





Financial Integrity Rating System of Texas (FIRST) Schools FIRST Performance Report 2022-2023 Ratings

(Based on Fiscal Year 2021-2022 Data)





Mission Statement

As the right choice, Weslaco ISD delivers a complete educational experience grounded in creativity, synergy, problem-solving, and critical thinking that develops lifelong learners, confident leaders, and engaged citizens.

Vision Statement

Weslaco ISD inspires and empowers all students to reach their full, unique potential so that each thrives in and contributes to our global community.



Schools FIRST Performance Report For the Year Ended June 30, 2022

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Introduction to Schools FIRST For the Year Ended June 30, 2022

The Texas Education Agency (TEA) has issued the Schools Financial Integrity Rating System of Texas (FIRST) ratings for fiscal year 2021-2022, which ended June 30, 2022. **Weslaco Independent School District (WISD) has received a rating of "A" for "Superior Achievement."**

The Schools FIRST rating system was implemented in 1999 by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature. The primary goal of Schools 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. The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being "A" for "Superior Achievement," followed by "B" for "Above Standard Achievement," "C" for "Meets Standard Achievement" and the lowest being "F" for "Substandard Achievement."

Indicators one through four are pass/fail indicators; they must be passed to earn a rating above "F" for "Substandard Achievement." Indicators five, ten, fourteen and fifteen are not being scored this year. Indicators four, six, sixteen, seventeen and twenty are ceiling indicators that limit the maximum number of points that a district can earn. The remaining indicators are scored on a sliding scale from zero to ten. To earn a rating of "A" for "Superior Achievement," a district must earn a minimum of 90. The maximum possible points earned is 100 points. **WISD earned a score of 100 for the current submission.**

The ratings for WISD are available on the WISD Web site at the following address: https://www.wisd.us/resources/financial-transparency

TEA maintains the listing for all school districts and the state as a whole at the following Web site:

https://tealprod.tea.state.tx.us/First/forms/Main.aspx

The website lists school districts by their County-District number. WISD's County-District number is 108913.

1. Was the Annual Comprehensive Financial Report (ACFR) and data submitted to the TEA within 30 days of the November 27 deadline based on the school district's fiscal year end date of June 30?

A simple indicator. Was the ACFR filed by the deadline?

WISD Result:

ACFR filed timely every year.

2. Was there an unmodified opinion in the ACFR on the financial statements as a whole?

A "qualification" on your financial report means that a district needs to correct some of its reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its ACFR. This is a simple "Yes" or "No" indicator.

WISD Result:

Yes - Unmodified opinion every year

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?

WISD Result:

The District had made all required payments on its debt agreements.

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?

WISD Result:

The District made timely payments. Indicator passed; ceiling not triggered.

5. 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 7 percent or more, then the school district passes this indicator.)

This indicator is not being scored.

6. Was the average change in 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?

This indicator measures the percentage change in fund balance to see whether the fund balance is declining too quickly, and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.

WISD Result:

Yes: 0.1359 >= -0.25

Indicator passed; ceiling not triggered.

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)?

This indicator measures how long in days after the end of the fiscal year the school district could have disbursed funds for its operating expenditures without receiving any new revenues. Did the district meet or exceed the target amount?

WISD Result:

2021-2022	191.9721 days	10 points
2020-2021	123.3145 days	10 points
2019-2020	112.5007 days	10 points

Scoring Scale:

>=90	10 points
< 90 to 75	8 points
< 74 to 60	6 points
< 60 to 45	4 points
< 45 to 30	2 points
< 30	0 points

8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did the district meet or exceed the target amount?

WISD Result:

2021-2022	3.4230	10 points
2020-2021	3.8625	10 points
2019-2020	3.7100	10 points

Scoring Scale:

>=3.00	10 points
< 3.00 to 2.50	8 points
< 2.50 to 2.00	6 points
< 2.00 to 1.50	4 points
< 1.50 to 1.00	2 points
< 1.00	0 points

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?

This indicator simply asks, "Did the district spend more than earned?"

WISD Result:

2021-2022	Revenues exceed expenditures	10 points
2020-2021	Revenues exceed expenditures	10 points
2019-2020	Revenues exceed expenditures	10 points
WISD Result:		
2021-2022	191.9721 days	10 points
2020-2021	123.3145 days	10 points
2019-2020	112.5007 days	10 points

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?

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? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)

This question is like asking someone if their mortgage exceeds the market value of their home. Was the district below the cap for this ratio?

