

# First Requirements

Reporting Your School LEA's  
Financial Accountability Rating

*Finance Advisory Council*

September 16, 2016

## Annual Financial Management Report – Must include the Following

- The district financial management performance rating provided by the TEA based on its comparison with indicators established by the Commissioner.
- The district financial management performance under each indicator for the current and previous year's financial accountability ratings
- Report must contain certain disclosures

# Required Disclosures

- Superintendent's current employment contract. Publish in the district website or include in the report.
- A summary schedule for the fiscal year (12 month) of total reimbursement received by the superintendent and each board member including credit card transactions.
  - The summary shall separately report reimbursements for meals, lodging, transportation, motor fuel and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the district).

# Required Disclosures

- A summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another district or any other outside entity in exchange for professional consulting and/or other personal services.
  - The schedule shall separately report the amount received from each entity.
- A summary schedule for the fiscal year of the total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year.

# Required Disclosures

- This reporting requirement only applies to gifts received by the district executive officers and board members (and their immediate family) from an outside entity that received payments from the district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year.

# Required Disclosures

- This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to **investigate or explore** matters directly related to the duties of an executive officer or board member, or matters related to attendance at **education-related conferences** and seminars whose primary purpose is to provide continuing education **(this exclusion does not apply to trips for entertainment-related purposes or pleasure trips)**.

# Required Disclosures

- A summary schedule for the fiscal year of the dollar amount by board member for the aggregate amount of business transactions with the district. This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.
- Any other information the board of trustees of the district determines to be useful

# Publicizing your District Financial Report and Rating

- District is required to distribute the financial management report to parents and taxpayers.
- The Board of Trustees is required to hold a public hearing on the report at an District facility
  - Within 2 months of receiving the final rating (Including a final rating of Suspended Data Quality)
  - Notice of Hearing including date, time and location must be provided to a newspaper of general circulation in the district once a week for two weeks prior to holding public hearing.
  - The first notice may not be placed more than 30 days or less than 14 days prior to the public hearing.
  - See sample notice attached
- District staff should have copies of the report ready to hand out at the public hearing, distribute through students, share with news media, and to post on the web.



# A Public Relations Opportunity

- If your District achieves a high rating, you should take every opportunity to let your taxpayers know that you are doing a great job with their tax dollars.
- Information to include
  - Ten years of School FIRST
  - Goal is to achieve quality performance in the management of school District's financial resources.
  - District's Rating

# School FIRST Ratings 2015-2016

- System assigns one of two financial accountability ratings only for this year due to transition to new system.
  - A = Superior (72-100)
  - B = Above Standard (50-69)
  - C = Meets Standard (31-49)
  - F = Substandard Achievement (0-30)

# School FIRST Ratings 2016-2017

- System assigns one of two financial accountability ratings only for this year due to transition to new system.
  - A = Superior (90-100)
  - B = Above Standard (80-89)
  - C = Meets Standard (60-79)
  - F = Substandard Achievement (0-59)

# For Assistance

- Frances Guzman, Region One ESC  
956- 984-6290 or [fguzman@esc1.net](mailto:fguzman@esc1.net)