



**SCHERTZ-CIBOLO-UNIVERSAL CITY
ISD**

PUBLIC HEARING

November 19, 2019

WHAT IS SCHOOLS FIRST?

➤ Schools FIRST is the Financial Integrity Rating System of Texas.

➤ This is the seventeenth year the financial health of every school district in Texas has been evaluated.

➤ The primary goal of Schools FIRST is to achieve quality performance in the management of the school district's financial resources, a goal made more significant due to the complexity of the accounting associated with Texas School Finance Systems.

➤ School districts are required to hold a public meeting to publicize the district's financial report and rating.

SCHOOLS FIRST RATINGS

➤ Possible ratings are Superior (A), Above Standard (B), Meets Standard (C) and Substandard Achievement (F).

➤ Schertz-Cibolo-Universal City ISD received a Superior Rating from TEA, achieving 90 of 100 points in the indicator system.

➤ Ratings are based upon financial data from the 2017-2018 School Fiscal Year.

➤ 15 indicators were used by TEA to determine the district's Schools FIRST Rating.

2017-2018 Texas Ratings

RATINGS	COUNT	% TOTAL
Superior = A	906	88.82%
Above Standard = B	71	6.96%
Meets Standard = C	33	3.24%
Substandard Achievement = F	10	0.98%
Totals	1,020	100.00%

Source: TEA's Web site

15 RATING INDICATORS

1. Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27th or January 28th deadline depending upon the district's fiscal year-end date (June 30th or August 31st)?

YES – Financial report was filed with TEA as of 12/21/2018.

2A. 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 a unmodified opinion.)

YES- The District received an unmodified opinion or “clean audit”.

2B. 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- The external auditor reported no material weaknesses in the audit report.

3. Was the district in compliance with the payment terms of all debt agreements at fiscal year end? (A debt agreement is a legal agreement between a debtor and their creditors, which includes a plan for paying back the debt.)

YES – Bond payments were made in a timely manner. There were no disclosures in the AFR concerning default on debt agreements.

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

YES – Payments were made in a timely manner.

5. This indicator was not scored by TEA this year.

6. Was the number of days of cash on hand and current investments in the general fund for the district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?

YES – Number of days of cash on hand and current investments was 158 days, which is greater than 90 days (days required for maximum points).

7. Was the measure of current assets to current liabilities ratio for the district sufficient to cover short-term debt?

YES – District ratio is 4.05, which is greater than 3.0 (ratio required for maximum points).

8. Was the ratio of long-term liabilities to total assets for the district sufficient to support long-term solvency? (If the District's 5 year % change in students was 7% or more, then district passes this indicator.)

YES – The District's ratio of long-term liabilities to total assets is 0.9498, which would only earn the District 2 points for this indicator. However, the District received all 10 points for this indicator since the 5 year change in students is 11.09% (which is greater than the 7% threshold).

9. Did the district's general fund revenues equal or exceed expenditures (excluding facilities and construction)? If not, was the district's number of days of cash on hand greater than or equal to 60 days?

YES – The District's general fund revenues did not exceed expenditures, which did not earn the District any points for this indicator. However, the District received all 10 points since the number of days of cash on hand was 158 days which is greater than 60 days (the required threshold).

10. Was the debt service coverage ratio sufficient to meet the required debt service?

NO – The District’s debt service coverage ratio is 0.955, which is less than 1.00. Therefore, the district did not earn any points for this indicator (maximum points for this indicator was 10).

11. Was the district’s administrative cost ratio equal to or less than the threshold ratio?

YES – Administrative Cost Ratio for SCUC - .0631

TEA- District Standard – less than .0855 (ratio required for maximum points).

12. Did the district not have a 15% decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the district will automatically pass this indicator.)

YES – District ratio only decreased by 0.0109. (which is less than the 15% threshold). However, the District automatically passed this indicator as the District did not decrease in student enrollment

13. Did the comparison of PEIMS data to like information in the district's AFR result in a total variance of less than 3 percent of all expenditures by function?

YES – PEIMS data passed the data quality measures set by TEA.

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.)

YES- No material noncompliance was noted in the AFR.

15. Did the 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?

YES- No adjusted repayment schedule was received. The District is in compliance with TEA spending formulas.

RESULTS?

14 OUT OF 15

90 points out of 100 points

(60 points minimum to pass)

Rating

SUPERIOR = A!

