# Schools FIRST Accountability

Katy Independent School District

## Financial Services

October 27, 2025

SCHOOL FIRST
FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

# History

- Adopted during the 1999 Legislature, School 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.

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# 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.

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# 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 up 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**

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# Indicator 1

Was the Annual Financial Report (AFR) filed

within 30 days 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 net position in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero?

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

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# 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?

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 statues, laws and rules on its website?

YES

# Indicator 20

Did the School Board discuss any changes and/or impact to local, state and federal funding at a board meeting within 120 days before the budget was adopted?

YES

# Indicator 21

Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds?

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.

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