



## **Board of Trustees**

### **School FIRST Public Hearing**

**October 18, 2011**

**Bastrop Independent School District  
906 Farm Street  
Bastrop TX 78602  
512-321-2292**



## NEWS RELEASE

Additional Information Contact: Donald Williams,  
Executive Director of Community Services/Communications  
512.321.2292 [dwilliams@bisdtx.org](mailto:dwilliams@bisdtx.org)

### **BISD ranked 'Superior' in financial rating**

Bastrop Independent School District officials announced that the 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 Bastrop ISD's financial management and reporting system.

This is the ninth 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 76th 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.

"We are very excited about the Schools FIRST rating," said Bastrop ISD Chief Financial Officer, Sandra Callahan. "It shows a continued effort by the District to be fiscally responsible with taxpayer dollars. This rating shows that Bastrop ISD is doing whatever it takes for student success through effective and efficient means."

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 TEA.

For more information about the Schools FIRST financial accountability rating, contact Chief Financial Officer Sandra Callahan at (512) 321-2292.

**School FIRST  
Public Hearing  
October 18, 2011**

Proposed Financial  
Accountability Rating  
System

SB 218 – 2001

**School FIRST**

- Financial
- Integrity
- Rating
- System of
- Texas

## Goal

- To achieve improved performance in the management of school districts' financial resources.
- This report is for the 2009-10 fiscal year.
- Ninth year of FIRST Reporting

- 22 Indicators
- District must hold public hearing to discuss ratings
- Improvement in financial management in many schools have been identified since the initiation of School First in 2003

## Requirements

- Every school district in Texas is required to prepare an annual financial management report that includes:
  - FIRST Rating
  - Comparison data from previous year
  - Additional information required by the Commissioner of Education

## Additional Information Required

- Superintendent's Contract
- Reimbursements received by superintendent and board members
- Outside compensation/fees received by Superintendent for professional consulting
- Gifts received by executive officers and board members
- Business transactions between school district and board members

## District Ratings

Did the District Answer 'No' To Indicators 1,2,3, or 4 OR Did the District Answer 'No' to Both 5 and 6? If So, the District's Rating is **Substandard Achievement**

Rating	Determine Rating by Applicable Range for summation of the indicator scores (Indicators 7-22)
Superior Achievement	72-80 and Yes to indicator 7
Above Standard Achievement	64-71 or $\geq 72$ and No to indicator 7
Standard Achievement	56-63
Substandard Achievement	$< 56$ or No to one default indicator

## Bastrop ISD Final Rating from TEA

- **SUPERIOR ACHIEVEMENT**
  - Yes to Indicators 1 – 6
  - Score 75
  - Academically Acceptable (District)

## Key Indicators

Bastrop ISD Results



**Was the Total Fund Balance  
Greater Than Zero in the General  
Fund?**

Bastrop ISD General  
Fund Balance  
\$12,660,019

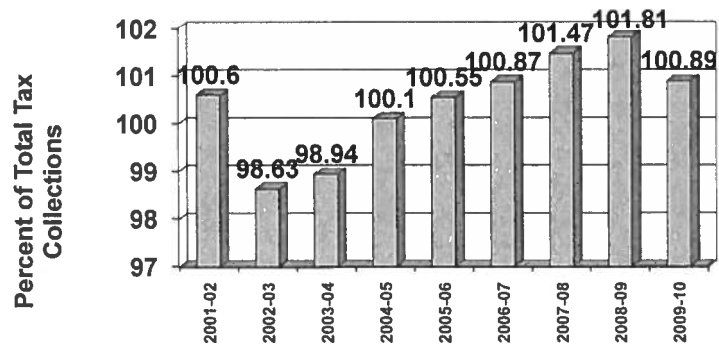


## Was the Percent of Total Tax Collections (Including Delinquent) Greater Than 96%?

Bastrop ISD  
100.89%



## FIRST Total Tax Collection Rate History





**Were Debt Related Expenditures (Net of IFA and/or EDA Allotment) < \$250 Per Student? (If the district's five-year percent change in students was a 7% increase or more, or if property taxes collected per penny of tax effort were more than \$200,000, then the district receives 5 points.)**

