



**Scurry-Rosser Independent School District**  
**Annual Financial Management Report**  
**2011 – 2012**



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2011-2012**

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**Scurry-Rosser Independent School District  
Annual Financial Management Report  
2011-2012**

**Executive Summary**

**Rating**

Scurry-Rosser Independent School District received a rating of “Superior Achievement” under Texas’ Schools FIRST financial accountability rating system. The Superior Achievement rating is the state’s highest, demonstrating the quality of Scurry-Rosser ISD’s financial management and reporting system.

We are very pleased with Scurry-Rosser ISD’s Schools FIRST rating as it shows that our district is making the most of our taxpayers’ dollars. This rating shows that Scurry-Rosser’s schools are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

**Background Information**

This is the eleventh year of Schools 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 76<sup>th</sup> Texas Legislature in 1999. The primary goal of Schools FIRST is to achieve quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system.

The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being “Superior Achievement,” followed by “Above-Standard Achievement,” “Standard Achievement” and “Substandard Achievement.” Districts with serious data quality problems may receive the additional rating of “Suspended – Data Quality.” Districts that receive the “Substandard Achievement” or “Suspended – Data Quality” ratings under Schools FIRST must file a corrective action plan with the Texas Education Agency. The four primary levels of ratings are based upon the answers to 20 indicators by each school district and are shown in the chart below:

**Determination of Rating**

<b>A.</b>	Did The District Answer 'No' To Indicators 1, 2, 3 Or 4? <b>OR</b> Did The District Answer 'No' To Both 5 and 6? If So, The District’s Rating Is <b>Substandard Achievement</b> .	
<b>B.</b>	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-20)	
	<b>Superior Achievement</b>	64-70
	<b>Above Standard Achievement</b>	58-63
	<b>Standard Achievement</b>	52-57
	<b>Substandard Achievement</b>	<52

The results of each indicator for SRISD begin on the following page. The complete explanation of each indicator begins on page 8 of this report.



**Financial Integrity Rating System of Texas**

**2011-2012 DISTRICT STATUS DETAIL**

<b>Name:</b> SCURRY-ROSSER ISD(129910)	<b>Publication Level 1:</b> 6/21/2013 3:05:18 PM
<b>Status:</b> Passed	<b>Publication Level 2:</b> 9/12/2013 6:29:59 PM
<b>Rating:</b> Superior Achievement	<b>Last Updated:</b> 9/12/2013 6:29:59 PM
<b>District Score:</b> 70	<b>Passing Score:</b> 52

#	Indicator Description	Updated	Score
1	<u>Was The Total Fund Balance Less Nonspendable and Restricted Fund Balance Greater Than Zero In The General Fund?</u>	4/26/2013 5:27:28 PM	Yes
2	<u>Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% more)</u>	4/26/2013 5:27:28 PM	Yes
3	<u>Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?</u>	4/26/2013 5:27:28 PM	Yes
4	<u>Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?</u>	4/26/2013 5:27:29 PM	Yes
5	<u>Was There An Unqualified Opinion in Annual Financial Report?</u>	4/26/2013 5:27:29 PM	Yes

6	<u>Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?</u>	4/26/2013 5:27:29 PM	Yes
			1 Multiplier Sum
7	<u>Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?</u>	4/26/2013 5:27:30 PM	5
8	<u>Did The Comparison Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?</u>	4/26/2013 5:27:30 PM	5
9	<u>Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) &lt; \$350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or &gt; 7%, Or If Property Taxes Collected Per Penny Of Tax Effort &gt; \$200,000 Per Student)</u>	4/26/2013 5:27:30 PM	5
10	<u>Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?</u>	4/26/2013 5:27:30 PM	5
11	<u>Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)</u>	4/26/2013 5:27:31 PM	5
12	<u>Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?</u>	4/26/2013 5:27:31 PM	5
13	<u>If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To The Fund Balance Deficit Situation)</u>	4/26/2013 5:27:31 PM	5

