

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**

Indicator 1

Was the Annual Financial Report (AFR) filed
within one month after
the January 28th deadline?

YES

Indicator 2

Was there an unmodified opinion in the
Annual Financial Report?

YES

Indicator 3

Was the school district in compliance
with the payment terms of
all debt agreements at fiscal year end?

YES

Indicator 4

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?

YES

Indicator 5

Was the total unrestricted net asset balance
in the Statement of Net Position/Assets
greater than zero?

*This Indicator is not being
scored per TEA report*

YES

Indicator 6

Was the average change in fund balances over 3 years less than a 25% decrease?

YES

Indicator 7

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?

YES

Indicator 8

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

YES

Indicator 9

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?

YES

Indicator 10

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

YES

Indicator 11

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

YES

Indicator 12

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

YES

Indicator 13

Was the school district's
administrative cost ratio
equal to or less than the threshold ratio
(0.0855)?

YES

Indicator 14

Did the school district NOT have a
15% decline in the students to staff
ratio over 3 years?

YES

Indicator 15

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

Indicator 16

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?

YES

Indicator 17

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

YES

Indicator 18

Was the Annual Financial Report
free of any material noncompliance
for grants, contracts, and laws related to
local, state, or federal funds?

YES

Indicator 19

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

YES

Indicator 20

Did the School Board discuss the District's property value at a board meeting before the budget was adopted?

YES

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.