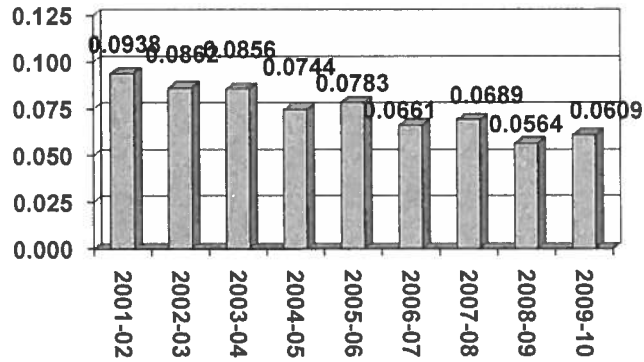
- Bastrop ISD - \$1,361 Per Student
  - Calculation  $\$13,573,224 - 1,505,481 / 8,865$
- 5 Year Percent Change in Students – 11.37%
- Tax Effort per penny - \$255,861

**Was the Administrative Cost Ratio Less Than the Standard in State Law?**

Acceptable .125

**BASTROP ISD .0609**

## FIRST Administrative Cost Ratio History



## Was the Student/Teacher Ratio Within Acceptable Range According to District Size?

Lower Limit	13.0
<b>BASTROP</b>	<b>14.6</b>
Upper Limit	22.0

**Was the Student/Staff Ratio Within Acceptable Range According to District Size?**

Lower Limit	6.8
<b>BASTROP</b>	<b>7.5</b>
Upper Limit	14.0



**Was the Total Fund Balance In the General Fund More than 50% and Less Than 150% of the Optimum According to the Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report?**

BASTROP	\$12,761,314
Optimum	\$13,382,842
	<b>95.4%</b>



**Were Investment Earnings In All Funds  
(Excluding Debt Service Fund and Capital  
Projects Fund) More Than \$20 Per Student?**

**BASTROP ISD  
\$5.69**



**For Additional Information  
Contact**



- Sandra Callahan, CFO  
[scallahan@bisdtx.org](mailto:scallahan@bisdtx.org)
- Theresa Fierro, Accountant  
[tfierro@bisdtx.org](mailto:tfierro@bisdtx.org)

**512-321-2292**

**FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS  
2009-10 DISTRICT STATUS**

	INDICATOR DESCRIPTION	RESULT	DISTRICT DETAIL
1	Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?	PASSED	\$ 12,660,019
2	Was the Total Unrestricted Net Asset Balance (net of Accretion of Interest on Capital Appreciation Bonds) in the Governmental Activities Column of the State of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% or more)?	PASSED	District's 5 Year % Change in Student was 11.37% & Total Unrestricted Net Asset + Accretion of Interest on CAB's \$31,889,553
3	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	PASSED	No Default Disclosures
4	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)	PASSED	Filed 11/18/2010
5	Was There An Unqualified Opinion in Annual Financial Report?	PASSED	Clean Audit
6	Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	PASSED	No Weak Internal Controls
7	Did the District's Academic Rating Exceed Academically Unacceptable?	5 Points	Academically Acceptable
8	Was the Three-Year Average Percent of Total Tax Collections (Including Delinquent) Greater than 98%?	5 Points	100.89%
9	Did The Comparisons 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)?	5 Points	0
10	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < \$250.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 7%, Or If Property Taxes Collected Per Penny Of Tax Effort > \$200,000)	5 Points	Percent Change in Student = 11.37% and Property Taxes Collected Per Penny of Tax Effort = \$255,861
11	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	5 Points	No Material Non-Compliance
12	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Master Or Monitor Assigned)	5 Points	Full-Accreditation
13	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?	5 Points	Total Revenue, Other Resources and Fund Balance = \$75,551,707- Total Expenditures and Other Uses = \$63,394,559
14	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)	5 Points	District's Aggregate Fund Balance in General and Capital Projects funds greater than zero \$17,495,800
15	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivables) In The General Fund = Or > 1:1? (If Deferred Revenues < Net Delinquent Taxes Receivable, Then Answer This Indicator Yes)	5 Points	Cash + Investments = \$13,459,296 net deferred revenue = \$22,833
16	Was The Administrative Cost Ratio Less Than The Threshold Ratio?	5 Points	Acceptable - .125 - Bastrop - .0609
17	Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?	5 Points	Lower Limit - 13 Upper Limit - 22 Bastrop - 14.5983
18	Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?	5 Points	Lower Limit - 6.8 Upper Limit - 14 Bastrop - 7.4658
19	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?	5 Points	Total Fund Balance - \$12,761,314 Optimum Fund Balance - \$13,382,842 Percentage - 95.3558%
20	Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance < Total Fund Balance In General Fund Or If Total Revenues > Operating Expenditures In The General Fund, Then Answer This Indicator Yes)	5 Points	The decrease in undesignated unreserved fund balance is greater not than 20% over two fiscal years
21	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	5 Points	\$ 13,459,296
22	Were Investment Earnings In All Funds More Than \$20 Per Student?	0 Points	\$ 5.69

**FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS  
2008-09/2009-10 COMPARISON DATA**

	INDICATOR DESCRIPTION	2008-09 RESULT	2009-10 RESULT	2008-09 DISTRICT DETAIL	2009-10 DISTRICT DETAIL
1	Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?	PASSED	PASSED	\$ 14,042,870	\$ 12,660,019
2	Was the Total Unrestricted Net Asset Balance (net of Accretion of Interest on Capital Appreciation Bonds) in the Governmental Activities Column of the State of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% or more)?	PASSED	PASSED	District's 5 Year % Change in Student was 12.61% & Total Unrestricted Net Asset + Accretion of Interest on CAB's \$35,638,294	District's 5 Year % Change in Student was 11.37% & Total Unrestricted Net Asset + Accretion of Interest on CAB's \$31,889,553
3	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	PASSED	PASSED	No Default Disclosures	No Default Disclosures
4	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)	PASSED	PASSED	Filed 11/24/2009	Filed 11/18/2010
5	Was There An Unqualified Opinion in Annual Financial Report?	PASSED	PASSED	Clean Audit	Clean Audit
6	Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	PASSED	PASSED	No Weak Internal Controls	No Weak Internal Controls
7	Did the District's Academic Rating Exceed Academically Unacceptable?	5 Points	5 Points	Academically Acceptable	Academically Acceptable
8	Was The Percent Of Total Tax Collections (Including Delinquent) Greater Than 96%?	5 Points	5 Points	101.81%	100.89%
9	Did The Comparisons Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 4 Percent Of Expenditures Per Fund Type (Data Quality Measure)?	5 Points	5 Points	0	0
10	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < \$770.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 2%, Or If Property Taxes Collected Per Penny Of Tax Effort > \$100,000, Then Answer This Indicator Yes)	5 Points	5 Points	Percent Change in Student = 12.61% and Property Taxes Collected Per Penny of Tax Effort = \$248,982	Percent Change in Student = 11.37% and Property Taxes Collected Per Penny of Tax Effort = \$255,861
11	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	5 Points	5 Points	No Material Non-Compliance	No Material Non-Compliance
12	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Master Or Monitor Assigned)	5 Points	5 Points	Full-Accreditation	Full-Accreditation
13	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?	5 Points	5 Points	Total Revenue, Other Resources and Fund Balance = \$76,026,396 - Total Expenditures and Other Uses = \$59,706,475	Total Revenue, Other Resources and Fund Balance = \$75,551,707 - Total Expenditures and Other Uses = \$63,394,559

**FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS  
2008-09/2009-10 COMPARISON DATA**

		2008-09	2009-10	2008-09	2009-10
	INDICATOR DESCRIPTION	RESULT	RESULT	DISTRICT DETAIL	DISTRICT DETAIL
	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)	5 Points	5 Points	District's Aggregate Fund Balance in General and Capital Projects funds greater than zero <b>\$17,641,525</b>	District's Aggregate Fund Balance in General and Capital Projects funds greater than zero <b>\$17,495,800</b>
14	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivables) In The General Fund = Or > 1:1? (If Deferred Revenues < Net Delinquent Taxes Receivable, Then Answer This Indicator Yes)	5 Points	5 Points	Cash + Investments = \$14,004,672 net deferred revenue = \$22,833	Cash + Investments = \$13,459,296 net deferred revenue = \$22,833
15	Was The Administrative Cost Ratio Less Than The Standard In State Law?	5 Points	5 Points	Acceptable - .125 - Bastrop - .0564	Acceptable - .125 - Bastrop - .0609
16	Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?	5 Points	5 Points	Lower Limit - 13 Upper Limit - 22 <b>Bastrop - 14.6124</b>	Lower Limit - 13 Upper Limit - 22 <b>Bastrop - 14.5983</b>
17	Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?	5 Points	5 Points	Lower Limit - 6.8 Upper Limit - 14 <b>Bastrop - 7.8203</b>	Lower Limit - 6.8 Upper Limit - 14 <b>Bastrop - 7.4658</b>
18	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?	5 Points	5 Points	Total Fund Balance - \$14,133,878 Optimum Fund Balance - \$14,633,183 Percentage - <b>96.5879%</b>	Total Fund Balance - \$12,761,314 Optimum Fund Balance - \$13,382,842 Percentage - <b>95.3558%</b>
19	Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance < Total Fund Balance In General Fund Or If Total Revenues > Operating Expenditures In The General Fund, Then Answer This Indicator Yes)	0 Points	0 Points	The decrease in undesignated unreserved fund balance is greater than 20% over two fiscal years	The decrease in undesignated unreserved fund balance is not greater than 20% over two fiscal years
20	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	5 Points	5 Points	\$	\$
21	Were Investment Earnings In All Funds More Than \$15 Per Student?	4 Points	4 Points	\$	\$
22				14,004,672	13,459,296
				31.26	5.69