14	<u>Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable)</u>	4/26/2013 5:27:32 PM	5
15	<u>Was The Administrative Cost Ratio Less Than The Threshold Ratio?</u>	4/26/2013 5:27:32 PM	5
16	<u>Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?</u>	4/26/2013 5:27:32 PM	5
17	<u>Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?</u>	4/26/2013 5:27:33 PM	5
18	<u>Was The Decrease In Undesignated Unreserved Fund Balance &lt; 20% Over Two Fiscal Years?(If Total Revenues &gt; Operating Expenditures In The General Fund,Then District Receives 5 Points)</u>	4/26/2013 5:27:33 PM	5
19	<u>Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?</u>	4/26/2013 5:27:33 PM	5
20	<u>Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) Meet or Exceed the 3-Month Treasury Bill Rate?</u>	4/26/2013 5:27:33 PM	5
			70 Weighted Sum
			1 Multiplier Sum
			70 Score

## DETERMINATION OF RATING

<b>A.</b>	Did The District Answer ' <b>No</b> ' To Indicators 1, 2, 3 Or 4? <b>OR</b> Did The District Answer ' <b>No</b> ' To Both 5 and 6? If So, The District's Rating Is <b>Substandard Achievement</b> .	
<b>B.</b>	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-20)	
	<b>Superior Achievement</b>	64-70
	<b>Above Standard Achievement</b>	58-63
	<b>Standard Achievement</b>	52-57
	<b>Substandard Achievement</b>	<52

## INDICATOR 17 & 18 RATIOS

<b>Indicator 17</b>	Ranges for Ratios		<b>Indicator 18</b>	Ranges for Ratios	
	Low	High		Low	High
District Size - Number of Students Between			District Size - Number of Students Between		
< 500	7	22	< 500	5	14
500-999	10	22	500-999	5.8	14
1000-4999	11.5	22	1000-4999	6.3	14
5000-9999	13	22	5000-9999	6.8	14
=> 10000	13.5	22	=> 10000	7.0	14



## How Ratings are Assessed

### Rating Worksheet

Preliminary ratings are to be released by Texas Education Agency in the summer of 2013. The Commissioner's Rules for School FIRST are contained in Title 19, Texas Administrative Code, Chapter 109, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System.

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 total Fund Balance less Nonspendable and Restricted Fund Balance greater than Zero in the General Fund?**

School districts must legally have a fund balance to ensure adequate funding for operations. This indicator is designed to ensure that your district has a positive amount of fund balance cash (savings) that is not designated or "restricted" for a specific purpose. In other words, "Does your district have funds set aside for a rainy day?"

#### **2. Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on 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)?" Fortunately 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.

#### **3. Were there NO disclosures in the Annual Financial 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 bonds issued to pay for school construction, etc.

#### **4. Was the Annual Financial Report filed within one month after the November 27 or January 28 deadline depending upon the district's Fiscal Year end date (June 30 or August 31)?**

A simple indicator. Was your Annual Financial Report filed by the deadline?

#### **5. Was there an Unqualified Opinion in the Annual Financial Report?**

A "qualification" on your financial report means that you need to correct some of your reporting or financial controls. A district's goal, therefore, is to receive an "unqualified opinion" on its Annual Financial Report. This is a simple "Yes" or "No" indicator.

#### **6. Did the Annual Financial Report NOT disclose any instance(s) of material weakness in internal controls?**





## How Ratings are Assessed

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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.

### **7. Was the three year average percent of total tax collections (including delinquent) greater than 98 percent?**

This indicator measures your district's success in collecting the taxes owed to you by your community's businesses and homeowners, placing a 98 percent minimum collections standard. You must collect based upon a three-year average more than 98% of your taxes, including any delinquent taxes owed from past years. A district earns up to five points under this indicator based upon its relative performance.

### **8. Did the comparison of PEIMS data to like information in the Annual Financial Report result in an aggregate variance of less than 3 percent of expenditures per fund type (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 3 percent or more, your district "fails" this measure.

