FIRST Report

Decatur ISD

Financial Integrity Rating System of Texas

2025-2026 Rating Based on 2024-2025 Data

Decatur ISD
307 South Cates
Decatur, TX 76234

Taylor Williams
Superintendent of Schools

Decatur ISD
Board of Trustees
Public Hearing
November 16, 2026

SUPERIOR ACHIEVEMENT

School FIRST
Financial Integrity Rating System of Texas

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 these 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[1].

TEA Releases Final 2025–2026 Financial Accountability Ratings [2]

AUSTIN, Texas – November 9, 2026 – The Texas Education Agency (TEA) today announced the 2025–2026 Financial Integrity or FIRST ratings for Texas public schools. 79.87 percent of school systems earned an 'A' or Superior Achievement rating for the 2025–2026 school year. By maintaining strong financial practices, these school systems are building brighter futures for the students and communities they serve.

The School Financial Integrity Rating System of Texas (FIRST) was established by the 77th Texas Legislature in 2001 to provide accountability for Texas public schools on the quality of their financial management practices. The ratings are based on annual financial reports submitted by school systems to TEA for the 2025 fiscal year. The reports are subsequently reviewed by the agency and a rating is assigned.

School systems are assigned one of four possible grades under the financial accountability ratings: A-*Superior Achievement*, B-*Above Standard Achievement*, C-*Meets Standard Achievement* or F-*Substandard Achievement*.

Final FIRST ratings for the 2025–2026 school year are as follows:

Final Rating	Districts	Charter Schools	Total	PCT
A – Superior Achievement	840	105	945	79.87%
B – Above Standard Achievement	107	37	144	12.18%
C – Meets Standard Achievement	60	16	76	6.43%
F – Substandard Achievement	11	7	18	1.52%
Total	1,018	165	1,183	100%

FIRST ratings are calculated using 21 financial indicators for both traditional school districts and public charter schools, such as administrative cost expenditures; the accuracy of a district or charter school's financial information submitted to TEA; and any financial vulnerabilities or material weaknesses in internal controls as determined by an external auditor.

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[1] Texas Education Agency FIRST Information Page: https://tea.texas.gov/data-reports/financial-compliance/financial-integrity-rating-system-texas-first

[2] Texas Education Agency Press Release: November 9, 2026

Decatur ISD
Financial Integrity Rating System of Texas (FIRST) Report Summary
November 16, 2026

					FIRST Indicator	
					25-26 Rating	24-25 Rating
					2024-2025 Data	2023-2024 Data
1	Annual Financial Report (AFR) filed timely				Yes	Yes
2	Unmodified opinion				Yes	Yes
3	Compliant with debt obligations				Yes	Yes
4	Timely payments to TRS, IRS, TWC, other governments				Yes	Yes
5	Total net position in Statement of Net Position or passed exceptions					
6	Average Fund Balance Change < 25% or > 3 months fund balance					
				% Change		
		22-23	11,480,167			
		21-22	11,947,177	-3.9%		
		23-24	10,052,107			
		22-23	11,480,167	-12.4%		
		24-24	8,055,931			
		23-24	10,052,107	-19.9%		
			Total	-36.2%		
			3-Year Ave	-12.1%	Passed	Passed
		Expenditures (net)	40,560,441			
		Exp Net / 12	3,380,037			
		Fund Balance	8,055,931			
		Months Fund Balance	2.38	X		
7	Cash on hand + Investments (DISD 108, threshold = 90)				10	10
8	Current Assets/Current Liabilities covers short-term debt (DISD 1.6, threshold 3)				4	10
9	GF revenues > expenditures or # days cash on hand >= 60					
		Revenues	39,069,279			
		Net Exp	40,560,441			
		Excess	(1,491,162)	X		
		Current Investments	12,060,873			
		Net Exp	40,560,441			
		Cash per day	111,124			
		Days cash	108.5	Acceptable = 60 Days	10	10
10	Three-year budget variance + or - 10% (not used in 24-25)				10	10
11	Long-term liabilities to total assets ratio OR 1,000 or more membership				10	10
12	Future debt vs property value (considers long-term liabilities)				10	10
13	Indicator not used (25-26) or Adm Cost Ration (24-25)				10	10
14	ISD not have a 15% decline in students: staff over 3 years				10	10
15	Actual ADA compare to submitted ADA (3,531 actual: projected 3893 = 9% threshold 20				5	5
16	PEIMS within 3%				Passed	Passed
17	Material weakness or substantial doubt of going concern				Passed	Passed
18	AFR free of any instances of material noncompliance				10	10
19	ISD posted required financial information				5	5
20	Finance impact meeting w Board within 120 days of adopted budget				Passed	Passed
21	Adjusted repayment schedule for on over-allocation				Passed	Passed
			Total Score		• **94**	100
					SUPERIOR ACHIEVEMENT	**SUPERIOR ACHIEVEMENT**

