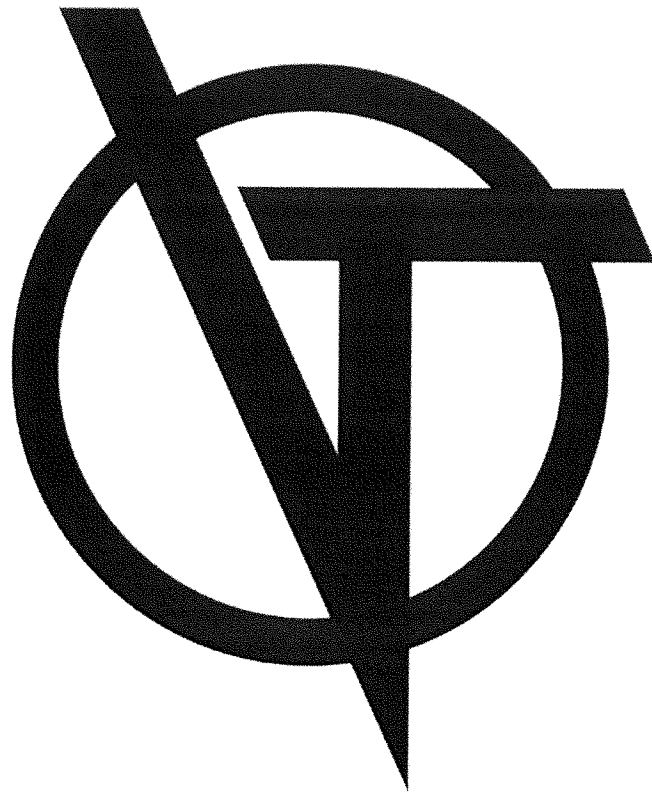


VILLAGE TECH SCHOOLS
2016-2017 Financial Management
Report Presentation
and Public Hearing
(Data for Fiscal Year 2015-2016)



Presentation Date:
December 14, 2017

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**2016-2017 Financial Management Report
PowerPoint Presentation**

Village Tech Schools Public Hearing and Presentation of Financial Management Report

Thursday, December 14, 2017

Overview

- 2016-2017 Charter FIRST rating system and indicators
- VTS Charter FIRST ratings
- Statewide Comparison
- Prior Year FIRST Rating Comparison
- Additional Management Report Requirements
 - Superintendent's Contract
 - Superintendent and Board disclosures

2016-2017 Charter FIRST Rating System

- For the 2016-17 rating year, 2015-2016 financial data was used. The information used for the FIRST rating was obtained by TEA through required data submissions in January of 2017.
- Fifteen (15) indicators were used to evaluate the financial compliance and solvency of Village Tech Schools for the fiscal year evaluated.
 - Indicators 1-5 were critical indicators and were answered Yes or No; an answer of No on indicators 1, 2A, 3, 4 or 5 was an automatic failure of Charter FIRST. A charter school could pass with an answer of No for indicator 2B, but not an answer of No on both 2A and 2B.
 - Indicators 6-15 were calculated based on data provided and given a score of 0-10 points. If all five critical indicators were passed and the LEA received a minimum score of 60 (out of 100), a Passing rating was awarded.

2016-17 Charter FIRST indicators

- Indicator 1: Was the complete Annual Financial Report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year end date of June 30 or August 31, respectively?
 - The close of the fiscal year was August 31, 2016; therefore, the deadline for submission was January 28, 2017.
 - As shown on the detail report for Indicator 1, the AFR and data report were received by TEA on January 25, 2017.
- Score: **PASS**

2016-17 Charter FIRST indicators

☐ Indicator 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 an unmodified opinion.)

☐ As reflected in the AFR for fiscal year 2015-16, the auditor for Village Tech Schools issued an unmodified opinion.

☐ Score: **PASS**

2016-17 Charter FIRST indicators

☐ Indicator 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.)

☐ As reflected in the AFR for fiscal year 2015-16, the auditor for Village Tech Schools did not issue a finding for any instance of material weakness.

