

School FIRST

2024 Report for the
Fiscal Year Ended June 30, 2023

Public Hearing
October 17, 2024



The Rating System

School FIRST is a financial accountability rating system that holds school districts accountable for the quality of their financial management practices.

School First is designed to encourage Texas public schools to manage their financial resources better in order to provide the maximum allocation possible for direct instructional purposes.



2023-2024 Ratings Scale (FY2023 Data)

Scoring

The 2023-2024 Rating is based on critical indicators, ceiling indicators, and points earned.

Critical Indicators

All critical indicators must be passed. These are questions 1, 2, 3, and 4. If a district fails any of these indicators, the rating is F (Substandard Achievement) regardless of points earned.

Ceiling Indicators

All ceiling indicators limit the maximum points that can be earned if not passed. These are questions 4, 5, 6, 16, 17, 20, and 21.

Ratings Scale

- A = Superior (90-100)
- B = Above Standard (80-89)
- C = Meets Standard (70-79)
- F = Substandard Achievement (<70)



How Ratings Are Assessed

Q1: 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?

YES, Rating Passed

Q2: Was there an unmodified opinion in the AFR on the financial statements as a whole?

YES, Rating Passed

Q3: Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?


YES, Rating Passed



How Ratings Are Assessed


Q4: 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, Rating Passed



Q5: Was the total net position balance 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, Rating Passed



Q6: Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?

YES, Rating Passed



How Ratings Are Assessed

Q7: Was the number of days of cash on hand and current investments in the general fund for the district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?

10 Points, RISD had 213 days of cash on hand.

Q8: Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

10 Points, RISD's current assets to current liabilities ratio was 3.5

Q9: Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the district's number of days of cash on hand greater or equal to 60 days?

10 Points, General Fund revenue exceeded expenditures.



How Ratings Are Assessed

Q10: This indicator is not being evaluated.

10 Points

Q11: Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?

8 Points, RISD's ratio of long-term liabilities to total assets was 0.65.

Q12: What is the correlation between future debt requirements and the District's assessed property value?

10 Points, RISD's debt per \$100 of assessed value was 3.18



How Ratings Are Assessed

Q13: Was the school district's administrative cost ratio equal to or less than the threshold ratio?

10 Points, RISD's administrative cost ratio was 6.1%

Q14: Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)?

10 Points, RISD had a decline of 2.17%

Q15: This indicator is not being evaluated.

5 Points



How Ratings Are Assessed

Q16: 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?

YES, Rating Passed

Q17: 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?

YES, Rating Passed

Q18: 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?

10 Points, RISD's audit report was free of material noncompliance



How Ratings Are Assessed

Q19: Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?

5 Points, RISD did post all required financial information.

Q20: Did the school district's administration and school board members discuss any changes and/or impact to local, state and federal funding at a board meeting within 120 days before the district adopted its budget?

YES, Rating Passed

Q21: 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 because of a financial hardship?

No Repayment Schedule, Rating Passed

RISD Final 2024 FIRST Rating

98 Points

for an

A=Superior Rating





Additional Required Disclosures

Superintendent's Employment Contract

Located on the District's website.

Outside Compensation

Disclosure of all outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services. (None to report)

Gifts

Disclosure of any gifts received by Executive Officers and Board Members (and first-degree relatives, if any). (None to report)

Business Transactions

Disclosure of all business transactions between the school district and Board Members. (None to report)

RISD Final 2024 FIRST Rating



Questions or Comments?

