



**2016-2017 FIRST Report
Based Upon 2015-2016 Financial Data**



**Coppel Independent School District
Mr. Brad Hunt
Superintendent**

Coppell Independent School District

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October 23, 2017

To The Citizens of Coppel Independent School District:

This is the fifteenth year that Texas school districts are reporting the results of the State's financial accountability system, Financial Integrity Rating System of Texas (FIRST), which this year includes the evaluation of 15 criteria. The District has received the highest rating for each of the fifteen years the FIRST system has been in place. We are pleased with these ratings and will strive to continue to improve the financial operations of the District.

In May 2017, the Commissioner's Rule for School FIRST were finalized to include changes in May 2017 to further clarify certain changes that were implemented in August 2015, in accordance with Section 49 of House Bill 5 enacted by the 83rd Texas Legislature, Regular Session, 2013. House Bill 5 amended Section 39.082 Texas Education Code to require the commissioner of education to include processes in financial accountability rating system for anticipating the future solvency of each school district. These changes were phased in over a three year period beginning in 2014-2015, through 2016-2017.

Maintaining the financial health of the District and modeling accountability is imperative. Therefore, we are pleased to report that Coppel Independent School District received an "A", or "Superior Achievement" rating from the Texas Education Agency regarding financial operations. Additionally, the District received a maximum score of 100 points.

Should you have any questions, please feel free to call my office.

Sincerely,

Brad Hunt
Superintendent of Schools

BH/kr

EXECUTIVE SUMMARY

Background Information:

This is the 15th year of School FIRST (Financial Accountability Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School 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 School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, as follows:

A for Superior Achievement
B for Above Standard Achievement
C for Standard Achievement
F for Substandard Achievement

Reporting Requirement

The changes to the School FIRST system implemented by the Texas Education Agency in August 2015 are being phased-in over three years. During the phase-in period, the new School FIRST system has separate worksheets for rating years 2014-2015, 2015-2016, and 2016-2017 and subsequent years. The worksheet for rating year 2014-2015 contained only 7 indicators and the worksheets for rating years 2015-2016, and 2016-2017 contain 15 indicators.

Under School FIRST, every school district in Texas is required to prepare an annual financial management report that includes the following:

- A.** The district's financial management performance rating provided by the Texas Education Agency (TEA) based on its comparison with indicators established by the Commissioner of Education for the State's new Financial Accountability System;
- B.** The district's financial management performance under each indicator for the current and previous years' financial accountability ratings;
- C.** Additional information required by the Commissioner of Education. Under Chapter 109, the Commissioner requires certain disclosures, as follows:

1. A copy of the superintendent's current employment contract. The school district may publish the superintendent's employment contract on the district's Internet site in lieu of publication in the annual financial management report. This must disclose all compensation and benefits paid to the superintendent;
2. A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member, including transactions resulting from use of the school district's credit card(s), debit card(s), store-value card(s) and any other instruments to cover expenses incurred by the superintendent and each board member. The summary schedule shall separately report reimbursements for meals, lodging, transportation, motor fuel, and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the district);
3. A summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional consulting and/or other personal services. The schedule shall separately report the amount received from each entity;
4. A summary schedule for the fiscal year of the total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year. This reporting requirement only applies to gifts received by the school district's executive officers and board members (and their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or explore matters directly related to the duties of an executive officer or board member, or matters related to attendance at education-related conferences and seminars whose primary purpose is to provide continuing education (this exclusion does not apply to trips for entertainment related purposes or pleasure trips). This reporting requirement excludes an individual gift or a series of gifts from a single outside entity that had an aggregate economic value of less than \$250 per executive officer or board member;
5. A summary schedule for the fiscal year of the dollar amount by board members for the aggregate amount of business transactions with the school district. This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members; and
6. Additional information that the district's board of trustees deems useful. Refer to the Commissioner's Rules Concerning the Financial Accountability Rating System (Chapter 109, Subchapter AA) for more information.

District Ratings

The Texas Education Agency converted the Schools FIRST to a four-tier rating system as shown below.

For 2016-2017 the Coppell Independent School District received A
Schools FIRST rating of:
SUPERIOR ACHIEVEMENT
Based upon the 2015-2016 Data

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)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	60-79
	F = Substandard Achievement	<60

There are currently 5 critical error indicators (Yes and No) that result in failure (F) of FIRST. These indicators and descriptions are outlined in the above chart. The default indicators that would result in a substandard achievement include a No answer to any of the five indicators (Questions 1, 2A, 3, 4 and 5).

From the financial data submitted for the 2015-2016 fiscal year, the District answered yes to all critical indicators. The complete results to the indicators begin on page 7 of this report.

Reporting, Notices and Public Meetings

The Board of Trustees will publish an annual report describing the financial management performance of the district. The report must include the information provided by the Texas Education Agency and any supplemental information as may be determined by the local Board of Trustees. **A copy of the report is available, upon request, from the Business Office and is available on the district's website.**

As required by State law, the Board of Trustees shall hold a public meeting within two months of receiving the School FIRST ratings. Notice of the meeting to discuss the school financial accountability rating must be published twice in a local newspaper. The first notice must be no more than thirty days, or less than fourteen days prior to the scheduled meeting date.

The District has complied with the public hearing notifications in the local newspaper. The dates of publication appeared on October 2nd and 9th. **The public meeting was held in conjunction with the regularly called Board of Trustees meeting on October 23, 2017.**



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

Name: COPPELL ISD (057922)

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	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?	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	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.)	Yes
2.B	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.)	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.)	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?	Yes
5	Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets 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.)	Yes
		1 Multiplier Sum
6	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)?	10
7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	10
8	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.)	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?	10
10	Was the debt service coverage ratio sufficient to meet the required debt service?	10
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	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.)	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?	10
14	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.)	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?	10
		SCORE 100

HOW RATINGS ARE ASSESSED

Rating Worksheet

The questions a school district must address in completing the worksheet used to assess its financial management system can be confusing to non-accountants. The following is a layman's explanation of what the questions mean—and what your district's answers can mean to its rating.