☐ Score: **Not scored; indicator 2 passed with an answer of Yes for indicator 2A**

2016-17 Charter FIRST indicators

- ❑ Indicator 3: Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end?
 - As reflected in the AFR for fiscal year 2015-16, the auditor for Village Tech Schools found that VTS was in compliance with all debt agreements at fiscal year end.
- ❑ Score: **PASS**

2016-17 Charter FIRST indicators

- ❑ Indicator 4: Did the charter school make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?
 - As reflected in the AFR for fiscal year 2015-16, Village Tech Schools made timely payments to all governmental agencies.
- ❑ Score: **PASS**

2016-17 Charter FIRST indicators

- ❑ Indicator 5: Was the total net asset balance in the Statement of Financial Position for the charter school greater than zero?
 - ❑ As reflected in the AFR for fiscal year 2015-16 on the Statement of Financial Position, the net asset balance for Village Tech Schools at fiscal year end was \$1,862,005.
- ❑ Score: **PASS**

2016-17 Charter FIRST indicators

- ❑ Indicator 6: Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? (Depreciation and pension expenses excluded.)
 - ❑ Formula: $[(\$671,242 + \$0)/(\$5,921,048 - \$248,644 - \$0)] * 365$
= 43.19 days cash on hand
 - ❑ Points were awarded on a sliding scale. VTS was awarded 6 total points for this indicator for having a days cash on hand value ≥ 40 but < 50 .
- ❑ Score: **6 points (maximum awarded is 10)**

2016-17 Charter FIRST indicators

- ❑ Indicator 7: Was the measure of current assets for the charter school sufficient to cover short-term debt?
 - ❑ Formula: $(\$911,889/\$420,507)$
= 2.17
 - ❑ For points to be awarded for this indicator, a charter school had to have a minimum value for this calculation of greater than 1. Maximum points were awarded for a value greater than or equal to 2.
- ❑ Score: **10 points (maximum awarded)**

2016-17 Charter FIRST indicators

- ❑ Indicator 8: Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency?
 - ❑ Formula: $(\$1,491,595 - \$0)/\$3,774,107$
= 0.395
 - ❑ For points to be awarded for this indicator, a charter school needed a value for this calculation of less than or equal to 1. Maximum points were awarded for a value of less than or equal to 0.60.
- ❑ Score: **10 points (maximum awarded)**

2016-17 Charter FIRST indicators

- Indicator 9: Did the charter school's revenues equal or exceed expenses, excluding depreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? (Calculation excludes depreciation and pension expenses.)
 - Formula: $[\$6,019,386 / (\$5,921,048 - \$248,644 - \$0)] = 1.06$
 - For points to be awarded for this indicator, a charter school must have a value greater than zero.
- Score: **10 points**

2016-17 Charter FIRST indicators

- Indicator 10: Was the debt service coverage ratio sufficient to meet the required debt service?
 - Formula: $(\$6,019,386 - \$5,921,048 + \$248,644 + \$469,483 - \$0) \text{ divided by } \$469,483 = 1.739$
 - For minimum points to be awarded for this indicator, a charter school needed a value greater than or equal to one. Maximum points were awarded for any value greater than or equal to 1.20.
- Score: **10 points (maximum awarded)**

2016-17 Charter FIRST indicators

- Indicator 11: Was the charter school's administrative cost ratio equal to or below the threshold ratio?
 - Formula: $\$448,443/\$3,090,674$
 $= 0.145$
 - For partial points (5) to be awarded for this indicator, a charter school needed a ratio less than or equal to 0.2654. Maximum points for a school the size of VTS were awarded for any ratio less than or equal to 0.1561.
- Score: **10 points (maximum awarded)**

2016-17 Charter FIRST indicators

- Indicator 12: Did the charter school 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 charter school will automatically pass this indicator.)
 - Total enrollment three years prior to the year under review was 636 students. Enrollment for the year under review was 725. There was no decrease in student enrollment over three years; therefore, VTS automatically passed this indicator.
- Score: **10 points**

2016-17 Charter FIRST indicators

- Indicator 13: Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?
 - This figure comes from expenditures as shown in the Mid-Year PEIMS submission report compared to expenditures taken directly from the AFR and submitted through the Audit Data Submission template.
 - Formula: $\$19 / \$5,921,048 = 0.0000032$
 - The total sum of all differences was \$19 which is less than a 3 percent variance.
- Score: **10 points**

