



Temple Independent School District

Annual Financial Management Report

Financial Integrity Rating System of Texas (FIRST)

Fiscal Year 2015-16

Using Data for Fiscal Year Ended June 30, 2015

Financial Integrity Rating System of Texas (FIRST)
Fiscal Year 2015-16 (Using Data for Fiscal Year Ended June 30, 2015)
Temple ISD

Indicator	Result	Measure	Points
1 Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27th or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?	Y	11/20/2015	
2a 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.)	Y	Unmodified Opinion	
2b 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.)	Y	No Material Weaknesses	
3 Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? 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.)	Y	No Default Disclosures	
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?	Y	Timely Payments	
5 Was the total unrestricted net asset balance (Net of accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero?	Y	\$ 19,969,701	
6 Was the number of days cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (Goal: > 90 days)	N	57.58 days	4
7 Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (Goal: > 3.00)	N	2.7271	8
8 Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (Goal: < 0.60) Five-year percent change in students > = 10%?	Y	0.5189 -2.61%	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?	Y	\$1,880,630	10
10 Was the debt service coverage ratio sufficient to meet the required debt service? (Goal: >1.20)	Y	2.1545	10
11 Was the school district's administrative cost ratio equal to or less than the threshold ratio? (10.0% for TISD)	Y	9.03%	10
12 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.)	Y	3.96% increase 12-13: 7.297% 14-15: 7.586%	10
13 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?	Y	No Variance	10
14 Did the external independent auditor indicate the AFR was free of any instances(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)	Y	No Material Noncompliance	10
15 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?	Y	No Adjusted Repayment Schedule	10

Totals Points Awarded 92

RATING
A = Superior

Determination of District Rating

A.	Did the district answer No to indicators 1, 2a, 3, 4, or 5? If so, the district's rating is F for Substandard Achievement	<u>Points</u>
B.	Determine rating by applicable number of points (Indicators 6 - 15)	
	A = Superior	70 - 100
	B = Above Standard	50 - 69
	C = Meets Standard	31 - 49
	F = Substandard Achievement	< 31

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period Ended June 30, 2015 Description of Reimbursements	Superintendent	Board Members						
	Robin Battershell	Jennifer Davis	Linell Davis	Ronnie Gaines	Shannon Gowan	Dan Posey	Virginia Suarez	Steve Wright
Meals	\$ 829.70	\$ 22.74	\$ 101.19	\$ 76.71	\$ 54.94	\$ -	\$ -	\$ -
Lodging	518.98	327.60	520.59	520.59	520.59	347.06	-	-
Transportation	1,235.29	177.10	33.00	267.10	33.00	238.00	33.00	-
Motor Fuel	-	-	-	-	-	-	-	-
Other	730.00	325.00	460.00	460.00	410.00	325.00	50.00	85.00
Total	\$ 3,313.97	\$ 852.44	\$ 1,114.78	\$ 1,324.40	\$ 1,018.53	\$ 910.06	\$ 83.00	\$ 85.00

Note - The spirit of the rule is to capture all "reimbursements" for fiscal year 2015, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

- Meals – Meals consumed off of the school district's premises, and in-district meals at area restaurants (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.

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

For the Twelve-Month Period Ended June 30, 2015 Name(s) of Entity(ies)	
None	
Summary Amounts	\$0.00

Note – 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 Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2015

For the Twelve-Month Period Ended June 30, 2015	Board Members							
	Superintendent	Jennifer Davis	Linell Davis	Ronnie Gaines	Shannon Gowan	Dan Posey	Virginia Suarez	Steve Wright
Summary Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. (Any gifts received by their immediate family as described in Government code, Chapter 573, Subchapter B, Relationships by Consanguinity or by Affinity will be reported under the applicable school official.)

Business Transactions Between School District and Board Members for Fiscal Year 2015

For the Twelve-Month Period Ended June 30, 2015	Board Members							
	Superintendent	Jennifer Davis	Linell Davis	Ronnie Gaines	Shannon Gowan	Dan Posey	Virginia Suarez	Steve Wright
Summary Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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.

SUPERINTENDENT'S EMPLOYMENT CONTRACT

This Superintendent's Employment Contract (hereinafter referred to as "Contract") is made and entered into by and between the Board of Trustees (hereinafter referred to as "Board") of the Temple Independent School District (hereinafter referred to as "District") and Dr. Robin Battershell (hereinafter referred to as "Superintendent", effective this 1st day of July, 2016.

