101920)</i>	
Rating: <i>Superior Achievement</i>	Last Updated: 8/23/2007 9:30:25 AM
Indicators Answered YES: 20	Indicators Answered NO: 1



Indicators

- 1. Was the total fund balance greater than zero in the General Fund?

■ 2006	\$62,013,460	Passed
■ 2005	\$58,192,284	Passed

- 2. Were there no disclosures in the Annual Financial Report and /or other sources of information concerning default on bonded indebtedness obligations?

■ 2006	Yes	Passed
■ 2005	Yes	Passed



Indicators

- 3. Was the Annual Financial Report filed within one month after November 27th or January 28th deadline depending upon the district's fiscal year end date (June 30th or August 31st)?

■ 2006	Yes, November 28, 2006	Passed
■ 2005	Yes, November 30, 2005	Passed

- 4. Was there an Unqualified Opinion in the Annual Financial Report?

■ 2006	Yes	Passed
■ 2005	Yes	Passed



Indicators

- 5. Did the Annual Financial Report not disclose any instance(s) of material weaknesses in internal controls?

■ 2006	Yes	Passed
■ 2005	Yes	Passed

- 6. Was the percent of total tax collections (including delinquent) greater than 96%?

■ 2006	99.23%	Passed
■ 2005	99.75%	Passed



Indicators

- 7. Did the comparison of PEIMS data to like information in Annual Financial Report result in an aggregate variance of less than 4% of expenditures per fund type (data quality measure)?

■ 2006	0.00%	Passed
■ 2005	0.0002%	Passed



Indicators

- 8. Were debt related expenditures (net of IFA and/or EDA allotment) < \$770.00 per student? (If the district's five-year percent change in students = or >2%, or if property taxes collected per penny of tax effort > \$100,000, then answer this indicator yes)

■ 2006	Expenditures \$770<\$929	
	Growth 2%>.21%	
	\$1,262,739>\$100,000	Passed
■ 2005	Expenditures \$770<\$952	
	Growth 2%>1.9%	
	\$1,213,232>\$100,000	Passed



Indicators

- 11. Was the percent of operating expenditures expended for instruction more than 54%?
 - 2006 59.83% Passed
 - 2005 58.54% Passed

 - 12. Was the aggregate of budgeted expenditures and other uses less than the aggregate of total revenues, other resources and fund balance in general fund?
 - 2006 \$55,483,688>0 Passed
 - 2005 \$58,320,043>0 Passed
-



Indicators

- 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? (To avoid creating or adding to the fund balance deficit situation)
 - 2006 General Fund \$63,470,146
 Capital Projects Fund \$46,497,233 Passed
 - 2005 General Fund \$59,741,735
 Capital Projects Fund \$68,092,803 Passed



Indicators

- 14. Was the ratio of cash and investments to deferred revenues (excluding amount equal to net delinquent taxes receivable) in the general fund = or > 1:1? (If deferred revenues < net delinquent taxes receivable, then answer this indicator yes)

■ 2006	Deferred Revenue \$9,795,266	
	Net Delinquent Taxes Receivable \$11,666,537	
		Passed
■ 2005	Deferred Revenue \$9,445,033	
	Net Delinquent Taxes Receivable \$10,888,075	
		Passed



Indicators

- 15. Was the administrative cost ratio less than the standard in state law?

State Law .1105

■ 2006 .0698

Passed

■ 2005 .0743

Passed

- 16. Was the ratio of students to teachers within the ranges shown below according to district size?

Standard Lower Limit 13.5 Standard Upper Limit 22

■ 2006 13.5<14.308<22

Passed

■ 2005 13.5<14.2835<22

Passed



Indicators

- 17. Was the ratio of students to total staff within the ranges shown below according to district size?

	Standard Lower Limit 6.6	Standard Upper Limit 14	
■ 2006	6.6<7.19	<14	Passed
■ 2005	6.6<6.99	64<14	Passed

- 18. Was the total fund balance in the general fund more than 50% and less than 150% of optimum according to the fund balance and cash flow calculation worksheet in the Annual Report?

■ 2006	\$44,296,517<	\$63,470,146<	132,889,551	Passed
■ 2005	\$44,604,461<	\$59,741,735<	133,813,383	Passed



Indicators

- 19. Was the decrease in undesignated unreserved fund balance $< 20\%$ over two fiscal years? If (1.5 times optimum fund balance $<$ total fund balance in General Fund or if total revenues $>$ operating expenditures in the general fund, then answer this indicator yes)

■ 2006	Yes	Passed
■ 2005	Yes	Passed



Indicators

- 20. Was the aggregate total of cash and investments in the General Fund more than \$0?
 - 2006 \$93,087,676 Passed
 - 2005 \$86,215,205 Passed

 - 21. Were investment earnings in all funds more than \$15 per student?
 - 2006 No. Data reported as \$0 Failed
Actual earnings per student were \$205
 - 2005 Yes. \$113 Passed
-



New Rules

- Adopted July 28, 2006
- Apply to FY 2007
- Increased to 24 Indicators





Increased Transparency

Effective for this report

Disclosures to be added to the financial management report.