- 1. Was the Annual Financial Report filed within 30 days after the November 27th or January 28th deadline depending upon the district's Fiscal Year end date (June 30th or August 31st)?**

Was your Annual Financial Report filed by the deadline? No calculation involved.

- 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. Was there an Unmodified Opinion in the Annual Financial Report 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.)?

A "modified" version of the auditor's opinion in your annual audit report means that you need to correct some of your reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its Annual Financial Report. 2.A., is a simple "Yes" or "No" indicator (see instructions under "2." For evaluating performance under "2.A" and "2.B" to arrive at the score for "2.").

2.B 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.)

A clean audit of your Annual Financial Report would state that your district has no material weaknesses in internal controls. Any internal weaknesses create a risk of your District not being able to properly account for its use of public funds, and should be immediately addressed. 2. B. is a simple "Yes" or "No" indicator (see instructions under "2." for evaluating performance under "2.A" and "2.B" to arrive at the score for "2.").

- 3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? Were there No disclosures in the Annual Report and/or other sources of information concerning default on bonded indebtedness obligations?**

This indicator seeks to make certain that your district has paid your bills/obligations on financing arrangements to pay for school construction, school buses, photocopiers, etc. No calculation involved.

- 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?**

This indicator seeks to make sure the district fulfilled its obligation to the TRS,

TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.

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? (If the District's Five-Year Percent Change in Students was a 10% Increase or more then Answer Yes)

This indicator simply asks, "Did the district's total assets exceed the total amount of liabilities (according to the very first financial statement in the annual audit report)?" This indicator recognizes that high-growth districts incur large amounts of debt to fund construction, and that total debt may exceed the total amount of assets under certain scenarios.

6. 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 the school district could have disbursed funds for its operating expenditures without receiving any new revenues. Did you meet or exceed the target amount in School FIRST?

7. 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 you meet or exceed the target amount in School FIRST?

8. 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.)

This question is like asking someone if their mortgage exceeds the market value of their home. Were you below the cap for this ratio in School FIRST?

Fortunately this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.

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 you spend more than you earned?" (the school district will automatically pass this indicator, if the school district had at least 60 days cash on hand.)

10. Was the debt service coverage ratio sufficient to meet the required debt service?

This indicator asks about the school district's ability to make debt principal and interest payments that will become due during the year.

Did you meet or exceed the target amount in School FIRST?

11. Was the Administrative Cost Ratio less than the threshold ratio?

This indicator measures the percentage of their budget that Texas school districts spent on administration. Did you exceed the cap in School FIRST for districts of your size?

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.)

If the school district had a decline in students over 3 school years, this indicator asks if the school district decreased the number of the staff on the payroll in proportion to the decline in students. (The school district automatically passes this indicator if there was no decline in students.)

13. Did the comparison of Public Education Information Management System (PEIMS) data to like information in the Annual Financial Report result in a total variance of less than 3 percent of all expenditures per function (Data Quality Measure)?

This indicator measures the quality of data reported to PEIMS and in your Annual Financial Report 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 percent, your district “fails” this measure.

14. Did the external independent auditor report that the AFR (Annual Financial Report) 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.)

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

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?

This indicator asks if the district had to ask for an easy payment plan to return monies to TEA after spending the overpayment from the Foundation School Program state aid.

Disclosures

Every school district in Texas is required to prepare an annual financial management report that includes the following:

A. The district's financial management performance rating provided by the Texas Education Agency (TEA) based on its comparison with indicators established by the Commissioner of Education for the state's new Financial Accountability System.

B. The district's financial management performance under each indicator for the current and previous years' financial accountability ratings

C. Additional information required by the Commissioner of Education. Notice: Starting with the 2007 calendar year, the financial management report that will be issued at the Schools FIRST hearing must contain certain required disclosures, in accordance with Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System. Under Chapter 109, the Commissioner requires certain disclosures, as follows:

1. "a copy of the **superintendent's**

current employment contract. The school district may publish the superintendent's employment contract on the school district's Internet site in lieu of publication in the annual financial management report;

2. a summary schedule for the fiscal year (12-month period) of **total reimbursements received by the superintendent and each board member**, including transactions resulting from use of the school district's credit card(s) to cover expenses incurred by the superintendent and each board member. The summary schedule shall separately report reimbursements for meals, lodging, transportation, motor fuel, and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the school district);

3. a summary schedule for the fiscal year of the dollar amount of **compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional consulting and/or other personal services.** The schedule shall separately report the amount received from each entity;

4. a summary schedule for the fiscal year of **gifts received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal year 2014.** This reporting requirement only applies to gifts received by the school district's executive officers and board members (and their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity).

5. a summary schedule for the fiscal year of the **dollar amount by board member for the aggregate amount of business transactions with the school district**. This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.

6. Additional information that the district's **board of trustees deems useful**. Refer to the Commissioner's Rules Concerning the Financial Accountability Rating System (Chapter 109, Subchapter AA) for more information.

GLOSSARY

Accounting: A standard school fiscal accounting system must be adopted and installed by the board of trustees of each school district. The accounting system must conform to generally accepted accounting principles. This accounting system must also meet at least the minimum requirements prescribed by the state board of education, subject to review and comment by the state auditor.

Ad Valorem Property Tax: Literally the term means “according to value.” Ad valorem taxes are based on a fixed proportion of the value of the property with respect to which the tax is assessed. They require an appraisal of the taxable subject matter’s worth. General property taxes are almost invariably of this type. Ad valorem property taxes are based on ownership of the property, and are payable regardless of whether the property is used or not and whether it generates income for the owner (although these factors may affect the assessed value).

