



4
Fourth
Year
Award



HCDE

HARRIS COUNTY DEPARTMENT OF EDUCATION



Texas Comptroller
Leadership Circle
Gold Member

(unaudited)
Prepared by
Business Support Services Division

**HIGHLIGHTS
Of
INTERIM FINANCIAL REPORT
At March 31, 2013
and**

**BUDGET AMENDMENT REPORT
for the April 23, 2013 Board Meeting**

**(unaudited)
Prepared by
Business Support Services Division**

Always Taking Care of Business!



4
Fourth
Year
Award

Texas Comptroller
Leadership Circle
Gold Member

Posted on our website at

<http://www.hcde-texas.org/default.aspx?name=BusinessServicesHome>

Linked from State Comptroller's website

<http://www.texastransparency.org/local/schools.php>

5 Awards Update of 7 coming

1. HCDE has received the ASBO – Award for the CAFR and Budget Document for the year ended 8-31-2013. (2)
2. HCDE has received the Letter of Distinction for the Investment Policy for the 2 yr period. (1)
3. Received the Transparency Award for the 4th year in a ROW. (1)
4. HCDE has received the GFOA – Award for Budget Document for the year ended 8-31-2013. (1)

INTERIM FINANCIAL REPORT (unaudited)

GENERAL FUND Balance Sheet at March 31, 2013

	<u>ACTUAL</u>
<u>ASSETS</u>	
Cash and Temporary Investments	\$ 32,006,530
Property Taxes-Delinquent at September 1, 2012	1,072,919
Less: Allowances for Uncollectible Taxes	(32,187)
Due from Federal Agencies	81,521
Other Receivables	2,183,889
Inventories	137,183
Deferred Expenditures	-
Other Prepaid Items	24,865
TOTAL ASSETS:	<u>\$ 35,454,520</u>
<u>LIABILITIES</u>	
Accounts Payable	22,797
Bond Interest Payable	-
Due to Other Funds	-
Accrued Wages	-
Payroll Deductions	718,918
Due to Other Governments	-
Deferred Revenue	1,067,352
TOTAL LIABILITIES:	<u>\$ 1,809,067</u>
<u>FUND EQUITY</u>	
Unassigned Fund Balance	11,270,559
Non-Spendable Fund Balance	111,719
Restricted Fund Balance	-
Committed Fund Balance	1,408,000
Assigned Fund Balance	5,213,590
Excess(Deficiency) of Revenues & Other Resources Over(Under) Expenditures & Other Uses	11,821,781
TOTAL FUND EQUITY:	<u>\$ 29,825,849</u>
Fund Balance Appropriated Year-To-Date	2,419,804
TOTAL LIABILITIES, FUND EQUITY, AND FUND BALANCE APPROPRIATED TO DATE:	<u>\$ 34,054,520</u>

INTERIM FINANCIAL REPORT (unaudited)

ASST. SUPERINTENDENT FOR BUSINESS SERVICES' MESSAGE

As of March 31, 2013

The audited projected General Fund balance at 9/1/12 is \$21,823,671

- Assigned \$ 7,450,241
- Unassigned \$ 12,425,483

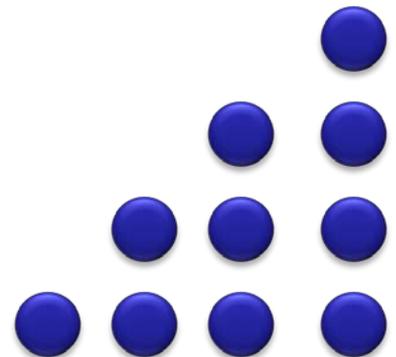
As of 3-31-2013, the estimated activity is: As the end of the year close is completed, a budget amendment will be submitted to the board for items assigned, restricted and

