

# School **FIRST** **FINANCIAL INTEGRITY RATING** **SYSTEM OF TEXAS**

Annual Report of  
Abilene Independent School District's  
2024-2025 School FIRST Rating  
(Based on 2023-2024 Data)



# **School FIRST**

## **(Financial Integrity Rating System of Texas)**

### **INTRODUCTION**

This is the 23<sup>rd</sup> year of School FIRST (Financial Integrity Rating System of Texas), a financial accountability rating system for Texas school districts. The Texas Education Agency developed the system in response to the 76<sup>th</sup> Texas Legislature in 1999. In August 2015, TEA implemented major changes to School FIRST in accordance with HB 5, Section 49, 83<sup>rd</sup> Texas Legislature. House Bill 5 amended Section 39.082 Texas Education Code to require TEA to combine the financial accountability rating system with the financial solvency system that had been administered separately to evaluate school districts.

The changes to the School FIRST system have been extensive over the years. The new School FIRST system has had separate worksheets for rating years 2014-15, 2015-16, and 2016-17 and subsequent years. For the 2014-15 rating year, there were only 7 indicators, with a district rating of either “Pass” or “Fail”. For rating years 2015-16 and 2016-17, there were 15 indicators which were scored by either a Yes/No response or receive a numeric score. Since the inception of the 20-21 rating system, we are now rated with a letter score of “A” (Superior Achievement), “B” (Above-Standard Achievement), “C” (Standard Achievement), or “F” (Substandard Achievement) based on 20 indicators, and due to the impact of COVID, some of these indicators are not assessed.

The primary goal of School FIRST is to achieve quality performance in the management of a school district’s financial resources, a goal made more significant due to the complexity of accounting associated with the Texas school finance system.

### School FIRST Indicators, Explanations and Results for Abilene ISD

#	Indicator/Explanation	23-24	22-23
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	Yes
2	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion).	Yes	Yes
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)	Yes	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	Yes
5	Was the total net position in the governmental activities column in the Statement of Net Position greater than zero?  This indicator was not scored for 2019-20, 2020-2021 or 2021-2022.	PASS	PASS
6	Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?	PASS	PASS
7	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?  This indicator measures how long (in days) after the end of the fiscal year the District could have disbursed funds for its operating expenditures without receiving any new revenues.	10/10	10/10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?  The Calculation is simply current assets divided by current liabilities.	8/10	4/10
9	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)?	10/10	10/10

#	Indicator/Explanation	23-24	22-23
10	<p><b>Did the school district average less than 10% variance when comparing budgeted revenues to actual revenues for the last 3 fiscal years?</b></p> <p>This indicator is not being evaluated.</p>	N/A	N/A
11	<p><b>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?</b></p> <p>Enrollment over the past 5 years did not automatically pass the district, and our long-term liabilities gave us a score of 0.6238. Over time this indicator should score higher as our long-term debt continues to go down.</p>	8/10	8/10
12	<p><b>What is the correlation between future debt requirements and the district's assessed property value?</b></p> <p>As values continue to rise and debt is paid down, the ratio improves. Due to these factors, we earned full points on this indicator this year.</p>	10/10	10/10
13	<p><b>Was the school district's administrative cost ratio equal to or less than the threshold ratio?</b></p> <p>This indicator measures the district's administrative costs to a predetermined reference based on ADA size. For ADA of 10,000 or more, to receive the maximum 10 points, the district must be less than or equal to 0.08555. The district is currently at 0.1097 scoring 8 out of 10 points.</p>	8/10	8/10
14	<p><b>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)?</b></p> <p>This indicator was not scored in 2021-2022.</p>	10/10	10/10
15	<p><b>Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections?</b></p> <p>This indicator is not being evaluated in 2020-2021, 2021-2022, or 2022-2023.</p>	5/5	N/A
16	<p><b>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?</b></p> <p>This indicator measures the PEIMS data submission to the annual financial report. If the total variances are less than 3 percent, 10 points are received. The district's variance was at 0.0% for this indicator.</p>	PASS	PASS
17	<p><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 and free from substantial doubt about the school district's ability to continue as a going concern?</b></p>	PASS	PASS

#	Indicator/Explanation	23-24	22-23
18	<p><b>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.)</b></p> <p>The 2022-23 annual financial audit was free of any instances of material noncompliance as defined by the AICPA.</p>	10/10	10/10
19	<p><b>Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?</b></p> <p>The district maintains all required fiscal postings on the AISD Finance webpage.</p>	5/5	5/5
20	<p><b>Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget?</b></p> <p>The district conducts comprehensive budget workshops through the spring and summer prior to the beginning of the fiscal year.</p>	PASS	PASS
21	<p><b>Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of financial hardship?</b></p>	PASS	PASS

## **DETERMINATION OF RATING**

There are 21 indicators that the district. A “Substandard Achievement” rating results in a failed status and a corrective action plan is required to be filed with the TEA. Otherwise, a district’s rating is determined based on the number of points received (100 points available):

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

## **2024-2025 STATUS FOR ABILENE ISD**

The District was able to answer all twenty of the evaluated indicators affirmatively and earned a 94 out of a possible 100 points.