Adopted Tax Rate: The tax rate set by the school district to meet its legally adopted budget for a specific calendar year.

All Funds: A school district’s accounting system is organized and operated on a fund basis where each fund is a separate fiscal entity in the school district much the same as various corporate subsidiaries are fiscally separate in private enterprise. All Funds refers to the combined total of all the funds listed below:

- The General Fund
- Special Revenue Funds (Federal Programs, Federally Funded Shared Services, State Programs, Shared State/Local Services, Local Programs)
- Debt Service Funds
- Capital Projects Funds

- Enterprise Funds

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assigned Fund Balance: The assigned fund balance represents tentative plans for the future use of financial resources. Assignments require executive management (per board policy to assign this responsibility to executive management prior to the end of fiscal year) action to earmark fund balance for bona fide purposes that will be fulfilled within a reasonable period of time. The assignment and dollar amount for the assignment may be determined after the end of the fiscal year when final fund balance is known.

Auditing: Accounting documents and records must be audited annually by an independent auditor. Texas Education Agency (TEA) is charged with review of the independent audit of the local education agencies.

Beginning Fund Balance: The General Fund balance on the first day of a new fiscal year. For most school districts this is equivalent to the fund balance at the end of the previous fiscal year.

Budget: The projected financial data for the current school year. Budget data are collected for the general fund, food service fund, and debt service fund.

Budgeting: Not later than August 20 of each year, the superintendent (or designee) must prepare a budget for the school district if the fiscal year begins on September 1. (For those districts with fiscal years beginning July 1, this date would be June 20.) The legal requirements for funds to be budgeted are included in the Budgeting module of the TEA Resource Guide. The budget must be adopted before expenditures can be made, and this adoption must be prior to the setting of the tax rate for the budget year.

The budget must be itemized in detail according to classification and purpose of expenditure, and must be prepared according to the rules and regulations established by the state board of education. The adopted budget, as necessarily amended, shall be filed with TEA through the Public Education Information Management System (PEIMS) as of the date prescribed by TEA.

Capital Outlay: This term is used as both a Function and an Object. Expenditures for land, buildings, and equipment are covered under Object 6600. The amount spent on acquisitions, construction, or major renovation of school district facilities are reported under Function 80.

Capital Project Funds: Fund type used to account for financial resources to be used for the acquisition or construction of major Capital facilities (other than those financed by proprietary funds and trust funds.)

Cash: The term, as used in connection with cash flows reporting, includes not only currency on hand, but also demand deposits with banks or other financial institutions.

Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Chapter 41: A key “equity” chapter in the Texas Education Code (TEC) is Chapter 41. This chapter is devoted to wealth equalization through the mechanism of recapture, the recovery of financial resources from districts defined by the state as high property wealth.

Resources are recovered for the purpose of sharing them with low-wealth districts. Districts that are subject to the provisions of Chapter 41 must make a choice among several options in order to reduce their property wealth and share financial resources.

Committed Fund Balance: The committed fund balance represents constraints made by the board of trustees for planned future use of financial resources through a resolution by the board, for various specified purposes including commitments of fund balance earned through campus activity fund activities. Commitments are to be made as to purpose prior to the end of the fiscal year. The dollar amount for the commitment may be determined after the end of the fiscal year when final fund balance is known.

Comptroller Certified Property Value: The district’s total taxable property value as certified by the Comptroller’s Property Tax Division (Comptroller Valuation).

Days of Cash on Hand: The number of days the school district can disburse funds for its operating expenditures without receiving any new revenues.

Debt Service Fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Services: Two function areas (70 and 71) and one Object (6500) are identified using this terminology “debt services.” Function 70 is a major functional area that is used for expenditures that are used for the payment of debt principal and interest including Function 71. Expenditures that are for the retirement of recurring bond, capital lease principal, and other debt, related debt service fees, and for all debt interest fall under Function 71. Object 6500 covers all expenditures for debt service.

Deferred Revenue: Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Effective Tax Rate: Provides the unit with approximately the same amount of revenue it had the year before on properties taxes in both years. A comparison of the effective tax rate to the taxing unit's proposed tax rate shows if there will be a tax increase.

Ending Fund Balance: The amount of unencumbered surplus fund balance reported by the district at the end of the specified fiscal year. For most school districts this will be equivalent to the fund balance at the beginning of the next fiscal year.

Excess (Deficiency): Represents receivables due (excess) or owed (deficiency) at the end of the school year. This amount is recorded as Asset Object 1200.

Existing Debt Allotment (EDA): Is the amount of state funds to be allocated to the district for assistance with existing debt.

Expenditures: The cost of goods delivered or services rendered, whether paid or unpaid including expenses, provisions for debt retirement not reported as a liability of the fund from which retired and capital outlays

Federal Revenues: Revenues paid either directly to the district or indirectly through a local or state government entity for Federally-subsidized programs including the School Breakfast Program, National School Lunch Program, and School Health and Related Services Program. This amount is recorded as Revenue Object 5900.

Fiscal Year: A period of 12 consecutive months legislatively selected as a basis for annual financial reporting, planning, and budgeting. The fiscal year may run September 1 through August 31 or July 1 through June 30.

Foundation School Program (FSP)

Status: The Foundation School Program (FSP) is the shared financial arrangement between the state and the school district, where property taxes are blended with revenues from the state to cover the cost of basic and mandated programs. The nature of this arrangement falls in one of the following status categories: Regular, Special Statutory, State Administered, Education Service Center, or Open Enrollment Charter School District.

FTE: Full-Time Equivalent measures the extent to which one individual or student occupies a fulltime position or provides instruction, e.g., a person who works four hours a day or a student that attends a half of a day represents a .5 FTE.