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201 of the Texas Education Code, have agreed, and do hereby agree as follows:

I. TERM

1.1 Initial Term

The Board, by and on behalf of the District, employs the Superintendent, and the Superintendent accepts employment as Superintendent of Schools for the District for a term of three (3) years, commencing on July 1, 2016, and ending on June 30, 2019.

1.2 Term Extension.

The District may, by action of the Board, and with the agreement of the Superintendent, extend the term of this Contract as permitted by state law. Renewal or nonrenewal of this Contract shall be in accordance with Texas Education Code Chapter 21, Subchapter E, and Board policy. At any time during the Contract term, the Board may, in its discretion, reissue the Contract for an extended term. Failure to reissue the Contract for an extended term shall not constitute nonrenewal under Board policy. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created in continued employment beyond the Contract term.

II. EMPLOYMENT

2.1 The Superintendent is the chief executive officer of the District and shall faithfully perform the duties of Superintendent of the District as prescribed in the job description and as may lawfully be assigned by the Board, and shall comply with all lawful Board directives, state and federal law, District policy, rules, and regulations as they exist or may hereinafter be adopted or amended, provided, that except as may be required by law, the Board shall not adopt any policy, rule or regulation, or promulgate any directive, that materially impairs or reduces the Superintendent's duties and authority as described in this Contract without the prior written consent of the Superintendent. Specifically, it shall be the duty of the Superintendent to perform those duties set forth in Section 11.201 of the Texas Education Code as it currently reads or as may be amended from time to time, and as modified in Section 2.6 of this Contract.

2.2 Professional Certification and Records. The Superintendent shall at all times during the term of the Contract, and any renewal or extension thereof, hold and maintain a valid certificate required for a Superintendent by the State of Texas and issued by the State Board for Educator Certification and all other certificates required by law.

2.3 Reassignment. The Superintendent shall not be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.

2.4 Board Meetings and Regulations. The Superintendent is expected to attend all meetings of the Board and all Board committee meetings, both open and closed, and may participate in the deliberations of the Board at all such meetings, with the exception of those closed meetings of the Board and involving the Superintendent's evaluation, consideration of the terms of the Superintendent's employment as set forth in this Contract, and/or when Board is acting as a tribunal. In the event of illness or Board President approved absence, the Superintendent's designee shall attend such meetings.

2.5 Indemnification. To the extent it may be permitted to do so by applicable law, including, but not limited to the Texas Civil Practice and Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify the Superintendent from any and all claims, demands, suits, actions, judgments, expenses and attorney's fees incurred in any legal proceedings brought against Superintendent in the Superintendent's individual or official capacity and as an employee and as Superintendent of the District, providing the incident(s), which is/are the basis of such demand, claim, suits, actions, judgments, expenses and attorney's fees, arose or does arise in the future from a negligent act or omission of the Superintendent as an employee of the district, acting within the course and scope of Superintendent's employment with the district; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorney's fees for those claims or any causes of action where it is determined that the Superintendent committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance Contract, held either by the District or by the Superintendent. The selection of Superintendent's legal counsel shall be with the mutual agreement of the Superintendent and the District if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case the Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance Contract. To the extent this Section 2.5 exceeds the authority provided and limitations imposed by the Texas Civil Practice and Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 2.5 shall survive the termination of this Contract.

2.6 Employment of Staff. In accordance with section 11.201 and 11.163 of the Texas Education Code, the Board delegates to the Superintendent the authority to determine the terms of the employment of all personnel with the District in accordance with the policies of the Board. Specifically, the Superintendent has been delegated the sole and final authority to employ all non-Contract staff for positions that are recognized by the Board in accordance with policies of the Board and to organize, reorganize, arrange, direct, assign, reassign and transfer all staff in the manner that, in her judgment, best serves the District in accordance with the policies of the Board. The Superintendent has been delegated the authority to terminate all staff, other than Contract staff covered by Subchapters C., D., E., F., and G., of Chapter 21 of The Texas Education Code, and in accordance with policy of the Board. The Superintendent's authority set forth in this paragraph will be subject to Board review of such employment actions through the District's established grievance or

Further, the Superintendent has the authority to develop and implement administrative procedures, rules and regulations, that the Superintendent deems necessary for the efficient and effective operation of the District and which are consistent with Board policies and state and federal law.

The Superintendent, prior to publicly announcing the assignment, reassignment or transfer of any administrator shall inform the Board of the assignment, reassignment or transfer.