Rating:       **A, or Superior Rating**

## **CONCLUSION**

The Abilene Independent School District continues to be managed in a fiscally responsible manner as confirmed by the “A” rating. While funding for schools remains a critical issue, the District’s responsible financial management of taxpayers’ dollars helps ensure that the District is not only accountable for student learning, but also for achieving positive results that are both cost effective and efficient.

## **ADDITIONAL DISCLOSURES**

The following disclosures provide supplemental information regarding the Superintendent and Board members, as required by law.

### **Disclosure #1 – Superintendent’s Employment Contract**

**Requirement** – The District must provide a copy of the Superintendent’s employment contract that is effective on the date of the School FIRST hearing – either in this report or on the District’s website.

A copy of the Superintendent’s current employment contract is attached as Appendix 1.

### **Disclosure #2 – Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2024 (September 1, 2023 – August 31, 2024)**

**Requirement** – The District must provide a summary schedule for the fiscal year of total reimbursements received by the Superintendent and each Board member. The schedule shall separately report reimbursements for meals, lodging, transportation, motor fuel, and other items (not including reimbursements for supplies and materials that were purchased for the operation of the school).

For the Twelve-Month Period Ended August 31, 2024	Superintendent	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Interim Sup	Superintendent	Board Member	Board Member
Description of Reimbursement	Dr. David Young	Daryl Zeller	Cindy Earles	Angie Wiley	Bill Enriquez	Dr. Danny Wheat	Derek Hood	Rodney Goodman	Dr. James Largent	Dr. John Kuhn	Dr. Taylor Tidmore	Blair Schroeder
Meals	\$ 327.00				\$ 33.00	\$ 33.00	\$ 55.00	\$ 33.00	35	22		
Lodging	\$ 2,869.55	\$ 284.56		\$ 564.42	\$ 809.13	\$ 929.87	\$ 865.38	\$ 809.13	11939.21	348.6	526.4	468.74
Transportation	\$ 2,178.13				\$ 226.25	\$ 113.13			2585.63	364	187.5	306.25
Motor Fuel					\$ 75.09							
Other	\$ 837.77	\$ 485.00		\$ 535.00	\$ 485.00	\$ 485.00	\$ 485.00	\$ 485.00	105	80	485	485
<b>Total</b>	<b>\$ 6,212.45</b>	<b>\$ 769.56</b>	<b>\$ -</b>	<b>\$ 1,099.42</b>	<b>\$ 1,402.22</b>	<b>\$ 1,674.12</b>	<b>\$ 1,518.51</b>	<b>\$ 1,327.13</b>	<b>\$ 14,664.84</b>	<b>\$ 814.60</b>	<b>\$ 1,198.90</b>	<b>\$ 1,259.99</b>

\*\*“Other” expenditures were mainly for conference registrations, professional membership dues, parking/ground transportation.

### **Disclosure #3 – Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2024 (September 1, 2023 – August 31, 2024)**

**Requirement** – The District must provide 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.

### **2023-2024 Outside Compensation/Fees Received – None (\$0.00)**

**Disclosure #4 – Gifts Received by the Executive Officers and Board Members (and First-Degree Relatives, if any) in Fiscal Year 2024 (September 1, 2023 – August 31, 2024)**

**Requirement** – The District must provide a summary schedule for the fiscal year of the total dollar amount received by the Superintendent and Board members of gifts having an economic value of \$250 or more in the aggregate. This only applies to gifts received from an outside entity that received payments from the District (e.g., vendors) and gifts from competing vendors that were not awarded contracts.