Function: Function codes identify the expenditures of an operational area or a group of related activities. For example, in order to provide the appropriate atmosphere for learning, school districts transport students to school, teach students, feed students and provide health services. Each of these activities is a function. The major functional areas are:

- Instruction and Instructional-Related Services
- Instructional and School Leadership
- Support Services - Student
- Administrative Support Services
- Support Services; Non-Student Based
- Ancillary Services
- Debt Service
- Capital Outlay
- Intergovernmental Charges

Fund Balance: The difference between assets and liabilities reported in a governmental fund.

General Administration: The amount spent on managing or governing the school district as an overall entity. Expenditures associated with this functional area are reported under Function 41.

General Fund: This fund finances the fundamental operations of the district in partnership with the community. All revenues and expenditures not accounted for by other funds are included. This is a budgeted fund and any fund balances are considered resources available for current operations.

I&S (Debt Service) Tax Rate: The tax rate calculated to provide the revenues needed to cover Interest and Sinking (I&S) (also referred to as Debt Service). I&S includes the interest and principal on bonds and other debt secured by property tax revenues.

Incremental Costs: The amount spent by a school district with excess wealth per WADA on the purchase of attendance credits either from the state or from other school district(s). Expenditures associated with this functional area are reported under Function 92.

Instruction: The amount spent on direct classroom instruction and other activities that deliver, enhance or direct the delivery of learning situations to students regardless of location or medium. Expenditures associated with this functional area are reported under Function 11.

Instructional Facilities Allotment (IFA): (State Aid) Provides assistance to school districts in making debt service payments on qualifying bonds and lease-purchase agreements. Proceeds must be used for the construction or renovation of an instructional facility.

Intergovernmental Charges: “Intergovernmental” is a classification used when one governmental unit transfers resources to another. In particular, when a Revenue Sharing District purchases WADA or where one school district pays another school district to educate transfer students. Expenditures associated with this functional area are reported under Function 90.

Investments in Capital Assets, Net of

Related Debt: One of three components of net assets that must be reported in both government-wide and proprietary fund financial statements. Related debt, for this purpose, includes the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of capital assets of the government.

Local & Intermediate Revenues: All revenues from local taxes and other local and intermediate revenues. For specifics, see the definitions for Local Tax and Other Local & Intermediate Revenues. This amount is recorded under Object 5700.

Local Tax: This is all revenues from local real and personal property taxes, including recaptured funds from 1) Contracted Instructional Services Between Public Schools (Function 91, Recapture) and 2) Incremental Costs associated with Chapter 41 of the Texas Education Code (Function 92).

M&O Tax Rate: The tax rate calculated to provide the revenues needed to cover Maintenance & Operations (M&O). M&O includes such things as salaries, utilities, and day-to-day operations.

Modified Opinion: Term used in connection with financial auditing. A modification of the independent auditor's report means there exists one or more specific exceptions to the auditor's general assertion that the district's financial statements present fairly the financial information contained therein according to generally accepted accounting principles.

Non-spendable Fund Balance: The portion of fund balance that is in non-liquid form,

including inventories, prepaid items, deferred expenditures, long-term receivables and encumbrances (if significant).

Nonspendable fund balance may also be in the form of an endowment fund balance that is required to remain intact.

Object: An object is the highest level of accounting classification used to identify either the transaction posted or the source to which the associated monies are related. Each object is assigned a code that identifies in which of the following eight major object groupings it belongs:

- 1000 Assets
- 2000 Liabilities
- 3000 Fund Balances
- 5000 Revenue
- 6000 Expenditures/Expenses
- 7000 Other Resources/NonOperating Revenue/Residual Equity Transfers In
- 8000 Other Uses/NonOperating Revenue/Residual Equity Transfers Out

Operating Expenditures: A wide variety of expenditures necessary to a district's operations fall into this category with the largest portion going to payroll and related employee benefits and the purchase of goods and services.

Operating Expenditures/Student: Total Operating Expenditures divided by the total number of enrolled students.

Operating Revenues and Expenses: Term used in connection with the proprietary fund statement of revenues, expenses, and changes in net assets. The term is not defined as such in the authoritative accounting and financial reporting standards, although financial statement

preparers are advised to consider the definition of operating activities for cash flows reporting in establishing their own definition.

Other Local & Intermediate Revenues:

All local and intermediate revenues NOT from local real and personal property taxes including:

- Revenues Realized as a Result of Services Rendered to Other School Districts
- Tuition and Fees
- Rental payments, interest, investment income
- Sale of food and revenues from athletic and extra/co-curricular activities
- Revenues from counties, municipalities, utility districts, etc.

Other Operating Costs: Expenditures necessary for the operation of the school district that are NOT covered by Payroll Costs, Professional and Contracted Services, Supplies and Materials, Debt Services, and Capital Outlay fall into this category and include travel, Insurance and bonding costs, election costs, and depreciation. This amount is recorded as Expenditure/Expense Object 6400.

Other Resources: This amount is credited to total actual other resources or non-operating revenues received or residual equity transfers in. This amount is recorded under Object 7020.

Payments for Shared Services

Arrangements: Payments made either from a member district to a fiscal agent or payments from a fiscal agent to a member district as part of a Shared Services Arrangement (SSA). The most common

types of SSAs relate to special education services, adult education services, and activities funded by the Elementary and Secondary Education Act (ESEA). Expenditures associated with this functional area are reported under Function 93.

Payroll: Payroll costs include the gross salaries or wages and benefit costs for services or tasks performed by employees at the general direction of the school district. This amount is recorded as Expenditure/Expense Object 6100. *(NOTE: Payroll amounts do not include salaries for contract workers, e.g., for food service and maintenance. Therefore, this figure will vary significantly between districts and campuses that use contract workers and those that do not.)*

PEIMS: A state-wide data management system for public education information in the State of Texas. One of the basic goals of PEIMS, as adopted by the State Board of Education in 1986, is to improve education practices of local school districts. PEIMS is a major improvement over previous information sources gathered from aggregated data available on paper reports. School districts submit their data via standardized computer files. These are defined in a yearly publication, the PEIMS Data Standards.