### School FIRST Annual Financial Management Report

New reporting requirements are effective for the financial management report that will be distributed at the School FIRST public hearing in September/October 2011 Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1005 TEA would like to acknowledge TASBO, TASB, and the Coordinating Task Force for their assistance in developing this template. The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing, it may not be all inclusive.

### Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may choose 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.

### Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period  
 Ended June 30, 2010

Description of Reimbursements	Superintendent	Board					Board Member 7	
		Member 1	Member 2	Member 3	Member 4	Member 5		Member 6
Meals	\$ 689.51	\$ 235.14	\$ 288.00	\$ 216.00	\$ 180.00	\$ 180.00	\$ 144.00	\$ 180.00
Lodging	\$ 2,395.76	\$ 846.15	\$ 1,693.47	\$ 845.16	\$ 844.47	\$ 1,491.93	\$ 1,491.93	\$ 847.32
Transportation	\$ 3,986.55	\$ 511.57	\$ 752.85	\$ 287.98	\$ 234.99	\$ 234.99	\$ 234.99	\$ 608.86
Motor Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 4,714.70	\$ 1,061.25	\$ 773.75	\$ 406.25	\$ 929.25	\$ 791.25	\$ 741.25	\$ 848.75
<b>Total</b>	<b>\$11,786.52</b>	<b>\$2,654.11</b>	<b>\$3,508.07</b>	<b>\$1,755.39</b>	<b>\$2,188.71</b>	<b>\$2,698.17</b>	<b>\$2,612.17</b>	<b>\$2,484.93</b>

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:  
 Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).  
 Lodging - Hotel charges.  
 Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).  
 Motor fuel – Gasoline.  
 Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.



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

For the Twelve-Month Period

Ended June 30, 2010

Name(s) of Entity(ies)

Amount Received

0

Total

\$0.00

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)**

**(gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period

Ended June 30, 2010

	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Superintendent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Note** – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

**Business Transactions Between School District and Board Members**

For the Twelve-Month Period  
 Ended June 30, 2010

Board Member 1	\$ -	Board Member 2	\$ -	Board Member 3	\$ -	Board Member 4	\$ -	Board Member 5	\$ -	Board Member 6	\$ -	Board Member 7	\$ -
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Amounts

**Note** - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.

**SUPERINTENDENT'S EMPLOYMENT CONTRACT**

STATE OF TEXAS                                    §  
  §        **KNOW ALL MEN BY THESE PRESENTS:**  
COUNTY OF BASTROP                           §

**THIS AGREEMENT** ("Contract") is made and entered into effective the 1<sup>st</sup> day of February 2011 by and between the Board of Trustees (the "Board") of the Bastrop Independent School District (the "District") and Steve Murray ("Superintendent").

**W I T N E S S E T H:**

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

**I. 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 of Schools for the District for a term of three years commencing on February 1, 2011, and ending on January 31, 2014. 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. Failure to reissue the Contract for an extended term shall not constitute non-renewal under Board policy.

1.2    **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.

**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 adopted or 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, re-organize, 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.** 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 and all other certificates required by law. Failure of Superintendent to possess and maintain such certification shall constitute an act of breach of contract by Superintendent, and shall be grounds for termination of this Agreement.

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

2.4 **Board Meetings.** Unless otherwise prohibited by law, 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: (a) the consideration of any action or lack of action on the Superintendent's Employment Contract; (b) discussion of the Superintendent's salary and/or benefits; (c) discussion of the Superintendent's performance, appraisal or evaluation; (d) discussion for purposes of resolving conflicts between individual Board members; or (e) deliberations in those meetings where the Board is acting in its capacity as a tribunal.

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 action.