### **9. Were Debt-Related Expenditures (net of IFA and/or EDA allotment) less than \$350 per student? (If the district's five-year percent change in students was a 7 percent increase or**

**more, or if property taxes collected per penny of tax effort were more than \$200,000, then the district receives 5 points.)**

This indicator shows the Legislature's intent for school districts to spend money on education, rather than fancy buildings, by limiting the amount of money district's can spend on debt to \$350 per student. Fortunately, the Legislature did allow for fast-growth schools to exceed this cap. A district earns up to five points under this indicator based upon its relative performance.

### **10. Was there NO disclosure in the Annual Audit Report of Material Noncompliance?**

NO disclosure means the Annual Audit Report includes no disclosure indicating that the school district failed to comply with laws, rules and regulations for a government entity.

### **11. Did the district have full accreditation status in relation to financial management practices? (e.g. no monitor, conservator, management team or board of managers assigned)**

Did TEA take over control of your district due to financial issues such as fraud or having a negative fund balance? If not, you pass this indicator.

### **12. Was the aggregate of Budgeted Expenditures and Other Uses LESS THAN the aggregate of Total Revenues, Other Resources and Fund Balance in General Fund?**

Did you overspend your budget? Your district will receive a negative rating on this measure if your total expenditures



## How Ratings are Assessed

and other uses for the fiscal year exceeded your total funds available.

**13. If the district’s Aggregate Fund Balance in the General Fund and Capital Projects Fund was LESS THAN zero, were construction projects adequately financed? (Were construction projects adequately financed or adjusted by change orders or other legal means to avoid creating or adding to the fund balance deficit situation?)**

Did you over-spend on school buildings or other capital projects? This indicator measures your district’s ability to construct facilities without damaging your Fund Balance.

**14. Was the ratio of Cash and Investments to Deferred Revenues (excluding amount equal to net Delinquent Taxes Receivable) in the General Fund greater than or equal to 1:1? (If Deferred Revenues are less than Net Delinquent Taxes Receivable, then the district receives 5 points)**

This indicator measures whether or not your district has sufficient cash and investments to balance Fund Balance monies such as TEA overpayments (deferred revenues). In other words, your District should have fund balance monies of its own that are at least equal to those dollars that are there due to overpayments from TEA, and you should not be spending “next year’s” monies this year. A district earns up to five points under this indicator based upon its relative performance.

**15. 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?

**16. Was the Ratio of Students to Teachers within the ranges shown below according to district size?**

This indicator measures your pupil-teacher ratio to ensure that it is within TEA recommended ranges for district’s of your student population range. For example, districts with a student population between 500 and 999 should have no more than 22 students per teacher and no fewer that 10 students per teacher. A district earns up to five points under this indicator based upon its relative performance.

Indicator 16		
District Size – No. of Students	Ranges for Ratios	
	Low	High
<500	7	22
500 – 999	10	22
1,000 – 4,999	11.5	22
5,000 – 9,999	13	22
=> 10,000	13.5	22

**17. Was the Ratio of Students to Total Staff within the ranges shown below according to district size?**

This indicator measures your pupil-staff ratio to ensure that it is within TEA-recommended ranges for district’s of your student population range. For example, districts with a student population between 500 and 1,000 should have no more than 14 students per staff member and no fewer that 5.8 students per district employee. A district earns up to five points under this indicator based upon its relative performance.



## How Ratings are Assessed

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### Indicator 17

District Size – No. of Students	Ranges for Ratios	
	Low	High
<500	5	14
500 – 999	5.8	14
1,000 – 4,999	6.3	14
5,000 – 9,999	6.8	14
=> 10,000	7.0	14

**18. Was the decrease in Unassigned Fund Balance less than 20% over two fiscal years? (If total Revenues exceeded Operating Expenditures in the General Fund, then the district receives 5 points)?**

Are you “feeding off of your Fund Balance” to pay for salaries or other district operating expenses? This indicator notes rapid decreases in your undesignated Fund Balance (those dollars not designated as a “land fund” or “construction fund”) or emergency fund. A district earns up to five points under this indicator based upon its relative performance.

**19. Was the Aggregate Total of Cash and Investments in the General Fund more than \$0?**

Does your district have cash in the bank, and/or investments?