Plant Maintenance & Operations: The amount spent on the maintenance and operation of the physical plant and grounds and for warehousing and receiving services. Expenditures associated with this functional area are reported under Function 51.

Property /Refined ADA: The district's Comptroller Certified Property Value divided by its total Refined ADA.

Property/WADA: The district's Comptroller Certified Property Value divided by its total WADA.

Refined ADA: Refined Average Daily Attendance (also called RADA) is based on the number of days of instruction in the school year. The aggregate eligible days attendance is divided by the number of days of instruction to compute the refined average daily attendance.

Restricted Fund Balance: This is the portion of fund balance that has externally enforceable constraints made by outside parties.

Revenues: Any increase in a school district's financial resources from property taxes, foundation fund entitlements, user charges, grants, and other sources. Revenues fall into the three broad sources of revenues: Local & Intermediate; State; and Federal.

Robin Hood Funds (Recapture): See Wealth Equalization Transfer.

Rollback Tax Rate: Provides the unit with approximately the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra 8 percent cushion, and sufficient funds to pay its debts in the coming year. For school districts, the cushion is six cents per \$100 of property value, not 8 percent. School districts calculate the rollback rate necessary to generate the same amount of state and local funds per weighted average daily attendance (WADA) as was available to the districts in the preceding school year, using estimated WADA for the upcoming year, plus six cents, plus the current year's debt rate. The rollback rate is the highest rate that the taxing unit may adopt before voters can petition for an election to roll back the

adopted rate to the rollback rate. For school districts, no petition is required; it's an automatic election if the adopted rate exceeds the rollback rate.

School Year: The twelve months beginning September 1 of one year and ending August 31 of the following year or beginning July 1 and ending June 30. Districts now have two options.

Special Revenue Fund: A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.

State Revenues: Revenues realized from the Texas Education Agency, other state agencies, shared services arrangements, or allocated on the basis of state laws relating to the Foundation School Program Act. This amount is recorded as Revenue Object 5800.

Unassigned Fund Balances: Available expendable financial resources in a governmental fund that are not the object of tentative management plans (i.e., committed or assigned). One primary criterion of rating agencies for school bonds is the relative amount of unassigned fund balance. Bond rating agencies view unassigned fund balances as a reflection of the financial strength of school districts and show concern when district fund balances decrease.

Unmodified Opinion: Term used in connection with financial auditing. An unmodified independent auditor's opinion means there are no stated exceptions to the auditor's general assertion that the district's financial statements present fairly the

financial information contained according to generally accepted accounting principles.

Unrestricted Net Asset Balance: The term net asset refers to the amount of total assets less total liabilities. Unrestricted net asset balance refers to the portion of total net assets that is neither invested in capital assets nor restricted.

WADA: A Weighted Average Daily Attendance (WADA) is used to measure the extent students are participating in special programs. The concept of WADA in effect converts all of a school district's students with their different weights to a calculated number of regular students required to raise the same amount of revenue. The greater the number of students eligible for special entitlements, the greater a school district's WADA will be.

Wealth Equalization Transfer: The amount budgeted by districts for the cost of reducing their property wealth to the required equalized wealth level (Function 91). Sometimes referred to as Robin Hood Funds.

DISCLAIMER

Definitions provided are believed to be accurate and reliable; however, TASBO and TSPRA assume no responsibility for any errors, appearing in this information or otherwise. Further, TASBO and TSPRA assume no responsibility for the use of the information provided.

1. Disclosures – Superintendent’s contract.

SUPERINTENDENT’S EMPLOYMENT CONTRACT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DALLAS §

THIS SUPERINTENDENT’S EMPLOYMENT CONTRACT (“Contract”) is made and entered into effective the 1st day of August, 2017, by and between the Board of Trustees (the “Board”) of the Coppell Independent School District (the “District”) and Mr. Brad Hunt (the “Superintendent”) (collectively the “Parties”).

WITNESSETH:

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201(b) and Chapter 21, Subchapter E of the Texas Education Code, have agreed, and do hereby agree, as follows:

I.
TERM

1.1 Term. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of three (3) years, commencing on August 1, 2017, and ending on July 31, 2020. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Contract as permitted by state law.

1.2 No Tenure. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.

II.
EMPLOYMENT

2.1 Duties. The Superintendent is the chief executive of the District and shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in the job description and as may be lawfully 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 hereafter be amended. Specifically, it shall be the duty of the Superintendent to recommend for employment all professional employees of the District subject to the Board’s approval. It shall be the further duty of the Superintendent to employ all other personnel consistent with the Board’s policies. It shall be the further duty of the Superintendent to direct, assign, reassign, and evaluate all of the employees of the District consistent with Board policies and federal and state law. It shall be the further duty of the Superintendent to organize, reorganize, and arrange the staff of the District, and to develop and establish administrative regulations, rules, and procedures which the Superintendent deems necessary for the efficient and effective operation of the District consistent with the Board’s lawful directives, the Board’s policies, and state and federal law. It shall be the further duty of the Superintendent to accept all resignations of employees of the

District consistent with the Board's policies, except the Superintendent's resignation, which must be accepted by the Board. The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, diligence, skill, and expertise. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

2.2 Professional Certification and Records. The Superintendent shall at all times during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the State Board for Educator Certification or the Texas Education Agency and any other certificates required by law. The Superintendent also shall provide evidence of educational attainment, degrees earned, previous professional experience and other records required for the personnel files of the District.

(a) The Superintendent shall obtain a doctoral degree from an accredited institution of higher education prior to July 31, 2019.

2.3 Reassignment. The Superintendent is employed specifically and solely to perform the duties of Superintendent of Schools for the District and may not be reassigned from the position of Superintendent to any other position in the District except by mutual written agreement of the Parties.