Dr. John Kuhn	No gifts from vendors or potential vendors were received
Dr. Danny Wheat	No gifts from vendors or potential vendors were received
Mrs. Angie Wiley	No gifts from vendors or potential vendors were received
Mrs. Cindy Earles	No gifts from vendors or potential vendors were received
Mr. Bill Enriquez	No gifts from vendors or potential vendors were received
Mr. Rodney Goodman	No gifts from vendors or potential vendors were received
Mr. Blaire Schroeder	No gifts from vendors or potential vendors were received
Dr. Taylor Tidmore	No gifts from vendors or potential vendors were received
Dr. James Largent	No gifts from vendors or potential vendors were received
Dr. David Young	No gifts from vendors or potential vendors were received
Mr. Derek Hood	No gifts from vendors or potential vendors were received
Mr. Daryl Zeller	No gifts from vendors or potential vendors were received

**Disclosure #5 – Business Transactions Between School District and Board Members for Fiscal Year 2024 (September 1, 2023 – August 31, 2024)**

**Requirement** – The District must provide a summary schedule for the fiscal year of the dollar amount by Board member for the aggregate amount of business transactions with the District.

Dr. Danny Wheat	No business transactions with the District
Mrs. Angie Wiley	No business transactions with the District
Mrs. Cindy Earles	No business transactions with the District
Mr. Bill Enriquez	No business transactions with the District
Mr. Rodney Goodman	No business transactions with the District
Mr. Blaire Schroeder	No business transactions with the District
Dr. Taylor Tidmore	No business transactions with the District
Dr. James Largent	No business transactions with the District
Dr. David Young	No business transactions with the District
Mr. Daryl Zeller	No business transactions with the District
Mr. Derek Hood	No business transactions with the District

**Disclosure #6 – Any other information the Board of Trustees of the School District determines to be useful – N/A**

# **APPENDIX 1**

## SUPERINTENDENT'S EMPLOYMENT CONTRACT

STATE OF TEXAS       §  
                                  §  
COUNTY OF TAYLOR   §

This contract is entered into by and between the Board of Trustees ("Board") of the Abilene Independent School District ("District") and Dr. John Kuhn, ("Superintendent").

The Board and Superintendent, for and in consideration for the terms stated in this Contract, hereby agree as follows:

### 1. TERM

- 1.1 **Initial Term.** The Board agrees to employ the Superintendent for a term beginning April 26, 2024 and ending June 30, 2027. The Board and the Superintendent (the "Parties") may extend the term of this Contract by agreement.
- 1.2 **Extension.** At any time during the Contract term, the Board may, in its sole discretion, reissue the Contract for an extended term. Failure to reissue the Contract for an extended term shall not constitute nonrenewal of the Contract under Texas Education Code, Chapter 21, or Board Policy
- 1.3 **No Right of 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.

### 2. EMPLOYMENT

- 2.1 **Professional Certification.** The Superintendent agrees to maintain the required certification throughout the term of employment with the District. The Superintendent agrees to furnish to the Board President a copy of the Superintendent's credentials for the position of superintendent within thirty (30) days of this Agreement, or as specified in any addendum hereto. Superintendent's failure to provide the credentials as required herein, or if the Superintendent's certification expires, is canceled, revoked or surrendered, this Contract is void.
- 2.2 **Representations.** The Superintendent makes the following representations:
  - (a) Beginning of Contract. The Superintendent represents that he has disclosed to the Board, in writing, any arrest and any indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent, with the exception of routine traffic citations. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract. Superintendent's failure to disclose all arrests, indictments, convictions, pleas of no contest or guilty pleas or other adjudication, other than routine traffic citations, or failure to provide a criminal history acceptable to the Board shall make this Contract null and void.

- (b) During 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, other than routine traffic citations. The Superintendent agrees to provide such notification in writing within three (3) calendar days of the event or any shorter period specified in Board policy.
- (c) False Statements and Misrepresentations. The Superintendent represents that any records or information provided in connection with his/her employment application are true and correct. Any false statements, misrepresentations, incorrect information or omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be good cause for termination or nonrenewal of this Contract as applicable.

2.3 **Duties.** The Superintendent is the educational leader and chief executive of the District and shall faithfully perform the duties of the Superintendent of Schools for the District as follows:

- (a) Authority. The Superintendent shall perform such duties and have such powers as may be prescribed by the law and the Board. The Board shall have the right to assign additional duties to the Superintendent and to make changes in responsibilities or work at any time during the contract term. All duties assigned by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.
- (b) Standard. Except as otherwise permitted by law and this Contract, the Superintendent agrees to devote his/her full time and energy to the performance of his/her duties. The Superintendent shall perform his/her duties with reasonable care, skill, and diligence, and shall not engage in any conduct that interferes or conflicts with the Superintendent's responsibilities to the District. The Superintendent shall comply with all lawful Board directives, state and federal laws and rules. Board policy, and regulations as they exist or may hereafter be amended.
- (c) Reassignment. The Superintendent shall not be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.

