

FIRST Rating

October 19, 2026



What is FIRST?

- Financial Integrity Rating System of Texas
- Developed by Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999
- 2025-2026 rating calculations based on data from **2024-2025**



Goal of School FIRST Ratings

The primary goal of School FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

Argyle ISD has received the state's highest rating for 24 years.



FIRST Ratings

A = Superior Achievement	90-100
B = Above Standard Achievement	80-89
C = Meets Standard Achievement	70-79
F = Substandard Achievement	<70 Or fail any of the critical indicators



Criteria

- 21 total indicators
 - 4 - critical indicators pass/fail
 - 6 - ceiling indicators pass/fail
 - 11 - indicators are measured on a point scale



District Status Report



ARGYLE INDEPENDENT SCHOOL DISTRICT

2026-2027

Indicator #1

Indicator:

Was the complete annual financial report (AFR) and data submitted to the TEA on or before February 27, 2026?

Reference:

This indicator will be considered PASSED if the audit report was on time or filed within 30 days of the deadline.

Criteria:

Pass/Fail

Score:

PASSED



Indicator #2

Indicator:

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

Reference:

This indicator will be considered PASSED if the district received an unmodified opinion in the AFR.

Criteria:

Pass/Fail

Score:

PASSED



Indicator #3

Indicator:

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

Reference:

This indicator will be considered PASSED if there were no disclosures in the annual financial report and/or other sources of information concerning default on debt agreements.

Criteria:

Pass/Fail

Score:

PASSED



Indicator #4

Indicator:

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?

Reference:

This indicator will be considered PASSED if the district made payments to the TRS, TWC, IRS, and other government agencies.

Criteria:

Pass/Fail

Score:

PASSED



Indicator #5

Indicator:

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

Reference:

This indicator will be considered PASSED for the Ceiling if the sum of Total Net Position, Net Pension Liability, and Net Other Post-Employment Benefits in the governmental activities column in the Statement of Net Position and Accretion of Interest and Premiums for Capital Appreciation Bonds is greater than zero.

Criteria:

Ceiling - Pass/Fail - If a district fails this indicator, the highest possible rating the district may receive is a C = 79, unless the school district has an increase of students in membership over 5 years of 7% or more or 1,000 or more students in membership. If the school district has such an increase, the maximum points and highest rating the school district may receive is B = 89.

Score:

PASSED



Indicator #6

Indicator:

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?

Reference:

This indicator will be considered PASSED for the Ceiling if the average change in fund balances over 3 years had less than a 25 percent decrease or the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures.

Criteria:

Ceiling - Pass/Fail - *If a district fails this indicator, the highest possible rating the district may receive is a B = 89 points*

Score:

PASSED



Indicator #7

Indicator:

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)?

Reference/ Criteria:

Determination of Points range: 10 points (≥ 90), 8 points ($< 90 \geq 75$), 6 points ($< 75 \geq 60$), 4 points ($< 60 \geq 45$), 2 points ($< 45 \geq 30$), 0 points (< 30).

Score:

10



Indicator #8

Indicator:

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

Reference/ Criteria:

Determination of Points range: 10 points (≥ 3.00), 8 points ($< 3.00 \geq 2.50$), 6 points ($< 2.50 \geq 2.00$), 4 points ($< 2.00 \geq 1.50$), 2 points ($< 1.50 \geq 1.00$), 0 points (< 1.00).

Score:

10



Indicator #9

Indicator:

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?

Reference/ Criteria:

Determination of Points range: 10 points ($\geq 0\%$), 0 points ($< 0\%$).

Score:

10



Indicator #10

Indicator:

Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?

Reference/ Criteria:

Determination of Points range: 10 points (<10%), 0 points (>=10%).

Score:

10



Indicator #11

Indicator:

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% or more or 1,000 or more students in membership, then the school district passes this indicator.

Reference/ Criteria:

Determination of Points range: 10 points (≤ 0.60), 8 points ($> 0.60 \leq 0.70$), 6 points ($> 0.70 \leq 0.80$), 4 points ($> 0.80 \leq 0.90$), 2 points ($> 0.90 \leq 1.00$), 0 points (> 1.00).

Score:

10



Indicator #12

Indicator:

What is the correlation between future debt requirements and the district's assessed property value?

Reference/ Criteria:

Determination of Points range: 10 points (≤ 4), 8 points ($> 4 \leq 7$), 6 points ($> 7 \leq 10$), 4 points ($> 10 \leq 11.5$), 2 points ($> 11.5 \leq 13.5$), 0 points (> 13.5).