WISD Result:

2021-2022	0.2692	10 points
2020-2021	0.2980	10 points
2019-2020	0.3198	10 points

Scoring Scale:

<=.60	10 points
> 0.60 to 0.70	8 points
> 0.70 to 0.80	6 points
> 0.80 to 0.90	4 points
> 0.90 to 1.00	2 points
> 1.00	0 points

12. What is the correlation between future debt requirements and the district's assessed property value?

This indicator is a new indicator.

WISD Result:

2021-2022	1.1354	10 points
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Scoring Scale:

13. Was the school district's administrative cost ratio equal to or less than the threshold ratio?

TEA and state law sets a cap on the percentage of a school district's budget that Texas school districts can spend on administration. Did WISD exceed the cap for districts of its size?

WISD Result:

2021-2022	0.0674	10 points
2020-2021	0.0679	10 points
2019-2020	0.0688	10 points

Scoring Scale:

<=0.0855	10 points
>0.0855 to 0.1105	8 points
>0.1105 to 0.1355	6 points
>0.1355 to 0.1605	4 points
>0.1605 to 0.1855	2 points
>0.1855	0 points

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.)

This indicator is not being scored.

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?

This indicator is not being scored.

16. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's ACFR result in a total variance of less than 3 percent of all expenditures by function?

This indicator measures the quality of data reported to PEIMS and in the ACFR to make certain that the data reported in each case "matches up." If the difference in numbers reported in any fund type is more than 3%, the district "fails" this measure.

WISD Result:

Yes = 0.1164 < 0.03

Indicator passed; ceiling not triggered. (Forced: Fiscal Year End Changed)

17. Did the external independent auditor report that the ACFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?

A clean audit of the ACFR would state that the district has no material weaknesses in internal controls. Any internal weaknesses create a risk of WISD not being able to properly account for its use of public funds and should be immediately addressed.

WISD Result:

No material weaknesses in any fiscal year.

Indicator passed; ceiling not triggered.

18. Did the external independent auditor indicate the ACFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?

Did the District comply with laws, rules and regulations for a governmental entity?

WISD Result:

2021-2022	Yes	10 points
2020-2021	Yes	10 points
2019-2020	No	0 points

State Standard:

Yes	10 points
No	0 points

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?

This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information.

WISD Result:

2021-2022	5 points
2020-2021	5 points
2019-2020	5 points

State Standard:

Yes	5 points
No	0 points

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?

This indicator measures whether the school district's administration and school board has the opportunity to consider the impact of changes in property value on the finances of the district.

WISD Result:

Yes, the school board discussed property values at a meeting within 120 days before the district adopted its budget.

Indicator passed; ceiling not triggered.

Appendix A: Superintendent's Current Employment Contract

The current contract for Dr. Richard Rivera, WISD Superintendent of Schools, is posted on the WISD web site @

 $\underline{https://resources.finalsite.net/images/v1683645683/wisdus/uwmslalkbqnoebvdqcib/DrRichardRiverasContract.pdf}$

Appendix B: Reimbursable Expenditures to Board Members and the Superintendent For the Year Ended June 30, 2023

		Meals	Lodging	Transportation	Other	Total
Dr. Richard Rivera	Superintendent of Schools	\$ 144.00	-	323.58	-	467.58
Ms. Jaclyn Sustaita	President - Place 3	550.00	-	480.13	-	1,030.13
Mr. Isidoro Nieto	Vice President - Place 7	1,024.00	-	1,067.87	-	2,091.87
Dr. Jaime Rodriguez	Secretary - Place 4	736.00	-	156.79	-	892.79
Mr. Ben Castillo	Trustee - Place 5	-	-	-	-	-
Mr. Armando Cuellar, Jr.	Trustee - Place 6	62.00	-	88.69	-	150.69
Mr. Marcos de los Santos	Trustee - Place 2	62.00	-	90.39	-	152.39
Mr. Jesse Trevino	Trustee - Place 1	736.00	-	161.64	-	897.64
Dr. Dino Coronado	Former Superintendent	134.00	-	308.76	-	442.76
Mr. Andrew Gonzalez	Former Trustee	-	-	-	-	-
		\$ 3,448.00	\$ -	\$ 2,677.85	\$ -	\$ 6,125.85

Note: Reimbursements include amounts paid by the District on-behalf of the individuals listed above as well as actual reimbursements. The category "Other" includes registration for seminars and meetings and amounts provided for benefits not specified in the Superintendent's Employment Contract. The "Meals" category excludes meals purchased for Board of Trustee meetings.

