

Pleasant Grove ISD

Financial Integrity Rating System of Texas (FIRST) Annual Report Overview

The Pleasant Grove ISD received a rating of “Superior Achievement” under Texas’ Schools FIRST financial accountability rating system for the fiscal year ended August 31, 2021. The Superior Achievement rating is the state’s highest, demonstrating the quality of the financial management and reporting system of Pleasant Grove ISD.

The Schools FIRST (Financial Integrity Rating System of Texas), is a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of Schools FIRST is to achieve quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system.

The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being “Superior Achievement”. The rating system consists of 20 indicators. To receive the “Superior Achievement” rating the district must have a score in the range 90 to 100. Pleasant Grove ISD had a weighted score of 94 and a rating of Superior Achievement.

The 2020-2021 District Status report is attached to this report as Exhibit A. The report contains each indicator and the result for the district. The indicators cover many different areas of school operations including, finance, staffing, and accreditation. New rules established by Title 19, TAC, Section 109.1001(q)3(B) require this report include a summary financial disclosures pertaining to the superintendent and school board, Exhibit C. This information is being reported in the format recommended by the Texas Education Agency.



Pleasant Grove ISD
Financial Integrity Rating System of Texas (FIRST) Annual Report
Exhibit A – District Status Detail

Indicator 1 Was the completed annual financial report (AFR) and data submitted to the TEA within 30 days of the January 28 deadline?

Yes. The Annual Financial Report (AFR) was submitted to TEA on January 19, 2022

Indicator 2-A Was there an unmodified opinion in the AFR on the financial statements as a whole? (Unmodified opinion is defined by the American Institute of Certified Public Accountants (AICPA) and is determined by the external independent auditor.)

Yes. An unmodified opinion was the determination of the district's external independent auditors.

Indicator 3 Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?

Yes.

Indicator 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. The district made timely payments to government agencies.

Indicator 5 This indicator is not being scored

Indicator 6 Was the average change in fund balance over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?

In the past three years, the District's fund balance has increased by 13.47%, which is greater than the -25% threshold. In addition, the district's unassigned fund balance was \$7,209,361, which is greater than the required 75 days of operational expenditures of \$4,502,544.

Indicator 7 Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operational expenditures?

<i>Cash</i>	<i>\$9,713,970</i>
<i>Expenditures</i>	<i>\$21,912,382</i>

Days Cash on Hand **161.808**
Score **10 out of 10**

Indicator 8 Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt.

Current Assets **\$16,813,506**
Current Liabilities **\$3,846,849**
Ratio **4.3707 (must be > 3.00 to get full points)**
Score **10 out of 10**

Indicator 9 Did the school district's general fund revenues equal or exceed expenditures?

Revenue **\$22,456,693**
Expenditures **\$21,912,382**
Score **10 out of 10**

Indicator 10 This indicator is not being scored

Indicator 11 Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?

Long-term Liabilities **\$44,532,750**
Total Assets **\$72,453,008**
Ratio **61.46% (must be less than 60% to get full points)**
Score **8 out of 10**

Indicator 12 Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments?

Total Debt Payments **\$3,576,885**
Total Revenue **\$3,645,841**
Ratio **98%**
x Long-Term Liabilities **\$44,532,750**
/ Assessed Property Values **\$976,147,244**
Result **4.4758% (must be less than 4% to get full points)**
Score **8 out of 10**

Indicator 13 Was the District's administrative cost ratio equal to or less than the threshold ration?

Administrative Cost Ratio **12.26% (must be less than 11.51% to get full points)**
Score **8 out of 10**

Indicator 14 Did the District not have a 15% decline in the students to staff ratio over the past three years?

Student to staff ratio over past three years ***6.88%***
Score ***10 out of 10***

Indicator 15 This indicator is not being scored

Indicator 16 Did the comparison of PEIMS data to like information in the District's AFR result in a total variance of less than 3% of all expenditures by function?

District had 0 variances
Score: Passed

Indicator 17 Did the external auditor report that the AFR was free of any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, and federal funds?

Yes
Score: Passed

Indicator 18 Did the external audit report indicate the AFR was free of any instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?

Yes
Score: Passed

Indicator 19 Did the district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other states, laws and rules that were in effect at fiscal year end?

Yes
Score: 5 out of 5

Indicator 20 Did the school board discuss the District's property values at a board meeting within 120 days before the district adopted its budget?

Yes
Score: Passed



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 Exhibit C – Financial Disclosures for Superintendent and School Board

Title 19 Texas Administrative Code, Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner’s Rule Concerning Financial Accountability Rating System, Section 109.001(o).

Table 1									
Reimbursements Received by the Superintendent and Board Members									
For the Twelve-Month Period									
Ending August 31, 2021									
Description of Reimbursement	Superintendent	Brandy Eldridge	Lorie Son	Chris Barker	Mark Addington	Amy Damron	Ross Sarine	Kathaleen Young	
Meals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

All "reimbursement" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items reported per category include:

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

Lodging - Hotel charges

Transportation - Airfare and car rental

Other - Registration fees, telephone/call phone, internet service, fax machine, and other reimbursements

