

FIRST

Financial Integrity Rating System of Texas

2015-2016 RATINGS BASED ON SCHOOL YEAR 2014-2015 DATA - DISTRICT STATUS DETAIL

Name: TERRELL ISD(129906)		Publication Level 1: 8/8/2016 6:20:16 PM	
Status: Passed		Publication Level 2: 8/8/2016 6:20:16 PM	
Rating: A = Superior		Last Updated: 8/8/2016 6:20:16 PM	
District Score: 94		Passing Score: 31	
#	Indicator Description	Updated	Score
1	<u>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?</u>	3/16/2016 4:02:50 PM	Yes
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	<u>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.)</u>	3/16/2016 4:02:51 PM	Yes
2.B	<u>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.)</u>	3/16/2016 4:02:51 PM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	3/16/2016 4:02:51 PM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	3/16/2016 4:02:51 PM	Yes
5	<u>Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets 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.)</u>	3/16/2016 4:02:52 PM	Yes
			1 Multiplier Sum
6	<u>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)? (See</u>	8/4/2016 1:48:10 PM	10

	ranges below.)		
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	6/30/2016 1:31:43 PM	6
8	<u>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.) (See ranges below.)</u>	8/4/2016 1:48:10 PM	8
9	<u>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?</u>	8/4/2016 1:48:11 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	8/4/2016 1:48:11 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/16/2016 4:02:54 PM	10
12	<u>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.)</u>	3/16/2016 4:02:54 PM	10
13	<u>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?</u>	3/16/2016 4:02:55 PM	10
14	<u>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.)</u>	3/25/2016 2:06:47 PM	10
15	<u>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 a result of a financial hardship?</u>	3/24/2016 4:34:03 PM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points. (Indicators 6-15)	
	A = Superior	70-100
	B = Above Standard	50-69
	C = Meets Standard	31-49
	F = Substandard Achievement	<31

AMENDMENT TO THE SUPERINTENDENT'S
EMPLOYMENT CONTRACT DATED MAY 8, 2013

That for and in consideration of Micheal French ("Superintendent") agreeing to extend his employment contract and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Board of Trustees of the Terrell Independent School District ("Board") and Superintendent hereby agree to amend the Superintendent's Employment Contract executed May 8, 2013, as amended, as follows:

1.1 Effective July 1, 2016, the Board agrees to extend the Superintendent's Employment Contract to June 30, 2021.

6.1 Effective July 1, 2016, the Board agrees to pay Superintendent an annual salary in the amount of TWO HUNDRED THIRTY-ONE THOUSAND FIVE HUNDRED TWENTY-FIVE DOLLARS AND NO CENTS (\$231,525.00). This annual salary shall be paid to the Superintendent in equal installments consistent with the Board's policies.

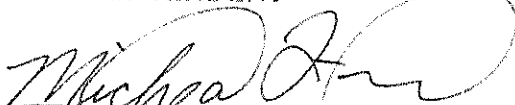
6.3 The Superintendent shall be entitled to the same holidays, annual vacation, sick leave, and personal leave time permitted other District administrative personnel employed under a twelve-month professional employment contract. Effective July 1, 2016 and each contract year (July 1 - June 30) thereafter, the Board grants the Superintendent an additional 10 discretionary paid days each contract year that may be used upon notification and approval of the Board President or Vice-President. The unused discretionary paid days do not carryover from year to year.

6.7 No later than December 18, 2015, the District shall pay Superintendent a one-time payment of \$10,000.00.

All other terms of the original contract and amendments thereto remain in full force and effect. If any conflict exists between the provisions of this Amendment and the original contract or any amendment thereto, the language of this Amendment will take precedence over any inconsistent provisions.

Dated this 16 day of December, 2015.

SUPERINTENDENT


Micheal French

TERRELL INDEPENDENT SCHOOL
DISTRICT

BY:


Dena Risinger

President, Board of Trustees

ATTEST:

BY:



Debbie Wood

Secretary, Board of Trustees