



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: December 16, 2025

AGENDA ITEM: School FIRST (Financial Integrity Rating System of Texas) Rating Report

PRESENTER: Earl Husfeld, Chief Financial Officer

BACKGROUND INFORMATION:

- Senate Bill 218 of the 77th Legislature (2001) directed the Commissioner of Education, in consultation with the Comptroller of Public Accounts, to develop and implement a financial accountability rating system for school districts in Texas. This financial accountability rating system is officially referred to as School FIRST (Financial Integrity Rating System of Texas).
- 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.
- School FIRST holds school districts accountable for the quality of their financial management practices. The rating system also discloses the quality of local management and decision-making processes that impact the allocation of financial resources in Texas public schools.
- The 2024-2025 School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being A - Superior Achievement, followed by B - Above Standard Achievement, C - Meets Standard Achievement, and F - Substandard Achievement.
- The 2024-2025 School FIRST rating is based on an analysis of staff and student data reported for the 2023-2024 school year and audited budgetary and actual financial data for the 2024 fiscal year ending August 31, 2024.
- After receiving official notification of the District's School FIRST rating from TEA, each school district is required to announce and hold a public meeting to explain the District's rating and the District's performance under each of the twenty-one (21) indicators. The following pages provide this information for the Aledo ISD. Also included is a detailed explanation of the twenty-one (21) indicators.
- During this public meeting, the District is also required to review certain disclosures that must be included in the financial management report. The required disclosures pertain to reimbursements to the Superintendent and Board of Trustees for the 2023-2024 fiscal year and the Superintendent's employment contract at the time of the School FIRST hearing. These required disclosures are included in the following pages and on the District's website.
- The Aledo ISD received the highest School FIRST rating of A - Superior Achievement for 2024-2025.
- The District has received the highest rating for the prior twenty-two years as well.



ALEDO ISD BOARD MEETING TEMPLATE

- For 2024-2025, the District received a score of 98. A score of 70 must be received to pass, with a score of 100 being the maximum that may be obtained.
- An explanation on How Ratings are Assessed and a Glossary are included in the following pages.

FISCAL INFORMATION:

None

ATTACHMENTS:

2024-2025 School FIRST Rating Report for Alejo ISD

ADMINISTRATIVE RECOMMENDATION:

None – Public Meeting/Informational Report