- A copy of the Superintendent's current employment contract.
 - A summary schedule for the fiscal year of total reimbursements received by the Superintendent and each board member.
 - A summary schedule for the fiscal year of compensation and/or fees received by the Superintendent from another school district or any other outside entity for professional consulting.
 - A summary schedule for the fiscal year of the total dollar amount of gifts that had an economic value of \$250 or more received by the executive officers and board members.
 - A summary schedule for the fiscal year by board member for the aggregate amount of business transactions with the school district.
-



Superintendent's Current Contract

- The superintendent's contract has been posted on the district website at www.springbranchisd.com
 - The contract will remain posted for the next twelve months
-



Total Reimbursements Received by the Superintendent and Board Members

For Fiscal Year 2006

Description of Reimbursement	Klussmann	Converse	Falick	Kellner	Kosmoski	Landrum	Mathews	Schaper
Meals	\$ 377.50	\$ 31.27	\$ -	\$ -	\$ 80.01	\$ 115.00	\$ 43.00	\$ 179.50
Lodging	2,538.59	948.37	-	-	1,013.77	1,243.42	802.00	1,243.42
Transportation	2,500.65	377.20	-	-	336.50	456.50	548.75	400.75
Motor Fuel	-	-	-	-	-	-	-	-
Other	12,853.08	925.00	-	-	925.00	935.00	925.00	925.00
Total	\$ 18,269.82	\$ 2,281.84	\$ -	\$ -	\$ 2,355.28	\$ 2,749.92	\$ 2,318.75	\$ 2,748.67

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:

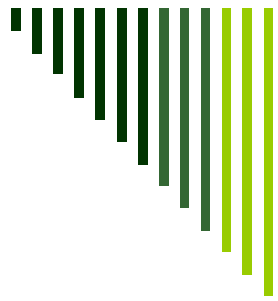
Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).

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 member not defined above.

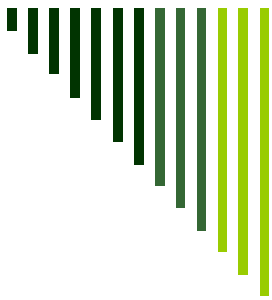


Outside Compensation and/or Fees Received by the Superintendent

For Professional Consulting and/or Other Personal Services
For Fiscal Year 2006

For the Twelve-Month Period
Ended August 31, 2006

<u>Name(s) of Entity(ies)</u>	Amount Received
None	\$ -
Total	<u>\$ -</u>



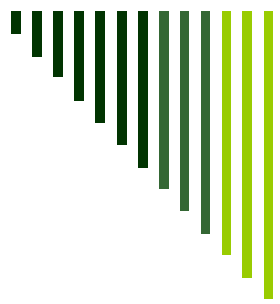
Gifts Received by Executive Officer(s) and Board Members

(and First Degree Relatives, if any) in Fiscal Year 2006
(Gifts that had an economic value of \$250 or more in the aggregate)

For the Twelve-Month Period
Ended August 31, 2006

	Klussmann	Converse	Falick	Kellner	Kosmoski	Landrum	Mathews	Schaper
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

No gifts were received by the Board or the Superintendent that totaled more than \$250 in the aggregate value.



Business Transactions Between SBISD and Board Members Fiscal Year 2006

For the Twelve-Month Period
Ended August 31, 2006

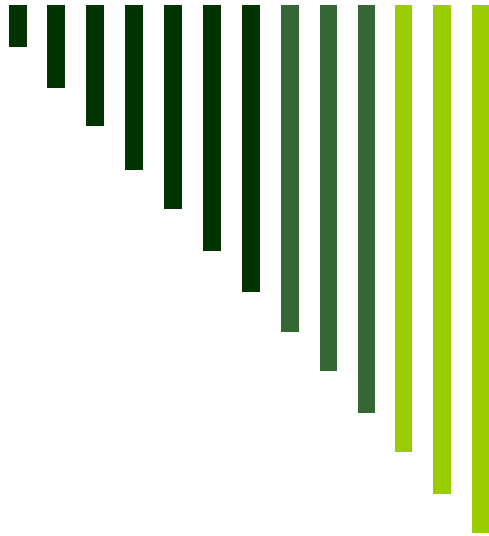
	<u>Converse</u>	<u>Falick</u>	<u>Kellner</u>	<u>Kosmoski</u>	<u>Landrum</u>	<u>Mathews</u>	<u>Schaper</u>
Amounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

No business transactions have occurred between the SBISD and Board Members.



New Indicators For 2006-2007

- Did the District's Academic Rating Exceed Academically Unacceptable?
 - Was the Percent of Operating Expenditures Expended For Instruction More than or Equal to 65%? (Functions 11, 36, 93 and 95) (Phrased in over three years: 55% for 2006-07; 60% for 2007-08; and 65% for 2008-09)
 - Was the Percent of Operating Expenditures Expended For Instruction More Than or Equal to 65%? (Functions 11, 12, 31, 33, 36, 93 and 95)
-



PUBLIC HEARING

School FIRST

2007 Rating

Spring Branch ISD