2.4 Board Meetings. The Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, or the Superintendent's evaluation, or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal. In the event of illness or Board-approved absence, the Superintendent's designee shall attend such meetings.

2.5 Complaints. The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the Board of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies.

2.6 Indemnification. THE DISTRICT SHALL INDEMNIFY, DEFEND, AND HOLD THE SUPERINTENDENT HARMLESS REGARDING ANY CLAIMS, DEMANDS, DUTIES, ACTIONS OR OTHER LEGAL PROCEEDINGS AGAINST THE SUPERINTENDENT, OR DAMAGES INCURRED BY THE SUPERINTENDENT, INCLUDING COURT COSTS AND REASONABLE ATTORNEY'S FEES, IN HIS INDIVIDUAL OR OFFICIAL CAPACITY FOR ANY ACT OR FAILURE TO ACT INVOLVING THE EXERCISE OF JUDGMENT AND DISCRETION WITHIN THE NORMAL COURSE AND SCOPE OF HIS DUTIES AS SUPERINTENDENT OF THE DISTRICT, TO THE EXTENT AND TO THE LIMITS PERMITTED BY LAW. THIS PARAGRAPH DOES NOT APPLY IF THE SUPERINTENDENT IS FOUND TO HAVE MATERIALLY BREACHED THIS CONTRACT, TO HAVE ACTED WITH GROSS NEGLIGENCE OR WITH INTENT TO VIOLATE A PERSON'S CLEARLY ESTABLISHED LEGAL RIGHTS, OR TO HAVE ENGAGED IN OFFICIAL MISCONDUCT OR CRIMINAL CONDUCT, NOR DOES IT APPLY TO CRIMINAL INVESTIGATIONS OR PROCEEDINGS. THE

DISTRICT MAY, AT ITS DISCRETION, FULFILL ITS OBLIGATION UNDER THIS PARAGRAPH BY PURCHASING APPROPRIATE INSURANCE COVERAGE FOR THE BENEFIT OF THE SUPERINTENDENT OR BY INCLUDING THE SUPERINTENDENT AS A COVERED PARTY UNDER ANY CONTRACT PROVIDING ERRORS AND OMISSIONS INSURANCE COVERAGE PURCHASED FOR THE PROTECTION OF THE BOARD AND THE PROFESSIONAL EMPLOYEES OF THE DISTRICT. THE BOARD MAY RETAIN ATTORNEYS TO REPRESENT THE SUPERINTENDENT IN ANY PROCEEDING FOR WHICH HE COULD SEE INDEMNIFICATION UNDER THIS PARAGRAPH, TO THE EXTENT THAT DAMAGES ARE RECOVERABLE OR A DEFENSE IS PROVIDED, UNDER ANY SUCH CONTRACT OF INSURANCE. NO INDIVIDUAL MEMBER OF THE BOARD SHALL BE PERSONALLY LIABLE FOR INDEMNIFYING AND DEFENDING THE SUPERINTENDENT UNDER THIS PARAGRAPH. THE DISTRICT'S OBLIGATION UNDER THIS PARAGRAPH SHALL CONTINUE FOR A PERIOD OF NO MORE THAN FOUR (4) YEARS AFTER THE TERMINATION OF THIS CONTRACT FOR QUALIFYING ACTS OR FAILURES TO ACT OCCURRING DURING THE TERM OF THIS CONTRACT OR ANY EXTENSION THEREOF.

THE BOARD SHALL NOT BE REQUIRED TO PAY ANY COSTS OF ANY LEGAL PROCEEDINGS IN THE EVENT THE BOARD AND SUPERINTENDENT ARE ADVERSE TO EACH OTHER IN ANY PROCEEDINGS.

THE SUPERINTENDENT SHALL FULLY COOPERATE WITH THE DISTRICT IN THE DEFENSE OF ANY AND ALL DEMANDS, CLAIMS, SUITS, ACTIONS AND LEGAL PROCEEDINGS BROUGHT AGAINST THE DISTRICT. THE SUPERINTENDENT'S OBLIGATION UNDER THIS PARAGRAPH SHALL CONTINUE AFTER ANY TERMINATION OF THE CONTRACT FOR A PERIOD OF NO MORE THAN FOUR (4) YEARS.

III. COMPENSATION

3.1 Annual Base Salary. The Superintendent shall be paid an annual base salary of Two Hundred Twenty Thousand Dollars and No Cents (\$220,000.00) effective August 1, 2017, payable in equal installments consistent with Board Policies.

3.2 Salary Adjustments. 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 except by mutual agreement of the two Parties. Such adjustments, if any, shall be made pursuant to a lawful Board resolution.

(a) The Superintendent shall be entitled to the same annual percentage increase given to other District employees in any given year.

3.3 Vacation, Holiday and Personal Leave. The Superintendent shall receive ten District business (10) days of vacation per year during the term of this Contract. Vacation days taken by the Superintendent will be taken at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Contract. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same personal leave benefits as authorized by Board policies for administrative employees on twelve-month contracts. The Superintendent must submit unused vacation days by June 30 of each school year to be paid at his current daily rate. Vacation days will not accrue from contract year to contract year.

COPPELL INDEPENDENT SCHOOL DISTRICT CONTRACT OF EMPLOYMENT – Page 3

year.

3.4 Insurance. The District will pay the cost of medical and dental insurance coverage for the Superintendent utilizing the group plans provided by the District for its administrative employees. The Superintendent will pay the cost of any insurance coverage for his family which he can purchase through the group health care plan provided by the District for its administrative employees. The Superintendent shall receive sick leave, vacation, life and health insurance coverage and other personal and fringe benefits provided by the District for its administrative employees in accordance with applicable law.

3.5 Professional Growth. The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional and educational growth of the Superintendent through the Superintendent's active attendance at and participation in appropriate professional meetings at the local, regional, state and national levels, and the pursuit of his doctoral degree. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District.