Description	9/1/2011	Appropriated YTD	Estimated Balance
Non-Spendable	\$ 111,719	\$ -	\$ 111,719
Restricted	428,228	(428,228)	-
Committed	1,408,000	-	1,408,000
Assigned	7,450,241	(1,536,651)	5,913,590
Unassigned	12,425,483	(454,925)	11,970,558
Total Fund Balance	\$ 21,823,671	\$ (2,419,804)	\$19,403,867

INTERIM FINANCIAL REPORT (unaudited) As of March 31, 2013

Financial Ratios

- *Level One - Indicator of financial strength*
- *Level Two - Indicator of efficient leverage*
- *Level Three - Indicators of efficiency*
- *Level Four - Indicator of revenue growth*



INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2013

Indicator of Financial Strength



- Percent of Fund Balance to G/F Expenditures Ratio**

What is the percent of rainy fund balance?

- Working Capital Ratio**

What is the cash flow availability for the organization?

Unassigned Fund Balance 11,270,559

Total G/F Expenditures 24,448,711

Goal : > 30% of G/F Exp.
 Benchmark: 10% to 29%
 Danger: Under 10%

Total Current Assets Less Total Liabilities 33,645,453

Goal : >\$15,000,000
 Benchmark : \$10M to \$15M
 Danger : Under < \$10M

46%

Budgeted
31%

\$34 M

Details on Schedule 3

Details on Schedule 1

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2013

Indicator of Efficient Leverage Reserves



- Unassigned Fund Balance Ratio**

How much is available in reserves?

Unassigned Fund Balance 11,270,559

Total Fund Balances 29,825,649

Goal : >75%
 Benchmark: 50% to 75%
 Danger: <50%

38%

Details on Schedule 1

- Debt to Income Ratio**

What is the ability of HCDE to cover its debt payments?

Annual Principal and Interest Payments on Term Debt and Capital Leases 1,793,859

G/F Revenue Less Facility Charges 33,462,309

Goal : <25% of annual revenue
 Benchmark : 25% to <49%
 Danger : Under < 50%

5%

Details on Schedule 5

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2013

Indicators of efficiency



- Tax Revenue to Total Revenue Ratio**

How efficient is HCDE at leveraging local taxes?

- Indirect Cost to Tax Ratio**

How much dependency on indirect cost from grants?

Total Tax Revenue 18,564,902

Total Revenue 57,345,092

Goal : < 20% of revenue
 Benchmark: 20% to 30%
 Danger: More than 30%

Indirect Cost General Fund 993,637

Total General Fund Revenues 36,270,492

Goal : >5%
 Benchmark : 2% to 5%
 Danger : Under < 2%

32%

Budgeted
19%

Details on Schedule 2

2.7%

Budgeted
5%

Details on Schedule 3

INTERIM FINANCIAL REPORT (unaudited)

As of March 31, 2013

Indicator of revenue growth



<ul style="list-style-type: none"> Fee for Service Revenue Ratio How are revenues spread across All Funds? 	<ul style="list-style-type: none"> Fee for Service Revenue Growth Ratio What is the market growth for fee for services?
<p>Total Fee for Service Revenues (G/F) \$14,750,641</p> <p>-----</p> <p>Total Revenues \$57,345,092</p> <p>Goal : > 30% of annual revenue Benchmark: 10% to 29% Danger: Under 10%</p>	<p>Fee for Services Current Year Less Fee for Services Last Year \$14,750,641-14,377,252</p> <p>-----</p> <p>Fees for Service Last Year \$14,377,252</p> <p>Goal : >3% + growth Benchmark : 0% to 3% Danger : Under < 0%</p>

26%

Budgeted
21%

Details on Schedule 13-

2.6%

Budgeted
-4%

Details on Schedule 13-

FY 2012-13 FUND BALANCE – BUDGETED ACTIVITY

FUND BALANCE CATEGORY	Sept 1, 2012 Beginning Unaudited	Sept. 12 – Dec.12	Feb. 2013	Mar'13	Est. F/Bal 8-31-13
Inventory	107,799		107,799		\$112,865
Asset Replace Schedule	1,300,000	(500,000)	1,300,000		364,500
Bldg & Vehicle Replacement Schedule	1,200,000		1,200,000		711,441
Carryover encumbrances	98,413		98,413		0
Deferred Revenue –HP Schools	103,300		103,300		103,300
Deferred revenues	3,920		3,920		6,768
Emp. Retire Leave Fund	1,250,000		1,250,000		1,250,000
PFC Construction	630,000		630,000		930,000
Insurance Deductibles	400,000		400,000		400,000
NEW Payroll System	250,000	(250,000)	250,000		0

