

# **Wolfe City Independent School District**

## **Financial Integrity Rating System of Texas**

### **What is School FIRST?**

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

**Criteria for Ratings:** TEA uses the following sources of data in calculating the financial accountability indicators.

- Annual Financial Report (AFR)
- Data Feed
- PEIMS
- Warrant holds
- Foundation School Program
- Other Sources, i.e. IRS, TRS, TWC

### **Wolfe City ISD Rating:**

Status – Passed

Rating – Superior

District Score – 98 out of 100

There are 15 Indicators

### **Indicators:**

Indicators 1-5 are Pass/Fail

- Indicator 1 – Was the District's AFR submitted on time?
- Indicator 2 – Was there an unmodified opinion in the AFR?
- Indicator 3 – Was the School District in compliance with all debt payment terms?
- Indicator 4 – Were timely payments made to TRS, TWC, IRS?
- Indicator 5 – Was the unrestricted net asset balance greater than zero?

Indicators 6 – 9 (10 Points Possible)

- Indicator 6 – Was the cash on hand and current investments in the general fund sufficient to cover operating expenditures?
- Indicator 7 – Was the measure of current assets to current liabilities ratio sufficient to cover short-term debt?

- Indicator 8 – Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?
- Indicator 9 – Did the general fund revenues equal or exceed expenditures?

Indicators 10 - 12 (10 Possible Points)

- Indicator 10 – Was the debt service coverage ratio sufficient to meet the required debt service?
- Indicator 11 – Was the administrative cost ratio equal to or less than the threshold ratio?
- Indicator 12 – Did we have a 15% decline in the student to staff ration over 3 years?

Indicators 13 - 15 (10 Possible Points)

- Indicator 13 – Did the comparison of PEIMS data to like data of the AFR vary less than 3%?
- Indicator 14 – Did the external auditor report the AFR was free of any material weaknesses in internal controls?
- Indicator 15 – Did we receive an adjusted repayment schedule for more than one fiscal year for an over allocation of FSP funds as a result of a financial hardship?

**Required Supplemental Disclosures**

- Superintendent's Contract
- Reimbursements Received by Board Members and Superintendent
- Outside Compensation/Fees Received by Superintendent
- Gifts Received by the Executive Offices and Board Members
- Business Transactions between School District and Board Members