**20. Were Investment Earnings in all funds (excluding Debt Service Fund and Capital Projects Fund) Meet or Exceed the 3-Month Treasury Bill Rate?**

Are you using your cash or reserve fund (Fund Balance) monies wisely? A district earns five points if the investment performance meets or exceeds the benchmark rate.



# Disclosures

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Reporting requirements for the financial management report for Schools FIRST public hearing are found in **Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System**. This rule describes requirements for the five (5) disclosures explained below that are to be presented as appendices in the Schools FIRST financial management report.

## **1. Superintendent's Employment Contract**

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2013. In lieu of publication in the Schools FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site. **If published on the Internet**, the contract is to remain accessible for twelve months.



# Disclosures

## 2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year Ending August 31, 2012.

Description of Reimbursements	Superintendent Alan R. Oakley	John Copeland	Joanna Horton	Ronda Skube	John Sutton	Lanny Orman	Jace Patton	Carol Wilson
Meals	\$		\$	\$	\$			
Lodging								
Transportation	\$ 408.71			\$ 359.65				
Motor Fuel								
Other	61.95							
Total	\$ 470.66		\$	\$ 359.65	\$			

**Note** – The spirit of the rule is to capture all “reimbursements” for fiscal year 2012, 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.



# Disclosures

### 3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2012.

For the Twelve-Month Period Ended August 31, 2012	
Name(s) of Entity(ies)	
Total	\$ 0

**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. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2012.

For the Twelve-Month Period Ended August 31, 2012	Superintendent Alan R. Oakley	John Copeland	Joanna Horton	Ronda Skube	John Sutton	Lanny Orman	Jace Patton	Carol Wilson
Summary Amounts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**Note** – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. Gifts received by first degree relatives, if any, will be reported under the applicable school official.



# Disclosures

## 5. Business Transactions Between School District and Board Members for Fiscal Year 2012

For the Twelve-Month Period Ended August 31, 2012	Superintendent Alan R. Oakley	John Copeland	Joanna Horton	Ronda Skube	John Sutton	Lanny Orman	Jace Patton	Carol Wilson
Summary Amounts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**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. A summary schedule of the data submitted to the Texas Education Agency for the financial solvency provisions of Texas Education Code, §39.0822.

### A. Summary Schedule of Data Submitted under the Financial Solvency Provisions of TEC Section 39.0822 General Fund – First Quarter Expenditures by Object Code Report 2011-12 First-Quarter (first three months of fiscal year 2012-13) General Fund expenditures by object code whole numbers.

Payroll	Expenditures for payroll costs	Object codes 6110-6149	\$ 1,719,030
Contract Costs	Expenditures for services rendered by firms, individuals, and other organizations	Object code series 6200	\$ 171,078
Supplies and Materials	Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	Object code series 6300	\$ 90,360
Other Operating	Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	Object code series 6400	\$ 14,045
Debt Service	Expenditures for debt service	Object code series 6500	\$ 0
Capital Outlay	Expenditures for land, buildings, and equipment	Object code series 6600	\$ 0



# Disclosures

**B. Districts with a September 1-August 31 fiscal year**

**Within the last two years, did the school district:**

	Check the Answer	Yes	No
Draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive, and			X
For the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61?			X

**C. Financial exigency disclosure:**

	Check the Answer	Yes	No
Has the school district declared financial exigency within the past two years?			X

**D. Selected trend information.**

**Did the report include supplemental comments or explanations for significant trends or measures involving:**

	Check the Answer	Yes	No
Student-to-staff ratios?			X
Fund Balances in General Fund?			X
Budget figures and projected revenues and expenditures?			X
Other?			X

**If yes, excerpt comments or explanations provided to TEA below.**

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**E. Superintendent:**

How many superintendents has your school district had in the last five years?	3

**F. Business Manager:**

How many business managers has your school district had in the last five years?	2



## EMPLOYMENT CONTRACT – SUPERINTENDENT

STATE OF TEXAS                               §  
   §  
COUNTY OF KAUFMAN                     §

THIS CONTRACT is made and entered into by and between the Board of Trustees (“Board”) of the SCURRY-ROSSER INDEPENDENT SCHOOL DISTRICT (“District”) and Rhonda Porter (“Superintendent”).