FY 2012-13 FUND BALANCE – BUDGETED ACTIVITY

FUND BALANCE CATEGORY	Sept 1, 2012 Beginning Unaudited	Dec'12	Jan'13	Feb'13	Mar-Apr'13	Aug 13	Est. F/Bal 8-31-13
PFC Lease payment	807,915			807,915			807,915
Program start up	565,000			565,000			565,000
Local Construction Fund 170	572,780	(570,000)		572,780			0
QZAB Renovation Projects	428,228	(428,228)		428,228			0
QZAB bond payment	697,833			697,833			697,833
Safe & Secure Schools Project	125,000	(125,000)		125,000			0
Unemployment Liability	158,000			158,000			56,000
Total Reserves:	7,450,241	(1,873,228)		7,450,241			\$6,005,622
Unassigned:	12,425,483	(154,825)	(300,000)	12,425,483			10,892,058
Total Est. Fund Balance:	21,823,671	(2,028,053)	(300,000)	21,823,671			\$16,897,680

INTERIM FINANCIAL REPORT (unaudited)

GENERAL, SPECIAL REVENUE, DEBT SERVICE FUNDS AND INTERNAL SERVICE FUNDS

Revenues

Budget to Actual at March 31, 2013

Fund	Budget	Received/Billed	%
General Fund	\$ 46,021,187	\$ 36,270,492	79%
March is the end of the 7th month or approximately 58% of the fiscal year.			
(1) This amount includes accounts receivable billed.			
Special Revenue Funds	48,993,960	16,224,817	33%
Most grant periods differ from fiscal year.			
(2) Grants are on monthly reimbursement basis; subsequently billed			
Debt Service Fund	2,652,898	1,793,859	68%
(3) This fund has activity in February (interest and principal payments) and in August (interest only payment).			
PFC Fund	-	18	0%
Trust and Agency Fund	-	3,919	0%
Worker's Comp. Fund	464,082	243,805	53%
Internal Service Fund	5,811,200	2,808,183	48%
Total as of the end of the month	103,943,327	\$ 57,345,092	55%

INTERIM FINANCIAL REPORT (unaudited)

GENERAL, SPECIAL REVENUE, DEBT SERVICE FUNDS and INTERNAL SERVICE FUNDS

Expenditures

Budget to Actual at March 31, 2013

Fund	Budget	Encumbered/Spent	%
General Fund	\$48,440,991	\$24,448,711	54%
(1) Encumbrances as of the end of the month total.		1,936,682	Encumbrances
March is the end of the 7th month or approximately 58% of the fiscal year.			
Special Revenue Fund	48,993,960	18,928,862	56%
(2) Encumbrances as of the end of the month total.		7,166,904	Encumbrances
Most grant periods differ from fiscal year.			
Debt Service Fund	2,652,898	1,793,859	68%
(3) This fund has activity in February (interest and principal payments) and in August (interest only payment).			
PFC Fund	-	-	0%
Trust and Agency Fund	-	4,914	0%
Worker's Comp. Fund	464,082	175,589	38%
Internal Service Fund	5,811,200	3,495,095	60%
Total as of the end of the month	\$ 106,363,131	\$48,159,649	56%

INTERIM FINANCIAL REPORT (unaudited)