Decatur ISD

Supplemental FIRST Report Information: 2025-2026 Ratings based on School Year 2024-2025 Data

November 16, 2026

Expenditure Summary

SEP 2024 to MAY 2025 MAY 2025 to AUG 2025	Superintendent Taylor Williams	Karen Rue Superintendent	Stan Shults Stan Shults	Sandra Schneider Sandra Schneider	Delvon Campbell Delvon Campbell
Meals – Meals consumed out of town and in-district at area restaurants (excludes catered meals for board meetings).					
Lodging (Hotel Charges)	586.57				
Transportation (air, auto rental, mileage reimbursements, parking, tolls)	316.82				
Motor Fuel (Diesel or Gasoline)					
Other Expenses (Registration fees, phone, internet, etc. not in above, training registration fees)	535.00		585.00	585.00	585.00
11/6/2024 Board Training K. Douglas: Operating Procedures) Board /Supt.		196.54	196.54	196.54	196.54
TOTAL	1,438.39	196.54	781.54	781.54	781.54
SEP 2024 to MAY 2025 MAY 2025 to AUG 2025	Dr. Joiner Dr. Joiner	Jeremy Duncan Jeremy Duncan	Nate Bayless Nate Bayless	Scott Koehler	Cynthia Alvarez
Meals – Meals consumed out of town and in-district at area restaurants (excludes catered meals for board meetings).					
Lodging (Hotel Charges)	872.00				
Transportation (air, auto rental, mileage reimbursements, parking, tolls)					
Motor Fuel (Diesel or Gasoline)					
Other Expenses (Registration fees, phone, internet, etc. not in above, training registration fees)	626.52			190.00	585.00
11/6/2024 Board Training K. Douglas: Operating Procedures) Board /Supt.	196.54	196.54	196.54	196.54	
TOTAL	1,695.06	196.54	196.54	386.54	585.00
					7,039.23

DETAIL:

TW: Mileage to Austin State Track Meet	5/6/2025	$	316.82	Mileage
TW: Hotel for State Track Meet	6/26/2025	$	297.55	Lodging
TW: TASB Summer Ledership Conference	6/26/2025	$	535.00	Registration
TW: Hotel for Summer Leadership	6/26/2025	$	289.02	Lodging
SK: Reimbursement for OnLine Courses	4/14/2025	$	190.00	Registration
SSh,DC, SSc, CA TASB Summer Leadership $585 ea.	6/26/2025	$	2,340.00	Registration
Dr. J: TASB Summer Leadership Conference	6/26/2025	$	535.00	Registration
Dr.J: Hotel for Summer Leadership	7/9/2025	$	582.98	Lodging
Dr.J: Hotel for Summer Leadership	7/24/2026	$	289.02	Lodging
11/6/2024 Board Training (K. Douglas: Operating Procedures) 7 Board /Supt. $196.54 ex	6/26/2025	$	1,572.32	Training
DrR,DrJ,SK,NB,JD,DC,SSc,SSh (each)	196.54			
Joiner: Supper Leadership	7/25/2026	$	91.52	Registration
		$	7,039.23	

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

	Superintendent Taylor Williams	Superintendent Karen Rue			
Name of Entity	None	None			
Amount					

Gifts Received by the Executive Officer(s) and Board Members (and First-Degree Relatives, if any) in

	Superintendent Taylor Williams	Superintendent Karen Rue	Stan Shults	Sandra Schneider	Delvon Campbell
Summary Amounts	None	None	None	None	None
	Dr. Joiner	Jeremy Duncan	Nate Bayless	Scott Koehler	Cynthia Alvarez
Summary Amounts	None	None	None	None	None

Business Transactions Between School District and Board Members for Fiscal Year 2025

	Dr. Joiner	Jeremy Duncan	Nate Bayless	Sandra Schneider	Delvon Campbell
Summary Amounts	None	None	None	None	None
	Scott Koehler	Cynthia Alvarez	Stan Shults		
Summary Amounts	None	None	None		

Financial Integrity Rating System of Texas

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

Name: DECATUR ISD(249905)

Status: Passed

Rating: A = Superior Achievement

District Score: 94

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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 PM	4

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 6:18:51 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 6:18:51 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 6:18:51 PM	10
12	What is the correlation between future debt requirements and the district's assessed property value?	6/4/2026 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 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 6:18:51 PM	Ceiling Passed
			94 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			94 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