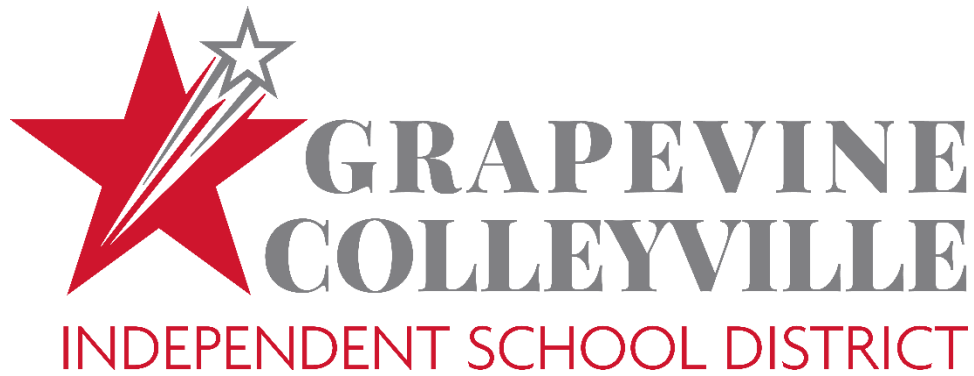


Board Information Item

	Information Packet ☐	Board Agenda Information ☒	Board Agenda Action ☐	Board Agenda Consent ☐
	10/27/2025			
Subject:	Public Hearing to Present the District's Financial Integrity Rating System of Texas (FIRST) Report for 2024-2025 Based on Fiscal Year 2023-2024 Data			
Contact Person:	David Johnson, Chief Financial Officer			
Policy/Code:	CFA(LEGAL) Texas Education Code, Section 39.083			
Priority and Performance Objective:	Priority 4: Strong Financial Stewardship and Internal System Efficiency Objective 4.1: Transparent Financial Stewardship			
Summary:	Each year, Texas school districts are assigned a financial accountability rating under the Financial Integrity Rating System of Texas (FIRST) from the Texas Education Agency (TEA). The primary goal of School FIRST is to achieve quality performance in the management of school districts' financial resources. For the most recent state evaluation, the District received the rating of "Superior" for 2024-2025 based on the 2023-2024 fiscal year data. The District has received the highest rating possible from the TEA for each of the 23 years the program has existed. State law requires the District to hold a public meeting to distribute a financial management report and to explain the District's rating.			
Attachments:	Annual Financial Accountability Management Report			
Recommendation:	Action is not required. This item is for informational purposes only.			

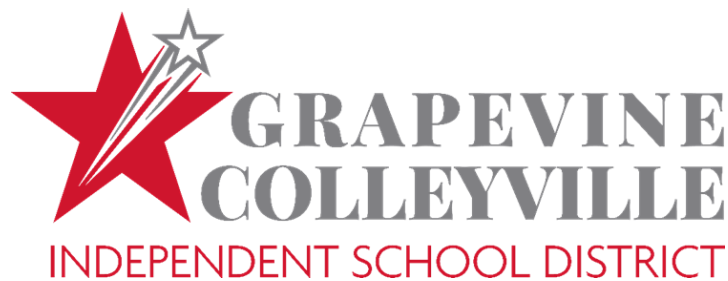


Annual Financial Accountability Management Report

2024-2025

Based on 2023-2024 Fiscal Year Data

Rating: Superior Achievement



Annual Financial Accountability Management Report

Introduction

This marks the 23rd year of the School FIRST (Financial Accountability Rating System of Texas), a financial accountability framework established by the Texas Education Agency following Senate Bill 875 during the 76th Texas Legislature in 1999. The primary objective of Schools FIRST is to enhance the management of financial resources within school districts, a task made increasingly complex by the intricacies of Texas' school finance system. Legislative requirements mandate that districts present a FIRST management report addressing relevant business issues, accompanied by a public meeting for discussion. The district's School FIRST rating is derived from an analysis of staff and student data for the 2023-2024 school year, alongside budgetary and actual financial data for the 2024 fiscal year, submitted via the district's annual PEIMS (Public Education Information Management System) reports.