FY 2012-13 Donations Report *
All Funds as of March 31, 2013

MONTH	CASH	IN-KIND	TOTAL
September	\$ 2,850.00	\$ 1,447.00	\$4,297.00
October	\$1,186.39	\$3,844.00	\$5,030.39
November	\$1,819.40	\$8,170.74	\$9,990.14
December	\$ 2,700	\$28,038	\$30,738
January	\$11,180	\$3,429	\$14,609
February	\$2,092.86	\$12,754	14,846.86
March	0	2,195.27	2,195.27
April			
May			
June			
July			
August			
Total:	\$ 21,828.65	\$ 59,878.01	\$81,706.66

INTERIM FINANCIAL REPORT (unaudited)

HCDE Donation Report

RESOURCE DEVELOPMENT ON BEHALF OF HCDE DIVISIONS								
March 1st through March 31st, 2013								
<i>Donor Last Name</i>	<i>Donor First Name</i>	<i>Organization/Division</i>	<i>Site</i>	<i>Sponsored Division</i>	<i>Description of Donation</i>	<i>Cash Totals</i>	<i>In-kind Totals</i>	<i>Totals</i>
Lamkin	Shannon	Panera Bread	HCDE	Center for Safe & Secure Schools	Food - Sandwich Trays		\$199.96	\$199.96
Wish to remain anonymous		Junior Guild	HCDE	ECI Keep Pace	Cash for tech equipment		\$1,500.00	\$1,500.00
Linklater	Tom	Public Entity Risk Management,	HCDE	Business Services	Meals for SFC Luncheon on 2/15/13		\$495.31	\$495.31
TOTALS						\$0.00	\$2,195.27	\$2,195.27

Legend: ECI=Early Childhood Intervention; SFC=School Finance Council

Compiled by: Resource Development

Note: Reported donations are derived from work performed by HCDE divisions.

2/28/2013

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS COMPARATIVE ANALYSIS Fiscal Year-To-Date at March 31, 2013

	August	September	October	November	December	January	February	March
	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED
	TAX RATE	TAX RATE	TAX RATE					
Proposed Collections Tax Year 2012	0.006617	0.006617	0.006617	0.006617	0.006617	0.006617	0.006617	0.006617
Certified Taxable Value per HCAD *	\$ 258,924,593,035	\$ 275,257,461,225	\$ 282,032,945,388	\$ 288,091,840,265	\$ 289,806,812,858	\$ 290,306,211,979	\$ 290,529,597,830	\$ 290,720,199,966
Values under protest or not certified	16,902,509,314	13,749,674,037	8,239,394,016	2,954,479,974	1,519,351,462	960,773,971	627,802,255	336,827,774
	275,827,102,349	289,007,135,262	290,272,339,404	291,046,320,239	291,326,164,320	291,266,985,950	-	291,057,027,740
/ Rate per Taxable \$100	2,758,271,023	2,890,071,353	2,902,723,394	2,910,463,202	2,913,261,643	2,912,669,860	2,911,574,001	2,910,570,277
X Tax Rate	18,251,479	19,123,602	19,207,321	19,258,535	19,277,052	19,273,136	19,265,885	19,259,244
X Estimated 99% collection rate	18,068,965	18,932,366	19,015,247	19,065,950	19,084,282	19,080,405	19,073,226	19,066,651
+ Delinquent Tax Collections	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
+ Special Assessments	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
+ Penalty & Interest	130,500	130,500	130,500	130,500	130,500	130,500	130,500	130,500
Estimated Current Tax Available	\$ 18,459,465	\$ 19,322,866	\$ 19,405,747	\$ 19,456,450	\$ 19,474,782	\$ 19,470,905	\$ 19,463,726	\$ 19,457,151

INTERIM FINANCIAL REPORT (unaudited)