THE BOARD AND THE SUPERINTENDENT, for and in consideration of the terms hereinafter established, and pursuant to Texas Education Code Sections 11.201 and 21.201, et seq., have agreed, and do hereby agree, as follows:

### **1.     TERM**

- 1.1     Employment. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent for the District, commencing on September 20, 2013 and ending June 30, 2016. This Contract supersedes all contracts between Superintendent and District.
- 1.2     Extension of Contract. With the Superintendent’s consent, the Board may substitute and supersede this Contract by issuing a new contract, beginning prior to the end of this Contract term, thereby extending the contact term for one or more years. Such an action shall have the effect of extinguishing this Contract and replacing it with an entirely new Contract. Failure to extend shall not constitute nonrenewal.
- 1.3     No Right of Tenure. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No express or implied property interest, right of tenure, contractual obligation, expectancy of continued employment, or claim of entitlement is created beyond the contact term.

### **2.     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 assigned by the Board and shall comply with all Board directives, state and federal law, and District policy, rules, and regulations as they exist or may hereafter be adopted or amended.
- 2.2     Standard of Performance. The Superintendent agrees to devote her time, skill, labor, and attention to performing her duties. Specifically, it shall be

the duty of the Superintendent to recommend for employment all Administrative 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, and evaluate all of the employees of the District, except the Superintendent, 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, and in a thorough, prompt, and efficient manner.

- 2.3 Professional Certification and Records. This Contract is conditioned on the Superintendent providing the necessary certification and experience records, medical records, oath of office, and other records required for the personnel files or for payroll purposes. The Superintendent shall at all times, during the term of this Contract, hold a valid certificate required of a Superintendent by the State of Texas. If the Superintendent's certification expires, is cancelled, or is revoked, this Contract is void. Any material misrepresentation by the Superintendent in such records may be grounds for dismissal.
- 2.4 Reassignment. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's written consent.
- 2.5 Criticisms, Complaints, and Suggestions. The Board, individually and collectively, shall refer all substantive criticisms, complaints, and suggestions called to the Board's attention to the Superintendent for study and appropriate action, and the Superintendent shall investigate such matters and inform the Board of the results of such efforts.
- 2.6 Criminal History. Superintendent represents that he has disclosed to the Board any arrest that led to any indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract. The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board, in writing, of any arrest or of any

indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent. The Superintendent agrees to provide such notification in writing within seven calendar days of the event or any shorter period specified in Board policy.

### 3. COMPENSATION

- 3.1 Salary. The District shall provide the Superintendent with a salary in the sum of ONE HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS (\$115,000.00). This annual salary shall be paid to the Superintendent in equal installments consistent with the Board's policies.
- 3.2 Technology Allowance. The District shall provide the Superintendent a technology allowance of TWO HUNDRED AND NO/100 DOLLARS (\$200.00) per month. This amount shall be paid to the Superintendent on a monthly basis.
- 3.3 Benefits. The District shall provide benefits to the Superintendent as provided by state laws and Board policies. The Superintendent shall be entitled to the same group health and hospitalization insurance the District pays for all other District employees. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase these benefits, at the Board's sole discretion.
- 3.4 Out-of-District Travel Expenses. The District shall pay or reimburse the Superintendent for reasonable Board approved out-of-district travel expenses directly incurred by the Superintendent in the continuing performance of the Superintendent's duties under this agreement. Such expenses may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, airline tickets, 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.
- 3.5 Vacation, Holidays, Sick Leave. The Superintendent shall receive the same number of vacation days as authorized by Board policy for administrative employees on 12-month contracts. The Superintendent shall observe the same holidays and breaks as provided for other 12-month administrators in the Board's adopted annual calendar and shall be eligible for any leave available to other employees under Board policy. The Superintendent shall schedule vacation and leave days at times that will least interfere with the performance of the Superintendent's duties.
- 3.6 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 growth of the Superintendent through the Superintendent's reasonable attendance and participation in appropriate professional meetings at the local, regional, state and national levels, as approved by the Board. 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 information 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 to attend such seminars, courses, or meetings.

