



Financial Integrity Rating System  
of Texas



- Adopted during the 1999 Legislature, School FIRST is a statewide rating system implemented in 2003 beginning with the 2001-2002 fiscal year.
- TEA implemented changes effective 2006-2007 fiscal year.

# Purpose

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- 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.

# Criteria

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- Numerical scores based on 24 (up from 21) indicators in the following categories:
  - Critical Indicators
  - Fiscal Responsibility
  - Budgeting
  - Personnel
  - Cash Management

# Rating

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- Numerical scores based on 24 indicators on how each is answered:
  - Superior Achievement 75-85 and yes to 7
  - Above Standard Achievement 65-74 or  $\geq 75$  and no to 7
  - Standard Achievement 55-64
  - Substandard Achievement  $< 55$

- Was total fund balance less reserved fund balance greater than zero in the General Fund?

YES

- Governmental Activities Column was total unrestricted net asset balance in in the Statement of Net Assets greater than zero?

YES

- Were there **NO** disclosures in the annual financial report and/or other sources of information concerning default on bonded indebtedness obligations?

YES

- Was the Annual Financial Report filed within one month after the January 28<sup>th</sup> deadline?

YES

- Was there an unqualified opinion in the Annual Financial Report?

YES

- Did the Annual Financial Report NOT disclose any instance(s) of material weakness in internal controls?

YES

- Did the district's academic rating exceed academically unacceptable?

YES

- Was the percent of total tax collections (including delinquent) greater than 98%?

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 fund type?

**YES**

- Were debt related expenditures (net of IFA and/or EDA allotments) less than \$250 per student?

(if district's 5 year % growth in students was 7%, or if property taxes collected per penny of tax effort were \$200,000 – automatically yes)

**YES**

- Was there NO disclosure in the Annual Audit Report of material noncompliance?

YES

- Did the district have full accreditation status in relation to financial management practices?

YES

- Was the percent of operating expenditures expended for instruction more than or equal to 55%? (functions 11,36,93 and 95)

YES

- Was the percent of operating expenditures expended for instruction more than 65%?  
(functions 11,12,31,33,36,93 and 95)

YES

- Was the aggregate of budgeted expenditures and other uses LESS THAN the aggregate of total revenues, other resources and fund balance in the General Fund?

YES

- If the district's aggregate fund balance in the General Fund and Capital Projects Fund was less than zero, were construction projects adequately financed?

YES

- Was the ratio of cash and investments to deferred revenues in the General Fund greater than or equal to 1:1?

YES

- Was the Administrative Cost Ratio less than the standard in State Law?

YES

- Was the ratio of students to teachers within the TEA recommended ranges?

YES

- Was the ratio of students to total staff between TEA recommended ranges according to district size?

YES

- Was the fund balance in the General Fund more than 50% and less than 150% of Optimum fund balance?

YES

- Was the decrease in undesignated, unreserved fund balance less than 20% over two fiscal years?

YES

- Was the aggregate total of cash and investments in the General Fund more than zero at the end of the fiscal year?

YES

- Were investment earnings in all funds more than \$20.00 per student?

YES

# What is KISD's Rating?

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- KISD received 85 of 85 points. Which is Superior Achievement
  - The district received the highest rating possible as established under guidelines and rules established by the Texas Education Agency.



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