TAX COLLECTIONS Fiscal Year-To-Date at March 31, 2013

TAX YEAR 2012 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
REVENUES:					
Current Tax	\$18,258,628	\$270,607	\$18,383,489	(\$124,861)	101%
Delinquent Tax *	250,000	12,494	128,025	\$121,975	51%
Penalty & Interest	130,500	22,251	107,542	\$22,958	82%
Special Assessments and Miscellaneous*	10,000	65,432	173,738	(\$163,738)	1737%
Subtotal Revenues:	\$18,649,128	\$370,784	\$18,800,468	(\$151,340)	100.8%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$155,000	\$38,282	\$113,005	\$41,995	73%
LESS: HCTO Fees	383,497	0	379,595	\$3,902	1%
Subtotal Expenditures:	\$538,497	\$38,282	\$492,600	\$45,897	3%
Net Tax Collections:	\$18,110,631	\$332,502	\$18,307,869	-\$197,238	101.1%

2012 Tax Rate = \$0.006617/\$100 Property Assessment/Appraisal

Tax on a \$200,000 Residential Property = \$13.23 (Without considering any eligible exemptions.)

INTERIM FINANCIAL REPORT (unaudited)

INTERIM CURRENT TAX REVENUE ESTIMATES REPORT

Dated March 31, 2013

	SCENARIO (1) APPRAISED VALUE HCAD	SCENARIO (2) OWNER'S VALUE OWNER REQUESTED	SCENARIO (3) EST FINAL VALUE COMMITTEE RECOMMENDED
Property Use Category Recap-Certified To Date -Report:			
Taxable value	\$290,720,199,966	\$290,720,199,966	\$290,720,199,966
PLUS: Uncertified Roll Summary Report:			
Scenario (1) Appraised value	1,088,852,340	-	-
Scenario (2) Owner's value	-	954,395,645	-
Scenario (3) Estimated final value	-	-	336,827,774
Total taxable value, Certified and Uncertified:	<u>\$291,809,052,306</u> (A)	<u>\$291,674,595,611</u> (A)	<u>\$291,057,027,740</u> (A)
Calculate Interim Current Tax Revenue Estimate:			
1) (A) divided by 100	\$2,918,090,523 (B)	\$2,916,745,956 (B)	\$2,910,570,277 (B)
2) Current Tax Rate	X 0.006617 (C)	X 0.006617 (C)	X 0.006617 (C)
3) 2013 Interim Current Tax Revenue Estimate, at 100% Collection Rate, (B) X (C)	<u>\$19,309,005</u> (D)	<u>\$19,300,108</u> (D)	<u>\$19,259,244</u> (D)
4) Interim Tax Rev Estimate @ 99% Collection Rate:	<u>\$19,115,915</u> (E)	<u>\$19,107,107</u> (E)	<u>\$19,066,651</u> (E)
Comparison of Interim Tax Rev Estimate @ 99% Collection Rate with Interim Current Tax Revenue Est:			
Interim Current Tax Revenue Estimate Over/(Under) Current Tax Revenue, Currently Budgeted:			
Interim Current Tax Revenue Estimate (E)	\$19,115,915 (E)	\$19,107,107 (E)	\$19,066,651 (E)
LESS: Tax Revenue, Currently Budgeted	<u>\$18,649,128</u> (F)	<u>\$18,649,128</u> (F)	<u>\$18,649,128</u> (F)
Total Interim Current Tax Revenue Estimate Over/(Under) Current Tax Revenue, Currently Budgeted, (E) - (F):	<u>\$466,787</u>	<u>\$457,979</u>	<u>\$417,523</u>
Total Current Tax Revenue Received, March, 2013, 1993-571100**:	<u>\$18,383,489</u>	<u>\$18,383,489</u>	<u>\$18,383,489</u>

INTERIM FINANCIAL REPORT (unaudited)

DISBURSEMENTS – ALL FUNDS

March 2013

DESCRIPTION	DISBURSEMENTS	AMOUNT
All Funds	611 Checks	\$1,202,985.34
P Card – March 2012	503 Transactions	\$80,999.15
Bank ACH - payroll liabilities	3 Transfers	\$1,444,091.83
	Total:	\$2,728,076.32

Notes:

(A) All Purchase Orders and Payment Authorizations are reviewed before disbursement.

