

INFORMATIVE REPORT NO. 30 - AMENDED

Financial Integrity Rating System of Texas Financial Management Report

Richland Collegiate High School's Financial Integrity Rating System of Texas (FIRST) Financial Management Report for the 2011-2012 fiscal year includes the status ratings and summary schedule for compensation and/or reimbursements to the RCHS Superintendent and Board of Trustees members.

Status Rating for Fiscal Year Ending August 31, 2012

RCHS received an "Above Standard Achievement" status under the FIRST guidelines. (Score range for items 7-19 is 0-5 with 5 as the highest score)

Report requirements:

Indicator Description	Score
1. Did the Charter School Avoid Holds on Payments That Were Not Cleared Within 30 Days, As a Result of Untimely Deposits to TRS or TWC?	Yes
2. Was the Total Net Asset Balance In The Statement Of Financial Position For the Charter School Greater Than Zero? (If The Charter School's Five-Year Percent Change In Students Was A 10% Increased Or More, Then The Charter School Passes This Indicator.)	Yes
3. Were There No Disclosures In The Charter Holder's Annual Financial Report And/Or Other Sources Of Information Concerning Default On Debt?	Yes
4. Was The Charter Holder's Annual Financial Report Filed Within One Month After The November 27 <sup>th</sup> Or January 28 <sup>th</sup> Deadline Depending Upon The Charter School's Fiscal Year End Date (June 30 <sup>th</sup> or August 31)?	Yes
5. Was There An Unqualified Opinion In The Charter Holder's Annual Financial Report?	Yes
6. Did The Charter Holder's Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	Yes
7. Are The Charter School's Liabilities Less Than 80% Of Its Assets?	5
8. Did The Comparison Of PEIMS Data To Like Information In The Charter School's Annual Financial Report Result In An Aggregate Variance Of Less Than 3% Of All Expenses?	5

9. Were The Charter School's Debt-Related Expenses Less Than \$200 Per Student?	5
10. Was There No Disclosure In The Charter Holder's Annual Audit Report Of Material Noncompliance?	5
11. Did The Charter School Have Full Accreditation Status In Relation To Financial Management Practices? (E.G., No Conservator, Monitor, Management Team, Or Board Of Managers Assigned)	5
12. Was The Charter School's Aggregate Of Budgeted Expenses Less Than The Aggregate Of Budgeted Revenues And Cash And Investments At The Beginning Of The Year?	5
13. Was The Charter School's Current Ratio For All Net Asset Groups Greater Than Or Equal To 1:1?	5
14. Was The Charter School's Administrative Cost Ratio Less Than The Threshold Ratio?	5
15. Was The Ratio Of Students To Teachers Within The Ranges According To Charter School Size?	0
16. Was The Ratio Of Students To Staff Within The Ranges According To Charter School Size	0
17. Was The Decrease In The Charter School's Total Net Assets Less Than 20% Over Two Fiscal Years?	5
18. Was The Charter School's Aggregate Total Of Cash And Investments More Than Zero?	5
19. Did The Charter School's Investment Earnings In All Net Asset Groups Meet Or Exceed The Average 3-Month Treasury Bill Rate?	5
Score	55

Previous Four Years - Financial Integrity Rating System of Texas Information

Fiscal Year	Rating
2007-2008	Meets Standard
2008-2009	Standard Achievement
2009-2010	Standard Achievement
2010-2011	Above Standard Achievement

RCBS received its highest possible rating for the four previous fiscal years under the former rating guidelines.

Summary of total salaries and benefits received by the Superintendent or Board Members

Name or Title	Compensation
Jerry Prater	\$0
Charletta Rogers Compton	\$0
Bob Ferguson	\$0
Diana Flores	\$0
Wesley Jameson	\$0
Bill Metzger	\$0
JL Sonny Williams	\$0
Superintendent	\$55,525.02

Summary of total reimbursements and compensations received by the Superintendent or Board Members

Reimbursements received by the superintendent and Board Members for the twelve-month period ended August 31, 2012. Description of reimbursements: meals, lodging, transportation, fuel, other items excluding supplies and materials purchased for the school

Name or Title	Reimbursements
Jerry Prater	\$0
Charletta Rogers Compton	\$0
Bob Ferguson	\$0
Diana Flores	\$0
Wesley Jameson	\$0
Bill Metzger	\$0
JL Sonny Williams	\$0
Superintendent	\$1,463.72

Description of Reimbursements:

Meals	\$165.75
Lodging	\$443.78
Transportation	\$329.19
Other*	\$525.00

\* Conference registration fees, parking, taxi fares

Outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services for the twelve-month period ended August 31, 2012.

Superintendent	\$0
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Gifts received by executive officers and Board members (and first-degree relatives, if any) (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year) for the twelve-month period ended August 31, 2012.

Jerry Prater	\$0
Charletta Rogers Compton	\$0
Wesley Jameson	\$0
Bob Ferguson	\$0
Diana Flores	\$0
Bill Metzger	\$0
JL Sonny Williams	\$0

Business transactions between school district and Board members for the twelve-month period ended August 31, 2012

Jerry Prater	\$0
Charletta Rogers Compton	\$0
Wesley Jameson	\$0
Bob Ferguson	\$0
Diana Flores	\$0
Bill Metzger	\$0
JL Sonny Williams	\$0

Summary Schedule of Data Submitted under the Financial Solvency Provision of Texas Education Code §39.0822

2012-2013 General Fund First Quarter Net Asset Expenditures

Objective Code	Amount
Payroll	\$ 1.00
Contract Costs	\$ 724,012.00
Other Operating Costs	\$ 3,600.00
Supplies	\$ 0.00
Debt Service	\$ 0.00
Capital Outlay	\$ 0.00

RCBS has not borrowed funds to pay for operating expenses without repaying the funds within twelve months from the time they were borrowed.

Within the past two years:

- 1) RCHS has not declared bankruptcy.
- 2) RCHS has not drawn funds from a short-term financing note.
- 3) RCHS did not have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes of 11-61.

RCHS has had two superintendents and one business manager within the last five years

The Weighted Average Daily Attendance-to-Staff ratio is not applicable to RCHS.

### Background

The Texas Education Agency and the Texas Administrative Code, Chapter 19.109.1002(e) require charter schools to report to the Board of Trustees the school's most recent FIRST status which includes a schedule summary of total reimbursements and compensation received by the Superintendent or Board Members.

Beginning with fiscal year 2010-2011, the financial accountability rating of an open-enrollment charter school is based on its overall performance on certain financial measurements, ratios, and other indicators established by the commissioner of education on the financial accountability rating form.

Under the new rating system, charter schools can be awarded one of five ratings – “Superior Achievement, Above Standard Achievement, Standard Achievement, Substandard Achievement, and Suspended.”

Rating	Points
Superior Achievement	60-65
Above Standard Achievement	55-59
Standard Achievement	50-54
Substandard Achievement	0-49
Suspended	0-0

RCHS was awarded zero points on financial indicators 15 and 16 as a result of having no faculty or staff employed by the high school. Richland College is the employer of RCHS faculty and staff. The rating reflects the highest attainable under the RCHS organizational structure and relationship with Richland College.

RCCHS is in the process of applying for the federal school breakfast program. This is the first year RCCHS is required to participate in this program. The requirement is based on 10% of the school's enrollment qualifying for the free or reduced-price breakfast. For the past two years RCCHS has provided free breakfasts to any student who qualified for free or reduced-priced breakfasts.

RCCHS is recommending to the RCCHS/DCCCCD Board of Trustees at the December 3, 2013 board meeting a sole finalist, Mr. Herman Jackson, for appointment to the position of principal.