FORT SAM HOUSTON INDEPENDENT SCHOOL DISTRICT

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

ANNUAL FINANCIAL MANAGEMENT REPORT

2025-2026 RATING BASED ON 2024-2025 DATA

PUBLIC HEARING
November 18, 2026
5:00 pm
Professional Development Center, Building 1908
4005 Winans Road, San Antonio, Texas 78234

Fort Sam Houston Independent School District
Financial Integrity Rating System of Texas
2025-2026 Rating
Based on Data from Fiscal Year Ended August 31, 2025
Including Comparison to Prior Year Rating

TEA 2025-2026 FIRST Rating: Superior - A

		2024-2025 Information			2023-2024
#	Criteria Description	Yes/No	Score	Supporting Information	Yes/No
1	Was the complete annual financial report (AFR) and data submitted to TEA on or before February 27, 2026?	Yes	N/A	Report for fiscal year ended August 31, 2025 filed on February 20, 2026.	Yes
2	Was there an unmodified opinion in the AFR on the financial statements as a whole?	Yes	N/A	Auditors issued unmodified opinion.	Yes
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?	Yes	N/A	Not applicable. FSHISD has no debt.	Yes
4	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes	N/A	All required payments made on a timely basis.	Yes
5	Was the total net position in the governmental activities column in the Statement of Net Position greater than zero?	Yes	N/A	Total net position = $51,804,092.	Yes
6	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	N/A	District met thresholds.	Yes
7	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)?	Yes	10	District earned 10 points for having more than 90 days of cash on hand.	Yes / 10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	Yes	10	District earned 10 points for having a ratio greater than 3.00.	Yes / 10
9	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?	Yes	10	District met threshold.	Yes / 10
10	Did the school district average less than a 10% variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?	Yes	10	District met threshold.	Indicator not evaluated in prior year.
11	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?	Yes	10	District earned 10 points for having a ratio less than 0.60.	Yes / 10
12	What is the correlation between future debt requirements and the district's assessed property value?	Yes	10	District has no assessed property values.	Yes / 10
13	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	Yes	10	Indicator was not evaluated for 2024-2025 data. TEA awarded 10 points to districts. Indicator was evaluated in prior year and District received 10 points.	Yes / 10
14	Did the school district not have a 15% decline in the students to staff ratio over 3 years (total enrollment to total staff)?	Yes	10	District met threshold.	Yes / 10
15	Was the District's ADA within the allotted range of the district's biennial pupil projections submitted to TEA?	Yes	5	District met threshold.	Yes / 5
16	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	N/A	District's variance was significantly less than 3%. (Per TEA report: 39 divided by 29,723,509 = 0.00013%)	Yes
17	Financial Report (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?	Yes	N/A	No instances of material weaknesses in internal controls reported.	Yes

Fort Sam Houston Independent School District
Financial Integrity Rating System of Texas
2025-2026 Rating
Based on Data from Fiscal Year Ended August 31, 2025
Including Comparison to Prior Year Rating

TEA 2025-2026 FIRST Rating: Superior - A

		2024-2025 Information			2023-2024
18	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?	Yes	10	No instances of material noncompliance reported.	Yes / 10
19	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?	Yes	5	Required financial information posted on District's website.	Yes / 5
20	Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget	Yes	N/A	Budget hearing includes information that District does not levy property taxes due to boundaries being on federal property.	Yes
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 because of a financial hardship?	N/A	N/A	District met threshold.	N/A
	TOTAL SCORE (2024-2025 Data Total Possible = 100)		100	PRIOR YEAR RATING = SUPERIOR/100 POINTS	100

Rating Criteria: Passing Score = 70 or more and "Yes" to critical indicators 1, 2, 3, and 4.
A = Superior; Score of 90-100
B = Above Standard; Score of 80-89
C = Meets Standard; Score of 70-79
F = Substandard; Score < 70

NOTE: 2025-2026 Rating Based on Data from 2024-2025.

Additional information about FIRST ratings available at:
https://tea.texas.gov/data-reports/financial-compliance/financial-integrity-rating-system-texas-first

FORT SAM HOUSTON INDEPENDENT SCHOOL DISTRICT
Financial Integrity Rating System of Texas (FIRST)
School FIRST Annual Financial Management Report for 2025-2026 Rating
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Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(q) requires that the following items be disclosed in the annual FIRST report.

1. Superintendent's Employment Contract

The school district may publish the superintendent's employment contract on the school district's Internet site in lieu of publication in the annual financial management report. The FSHISD superintendent's contract is published on the District's website (www.fshisd.net) under Explore FSHISD / Welcome to FSHISD / Superintendent of Schools.

2. Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period Ended August 31, 2025

DESCRIPTION	SUPER-INTENDENT DR. GARY BATES	BOARD MEMBER WILLIE E. WHITE, JR.	BOARD MEMBER ANDREA NICHOLAS	BOARD MEMBER COL(R) AARON J BRAXTON II	BOARD MEMBER DR. LATOYA SIZER	BOARD MEMBER COL REBECCA ZINNANTE
MEALS	$ 1,095.91	$ 388.42	$ -	$ 175.00	$ -	$ 124.00
LODGING	6,355.77	1,147.92	-	1,506.19	382.64	1,553.72
TRANSPORTATION	3,650.95	1,002.97	510.96	1,235.78	1,236.81	884.62
MOTOR FUEL	-	-	-	-	-	-
OTHER	5,771.00	3,084.00	1,705.00	2,405.00	3,084.00	2,405.00
TOTAL	$ 16,873.63	$ 5,623.31	$ 2,215.96	$ 5,321.97	$ 4,703.45	$ 4,967.34

Notes - All "reimbursements" for expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals – Meals consumed out of town, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (on or on-behalf of) to the superintendent and board member not defined above.

3. 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

Name(s) of Entity(ies)	Amount Received
N/A	$0.00
Total	**$0.00**

4. Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any) with Economic Value of $250 or More in the Aggregate for the Fiscal Year

For the Twelve-Month Period
Ended August 31, 2025

	SUPER-INTENDENT	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER
	DR. GARY BATES	WILLIE E. WHITE, JR.	ANDREA NICHOLAS	COL(R) AARON J BRAXTON II	DR. LATOYA SIZER	COL REBECCA ZINNANTE
	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

Note - An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

5. Business Transactions Between School District and Board Members

For the Twelve-Month Period
Ended August 31, 2025

	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER
	WILLIE E. WHITE, JR.	ANDREA NICHOLAS	COL(R) AARON J BRAXTON II	DR. LATOYA SIZER	COL REBECCA ZINNANTE
Amounts	$0.00	$0.00	$0.00	$0.00	$0.00

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

RATING YEAR 2025-2026 DISTRICT NUMBER district # Appeal Summary
Select An Option Help Home

Financial Integrity Rating System of Texas

2025-2026 RATINGS BASED ON SCHOOL YEAR 2024-2025 DATA - DISTRICT STATUS DETAIL

Name: **FT SAM HOUSTON ISD**(**015914**)

Status: **Passed**

Rating: A = Superior Achievement

District Score: 100

Publication Level 1: 8/6/2026 3:21:50 PM

Publication Level 2: 8/7/2026 3:50:39 PM

Last Updated: 8/7/2026 3:50:39 PM

Passing Score: 70

#	Indicator Description	Updated	Score
1	Was the complete annual financial report (AFR) and data submitted to the TEA on or before February 27, 2026?	6/4/2026 6:18:39 PM	Yes
2	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.)	6/4/2026 6:18:39 PM	Yes
3	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.)	6/4/2026 6:18:39 PM	Yes

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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)	6/4/2026 6:18:39 PM	Yes Ceiling Passed
			1 Multiplier Sum
5	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? (If it is not, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement, unless the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership. If the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/4/2026 6:18:39 PM	Ceiling Passed
6	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? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/4/2026 6:18:39 PM	Ceiling Passed
7	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 in the Determination of Points section.	6/4/2026 6:18:39 PM	10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.	6/4/2026 6:18:39 PM	10

9	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? See ranges below in the Determination of Points section.	6/4/2026 6:18:39 PM	10
10	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?	6/4/2026 6:18:39 PM	10
11	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 or 1,000 or more students in membership, then the school district passes this indicator.)	6/4/2026 6:18:39 PM	10
12	What is the correlation between future debt requirements and the district's assessed property value?	6/4/2026 6:18:39 PM	10
13	This indicator is not being evaluated.		10
14	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.	6/4/2026 6:18:39 PM	10
15	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? If the school district did not submit ADA projections to TEA, it must certify TEA's projections to pass this indicator. See ranges below in the Determination of Points section.	6/4/2026 6:18:39 PM	5
16	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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/4/2026 6:18:39 PM	Ceiling Passed
17	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? (The AICPA defines material weakness.) (If the school district fails	6/4/2026 6:18:39 PM	Ceiling Passed

	indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)		
18	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.)	6/4/2026 6:18:39 PM	10
19	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?	6/4/2026 6:18:39 PM	5
20	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?	6/4/2026 6:18:39 PM	Ceiling Passed
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 because of a financial hardship?	6/4/2026 6:18:39 PM	Ceiling Passed
			100 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			100 Score

DETERMINATION OF RATING

A. Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is **F for Substandard Achievement** regardless of points earned.

B. Determine the rating by the applicable number of points.

A = Superior Achievement 90-100

B = Above Standard Achievement	80-89
C = Meets Standard Achievement	70-79
F = Substandard Achievement	<70

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 the third year after the annexation/consolidation.

The school district receives an **F** if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.

CEILING INDICATORS

Did the school district meet the criteria for any of the following **ceiling indicators** 4, 5, 6, 16, 17, 20, or 21? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.

Determination of rating based on meeting ceiling criteria.	**Maximum Points**	**Maximum Rating**
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 5 (Total Net Position) - Negative total net position and do not have 7% or more or 1,000 or more increase in growth in students in membership over 5 years.	79	C = Meets Standard Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is *No*.	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is *No*.	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is *No*.	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is *No*.	89	B = Above Standard Achievement

Indicator 21 (FSP Repayment Plan) - Response to indicator is *Yes*.	70	C = Meets Standard Achievement