The district's financial accountability rating is determined by its performance across specific financial measurements, ratios, and other indicators established by the Commissioner of Education, utilizing the financial accountability rating worksheet, which encompasses 21 indicators. The potential ratings are "Superior," "Above Standard," "Meets Standard," and "Substandard Achievement."

For the 23rd consecutive year, Grapevine-Colleyville ISD has demonstrated financial excellence, achieving a rating of "Superior Achievement" for the 2023-2024 school year. The district received positive evaluations on all 21 indicators, culminating in a score of 94 out of 100. This report will highlight the key indicators that contributed to the attainment of the "Superior Achievement" rating.

Schools FIRST
Financial Integrity Rating System of Texas
Grapevine-Colleyville Independent School District
2024-2025 (Ratings Based on School Year 2023-2024 Data)

State Indicator	State Expected Result	GCISD 2023-2024 Result
1. Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline on the school district's fiscal year end date of June 30 or August 31, respectively? Additional GCISD Information: <i>The AFR was submitted to TEA on November 21, 2024</i>	Yes	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. Must have "yes" to pass indicator. Additional GCISD Information: <i>Pattillo, Brown & Hill LLP, the District's external auditors, issued an unmodified opinion for the Year Ending June 30, 2024.</i>	Yes	Yes
3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? Additional GCISD Information: <i>There were no disclosures in the AFR and/or other sources of information concerning default on debt agreements.</i>	Yes	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? Additional GCISD Information: <i>The district was not issued a warrant hold on state funds.</i>	Yes	Yes
5. Was the total net position in the governmental activities column in the Statement of Net Position greater than zero?	Yes	Yes
6 Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25% decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? Additional GCISD Information: <i>The average decrease in the assigned and unassigned fund balance over the last 3 years has been 4.42%, which is less than the 25% threshold. The assigned and unassigned fund balance as of June 30, 2024 includes 76 days of operational expenditures.</i>	Yes	Yes

Schools FIRST
Financial Integrity Rating System of Texas
Grapevine-Colleyville Independent School District
2024-2025 (Ratings Based on School Year 2023-2024 Data)

State Indicator	State Expected Result	GCISD 2023-2024 Result
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)? Additional GCISD Information: <i>The district's cash and equivalents was \$87.2 million as of June 30, 2024, which was sufficient to cover operating expenditures for 175 days.</i>	Yes 10	Yes 10
8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? Additional GCISD Information: <i>The district's current assets were \$213.9 million and current liabilities were \$102 million as of June 30, 2024. The ratio was 2.08. In order to receive 10 points, the ratio must be greater than 3.0. Based on the State's ratio range, current assets are sufficient to cover short-term liabilities.</i>	Yes 10	Yes 6
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? Additional GCISD Information: <i>The district's general fund expenditures (excluding facilities acquisition & construction) exceeded the revenues by \$5 million for the year ended June 30, 2024. The District had 175 days of cash on hand, which exceeds the 60 day threshold.</i>	Yes 10	Yes 10
10. This indicator is not being scored.	--	--
11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? Additional GCISD Information: <i>The District's long-term liabilities were \$326.6 million and total assets were \$567.8 million as of June 30, 2024. The ratio was 0.5752. In order to receive 10 points, the ratio must be less than 0.6. Based on the State's ratio range, the assets are sufficient to cover liabilities.</i>	Yes 10	Yes 10
12. What is the correlation between future debt requirements and the district's assessed property value? Additional GCISD Information: <i>The District's ratio between long-term liabilities and assessed property value is 1.6287 as of June 30, 2024. In order to receive 10 points, the ration must be less than 4.0. Based on the State's ratio range, the Assessed Property Values are sufficient to cover liabilities.</i>	10	10

Schools FIRST
Financial Integrity Rating System of Texas
Grapevine-Colleyville Independent School District
2024-2025 (Ratings Based on School Year 2023-2024 Data)

