

Schools FIRST Accountability



Financial Services

October 26, 2020

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

- Failure to meet the requirements of any **critical** indicator would cause a failure of FIRST.
- 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
 - 70-100 points = Superior **A**
 - 50-69 points = Above Standard **B**
 - 31-49 points = Meets Standard **C**
 - <31 points = Substandard Achievement **F**

Indicator 1

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

YES

Indicator 2A

Was there an unmodified opinion in the
Annual Financial Report?

YES

Indicator 2B

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

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?

YES

*This Indicator is not being
scored per TEA report*

Indicator 6

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 7

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

YES

Indicator 8

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

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

Was the debt service coverage ratio sufficient to meet the required debt service?

YES

Indicator 11

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

YES

Indicator 12

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

YES

Indicator 13

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 14

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

YES

Indicator 15

Did the school district NOT receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program funds as a result of financial hardship?

YES

What is KISD's Rating?

KISD passed all Critical indicators

KISD received 100 of 100 points

Rating: 100 = Superior

The district received the highest rating possible as established under guidelines and rules established by the

Texas Education Agency.

Report

Conclusion