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 seminars, courses or meetings. Subject to Board approval, the District shall pay the Superintendent's membership dues to the American Association of School Administrators and the Texas Association of School Administrators, as well as other memberships necessary to maintain and improve the Superintendent's professional skills. The District shall bear the reasonable cost and expense for registration, travel, meals, lodging, and other related expenses for such attendance and membership.

3.6 Civic Activities. The Board encourages the Superintendent to become a member of and participate in community and civic affairs, including the chamber of commerce, civic clubs, governmental committees, and educational organizations. The Board concludes that such participation will serve a legitimate purpose related to the educational mission of the District. The Superintendent may hold offices or accept responsibilities in these professional organizations, provided that such responsibilities do not interfere with the performance of his duties as Superintendent. Prior to engaging in these activities, the Superintendent will notify the Board in writing of the activity. The Board will notify the Superintendent if the activity presents a conflict or interferes with the performance of his duties as Superintendent. The District shall reimburse the Superintendent for the cost of membership in all local civic organizations in which the Superintendent participates and related travel outside of the District, subject to advance Board approval.

3.7 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. The Superintendent may accept a reimbursement of expenses for such Consulting Services at no expense to the District. Prior to accepting a consultant or speaking engagement, the Superintendent must notify the Board in writing of the engagement. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law.

3.8 Expenses. The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel. Such actual or incidental costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, 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 Board policies.

3.9 Mobile Telephone. The Superintendent shall pay all costs of any nature with regard to the Superintendent's business and personal use of a mobile telephone. The Superintendent shall comply with all policies, procedures, and documentation requirements established by the Board, the District's independent auditors and state and federal laws regarding the use of the mobile telephone.

3.10 Automobile Expenses. The District will reimburse the Superintendent for business travel outside the jurisdictional boundaries of the District at the District's normal reimbursement mileage rate. The Superintendent shall comply with all policies, procedures and documentation requirements established by the Board, the District's independent auditors and the state and federal laws regarding the reimbursement.

IV.

ANNUAL PERFORMANCE GOALS

4.1 Development of Goals. The Superintendent shall submit to the Board a preliminary list of goals for the District each year for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve or revise the list of goals. The Superintendent shall submit to the Board for its approval a plan to implement the goals. The Superintendent and the Board shall meet biannually to assess the goals and may adjust or revise the goals either by action of the Board or upon recommendation of the Superintendent and approval of the Board. The goals approved by the Board shall at all times be reduced to writing ("District Goals") and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated. The Board agrees to work with and support the Superintendent in achieving the District Goals.

V.

REVIEW OF PERFORMANCE

5.1 Time and Basis of Evaluation. The Board shall evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this Contract. The Board's evaluation and assessment of the Superintendent shall be reasonably related to the duties

of the Superintendent as outlined in the Superintendent's job description and shall be based on the District's progress towards accomplishing the District Goals.

5.2 Confidentiality. Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in executive session and shall be considered confidential to the extent permitted by law. 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 Procedures. The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law. In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, it shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. The evaluation shall include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory. A copy of the written evaluation shall be delivered to the Superintendent. The Superintendent shall have the right to make a written response to the evaluation within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. Within sixty (60) days of the delivery of the written evaluation to the Superintendent, the Board shall meet with the Superintendent to discuss the evaluation. The Board shall devote a portion of, or all of, one executive session annually to a discussion of the working relationship between the Superintendent and the Board. 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 period of time to demonstrate such expected performance before being evaluated.

VI.

EXTENSION, NONRENEWAL OF EMPLOYMENT CONTRACT

6.1 Extension or Non-Renewal. The Board may extend or non-renew this Contract in conformance with the terms of Subchapter E, §21.201, et seq., Texas Education Code. In the event the Board does not renew this Contract, the Superintendent shall be afforded all the rights set forth in the Board's Policies and state and federal law.

VII.

TERMINATION OF EMPLOYMENT CONTRACT

7.1 Mutual Agreement. This Contract may be terminated by the mutual agreement of the Superintendent and the Board in writing upon such terms and conditions as may be mutually agreed upon.

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

7.3 Termination Procedure. The Board may dismiss the Superintendent during the term of this Contract for good cause as that term is applied under Texas law, provided that the

Superintendent shall be provided all procedural and substantive rights as set forth in the Board's Policies and applicable state and federal law. If the Superintendent chooses to engage the services of legal counsel to represent him in any such manner, he shall pay the costs thereof. The term "good cause" includes the failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract.

7.4 Resignation of Superintendent. The Superintendent may leave the employment of the District at the end of a school year without penalty by filing a written resignation with the Board. The resignation must be addressed to the Board and filed not later than the 45th day before the first day of instruction of the following year. The Superintendent may resign with the consent of the Board at any other time.

7.5 Suspension. In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board under and pursuant to applicable Texas law.

VIII.

PHYSICAL CONDITION AND DISABILITY

8.1 Medical Examination. The Superintendent shall undergo a comprehensive annual medical examination, to be performed by a licensed physician mutually acceptable to the Board and the Superintendent. The physician shall submit a confidential fitness report, verifying the Superintendent's fitness to perform the Superintendent's duties, and copies of all such statements shall be confidential to the extent permitted by law. The report will be submitted to the Superintendent but shall be available for review by a Trustee at anytime.

8.2 Disability. Should the Superintendent become unable to perform any or all of the duties of his position by reason of illness, accident or other cause, and said disability exists after all sick leave and vacation time has been exhausted, the Superintendent shall be entitled up to one hundred eighty (180) days of leave of absence for temporary disability. During any time period in which the Superintendent is temporarily disabled, the Board may designate or appoint another employee to perform the Superintendent's duties. If such disability continues after the exhaustion of all sick leave and vacation time and one hundred eighty (180) additional days of temporary disability, or if such disability is permanent or irreparable as determined by the physician mutually acceptable to the Board and the Superintendent, or such disability is of such a nature as to make performance of the Superintendent's duties impossible, the Board may, at its option, terminate this Contract, whereupon the respective rights, duties and obligations herein stated shall terminate.