Appendix C: Business Transactions between Board and/or Related Family Members and WISD For the Year Ended June 30, 2023

Board Member	Office	Transactions
Ms. Jaclyn Sustaita	President - Place 3	See Below
Mr. Isidoro Nieto	Vice President - Place 7	\$0.00
Dr. Jaime Rodriguez	Secretary - Place 4	See Below
Mr. Ben Castillo	Trustee - Place 5	\$0.00
Mr. Armando Cuellar, Jr.	Trustee - Place 6	\$0.00
Mr. Marcos de los Santos	Trustee - Place 2	Did Not Submit Disclosure
Mr. Jesse Trevino	Trustee - Place 1	Did Not Submit Disclosure

Note: The information presented above was reported to the District by the Superintendent of Schools and each individual Board member.

Ms. Jaclyn Sustaita, Board President, has disclosed that she is the sister-in-law of the owner of Weslaco Music Center.

Dr. Jaime Rodriguez, Board Secretary, has disclosed that he is the owner of Weslaco Vision Source.

Appendix D: Superintendent's Outside Income For the Year Ended June 30, 2023

Source	Superintendent's Outside Income
	Outside Income
Dr. Richard Rivera	\$ -
Total	\$ -

Note: The preceding information was reported to the District by the Superintendent of Schools.

Appendix E: Gifts to Superintendent Or Board Members For the Year Ended June 30, 2023

Board Member	Office/Position	Gifts
Dr. Richard Rivera	Superintendent of Schools	\$0.00
Ms. Jaclyn Sustaita	President - Place 3	\$0.00
Mr. Isidoro Nieto	Vice President - Place 7	\$0.00
Dr. Jaime Rodriguez	Secretary - Place 4	\$0.00
Mr. Ben Castillo	Trustee - Place 5	\$0.00
Mr. Armando Cuellar, Jr.	Trustee - Place 6	\$0.00
Mr. Marcos de los Santos	Trustee - Place 2	Did Not Submit Disclosure
Mr. Jesse Trevino	Trustee - Place 1	Did Not Submit Disclosure

Note: State law requires disclosure of gifts with an aggregate value of \$250 or greater by a vendor or by an entity that proposed on a bid to provide goods or services to the District. The information presented above was reported to the District by the Superintendent of Schools and each individual Board Member.

Appendix F: TEA 2022-2023 RATINGS BASED ON SCHOOL YEAR 2021-2022 DATA – DISTRICT STATUS DETAIL

Name: WESLACO ISD(108913)	Publication Level 1: 8/4/2023 12:02:16 PM
Status: Passed	Publication Level 2: 8/7/2023 3:01:39 PM
Rating: A = Superior Achievement	Last Updated: 8/7/2023 3:01:39 PM
District Score: 100	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?	7/13/2023 6:19:12 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.)	7/13/2023 6:19:12 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	7/13/2023 6:19:12 PM	Yes

	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	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.)	7/13/2023 PM	6:19:12	Yes Ceiling Passed
5	This indicator is not being evaluated.			
	i			
				1 Multiplier Sum
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.)	7/13/2023 PM	6:19:12	1 Multiplier Sum Ceiling Passed



1	WESTAGO INDEL ENDENT SCHOOL	!		
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.	7/13/2023 PM	6:19:12	10
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.	7/13/2023 PM	6:19:12	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.)	7/13/2023 PM	6:19:12	10
12	What is the correlation between future debt requirements and the district's assessed property value?	7/13/2023 PM	6:19:12	10
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.	7/13/2023 PM	6:19:12	10
14	This indicator is not being evaluated.			10
15	This indicator is not being evaluated.			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.)	7/20/2023 AM	9:01:05	Ceiling Passed



	WESLACO INDEPENDENT SCHOOL	 -		:
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.)	7/13/2023 PM	6:19:12	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.)	7/13/2023 PM	6:19:12	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?	7/13/2023 PM	6:19:12	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?	7/13/2023 PM	6:19:12	Ceiling Passed
				100 Weighted Sum
				1 Multiplier Sum
				(100 Ceiling)
				100 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.		
В.	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, 6, 16, 17, or 20? 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 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement



Appendix G: Region One Education Service Center FIRST Ratings Recognition





The FIRST notice of public meeting:

The Board of Trustees of the Weslaco Independent School District will hold a public meeting at 5:30 P.M., December 19, 2023, in the Board Room of the Administration Building at 319 West 4th Street, Weslaco, Texas, 78596. The purpose of this meeting is to discuss Weslaco Independent School District's 2023 rating on the state's financial accountability system. Public comment is welcome.