III. COMPENSATION

3.1 Salary. The district shall provide the Superintendent with an annual salary in the sum of **\$ TBD**. This annual base salary shall be paid to the Superintendent in equal monthly installments beginning **July 1, 2016**.

3.2 Salary Adjustment. At any time during the term of this Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in section 3.1 of this Contract. Any increase in compensation shall become effective on the anniversary date of this contact, i.e., the June 1 following the date the Board adjusts the salary.

3.3 Health Insurance and Other Benefits. The district shall pay for coverage for group health and hospitalization for the Superintendent comparable to other 12-month administrative employees of the district. Further, the district shall provide the Superintendent with all other benefits on the same basis as other 12-month administrative employees of the district.

3.4 Life and Disability Insurance. The district shall pay the annual premiums for a whole life insurance policy having the aggregate face amount of \$500,000.00, and a disability income protection insurance policy designated by the Superintendent, and/or other health and welfare benefits in an aggregate cost not to exceed \$3,000.00 per year. The Superintendent shall make the selection of such life insurance program and notify the district and the district shall contribute to the life insurance program on or before March 1 of each year during the term of this Contract. All life insurance policies provided hereunder shall be owned by the Superintendent, with the Superintendent having the sole right to determine the beneficiary under each of the life insurance policies and the Superintendent having the right to cash surrender value of such policy at any time during the term of the Contract and following its termination or expiration.

3.5 Vacation, Holiday and Personal Leave. The Superintendent may take the same number of days of vacation authorized by policies adopted by the Board as for administrative employees on a 12 month Contract. The vacation days shall be taken on days as the Superintendent shall designate, subject to reasonable notice to the Board. The days shall be designated at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Contract.

3.6 Professional Growth. The Board encourages the continued professional growth of the Superintendent. The Board encourages the Superintendent's active attendance and participation in

appropriate professional meetings at the local, regional, state, and national levels. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent as the Superintendent and the Board deem appropriate, to attend such as seminars, courses or meetings. The District shall pay the Superintendent's membership dues to two state and two local associations, as the Superintendent may choose. The district shall bear their reasonable cost and expense for such attendance and membership.

3.7. Civic Activities. The Superintendent is encouraged to participate in community and civic affairs. The reasonable expenses of such activities, subject to prior Board approval, shall be borne by the district.

3.8 Expenses. The district shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in continuing the performance of his duties under this Contract. The district agrees to pay the actual reasonable costs including her mileage or transportation, hotels and accommodations, meals and other expenses incurred in the performance of the business of the district. The Superintendent shall comply with all procedures and documentation requirements in accordance with district policies and procedures.

3.9 Automobile Allowance. The district shall provide the Superintendent with an automobile allowance for in district travel in the sum of **\$7,800 per year.**

3.11 Outside Consultant Activities. The Superintendent may serve as a consultant or undertake speaking engagements, writing, teaching or other professional duties and obligations outside the district (referred to collectively herein as consulting services) that do not conflict or interfere with the Superintendent's professional responsibilities to the district. Upon notice to the Board president, the Superintendent may accept a reimbursement of expense and/or be paid in honorarium for such consulting services at no expense to the district. Consulting services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law.

IV. ANNUAL PERFORMANCE GOALS

The Superintendent shall submit to the Board each year, for the Board's consideration and adoption, a preliminary list of goals for the District ("District Goals"). The written goals approved by the Board shall be among the criteria upon which the Superintendent's performance is reviewed and evaluated and shall be based on the district's progress toward accomplishing the district's goals.

V. REVIEW OF PERFORMANCE

5.1 Performance Review. The Board shall evaluate and assess the performance of the Superintendent in writing at least once a year, in no event later than March 1 of each year of her

Contract. The Superintendent shall provide the Board with such information as is reasonably necessary for it to perform the annual evaluation of the Superintendent. The meetings at which the Board evaluates the Superintendent will be held in a closed session, unless the Superintendent requests in writing that the evaluation be held in open meeting. The evaluation and assessment shall be related to the district goals and duties of the Superintendent as outlined in the Superintendent's job description and of the annual goals for the District. In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, the Board shall describe, in reasonable detail, the specific instances of unsatisfactory performance, and will include recommendations as to the areas of improvement in all such instances. The Superintendent will have the right to respond to the evaluation and will be given a reasonable amount of time to remediate the identified shortcomings.