State Indicator	State Expected Result	GCISD 2023-2024 Result
13. Was the school district's administrative cost ratio equal to or less than the threshold ratio? Additional GCISD Information: <i>The State of Texas established limits on the amount of money school districts are allowed to spend on administrative costs. Administrative costs are defined as Instructional Leadership and General Administration. Instructional Leadership includes costs to provide leadership for staff and all instructional services. This excludes campus leadership. General Administration includes costs for managing the school district as an overall entity. The District's administrative cost ratio for 2023-2024 was 8.76, which is above the state threshold of 8.55</i>	Yes 10	No 8
14. Did the school district not have a 15 percent decline in student to staff ratio over 3 years <i>The Districts decline in student to staff ratio over the past 3 years was 1.59%, which is less than 15%</i>	Yes 10	Yes 10
15. Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections?	Yes 5	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% of all expenditures by function? Additional GCISD Information: <i>There was no significant difference between the Annual Financial Report and the PEIMS financial data.</i>	Yes	Yes
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.	Yes	Yes
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	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	Yes 5

Schools FIRST
Financial Integrity Rating System of Texas
Grapevine-Colleyville Independent School District
2024-2025 (Ratings Based on School Year 2023-2024 Data)

State Indicator	State Expected Result	GCISD 2023-2024 Result
20. Did the school district administration and school board members discuss any changes and/or impact to local, state, and federal funds at a board meeting within 120 days before the district adopted its budget?	Yes	Yes
Additional GCISD Information: <i>The District discussed changes and/or impact during budget workshops and were approved by the Board as a budget parameter.</i>		
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?	No	No

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. Ceiling Indicators

Determination of rating based on meeting ceiling criteria	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - If district was issued a warrant hold.	95	A
Indicator 6 (Average change in fund balance) - If response is NO.	89	B
Indicator 16 (PEIMS to AFR) - If response is NO.	89	B
Indicator 17 (Material Weaknesses) - If response is NO.	79	C
Indicator 20 (Property value & tax discussion) - If response is NO.	89	B
Indicator 21 (FSP Repayment Plan) - If response is YES	70	C

C. Determine the rating by the applicable number of points:

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

2024 - 2025 District Status - Grapevine-Colleyville ISD

District Score: 94

Rating: A = Superior Achievement

Required Supplementary Information

The District's annual financial management report must include specific disclosures regarding the superintendent's contract, reimbursements received by the superintendent and board members and other compensation and gifts received. This information is being presented below to comply with the requirements.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's website. If published on the internet, the contract is to remain accessible for twelve months.

A copy of the superintendent's current employment contract is posted on the district's website as a part of this report.

Reimbursements Received by the Superintendent and Board Members

A summary schedule for the twelve-month period of total reimbursements received by or paid on-behalf of the superintendent and each board member is to be included in the annual financial management report. All reimbursement expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. The summary schedule is to report separately items per category including:

Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals); 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, membership dues and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

The reimbursements received or paid on-behalf of the Board & Superintendent for the twelve-month
Period Ended June 30, 2024

Description	Superintendent	Shannon Braun	Kathy Spradley	Mary Humphrey	Tammy Nakamura	Dianna Sager	AJ Pontillo	Dalia Begin	Becky St. John
Transportation	\$ 2,198.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	\$ 2,258.15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meals	\$ 1,079.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 9,504.58	\$ 1,080.00	\$ -	\$ 585.00	\$ 175.00	\$ 1,705.00	\$ 30.00	\$ 585.00	\$ 1,245.00
Total	\$ 15,040.06	\$ 1,080.00	\$ -	\$ 585.00	\$ 175.00	\$ 1,705.00	\$ 30.00	\$ 585.00	\$ 1,245.00

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

A summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional

consulting and/or other personal services is to be reported. The Superintendent did not receive any such compensation during the 2023-2024 school year.

Gifts Received by Executive Officers and Board Members

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. A summary schedule for the fiscal year of the total dollar amount of gifts that had an economic value of \$250 or more in the aggregate is to be reported for the executive officers and board members of the district. This reporting requirement only applies to gifts received by the school district's executive officers and board member from an outside entity that received payments from the school district in the prior fiscal year and gifts from competing vendors that were not awarded contracts in the prior fiscal year. The Superintendent and board members did not receive any such gifts during the 2023-2024 school year.

Business Transactions Between School District and Board Members

Finally, a summary schedule for the fiscal year of the dollar amount by board member for the aggregate amount of business transactions with the school district is to be included. This reporting requirement is not to duplicate the items disclosed in the schedule of reimbursements. The board members did not have any such business transactions during the 2023-2024 school year.