Schools FIRST Accountability



Financial Services

October 24, 2022

History

• Adopted during the 1999 Legislature,

Schools F.I.R.S.T. is a statewide rating system implemented

in 2003 beginning with the 2001-2002 fiscal year.

• TEA implemented numerous changes effective over the years and continue to do so.





Purpose

- Expands the public education accountability system in Texas to the Financial Services.
- Primary goal is to improve the management of school districts' financial resources.
- Assure the maximum allocation of resources for direct instructional purposes.





Scoring

- Several indicators are more easily recognized and interpreted by both the public and the finance industry.
- Several indicators have a wider sliding scale range to allow a high, medium, or low points award for those indicators (from 0 to 10 points).





Determination of School District Rating

- Numerical scores based on
 - 90-100 points = Superior A
 - 80-89 points = Above Standard **B**
 - 70-79 points = Meets Standard C
 - <70 points = Substandard Achievement F





Was the Annual Financial Report (AFR) filed within one month after

the January 28th deadline?





Was there an unmodified opinion in the Annual Financial Report?







Was the school district in compliance

with the payment terms of

all debt agreements at fiscal year end?





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?





Was the total unrestricted net asset balance in the Statement of Net Position/Assets

This Indicator is not being greater than zero? scored per TEA report





Was the average change in fund balances over 3

years less than a 25% decrease?







Were the number of days of cash on hand and

current investments in the general fund

for the school district

sufficient to cover operating expenditures?





Does the District have a sufficient current assets to current liabilities ratio?







Did the school district's general fund revenues equal or exceed expenditures?

If not, was the school district's number of days of

cash on hand greater than or equal to 60 days?





Did the District average less than a 10% variance when comparing budgeted revenues to actual revenues, over the last 3 fiscal years? This Indicator is not being scored per TEA report





Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?





Is the District's assessed property value ratio sufficient to support scheduled debt

payments?







Was the school district's

administrative cost ratio

equal to or less than the threshold ratio

(0.0855)?





Did the school district NOT have a

15% decline in the students to staff

ratio over 3 years?





Was the District's ADA within the allotted range (+ or -7%) of the district's biennial pupil projections submitted to TEA? This Indicator is not being scored per TEA report YES





Did the comparison of PEIMS data to like information in the Annual Financial Report

result in an aggregate variance of less than

3% of expenditures per function?





Was the Annual Financial Report free of any instance(s) of material weaknesses in internal controls?





Was the Annual Financial Report

free of any material noncompliance

for grants, contracts, and laws related to

local, state, or federal funds?







Did the District post required financial information in compliance with Government Code, Texas Education Code, Texas Administrative Code and other statues, laws and rules on its website?





Did the School Board discuss the District's property value at a board meeting before the

budget was adopted?





What is KISD's Rating?

KISD passed all Critical indicators KISD received 98 of 100 points

Rating: 98 = Superior

The district received the highest rating possible as

established under guidelines and rules established by the

Texas Education Agency.