Board Meetings. The Superintendent shall attend all meetings of the Board and its committees, both public and closed, with the exception of closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, his salary and benefits, and/or the Superintendent's evaluation and performance; to interpersonal relationships or complaints between individual Board members ; to hear complaints against Board members; or when the Board is acting in its capacity as a tribunal to hear and resolve complaints.

- 2.4 **Outside Employment.** To the extent permitted by law and Board Policy, the Superintendent may, with prior written consent of the Board, undertake consulting work, speaking engagements, writing, lecturing and other professional duties and obligations that do not conflict or interfere with the Superintendent's professional responsibilities to the District. For any such outside employment, the Superintendent agrees to comply with applicable ethics rules, laws, and Board Policy regarding reporting potential and actual conflict of interest. In addition, the Superintendent agrees to provide information regarding income from such activities to the District as necessary for financial reporting requirements.
- 2.5 **Residence.** The Superintendent agrees to live in the District during his term as Superintendent. It is the understanding of the parties to this Contract that the Superintendent shall move to the District as soon as it is reasonably feasible to do so, and that the Superintendent shall live in the District during the term of this Contract. The Superintendent will be provided with a term of up to 9 months to obtain residency within the District.
- 2.6 **Annual Physical.** The Superintendent agrees to have a comprehensive medical examination, at District expense, by a physician acceptable to both the Board and the Superintendent, once a year that shall include a full drug and alcohol screening, and to obtain a statement certifying that the Superintendent is physically able to perform his essential job functions with or without reasonable accommodation and did not test positive for controlled substances or dangerous drugs for which the Superintendent does not have a legal prescription. This statement shall be filed with the President of the Board and placed in the Superintendent's personnel file.

### 3. SALARY AND BENEFITS

- 3.1 **Annual Base Salary.** The Superintendent's salary shall be paid an annual base salary in the sum of Three Hundred Thousand Dollars (\$300,000.00). This annual base salary shall be paid to the Superintendent in equal installments on a twelve-month ratable basis consistent with District policy and in accordance with normal District payroll practices.
- 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(b) above.
- 3.3 **Longevity Pay.** In order to encourage continuity of leadership in the District, the District wishes to provide additional compensation to the Superintendent as a reward for reaching certain longevity goals. This longevity payment shall be made as follows:

As long as the Superintendent remains employed with the District if the criteria below are met, the District shall contribute to a Supplemental Retirement Plan for the benefit of the Superintendent the following amounts and vest as follows:

<u>Date of Contribution</u>	<u>Amount</u>	<u>Vesting</u>
June 30, 2025	\$10,000	0%

June 30, 2026	\$15,000	0%
June 30, 2027	\$20,000	0%
June 30, 2028	\$25,000	0%
June 30, 2029	\$30,000	100%

The Supplemental Retirement Plan shall be a plan established under Sections 403(b) or 401(a) (the "Plan") of the Internal Revenue Code (the "Code"). The Plan shall be established as employer- paid with non-elective contributions by the District and the Superintendent shall have no right to receive such contributions in cash. The Plan shall each be established under a written plan document that meets the requirements of the Code and such documents are incorporated herein by reference. The funds for the Plan shall each be invested as determined solely by the Superintendent in such investment vehicles as are allowable under the Code for the applicable type of plan.

3.4 **Professional Growth.** The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. In furtherance of this endeavor, the Board, however, encourages the continued professional growth of the Superintendent through the Superintendent's active attendance at and participation in professional meetings at the local, regional, state and national levels, as deemed appropriate by the Board and Superintendent. The Board also encourages the Superintendent's participation 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 Superintendent's performance of 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, and shall pay the reasonable costs and expenses for the Superintendent's attendance at such professional growth activities, as deemed reasonable and appropriate by the Superintendent and the Board. The District shall also pay the Superintendent's membership dues to the national and state the American Association of School Administrators and the Texas Association of School Administrators.

3.5 **Civic Activities.** The Superintendent is encouraged to 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 pay for the cost of Superintendent's membership in two local civic organizations in which the Superintendent participates and related travel outside of the District, subject to advance Board approval.

3.6 **Business Expenses.** The District shall reimburse the Superintendent for reasonable business

expenses directly incurred by the Superintendent in the continuing performance of his duties under this Contract according to Board Policy. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board Policy, and shall comply with all financial accountability rules, as required by state law or promulgated by the Texas Education Agency.