5.2 Confidentiality. Unless the Superintendent expressly requests otherwise in writing, the Superintendent's evaluation document(s) shall be considered confidential to the extent permitted by law and with the input of the Superintendent. Nothing herein shall prohibit the Board or the Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

5.3 Evaluation Format and Procedure. The Board of Trustees shall meet and discuss the evaluation format and procedure with the Superintendent, attempting in good faith to agree on development and adoption of a mutually agreeable evaluation instrument. The evaluation format and procedure shall be in accordance with the Board's policies and state law. In the event the Board deems that the evaluation instrument, format, and/or procedure is to be modified by the Board and such modifications would require new or different performance expectations, the Superintendent shall be provided a reasonable time, not to exceed 120 days, to demonstrate such expected performance before being evaluated.

VI. NONRENEWAL OF EMPLOYMENT CONTRACT

Nonrenewal shall be in accordance with Board policies and applicable law. Notwithstanding anything to the contrary and section 21.212 (a) of the Texas Education Code, the Superintendent shall be entitled to written notice, containing reasonable notice and the reasons for the proposed nonrenewal not later than 30 days before the last day of the Contract term, containing a reasonable notice of the reasons for the proposed nonrenewal of the Superintendent Contract with the district.

VII. TERMINATION OF EMPLOYMENT CONTRACT

7.1 Mutual Agreement. This Contract shall be terminated by the Superintendent and the Board in writing, upon such terms and conditions and is may be mutually agreed.

7.2 Resignation. The Superintendent may resign from this Contract upon 30 days written notice to the Board. The Superintendent has the right to resign between school years, without penalty, by providing a written resignation to the Board President at least 45 days before the first day of instruction for a school year.

7.2 Retirement or Death. This Contract shall be terminated upon retirement or death.

7.3 Dismissal for Good Cause. The Board may dismiss the Superintendent during the term of the Contract for good cause. The term good cause is defined as follows:

- a. Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- b. Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board;
- c. Insubordination or failure to comply with a lawful written Board directive;
- d. Failure to comply with written Board policies or district procedures;
- e. Neglected duties;
- f. Drunkenness or excessive use of alcoholic beverages;
- g. The illegal use of drugs, hallucinogens, or other substances regulated by the Texas controlled substance act;
- h. Conviction or a plea of guilty or a plea of nolo contendere to a felony or any crime involving moral turpitude;
- i. Failure to meet the district standards of professional conduct;
- j. Failure to comply with reasonable district professional development requirements regarding advanced course work or professional development;
- k. Disability, not otherwise protected by law, that substantially impairs the Superintendent's performance of required duties;
- l. Immorality, which is conduct not in conformity with the accepted moral standards of the Central Texas community. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency or depravity;
- m. Assault on an employee or a student;
- n. Falsifying records or documents related to the district's activities;
- o. Misrepresentation of material facts to the Board or other district officials in the conduct of district business;
- p. Failure to fulfill requirements of a Superintendent pursuant to the terms of this Contract;

q. Any other reason constituting good cause for terminating the contract during its term.

7.4 Conflicts. In the event of any conflict between the terms, conditions, and provisions of this Contract, and the provisions of the Board's policy is, or any permissive state or federal law, then, unless otherwise prohibited by law, the terms of this Contract shall take precedence over the contrary provisions of the Board's policies.


VIII. MISCELLANEOUS

8.1 Controlling Law. This Contract shall be governed by the laws of the state of Texas, and is performable exclusively in Bell County, Texas.


8.2 Amendment. This Contract includes the entire agreement between the parties and cannot be amended except by written agreement signed by the parties hereto.

8.3 Savings Clause. In the event that any one or more of the provisions contained in this Contract shall for any reason, be declared to be invalid, illegal, or unenforceable, then such invalidity, illegality, or unenforceability of such portion of this Contract shall not affect any other portion of this Contract, and this Contract shall be construed as if such invalid, a legal, or unenforceable provision had never been contained herein. All existing agreements and Contracts, both verbal and written, between the parties regarding the employment of the Superintendent are superseded by this Contract and this Contract constitutes the entire agreement between the parties, unless an amendment is made to this Contract as provided herein.

TEMPLE INDEPENDENT SCHOOL DISTRICT


By: Steve Wright, President of the Board of Trustees
Temple Independent School District

ATTEST:


By: Jennifer Davis, Secretary of the Board of Trustees
Temple Independent School District


Dr. Robin Battershell,
Superintendent of Temple Independent School District