



SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Agenda Item Summary

Meeting Date: December 15, 2025

Agenda Section: Presentation / Report

Agenda Item Title: Public Hearing to discuss the 2024 – 2025 FIRST Rating

From/Presenters: Stanley Osborne, Chief Financial Officer

Additional Presenters if Applicable: NA

Description: A public hearing regarding the Financial Integrity Rating System of Texas will be held in order to give the Board and community an opportunity to receive information regarding the District's Financial Accountability Rating.

Historical Data: The state's school financial accountability rating system, known as the School Financial Integrity Rating System of Texas (FIRST). Ensures that Texas public schools are held accountable for the quality of their financial management practices and that they improve those practices. The system is designed to encourage Texas public schools to better manage their financial resources to provide the maximum allocation possible for direct instructional purposes.

Recommendation: N/A

Purchasing Director and Approval Date: N/A

Funding Budget Code and Amount: N/A

Goal: 3. SSAISD will implement program initiatives and activities that reflect a commitment to preparing 100% of students for post-secondary educational or career paths.

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

FIRST Report
Public Hearing
December 15, 2025

2024-2025 FIRST Rating
(Based on Fiscal Year 2023-2024 Data)

Dr. Saul Hinojosa, Superintendent of Schools
Stan Osborne, Chief Financial Officer

Mission Statement: Inspiring, educating, and preparing all SSAISD students for success beyond the classroom, by providing a safe, nurturing, and challenging learning environment, empowering students to reach their full potential, and engaging the community in our shared commitment to excellence.





Agenda

- School FIRST Rating Background
- Scoring System and Rating Worksheet
- South San ISD 2024 - 2025 FIRST Result
- Additional Reporting Requirements and Disclosures
- Board of Managers / Superintendent Expenses

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School FIRST Rating Background

- Developed in 1999 by the Texas Education Agency in response to Senate Bill 875 of the 75th Legislature
- The purpose of the financial accountability rating system is to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources.
- The system is designed to encourage Texas public schools to manage their financial resources better in order to provide the minimum allocation possible for direct instructional purposes.
- The system will also disclose the quality of local management and decision-making processes that impact the allocation of financial resources in Texas public schools.

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Score System (Indicators 7-15, 18, 19)

A = Superior
Score range of 90 - 100

B = Above Standard
Score range of 80 - 89

C = Meets Standards
Score range of 70 - 79

F = Substandard Achievement
Score less than 70

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.

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Financial Integrity Rating System of Texas

2024-2025 RATINGS BASED ON SCHOOL YEAR 2023-2024 DATA - DISTRICT STATUS DETAIL

Name: SOUTH SAN ANTONIO ISD(015908)		Publication Level 1: 8/8/2025 12:54:09 PM	
Status: Passed		Publication Level 2: 8/8/2025 4:49:42 PM	
Rating: A = Superior Achievement		Last Updated: 8/8/2025 4:49:42 PM	
District Score: 92		Passing Score: 70	
#	Indicator Description	Updated	Score
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 depending on the school district's fiscal year end date of June 30 or August 31, respectively?	4/23/2025 6:09:47 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.)	4/23/2025 6:09:47 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.)	4/23/2025 6:09:47 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.)	4/23/2025 6:09:47 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 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.)	4/23/2025 6:09:47 PM	Ceiling Passed
6	Was the average change in (assessed and unassessed) fund balances over 3 years less than a 25 percent decrease or did the current year's assessed and unassessed 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.)	4/23/2025 6:09:47 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.	4/23/2025 6:09:47 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.	4/23/2025 6:09:47 PM	8
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.	4/23/2025 6:09:47 PM	10
10	This indicator is not being evaluated.		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.)	4/23/2025 6:09:47 PM	6
12	What is the correlation between future debt requirements and the district's assessed property value?	4/23/2025 6:09:47 PM	8
13	Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.	4/23/2025 6:09:47 PM	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.	4/23/2025 6:09:47 PM	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? See ranges below in the Determination of Points section.	4/23/2025 6:09:47 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.)	4/23/2025 6:09:47 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 indicator 17, the maximum points and highest rating that the school district may receive is 79 points. C = Meets Standard Achievement.)	4/23/2025 6:09:47 PM	Ceiling Passed
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.)	4/23/2025 6:09:47 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?	4/23/2025 6:09:47 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?	4/23/2025 6:09:47 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?	4/23/2025 6:09:47 PM	Ceiling Passed
			92 Weighted Sum
			1

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
<p>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.</p> <p>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.</p>		

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

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

THE TEXAS EDUCATION AGENCY
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FIRST 5.15.14.0



Additional Reporting Requirements and Disclosures

- Please see attached documents

Mission Statement: Inspiring, educating, and preparing all SSAISD students for success beyond the classroom, by providing a safe, nurturing, and challenging learning environment, empowering students to reach their full potential, and engaging the community in our shared commitment to excellence.

School FIRST Annual Financial Management Report

SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

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). Effective 8/1/2018.

The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

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 chose to publish
the superintendent's employment contract on the school district's Internet site.
If published on the Internet, the contract is to remain accessible for twelve months.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
August 31, 2024

	Superintendent	Board	Board	Board	Board	Board	Board	Board
	Yzaguirre, Henry	Araiza, Joe	Arrellano Jr., Ernesto	Flores, Homer	Ibarra, Shirley	Lopez, Manuel	Martinez, Abel	Ramirez, Cynthia
Description of Reimbursements								
Meals	\$ 1,523.00	\$ 1,446.50	\$ 1,303.50	\$ 241.50	\$ -	\$ 1,446.50	\$ -	\$ 241.50
Lodging	4,990.06	4421.94	3,581.10	730.44	-	4,126.45	-	471.49
Transportation	3,404.43	3,156.46	2,861.99	374.01	-	3,391.29	-	537.96
Motor Fuel	-	-	-	-	-	-	-	-
Other	4,348.00	4,248.00	4,198.00	-	485.00	4,248.00	-	1,625.00
Total	\$ 14,265.49	\$ 13,272.90	\$ 11,944.59	\$ 1,345.95	\$ 485.00	\$ 13,212.24	\$ -	\$ 2,875.95

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

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, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

School FIRST Annual Financial Management Report

SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

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

For the Twelve-Month Period

August 31, 2024

Name(s) of Entity(ies)

Amount Received
\$

Total

\$0.00

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

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

August 31, 2024

	Superintendent	Board	Board Arrellano Jr., Ernesto	Board	Board	Board	Board	Board
	Yzaguirre, Henry	Araiza, Joe		Flores, Homer	Ibarra, Shirley	Lopez, Manuel	Martinez, Abel	Ramirez, Cynthia
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.

Business Transactions Between School District and Board Members

For the Twelve-Month Period

August 31, 2024

	Board	Board	Board	Board	Board	Board	Board
	Araiza, Joe	Arrellano Jr., Ernesto	Flores, Homer	Ibarra, Shirley	Lopez, Manuel	Martinez, Abel	Ramirez, Cynthia
Amounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.