



**Has earned the**

***Superior Achievement***

**rating for 2020 for**



**FISCAL MANAGEMENT  
& FINANCIAL CONDITION**

**from the**

**Texas Education Agency**

**Dr. Lori Blaylock, Superintendent  
Todd Garrison, Chief Financial Officer**



**Kathy Covington Administration Offices**

1000 South Houston Street – Kaufman, TX 75142  
972-932-2622 www.kaufmanisd.net



**Dr. Lori Blaylock**  
Superintendent

**Kell Clopton**  
Assistant Superintendent  
HR/Operations

**Joe Nicks**  
Assistant Superintendent  
Academics

**Todd Garrison**  
Chief Financial Officer

The Board of Trustees and Taxpayers of Kaufman ISD:

The 2020 FIRST Rating is being presented for your information. FIRST stands for “Financial Integrity Rating System of Texas.” It is the annual rating performed by the Texas Education Agency to test the financial performance of school districts as required by Title 19, Texas Administrative Code, Section 109. This rating is based on school year 2018-2019 data.

The purpose of the financial accountability rating system is to ensure that school districts are held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources. The system is designed to encourage Texas public schools to better manage their financial resources to provide the maximum allocation possible for direct instructional purposes.

Kaufman ISD received a “Passed” status, and a “Superior” rating. This marks the 16<sup>th</sup> consecutive year that KISD has received the highest possible FIRST status and rating. Districts are assigned one of two statuses: Passed or Failed, and one of three ratings: Superior, Above Standard, or Substandard Achievement.

We feel that reaching the highest possible FIRST rating is significant due to the complexity of accounting associated with the Texas school finance system. The Schools FIRST accountability rating makes sure that Texas school districts are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently. The information provided by the Schools FIRST system will guide us in our continued efforts to make the most of each taxpayer dollar.

Respectfully Submitted,

Todd Garrison  
Chief Financial Officer

FIRST

Financial Integrity Rating System of Texas

## 2019-2020 RATINGS BASED ON SCHOOL YEAR 2018-2019 DATA - DISTRICT STATUS DETAIL

<b>Name:</b> KAUFMAN ISD(129903)	<b>Publication Level 1:</b> 8/6/2020 9:26:37 AM
<b>Status:</b> Passed	<b>Publication Level 2:</b> 8/6/2020 11:17:34 AM
<b>Rating:</b> A = Superior	<b>Last Updated:</b> 8/6/2020 11:17:34 AM
<b>District Score:</b> 100	<b>Passing Score:</b> 60

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	3/30/2020 1:49:46 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	3/30/2020 1:49:46 PM	Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	3/30/2020 1:49:47 PM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	3/30/2020 1:49:47 PM	Yes
4	<u>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?</u>	3/30/2020 1:49:47 PM	Yes
5	This indicator is not being scored.		
			1 Multiplier Sum
6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	3/30/2020 1:49:48 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-</u>	3/30/2020	10

	<u>term debt? (See ranges below.)</u>	1:49:48 PM	
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the school district's increase of students in membership over 5 years was 7 percent or more, then the school district passes this indicator. See ranges below.</u>	3/30/2020 1:49:48 PM	10
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?</u>	3/30/2020 1:49:49 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	3/30/2020 1:49:50 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/30/2020 1:49:50 PM	10
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	3/30/2020 1:49:51 PM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	3/30/2020 1:49:53 PM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	3/30/2020 1:49:53 PM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	3/30/2020 1:49:53 PM	10
			100 Weighted Sum
			1 Multiplier Sum
			100 Score

## DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, or 2.A? If so, the school district's rating is <b>F for Substandard Achievement</b> regardless of points earned.	
B.	Determine the rating by the applicable number of points. (Indicators 6-15)	
	<b>A = Superior</b>	90-100
	<b>B = Above Standard</b>	80-89
	<b>C = Meets Standard</b>	60-79
	<b>F = Substandard Achievement</b>	<60

**No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until**