DISCLOSURE #1

**SUPERINTENDENT'S
CONTRACT**

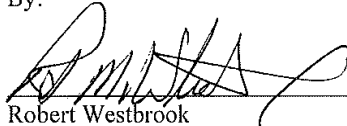
c) *Other Benefits:*

- (1) *Expenses:* The District shall pay or reimburse the Superintendent for reasonable expenses directly incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. The District agrees to pay the actual and incidental cost incurred by the Superintendent for travel outside the District; such costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policy.
 - (2) *Insurance:* The District shall provide to the Superintendent the same medical insurance coverage benefit offered by the District to its employees pursuant to the District's group health care plan(s).
 - (3) *Non-Paid Leave Days, Holiday, Sick Leave:* Non-Paid Leave Days taken by the Superintendent will be taken at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Contract. The Superintendent shall observe the same legal holidays as provided by the Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same number of illness benefits and leave as authorized by Board policies for administrative employees on twelve-month contracts. The Superintendent shall receive additional days granted to constitute at least a two week vacation, consisting of non-paid leave days.
 - (4) *Professional Growth:* The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent's reasonable attendance and participation in appropriate professional meetings at the local, regional, state, and national levels, as approved by the Board.
 - (5) *Civic Activities:* The Superintendent is encouraged to participate in community and civic affairs in accordance with the Board's policies.
5. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's consent.
 6. The Board shall evaluate and assess in writing the Superintendent's performance at least once each year during the term of this Contract. The evaluation format and procedure shall comply with Board policy and state and federal law.
 7. The Board may dismiss the Superintendent at any time for good cause in accordance with Texas Education Code Sections 21.211, 21.212(d), and Board policy. The Board may also place the Superintendent on administrative leave with pay at any time the Board deems it to be in the District's best interest.
 8. This Contract shall be terminated upon the death of the Superintendent or upon the Superintendent's retirement under the Teachers Retirement System of Texas.

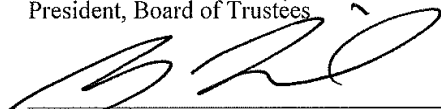
9. A determination by the Board that a consolidation of the District with one or more other school districts requires that this Contract be terminated during the term and shall constitute good cause for dismissal.
10. The Superintendent and the Board may agree in writing to terminate this Contract pursuant to any mutually agreed-upon terms and conditions.
11. Renewal or nonrenewal of this Contract shall be in accordance with Texas Education Code Chapter 21, Subchapter E, and Board policy.
12. At any time during the Contract term, the Board may, in its discretion, reissue the Contract for an extended term. Failure to reissue the Contract for an extended term shall not constitute nonrenewal under Board policy.
13. The Superintendent may leave the employment of the District at the end of a school year without penalty by filing a written resignation with the Board. The resignation must be addressed to the Board and filed not later than the 45th day before the first day of instruction of the following school year. The Superintendent may resign, with the consent of the Board, at any other time.
14. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.
15. In the event any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Contract, and this Contract constitutes the entire agreement between the parties. This Contract may not be amended except by written agreement of the parties.
16. This offer will expire unless signed and returned to the Board or its authorized representative by 5:00 p.m., September 30, 2019. Signed this 16th day of September, 2019.

Schertz-Cibolo-Universal City ISD

By:



Robert Westbrook
President, Board of Trustees



Greg Gibson
Superintendent of Schools

DISCLOSURE #2

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2017-2018

For the Twelve-month Period Ended August 31, 2018								
Description of Reimbursements	Dr. Greg Gibson	Gerald Perkins	Amy Driesbach	Robert Westbrook	Gary Inmon	David Pevoto	Ed Finley	John Correu
Meals	\$ 362.00	\$ 26.53	\$ -	\$ -	\$ 25.30	\$ 34.75	\$ -	\$ 39.06
Lodging	\$ 1,176.57	\$ 456.49	\$ -	\$ 415.51	\$ 456.49	\$ 253.97	\$ -	\$ 1,434.44
Transportation	\$ 1,828.00	\$ 326.60	\$ 67.30	\$ 806.26	\$ 331.62	\$ 256.44	\$ -	\$ 555.70
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 534.00	\$ 90.00	\$ 30.00	\$ 250.00	\$ 250.00	\$ 30.00	\$ 30.00	\$ 30.00
Registration	\$ 415.00	\$ 425.00	\$ 1,660.00	\$ 1,540.00	\$ 1,480.00	\$ 425.00	\$ 965.00	\$ 540.00
Total	\$ 4,315.57	\$ 1,324.62	\$ 1,757.30	\$ 3,011.77	\$ 2,543.41	\$ 1,000.16	\$ 995.00	\$ 2,599.20

Total	\$ 17,547.03
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* The spirit of the rule is to capture all “reimbursements” or payments made on behalf of Board Members or the Superintendent for fiscal year ended 2018, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order.

DISCLOSURE #3

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other personal Services in Fiscal Year 2017-2018

NONE TO REPORT

DISCLOSURE #4

Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relative, if any) in Fiscal Year 2017-2018

NONE TO REPORT

DISCLOSURE #5

Business Transactions Between School District and Board Members for Fiscal Year 2018

NONE TO REPORT

Questions
and
Comments