2016-17 Charter FIRST indicators

- Indicator 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.)
 - As reflected in the AFR for fiscal year 2015-16, the auditor for Village Tech Schools found no instances of material noncompliance. This indicator was either awarded 10 points (for an answer of "yes") or 0 points (for an answer of "no").
- Score: **10 points**

2016-17 Charter FIRST indicators

- ❑ Indicator 15: Did the charter school 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?
 - ❑ VTS had not received an over-allocation of FSP funds; therefore, the school was not on any repayment schedule for this purpose. This indicator was either awarded 10 points (for an answer of "yes") or 0 points (for an answer of "no").
- ❑ Score: **10 points**

2016-17 VTS FIRST Rating Summary

- ❑ Critical Indicators:
 - ❑ Indicator 1: PASS
 - ❑ Indicator 2A: PASS
 - ❑ Indicator 2B: Not scored (2A was passed)
 - ❑ Indicator 3: PASS
 - ❑ Indicator 4: PASS
 - ❑ Indicator 5: PASS
- ❑ With passing scores on all five critical indicators, the remaining 10 indicators were scored as shown on the following slide.

2016-17 VTS FIRST Rating Summary

- ❑ Other Indicators:
 - ❑ Indicator 6: 6 points
 - ❑ Indicator 7: 10 points
 - ❑ Indicator 8: 10 points
 - ❑ Indicator 9: 10 points
 - ❑ Indicator 10: 10 points
 - ❑ Indicator 11: 10 points
 - ❑ Indicator 12: 10 points
 - ❑ Indicator 13: 10 points
 - ❑ Indicator 14: 10 points
 - ❑ Indicator 15: 10 points
- ❑ With a total score for all remaining indicators of 96 out of 100 possible points, VTS was awarded a rating of "Superior" for the 2016-17 year, achieving the highest Charter FIRST rating possible.

2016-17 FIRST – Statewide Comparison

- ❑ A total of 166 Charter Schools were given ratings for the 2016-17 cycle
- ❑ Of the 166 schools rated, 163 schools were given a Passing rating (passing rate of 99.19%)
- ❑ Breakdown of ratings as follows:
 - ❑ Superior (A) - 123 charter schools
 - ❑ Above Standard (B) - 24 charter schools
 - ❑ Meets Standard (C) - 16 charter schools
 - ❑ Substandard Achievement (F) - 3 charter schools

2016-17 FIRST – Prior Year Comparison

- ❑ Prior year FIRST rating comparison:
 - ❑ 2015-2016: **Superior** with 100 out of 100 possible points awarded
 - ❑ Highest rating achieved with maximum points possible awarded
 - ❑ 2016-2017: **Superior** with 96 out of 100 possible points awarded
 - ❑ Highest rating possible achieved

2016-17 VTS Financial Management Report

- ❑ Current Superintendent's Contract – posted to the website at the following link:

<http://www.villagetechschoos.org/assets/ceo-contract-2017.pdf>

Superintendent and Board disclosures attached

- ❑ Reimbursements to David Williams, Superintendent, in the amount of \$470.59 for meals and other reimbursable expenses.
- ❑ No expenses reimbursed to Board members

Village Tech Schools Overall Rating Summary Report



User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

Home Exit

2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

Charter School Status Detail

Indicator Detail Summary

Determination of Ratings

Size-Dependent Indicators

Name: VILLAGE TECH SCHOOLS(057847)	Publication Level 0: 7/21/2017 10:36:05 AM
Status: PASSED	Publication Level 1: 8/8/2017 2:27:20 PM
Rating: A - Superior	Publication Level 2: 8/8/2017 2:27:20 PM
Charter School Score: 96	
Passing Score: 60	Last Updated: 8/8/2017 2:27:20 PM

Options

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Village Tech Schools Indicator Summary Report



User: Public
User Role: Public

Rating Year: 2016-2017 ↕ CDN: 057847 ↕ Select An Option ↕ Help
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2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

Charter School Status Detail **Indicator Detail Summary** Determination of Ratings

Size-Dependent Indicators

VILLAGE TECH SCHOOLS(057847)