- 3.7 **Vacations, Holidays and Sick Leave.** The Superintendent shall observe the same holidays and breaks as provided by the Board adopted annual calendar. The Superintendent shall be subject to the leave policies applicable to administrative employees on 226-day contracts. Subject to the Board's approval of the scheduling, the Superintendent may take the same number of "non-duty days" authorized by Board Policy for administrative employees on 226-day contracts, with the days to be in a single period or at different times. Non-duty 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.
- 3.8 **Health and Medical Insurance.** The District shall pay the same premiums for hospitalization, major medical and dental insurance coverage, if applicable, for the Superintendent pursuant to the group health care plan(s) provided by the District for its employees.
- 3.9 **Legal Defense.**
- (a) Covered Claims. To the extent consistent with law, including Texas Civil Practice and Remedies Code, Chapter 102, the District agrees to defend, hold harmless and indemnify the Superintendent from any and all demands, claims, suits, actions, judgments, expenses, and attorneys' fees incurred in any civil legal proceeding brought against the Superintendent, in the Superintendent's individual or official capacity as Superintendent of the District acting within the course and scope of the Superintendent's employment ("Covered Claim"). The term "Covered Claim" expressly excludes any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees where it is determined by the Board that the Superintendent committed official misconduct or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith. This indemnity also excludes any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the District or by the Superintendent. The District's obligation to indemnify does not apply to criminal investigations or criminal proceedings.
  - (b) Selection of Legal Counsel. The District and the Superintendent shall select the Superintendent's legal counsel for any covered claim by agreement, if such legal counsel is not also the District's legal counsel. If legal defense is provided through insurance coverage, the Superintendent's right to agree to legal counsel provided for the Superintendent will depend on the terms of the applicable insurance contract.
  - (c) Cooperation with District's Defense. The Superintendent agrees to fully cooperate with the District in the defense of any and all demands, claims, suits, actions, and legal proceedings brought against the District, regardless of whether the Superintendent is named as a party. Contingent on the Superintendent's providing such

full cooperation, the District shall reimburse the Superintendent 's reasonable related expenses, including travel and lodging expenses. The parties' obligations under this Section 3.9 shall survive the termination of this Contract.

- 3.10 **Texas Teacher Retirement System.** The District shall supplement the Superintendent's annual salary by an amount equal to one hundred percent (100%) of the Superintendent's portion of the monthly member contribution to the Texas Teacher Retirement System ("TRS") beginning on April 26, 2024 and continuing for the term of this Contract, with any extensions made by the Board for performance of Superintendent duties. This supplement shall include both the retirement and TRS-Care parts of the TRS member contribution, as applicable. This additional salary supplement shall be paid to the Superintendent in regular monthly payroll installments and shall be reported as "creditable compensation" by the District for purposes of TRS, to the extent permitted by TRS.
- 3.11 **Technology.** The District shall provide the Superintendent with a cell phone for both professional and personal use. The District shall have total responsibility for payment of said mobile telephone account. The Superintendent understands that information stored in his cell phone, computer or other device, whether owned by the District or Superintendent, is subject to public disclosure if such information is related to the public business of the School District or to his duties as Superintendent. Notwithstanding the location of personal data on the cell phone, computer or other device, whether owned by the District or Superintendent, the parties agree that any personal or private information of the Superintendent contained on such devices containing such data or information shall be deemed private and the Superintendent's sole property; provided it shall be the responsibility of the Superintendent to assert, and to bear any costs of asserting, privacy or other confidentiality privileges or rights as to any such data or information.

#### 4. EMPLOYMENT PERFORMANCE

- 4.1 **Development of Annual Performance 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 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 Superintendent shall submit to the Board for its approval, a plan to implement the goals. The Board agrees to work with and support the Superintendent in achieving the District Goals.
- 4.2 **Review of Performance.**
- (a) Time and Basis of Evaluation. The Board shall evaluate, in writing, the Superintendent's performance at least once each year during the term of this Contract, and at such other times as deemed necessary and appropriate by the Board. The evaluation format and procedure shall comply with the law and Board Policy. 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, at least in part, on the District's progress towards accomplishing the District Goals. The Board shall endeavor to devote a portion of, or all of, one executive session annually to a

discussion of the working relationship between the Superintendent and the Board.