Score:

2



Indicator #13

Indicator:

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

Reference/ Criteria:

All districts receive 10 points. This indicator is currently not being evaluated.

Score:

10



Indicator #14

Indicator:

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.

Reference/ Criteria:

Determination of Points range: 10 points (Yes), 0 points (No).

Score:

10



Indicator #15

Indicator:

Was the school district's actual average daily attendance (ADA) within the allotted range of the district's biennial ADA projection submitted to TEA by the school district?

Reference/ Criteria:

Determination of Points range: ADA size 5,000 to < 10,000 - 5 points (≤ 0.10), 0 points (> 0.10).

Score:

5



Indicator #16

Indicator:

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?

Reference:

This indicator will be considered PASSED for the Ceiling if the comparison of PEIMS expenditure data to AFR data has a total variance of less than 3 percent.

Criteria:

Ceiling - Pass/Fail - *If a district fails this indicator, the highest possible rating the district may receive is a B = 89 points.*

Score:

PASSED



Indicator #17

Indicator:

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 and free from substantial doubt about the school district's ability to continue as a going concern?

Reference:

This indicator will be considered PASSED for the Ceiling if the external auditor reported no material weaknesses or a going concern in the audit report.

Criteria:

Ceiling - Pass/Fail *-If a district fails this indicator, the highest possible rating the district may receive is a C = 79 points.*

Score:

PASSED



Indicator #18

Indicator:

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?

Reference/ Criteria:

Determination of Points range: 10 points (Yes), 0 points (No).

Score:

10



Indicator #19

Indicator:

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?

Reference/ Criteria:

Determination of Points range: 5 points (Yes), 0 points (No).

Score:

5



Indicator #20

Indicator:

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?

Reference:

This indicator will be considered PASSED for the Ceiling if the school district's administration and school board members discussed any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget.

Criteria:

Ceiling - Pass/Fail

Score:

PASSED



Indicator #21

Indicator:

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?

Reference:

This indicator will be considered PASSED for the Ceiling if the district does not 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.

Criteria:

Ceiling - Pass/Fail

Score:

PASSED



District Results



SUPERIOR ACHIEVEMENT

Scored 92 of possible 100 points



Required Disclosures

Reimbursements Received by the Superintendent and Board Members

For the Twelve- Month Period
Ended August 31, 2025

Description of Reimbursements	Courtney Carpenter Superintendent	Craig Hawkesworth Board Member Place 1	Leigh Ann Artho Board Member Place 2	Sam Slaton Board Member Place 3	Rich McDowell Board Member Place 4	Leona McDade Board Member Place 5	Matt Slaton Board Member Place 6	Josh Westrom Board Member Place 7
Meals	229.90							
Lodging	1,821.22		277.96			277.96		
Transportation	916.21							
Motor Fuel								
Other	825.00						35.00	
Total	3,792.33	-	277.96	-	-	277.96	35.00	-

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are reported.

Meals - Meals related to out of district travel for official school business travel.

Lodging - Hotel charges for official school business travel.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, and parking fees for official school business travel.

Motor fuel - Gasoline for official school business travel.

Other- Registration fees for conferences and trainings, and other reimbursements not defined above for official school business travel.



Required Disclosures

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services

For the Twelve-Month period
Ended August 31, 2025

<u>Name(s) of Entity(ies)</u>	<u>Amount Received</u>
	\$ -
Total	<u>\$ -</u>

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to the school district business.

Note - No outside compensation and/or fees reported by Superintendent.



Required Disclosures

Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any) (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)

For the Twelve-
Month Period
Ended August 31, 2025

	Courtney Carpenter Superintendent	Craig Hawkesworth Board Member Place 1	Leigh Ann Artho Board Member Place 2	Sam Slaton Board Member Place 3	Rich McDowell Board Member Place 4	Leona McDade Board Member Place 5	Matt Slaton Board Member Place 6	Josh Westrom Board Member Place 7
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note - No gifts reported by board members for fiscal year.

Business Transactions Between School District and Board Members

For the Twelve-
Month Period
Ended August 31, 2025

	Craig Hawkesworth Board Member Place 1	Leigh Ann Artho Board Member Place 2	Sam Slaton Board Member Place 3	Rich McDowell Board Member Place 4	Leona McDade Board Member Place 5	Matt Slaton Board Member Place 6	Josh Westrom Board Member Place 7
Amounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note - The summary amounts reported under this disclosure are not to duplicate the items reported in the summary schedule of reimbursements received by board members.



Required Disclosures

The Superintendent's contract is available on the district's website.



Questions?