Status	Indicator Num	Indicator Description	Updated	Score
P	+1 1	<u>Was the complete annual financial report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year end date of June 30 or August 31, respectively?</u>	7/21/2017 10:36:02 AM	YES
P	+1 2A	<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>	7/21/2017 10:36:02 AM	YES
	2B	<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>	7/21/2017 10:36:02 AM	
P	+1 3	<u>Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end? (If the charter school was in default in a prior fiscal year, an exemption applies in following years if the charter school 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>	7/21/2017 10:36:02 AM	YES
P	+1 4	<u>Did the charter school make timely payments to the Teachers Retirement System (TRS),</u>	7/21/2017 10:36:02 AM	YES

P	15	<p><u>Was the total net asset balance in the Statement of Financial Position for the charter school greater than zero? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)</u></p>	7/21/2017 10:36:02 AM	YES
	6	<p><u>Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.</u></p>	7/21/2017 10:36:02 AM	6
	7	<p><u>Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?</u></p>	7/21/2017 10:36:02 AM	10
	8	<p><u>Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)</u></p>	7/21/2017 10:36:02 AM	10
	9	<p><u>Did the charter school's revenues equal or exceed expenses, excluding depreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.</u></p>	7/21/2017 10:36:02 AM	10
	10	<p><u>Was the debt service coverage ratio sufficient to meet the required debt service?</u></p>	7/21/2017 10:36:02 AM	10
	11	<p><u>Was the charter school's administrative cost ratio equal to or less than the threshold ratio?</u></p>	7/21/2017 10:36:02 AM	10
	12	<p><u>Did the charter school 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 charter school will automatically pass this indicator.)</u></p>	7/21/2017 10:36:02 AM	10
	13	<p><u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?</u></p>	7/21/2017 10:36:02 AM	10
	14	<p><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></p>	7/21/2017 10:36:02 AM	10
	15	<p><u>Did the charter school not receive an adjusted</u></p>	7/21/2017 10:36:02 AM	10

financial hardship?