(B) All Procurement Card charges are reviewed by cardholder, supervisor, and business office staff each month.

(C) A report on CH Local expenditures is included in the monthly report.

INTERIM FINANCIAL REPORT (unaudited)

Segment Division Data

As of March 31, 2013

<u>BUDGET MANAGER TITLE</u>	<u>Revenues</u>	<u>Tax Subsidy</u>	<u>Expenditure and Encumbran</u>	<u>Includes Tax subsidy Variance</u>	<u>w/o Tax Profit Ratio</u>	<u>Profitability Variance</u>
Alternative Certification	\$ 75,374	\$ -	\$ 111,770	\$(36,396)	-48%	\$(36,396)
Choice Partners Cooperative	1,687,975	-	1,111,363	576,613	34%	576,613
Records Management	778,039	47,972	912,973	(86,961)	-17%	(134,934)
Special Education - Therapy Services	4,568,155	-	4,518,699	49,456	1%	49,456



**HIGHLIGHTS
Of
BUDGET AMENDMENT REPORT
April 23, 2013
Board Meeting**

(unaudited)

Amendments

General Fund = \$ 69,202

Special Revenue Funds = \$ (52,815)



Texas Comptroller
Leadership Circle
Gold Member

INTERIM FINANCIAL REPORT (unaudited)

FY 2012-13 BUDGET AMENDMENT REPORT

March 31, 2013

General Fund

GENERAL FUND (199)

Department Wide (DW) & Board of Trustees

Increase expenditures-Board of Trustees-Additional Printing & Travel	4,204
Decrease expenditures-Department Wide (DW)-Move Funds to Cover Printing & Travel BOT	8,404
Total DW and Board of Trustees	2,095

	374
<i>Center for Safe & Secure Schools</i>	2,797
Increase revenues & expenditures-Revised Revenue Projections-Addl Safety Audits	3,200

INTERIM FINANCIAL REPORT (unaudited)

FY 2012-13 BUDGET AMENDMENT REPORT

March 31, 2013

General Fund

Instructional Support Services (ISS) -Special Education

Increase revenues & expenditures-Set Up Local Grant Tx Council for
Dev Disabilities

4,102

Total ISS-Special Education

4,102

Superintendent's Office & Department Wide (DW)

Increase expenditures-Dr. Sawyer's Life Insurance

8,540

Decrease expenditures-Move Funds to Cover Dr. Sawyer's Life Ins

(8,540)

Total Superintendent's Office & DW

0

Total GENERAL FUND:

\$ 69,202

INTERIM FINANCIAL REPORT (unaudited)

FY 2012-13 BUDGET AMENDMENT REPORT

January 15, 2013

General Fund

SPECIAL REVENUE FUND

Digital Learning-Texas Virtual Schools Network

Increase revenues & expenditures-Revised Budget for Tx Virtual Schools Network-Revised Contract	(464,815)
Total Texas Virtual Schools	(464,815)

Research & Evaluation

Decrease revenues & expenditures Fed USRA LPI Lunar Research Roll Forward to Fund 203-3 (203-2)	(3,315)
Increase revenues & expenditures Fed USRA LPI Lunar Research Rollover Budget from Fund 203-2 (203-3)	3,315
Total Research & Evaluation	0

Texas LEARNS

Increase revenues & expenditures-Set up rollover budget for Jobs for the Future from FY 2012	412,000
Total Texas LEARNS	412,000

Total SPECIAL REVENUE FUNDS:

\$ (52,815)

INTERIM FINANCIAL REPORT (unaudited)

I certify that the foregoing information is true and accurate to the best of my knowledge.

/s/ Jesus J. Amezcua, CPA, Asst. Supt. for Business Support Services

/s/ Rosa Maria Torres, Chief Accounting Officer

/s/ John Weber, MBA, RTSBA, Accounting and Reporting
Compliance Officer

/s/ Antonia Yvette Hamm, RTSBA, Accounting Manager

Q & A



Texas Comptroller
Leadership Circle
Gold Member