- 3.7 Civic Activities, Etc. The Superintendent is encouraged, subject to prior Board approval, to participate in community and civic affairs in accordance with the Board's policies, including the Chamber of Commerce. The expenses of such activities shall be borne by the District.
- 3.8 Outside Consultant Activities, Etc., Benefit. The Superintendent may serve as a consultant and receive a reimbursement of expenses and/or be paid an honorarium for such consultant services at no expense to the District, subject to prior Board approval. Consultation provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law and shall not be conducted during times when the Superintendent is providing services to the District.
- 3.9 Indemnification. The Board agrees, as further consideration for the employment of Superintendent, that to the extent permitted by law it shall defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, suits, actions, and legal proceedings brought against the Superintendent in her individual capacity, or in her official capacity as agent and employee of the District, regardless of whether the claims arise during or after the Superintendent's employment with the District, if damages are based on an act or omission by the Superintendent in the course and scope of her employment with the District and if the damages arise out of a cause of action for negligence, except a willful or wrongful act or omission or an act or omission constituting gross negligence or for official misconduct. However, if there is a potential conflict of interest regarding defense of the claim between the legal position of the Superintendent and the legal position of the Board, the Superintendent may engage separate legal counsel, in which event, under this paragraph, the liability of the Board is limited to the amounts set out in Tex. Civ. Prac. & Rem. Code § 101.023(b) or any future corresponding statute.

4. **REVIEW OF PERFORMANCE**

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

4.2 Confidentiality. The evaluation of the Superintendent shall at all times be conducted in closed 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.

4.3 Evaluation Format and Procedure. The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law.

5. **RENEWAL/NONRENEWAL**

5.1 Renewal/Nonrenewal. Renewal or nonrenewal shall be in accordance with Board policy and applicable law.

6. **TERMINATION OF EMPLOYMENT CONTRACT**

6.1 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. After the Superintendent has returned the signed contract, the Superintendent will not be released from this Contract without the written consent of the Board.

6.2 Death, Retirement. This Contract shall be terminated upon the death of the Superintendent or upon the Superintendent's retirement under the Teacher Retirement System of Texas.

6.3 Dismissal for Good Cause. The Board may dismiss the Superintendent at any time for good cause.

6.4 Termination Procedure. In the event that the Board terminates this Contract for good cause, the Superintendent shall be afforded all the rights set forth in the Board's policies and in state and federal law.

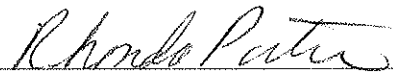
6.5 Suspension. In accordance with Texas Education Code chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board.

7. MISCELLANEOUS

- 7.1 Controlling Law. This Contract shall be governed by the laws of the State of Texas, and is fully performable in Kaufman County, Texas.
- 7.2 Complete Agreement. This Contract embodies the entire agreement between the parties and cannot be amended except by written agreement of the parties. The Agreement supersedes all prior agreements and understandings.
- 7.3 Savings Clause. In the event any one 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. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Contract, and this Contract constitutes the entire agreement between the parties unless amended pursuant to the terms of this Contract.
- 7.4 Conflicts. The Superintendent is subject to the Board's policies, provided however, in the event of a conflict between the express terms, conditions, and provisions of this Contract and the provisions of the Board's policies, 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 or any such permissive law during the term of the contract.
- 7.5 False Statements and Misrepresentations. You represent that any required records or information in your employment application are true and correct. Any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.

EXECUTED in duplicate originals this 19 day of September, 2013.

**SUPERINTENDENT:**

  
Rhonda Porter

  
BY: Lanny Orman  
Scurry-Rosser Independent School District  
Board of Trustees

ATTEST:

  
BY Joanna Horton, Secretary