96 Weighted
Sum
1 Multiplier
Sum
96 Score

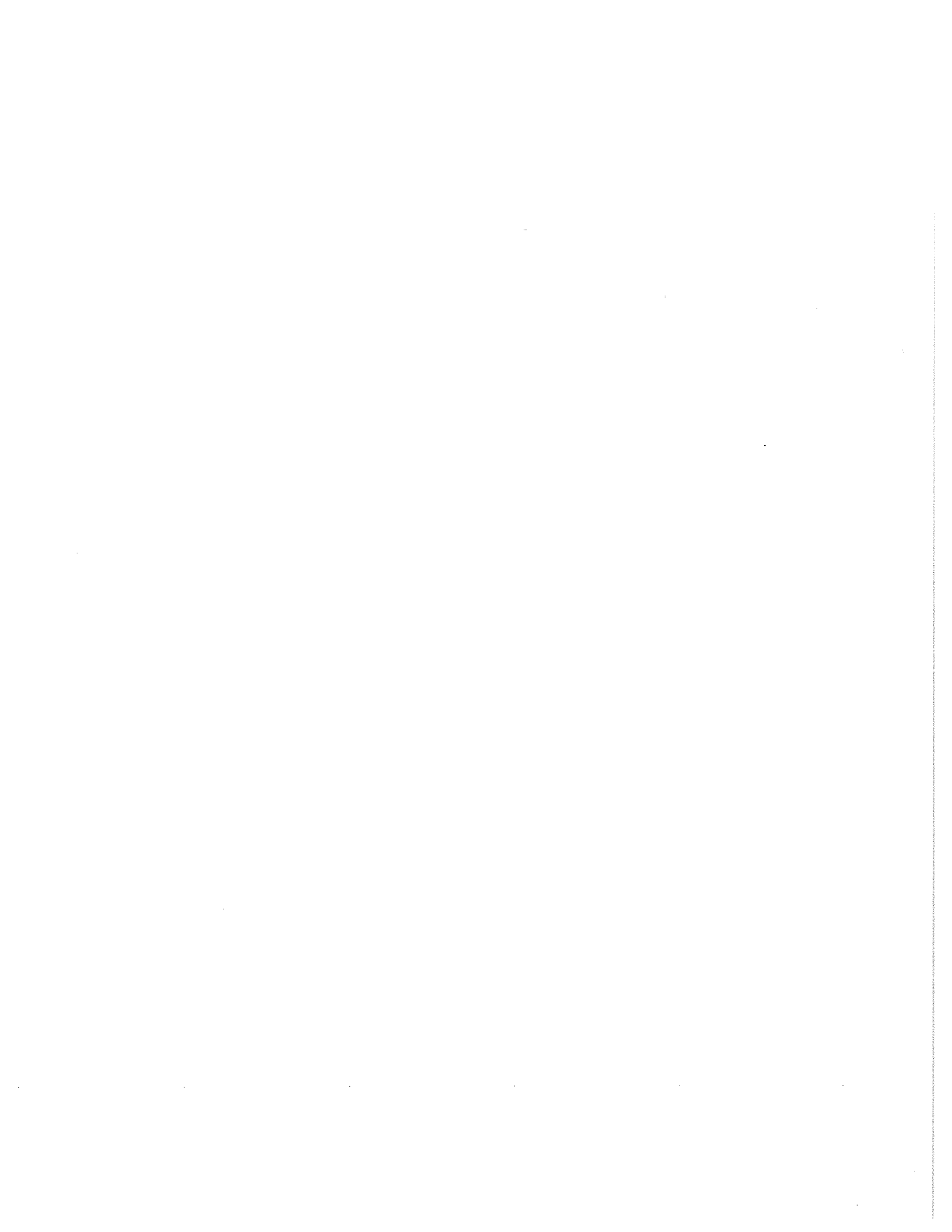
†1: must pass 1, 3, 4, 5 and 2A

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Village Tech Schools Individual Indicator Detail Reports



User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 1

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the complete annual financial report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year end date of June 30 or August 31, respectively?

Status: Passed

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field

Value

A. Audit Report Received Date:	1/25/2017
B. Fiscal Year End Date:	8/31/2016
C. Submission Deadline Days:	180

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2016-2017 Indicator Test 2A

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: 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.)

Status: Passed

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field	Value
Clean Audit:	<input checked="" type="checkbox"/>

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Rating Year: **2016-2017** | CDN: **057847** | **Select An Option** | **Help**
Home | **Exit**

2016-2017 Indicator Test 3

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator:

Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end? (If the charter school was in default in a prior fiscal year, an exemption applies in following years if the charter school 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.)

Status: Passed

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field

Value

No Debt Defaults:

Options

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

2016-2017 Indicator Test 4

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Did the charter school make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

Status: Passed

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field	Value
-------	-------

Timely Payments:	<input checked="" type="checkbox"/>
------------------	-------------------------------------

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Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 5

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the total net asset balance in the Statement of Financial Position for the charter school greater than zero? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)

Status: Passed

Last Updated: 7/21/2017 10:36:02 AM

Formula

A + B > C
OR
 $((D - E) / E) * 100 \geq F$

B = B1 + B2 + B3

Field	Value
A. Total net asset balance in the statement of financial position:	1862005.0000
B1. Pension Expense:	0.0000
B2. Other Post Employment Benefits (OPEB):	0.0000
B3. Net Pension Liability(NPL):	0.0000
B. Pension Expense, Other Post Employment Benefits (OPEB), and Net Pension Liability (NPL), as applicable:	0.0000
C. Net Assets Threshold:	0

OR

E. Number of students in membership in base year:

0

F. Threshold for percent change in students in membership:

10

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User Role: Public

Rating Year: **2016-2017** | CDN: **057847** | **Select An Option** | **Help**
Home | **Exit**

2016-2017 Indicator Test 6

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.