IX.

MISCELLANEOUS

9.1 Controlling Law. This Contract shall be governed by the laws of the State of Texas, and it shall be performable in Dallas County, Texas. Venue for any dispute concerning the interpretation or enforcement of this Contract shall be in Dallas County, Texas.

9.2 Complete Agreement. This Contract embodies the entire understanding and

agreement of the Parties and supersedes all other agreements and understandings, both written and oral. Any additions, deletions or modifications to the terms and conditions of this Contract, including, but not limited to, changes in the term of the Contract or the base annual salary of the Superintendent, shall be made only by written addendum signed by both Parties or by a new agreement. Any prior agreement between the Parties, oral or written, is terminated and superseded by this Contract by the Parties' mutual consent as of the effective date of this Contract.

93 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed to be delivered, whether or not actually received, when deposited in the United States Mail, postage pre-paid, certified mail, return receipt requested, addressed to either Party, as the case may be, at the addresses contained herein.

94 **Conflicts.** In the event any conflict between the terms, conditions and provisions of this Contract and the provisions of the Board's Policies, the Texas Education Code or any other 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 Policies and/or any such law.

95 **Savings Clause.** In the event any one (1) or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

9.6 **Multiple Originals.** This Contract is executed in two (2) originals, one for the Board and one for the Superintendent, each of which shall constitute but one and the same instrument.

COPPELL INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES

By: 

Date: 7/31/2017

Its: President

Address: Coppel Independent School District
200 S. Denton Tap Road
Coppel, Texas 75019

ATTEST:


COPPELL INDEPENDENT SCHOOL
DISTRICT BOARD OF TRUSTEES

By: _____

Date: 7/31/2017

COPPELL INDEPENDENT SCHOOL DISTRICT CONTRACT OF EMPLOYMENT - Page 8

Its: Secretary

Address: Coppell Independent School District
200 S. Denton Tap Road
Coppell, Texas 75019

By: Brad Hunt
Superintendent

Date: 7/31/17

Brad Hunt

2. Reimbursements received by the Superintendent and Board Members for fiscal year 2016.

First Disclosures

Coppell Independent School District

Summary Schedule for the Fiscal Year (12-Month Period) of total reimbursements received by the superintendent and each board member.

For the Twelve-Month Period Ended August 31, 2016 (September 1, 2015 through August 31, 2016)	Superintendent M. Waldrip	Board Member L. Walker	Board Member S. Kemp	Board Member J. Popelka	Board Member D. Apple	Board Member A. Hill	Board Member T. Hulme	Board Member A. Dungan	Board Member J. Barbo	Board Member T. Fisher
		Place 1	Place 1	Place 2	Place 2	Place 3	Place 4	Place 5	Place 6	Place 7
Description of Reimbursements										
Meals	\$2,159.88	\$25.00	\$234.82	\$0.00	\$25.00	\$305.00	\$182.99	\$144.50	\$260.07	\$341.17
Lodging	\$2,338.03	\$647.88	\$566.34	\$0.00	\$0.00	\$1,379.01	\$1,533.80	\$1,228.24	\$1,351.77	\$1,499.74
Transportation	\$2,772.06	\$157.09	\$343.53	\$0.00	\$0.00	\$331.20	\$636.07	\$637.73	\$648.11	\$589.71
Motor Fuel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$2,283.80	\$860.00	\$325.00	\$860.00	\$0.00	\$1,185.00	\$1,185.00	\$1,025.00	\$1,615.00	\$1,370.00
Total	\$9,553.77	\$1,689.97	\$1,469.69	\$860.00	\$25.00	\$3,200.21	\$3,537.86	\$3,035.47	\$3,874.95	\$3,800.62

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2016, 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 meals for board meetings).

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.

3. A summary schedule for the outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services in fiscal year 2016.

For the Twelve-Month Period Ended August 31, 2016	Superintendent - Dr. Mike Waldrup
	For the Twelve-Month Period Ended August 31, 2016
Name(s) of Entity(ies)	
Total	\$0.00

Note – Compensation does not include business revenues from the superintendent’s livestock or agricultural-based activities on a ranch or farm. Report gross amount received (do not deduct business expenses from gross revenues). Revenues generated from a family business that have no relationship to school district business are not to be disclosed.

4. Summary schedule for gifts received by the executive officer(s) and board members (and first degree relatives, if any) in the fiscal year 2016.

For the Twelve-Month Period Ended August 31, 2016 (September 1, 2015 through August 31, 2016)	Superintendent	Board Member Place 1 - Susie Kemp	Board Member Place 1 - Leigh Walker	Board Member Place 2 - David Apple	Board Member Place 2 - Jill Popelka	Board Member Place 3 - Anthony Hill	Board Member Place 4 - Thom Hulme	Board Member Place 5 - Amy Dungan	Board Member Place 6 - Judy Barbo	Board Member Place 7 - Tracy Fisher
	Dr. Mike Waldrup									
Total	\$0.00	\$0.00	\$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.)

5. Summary Schedule for business transactions between school district and board members for fiscal year 2016.

For the Twelve-Month Period Ended August 31, 2016	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
(September 1, 2015 through August 31, 2016)	Dr. Mike Waldrup	Place 1 - Susie Kemp	Place 1 - Leigh Walker	Place 2 - David Apple	Place 2 - Jill Popelka	Place 3 - Anthony Hill	Place 4 - Thom Hulme	Place 5 - Amy Dungan	Place 6 - Judy Barbo	Place 7 - Tracy Fisher
Total	\$0.00	\$0.00	\$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 reported in the summary schedule of reimbursements received by board members.

6. Additional information that the district's board of trustees deems useful.

N/A