



[Home](#) / [About](#) / [News and Multimedia](#) / [TAA Correspondence](#)

2016-2017 Final FIRST Ratings For Appeals Due By September 8, 2017

[PDF Version](#)

November 3, 2017

TO THE ADMINISTRATOR ADDRESSED:

Subject: 2016–2017 Final FIRST Ratings For Appeals Due By September 8, 2017

Final 2016–2017 Financial Integrity Rating System of Texas (FIRST) ratings based on fiscal year 2016 are now publicly available for districts and charter schools whose appeals were due by September 8, 2017. You can find ratings for both school districts and open-enrollment charter schools on the Texas Education Agency (TEA) website:

- [school district ratings](#)
- [charter school ratings](#)

A previous "To the Administrator Addressed" notification dated August 8, 2017, instructed your school district or charter school (local education agency [LEA]) to view its *preliminary* FIRST rating. The letter also provided information about the data the TEA analyzes to produce the rating and described the appeals process available to your LEA. This appeals process is now complete, and the FIRST ratings are final.

Required Reporting

Within two months of the release of its final FIRST rating, your LEA must announce and hold a public meeting to distribute a financial management report that explains the LEA's rating and its performance under each indicator for the current and previous year's ratings. The report also must provide the financial information described in 19 Texas Administrative Code (TAC) [§109.1001\(o\)\(3\)](#). We encourage your LEA to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the LEA's performance under one or more of the indicators.

The first of two required newspaper notices to inform stakeholders of the meeting must be published no more than 30 days and no fewer than 14 days before the public meeting. Your LEA may combine the meeting with a scheduled regular meeting of its governing board.

For full requirements related to the report and meeting, see 19 TAC [§109.1001\(o\)](#). For a template that your LEA can use in developing its financial management report, see the TEA [FIRST](#) web page or [FIRST Rating for Charter Schools](#) web page.

Accreditation Status

Please note that the TEA considers an LEA's FIRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC [§97.1055](#).

Contact for Further Information

If you have questions about your LEA's FIRST rating, please contact me by telephone at (512) 463-0947 or by email at Yolanda.Walker@tea.texas.gov.

Sincerely,

David Marx
Director
Financial Compliance

 [Print](#)

RATING YEAR 2016-2017

Select An Option

Help

Home



Financial Integrity Rating System of Texas

2016-2017 RATINGS BASED ON SCHOOL YEAR 2015-2016 DATA - DISTRICT STATUS DETAIL

Name: JEFFERSON ISD(155901)	Publication Level 1: 8/8/2017 2:29:29 PM
Status: Passed	Publication Level 2: 8/8/2017 2:29:29 PM
Rating: A = Superior	Last Updated: 8/8/2017 2:29:29 PM
District Score: 100	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	3/28/2017 12:02:36 PM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A, or to both indicators 2.A and 2.B.		
2.A	<u>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.)</u>	3/28/2017 12:02:36 PM	Yes
2.B	<u>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? (The AICPA defines material weakness.)</u>	3/28/2017 12:02:37 PM	Yes
3	<u>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.)</u>	3/28/2017 12:02:37 PM	Yes
4	<u>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?</u>	3/28/2017 12:02:37 PM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)</u>	3/28/2017 12:02:37 PM	Yes
			1 Multiplier Sum

6	<u>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.)</u>	3/28/2017 12:02:38 PM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	3/28/2017 12:02:38 PM	10
8	<u>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 change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	3/28/2017 12:02:38 PM	10
9	<u>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?</u>	3/28/2017 12:02:38 PM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	5/18/2017 12:31:22 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/28/2017 12:02:39 PM	10
12	<u>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.)</u>	6/21/2017 8:25:45 PM	10
13	<u>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?</u>	3/28/2017 12:02:40 PM	10
14	<u>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.)</u>	3/28/2017 12:02:40 PM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	3/28/2017 12:02:40 PM	10
			100 Weighted Sum
			1 Multiplier Sum
			100 Score

DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? 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. (Indicators 6-15)		
	<table> <tr> <td>A = Superior</td><td>90-100</td></tr> </table>	A = Superior	90-100
A = Superior	90-100		

B = Above Standard	80-89
C = Meets Standard	60-79
F = Substandard Achievement	<60

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.

Home Page: [Financial Accountability](#) | Send comments or suggestions to FinancialAccountability@tea.texas.gov

THE **TEXAS EDUCATION AGENCY**

1701 NORTH CONGRESS AVENUE • AUSTIN, TEXAS, 78701 • (512) 463-9734

FIRST 4.5.9.0