Results/Points 6

Last Updated: 7/21/2017 10:36:02 AM

Formula

$[(A+B)/(C-D-E)] * 365$

Field	Value
A. Cash & Equivalents:	671242.0000
B. Current Investments:	0.0000
C. Total Expenditures:	5921048.0000
D. Depreciation Expense:	248644.0000
E. Pension Expense:	0.0000

Options

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 7

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

$((A / B) \geq C$

Field

Value

A. Current Assets:

911889.0000

B. Current Liabilities:

420507.0000

C. Threshold for Current Assets to Current Liabilites Ratio :

1

Options

User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help
Home Exit

2016-2017 Indicator Test 8

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

(A - B) / C
OR
(((D - E) / E) * 100) >= F

B = B1 + B2 + B3

Field	Value
A. Long Term Liabilities:	1491595.0000
B1. Pension Expense:	0.0000
B2. Other Post Employment Benefits (OPEB):	0.0000
B3. Net Pension Liability(NPL):	0.0000
B. Pension Expense, OPEB, and NPL, as applicable:	0.0000
C. Total Assets:	3774107.0000
OR	
D. Number of students in	725

membership in base year: 0
F. Threshold for percent change in
students in membership: 10

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User: Public
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Rating Year: 2016-2017 CDN: 057847 Select An Option Help
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2016-2017 Indicator Test 9

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Did the charter school's revenues equal or exceed expenses, excluding depreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

$$[A / (B - C - D) - 1] > 0$$

Field	Value
-------	-------

A. Total Revenue:	6019386.0000
B. Total Expenses:	5921048.0000
C. Depreciation:	248644.0000
D. Pension Expense:	0.0000

Options

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User: Public
User Role: Public

Rating Year: **2016-2017** | CDN: **057847** | [Select An Option](#) | [Help](#)
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2016-2017 Indicator Test 10

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)
Indicator: Was the debt service coverage ratio sufficient to meet the required debt service?
Results/Points: 10
Last Updated: 7/21/2017 10:36:02 AM

Formula

$$(A - B + C + D - E) / D$$

$$D = D1 + D2$$

Field	Value
A. Total Revenue:	6019386.0000
B. Total Expenses:	5921048.0000
C. Depreciation:	248644.0000
D1. Interest Amount:	138165.0000
D2. Principal Amount:	331318.0000
E. Pension Expense:	0.0000

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 11

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Was the charter school's administrative cost ratio equal to or less than the threshold ratio?

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

((A/B) Between Threshold Ratio Ranges(Based on Charter School Size)

Field	Value
Average Daily Attendance:	686.212
A. Admin Costs:	448443.0000
B. Other Costs:	3090674.0000

Options

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 12

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Did the charter school 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 charter school will automatically pass this indicator.)

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

$(A / B) - 1 > -0.15$ Or $C - D > 0$

$A = A1 / A2$

$B = B1 / B2$

Field	Value
A1. Number of currently enrolled students:	725
A2. Number of current FTE Staff:	73.4917
B1. Number of students enrolled 3 years prior to the year under review:	636
B2. Number of FTE Staff 3 years prior ot the year under review:	48.8645
C. Number of currently enrolled students:	725
D. Number of students enrolled 3 years prior to the year under review:	636

Options

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 13

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

((A / B) < C)

Field	Value
A. Data Variance (Sum of Differences) :	19.0000
B. Total Expenses:	5921048.0000
C. Threshold for percentage of Data Variance:	3

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 14

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator:

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.)

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field	Value
(Not) Material Non-Compliance:	<input checked="" type="checkbox"/>

Options

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User: Public
User Role: Public

Rating Year: 2016-2017 CDN: 057847 Select An Option Help

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2016-2017 Indicator Test 15

Indicator Details and Formula

Result Determination Reference

Charter School Name: VILLAGE TECH SCHOOLS(057847)

Indicator: Did the charter school 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?

Results/Points 10

Last Updated: 7/21/2017 10:36:02 AM

Formula

None

Field	Value
No Adjusted Repayment Schedule:	<input type="checkbox"/>

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Statewide Rating Comparison Report



Overall Statistics

2016-2017 Status Counts 2016-2017 Rating Counts

All Results by Indicator Answers By Indicators

Status	Count	% Total	Enrollment	% Total Enrollment
Fail	3	1.81	1946	0.81
Pass	163	98.19	238950	99.19
TOTAL	166	100.00	240896	100.00

Options

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Overall Statistics

2016-2017 Status Counts 2016-2017 Rating Counts

[All Results by Indicator](#) [Answers By Indicators](#)

Ratings	Count	% Total	Enrollment	% Total Enrollment
A - Superior	123	74.10	191282	79.40
B - Above Standard	24	14.46	40037	16.62
C - Meets Standard	16	9.64	7631	3.17
F - Substandard Achievement	3	1.81	1946	0.81
TOTAL	166	100.00	240896	100.00