- (b) **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.
- (c) **Evaluation Format and Procedure.** The evaluation format and procedure shall be in accordance with the evaluation instrument selected by the Board in accordance with the provisions of this Contract, the Board's policies, and state and federal law. In the event the Board deems that the evaluation instrument, format and/or procedure is to be modified by the Board and such modifications would require new or different performance expectations, the Superintendent shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

- 4.3 **Criticisms, Complaints, and Suggestions.** The Board, individually and collectively, shall refer all substantive criticisms, complaints and suggestions called to the Board's attention either: (a) to the Superintendent for study and appropriate action, and the Superintendent shall investigate such matters and shall within a reasonable time inform the Board of the results of such effort; or (b) to the appropriate complaint resolution procedure as established by District Board policies.

## 5. SUSPENSION AND TERMINATION OF EMPLOYMENT

- 5.1 **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 reasonably determined by the Board, and with approval of this Contract. Any suspension and/or administrative leave with must be approved by majority vote of the members present at a meeting of the Board.
- 5.2 **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.
- 5.3 **Non-Renewal and Termination of Contract.** Renewal, non-renewal, and termination of this Contract shall be in accordance with Board policy and applicable state and federal law.
- 5.4 **Retirement or Death.** This Contract shall be terminated upon the retirement or death of the Superintendent.
- 5.5 **Resignation.** 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 no later than the forty-fifth (45th) day before the first day of instruction of the following school year. The Superintendent may resign, with the consent of the Board, at any other time.

5.6 **Dismissal for Good Cause.** The Board may dismiss the Superintendent at any time for good cause as determined by the Board. The term “good cause” shall include, but not be limited to the following:

- (a) Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- (b) Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board (the terms and conditions of this paragraph shall not justify good cause unless the Board has provided the Superintendent reasonable opportunity to remediate any incompetence or inefficiency);
- (c) Insubordination or failure to comply with lawful written Board directives;
- (d) Failure to comply with the Board’s policies or the District’s administrative regulations;
- (e) Neglect of duties;
- (f) Drunkenness or excessive use of alcoholic beverages;
- (g) Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act;
- (h) Conviction of a felony or crime involving moral turpitude;
- (i) Failure to meet the District’s standards of professional conduct;
- (j) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
- (k) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
- (l) Immorality, which is conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the District. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;
- (m) Assault on an employee or student;
- (n) Knowingly falsifying records or documents related to the District’s activities;
- (o) Conscious misrepresentation of facts to the Board or other District officials in the conduct of the District’s business;

- (p) Failure to fulfill requirements for superintendent certification;
- (q) Failure to fulfill the requirements of a deficiency plan under an Emergency Permit;
- (r) Any other reason constituting "good cause" under Texas law.

## **6. MISCELLANEOUS PROVISIONS**

- 6.1 **Amendment.** This contract may not be amended except by written agreement of the parties.
- 6.2 **Governing Law and Venue.** This Contract shall be governed by the laws of the State of Texas, and the Parties agree that venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be Taylor County. If litigation is brought in federal court, the Parties agree that venue shall be the Northern District of Texas, Abilene Division.
- 6.3 **Entire Agreement.** This Contract embodies the entire agreement between the parties, and, except as expressly provided herein, cannot be changed, altered or amended except by written amendment signed by both parties.
- 6.4 **Paragraph Headings.** The headings used at the beginning of each numbered paragraph in this contract are not intended to have any legal effect; the headings do not limit or expand the meanings of the paragraphs that follow them.
- 6.5 **Severability.** 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.
- 6.6 **Conflicts.** In the event of any conflict between the 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.
- 6.7 **Legal Representation.** Both Parties have been represented by legal counsel of their choice or have had the opportunity to consult with legal counsel, in the negotiation and execution of this Contract.
- 6.8 **Notices.**
  - (a) **To Superintendent.** The Superintendent agrees to keep a current address and phone number on file with the District's human resources office and the Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the

Superintendent written notice regarding this Contract or the Superintendent's employment by hand-delivery, or by certified mail, regular mail, express delivery service to the Superintendent's address of record, and/or electronic mail sent to the Superintendent's District provided email account.

(b) To Board. The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice regarding this Contract or the Superintendent's employment by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand-delivery, or by certified mail, regular mail, express delivery service, to the Board President's and Vice President's addresses of record, as provided by the District.

ABILENE INDEPENDENT SCHOOL DISTRICT

By:

  
Daryl Zeller  
President, Board of Trustees

4-25-24  
Date

SUPERINTENDENT

By:

  
Dr. John Kuhn,  
Superintendent of Schools

4-25-24  
Date