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Village Tech Schools Rating Comparison to Prior Year

FIRST RATING COMPARISON TO PRIOR YEAR:

Indicator #	Indicator Description	2016-17 Score	2015-16 Score
1	Was the complete annual financial report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year end date of June 30 or August 31, respectively?	PASS	PASS
2A	Was there an unmodified opinion in the AFR on the financial statements as a whole?	PASS	PASS
2B	Did the external 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?	Not scored	Not scored
3	Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end?	PASS	PASS
4	Did the charter school make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?	PASS	PASS
5	Was the total net asset balance in the Statement of Financial Position for the charter school great than zero?	PASS	PASS
6	Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses?	6	10
7	Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?	10	10
8	Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency?	10	10
9	Did the charter school's revenues equal or exceed expenses, excluding depreciation?	10	10
10	Was the debt service coverage ratio sufficient to meet the required debt service?	10	10
11	Was the charter school's administrative cost ratio equal to or less than the threshold ratio?	10	10
12	Did the charter school not have a 15 percent decline in the students to staff ratio over 3 years?	10	10
13	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?	10	10
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?	10	10

15	Did the charter school 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?	10	10
		2016-17	2015-16
Total Score:		96	100
Charter First Rating:		SUPERIOR	SUPERIOR

2016-17 DETERMINATION OF RATING:

- A. Did the Charter School answer 'No' to indicators 1, 2A, 3, 4, 5 OR did the Charter School answer 'No' to both 2A and 2B? If so, the Charter School's rating is Substandard Achievement.
- B. Determine rating by applicable range for summation of the indicator scores (Indicators 6-15):

Rating	Points
Suspended	0 – 0
Undetermined	0 – 0
A – Superior	90 – 100
B – Above Standard	80 – 89
C – Meets Standard	60 – 79
F – Substandard Achievement	0 – 59

2015-16 DETERMINATION OF RATING:

- A. Did the Charter School answer 'No' to indicators 1, 2A, 3, 4, 5 OR did the Charter School answer 'No' to both 2A and 2B? If so, the Charter School's rating is Substandard Achievement.
- B. Determine rating by applicable range for summation of the indicator scores (Indicators 6-15):

Rating	Points
Suspended	0 – 0
Undetermined	0 – 0
A – Superior	70 – 100
B – Above Standard	50 – 69
C – Meets Standard	31 – 49
F – Substandard Achievement	0 – 30

Required Superintendent and Board Disclosures

School FIRST Annual Financial Management Report

CHARTER SCHOOL

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(o). Effective 8/6/2015. The template has been established to help the charter schools in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the charter school may choose to publish the superintendent's employment contract on the charter school's internet site. If published on the internet, the contract is to remain accessible for twelve months.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended August 31, 2016

<u>Description of Reimbursements</u>	David Williams, Superintendent	Daniel Price	Jeremy Gordon	Melissa Stephens	Lucy Hale	Daniel Avalos
Meals	\$ 174.65	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	\$ 295.94					
Transportation	-					
Motor Fuel	-					
Other	-					
Total	\$ 470.59	\$ -	\$ -	\$ -	\$ -	\$ -

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:
 Meals – Meals consumed out of town, and in geographic-boundary meals at area restaurants (outside of board meetings, excludes catered board meeting meals).
 Lodging – Hotel charges.
 Transportation – Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).
 Motor fuel – Gasoline.
 Other: Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

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, 2016
Name(s) of Entity(ies)

Amount Received
 \$

Total
 \$ -

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to charter school business.

**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, 2016

David Williams, Superintendent	Daniel Price	Jeremy Gordon	Melissa Stephens	Lucy Hale	Daniel Avalos
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total					

Note -- An executive officer is defined as the superintendent, unless the board of trustees or the charter school administration names additional staff under this classification for local officials.

Business Transactions Between Charter School and Board Members

For the Twelve-Month Period
 Ended August 31, 2016

Daniel Price	Jeremy Gordon	Melissa Stephens	Lucy Hale	Daniel Avalos
\$ -	\$ -	\$ -	\$ -	\$ -
Amounts				

Note -- The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.