2.6 **Legal Defense.** To the extent it may be permitted to do by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of Superintendent as an employee of the District, acting within the course and scope of Superintendent's employment with the District; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that Superintendent committed official misconduct, or criminal conduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith, with conscious indifference or reckless disregard; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the District or by Superintendent. The selection of Superintendent's legal counsel shall be with the mutual agreement of Superintendent and the District if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent this paragraph exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. No individual member of the Board shall be personally liable for indemnifying and defending the Superintendent under this Section 2.6. The Board shall not be required to pay any costs of any legal proceedings in the event the Board and the 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 provisions of this Section 2.6 shall survive the termination of this contract.

### III. Compensation

3.1 **Salary.** The District shall provide the Superintendent with an annual base salary in the sum of one hundred ninety-eight thousand four hundred and forty dollars (\$198,440). If the Superintendent still is employed by the District in that capacity on February 1, 2014, the annual base salary shall increase by twenty thousand dollars above the superintendent's base salary as of January 31, 2014, including any adjustments made in accordance with Section 3.2 of this Contract.

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. In such event, the parties agree to provide their best efforts and reasonable cooperation to execute a new contract incorporating the adjusted salary.

3.3 **Expenses.** The District agrees to pay the actual and incidental costs incurred by the Superintendent for "out-of-district" travel; such costs may include, but are not limited to, reimbursement of mileage at the standard IRS rate, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The District agrees to pay reasonable local civic club fees and dues, and professional membership fees and dues to state and national level educational organizations. The Superintendent shall comply with all procedures and documentation in accordance with Board policies. The Superintendent has the discretion to attend professional conferences at the state and national levels that do not interfere with the performance of his duties as Superintendent.

3.4 **Vacation/Illness/Holidays.** The Superintendent may take, at the Superintendent's choice, with prior notice to the Board President, the same number of days of vacation per year during the term of this Contract as authorized for other professional employees on 12-month contracts. 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 have the same illness and personal leave days and benefits, and shall observe the same legal holidays, as authorized for other professional employees on 12-month contracts.

3.5 **Consulting Work and Continuing Education.** The Superintendent may, with prior written consent of the Board, undertake consulting work, speaking engagements, writing, lectures, and other professional duties and obligations that do not conflict or interfere with the Superintendent's professional services to the District or result in any financial cost to the District. If the Superintendent receives any compensation for any such consulting work, speaking engagements, writing, lectures and other activities authorized by this Section, he shall take vacation days or personal leave for any such days. Additionally, the Board shall permit a reasonable amount of time for the Superintendent, as determined by the Board and the Superintendent, to attend seminars, courses and meetings for continuing education and professional enhancement.

3.6 **Residency.** 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 his family to the District as soon as it is reasonably feasible to do so, and that the Superintendent's family shall live in the District during the term of this Contract.

3.7 **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, and to obtain a statement certifying that the Superintendent is physically able to perform his essential job functions with or without reasonable accommodation. This statement shall be filed with the President of the Board.

**3.8 Supplemental Compensation.** The Board agrees to pay the Superintendent a yearly negotiated lump sum benefit in addition to his/her base salary, local civic club fees and dues, professional association fees or other supplemental compensation that may be called for in this contract. This Supplemental Compensation Amount shall be paid directly to the Superintendent in equal installments at the time of each regular payroll payment over the twelve-month period following each qualifying date, and the District will be responsible for making all withholding and reporting on the same basis as other compensation, including reporting amounts to the Teacher Retirement System of Texas. The Supplemental Compensation Amount shall be paid to the Superintendent over the twelve-month contract period on or before March 1, 2012, and on or before March 1 each year thereafter during the term of this Agreement (in accordance with the schedule below). The Board may, at its discretion, after negotiation with the Superintendent, pay the Superintendent a Supplemental Compensation Amount greater than the amount shown in the schedule below.

**Supplemental Compensation Amount Payment Schedule:**

On or before March 1, 2011	\$10,000
On or before March 1, 2012	\$15,000
On or before March 1, 2013	\$20,000

**IV. Annual Performance Goals**

**4.1 Development of Goals.** The Superintendent shall submit to the Board each year, for the Board's consideration and adoption, a preliminary list of goals for the District. The goals approved by the Board shall at all times be reduced to writing and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated.

**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 ("Superintendent's evaluation"). The Superintendent's evaluation instrument and process shall be developed and/or revised with input from the Superintendent and shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description.

**5.2 Confidentiality.** Unless the Board and the Superintendent expressly agree 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 evaluation instrument selected by the Board in accordance with the provisions of Article V 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.

## **VI. Renewal or Nonrenewal of Employment Contract**

6.1 **Renewal/Nonrenewal.** Renewal or nonrenewal shall be in accordance with Board policy, Texas Education Code Chapter 21, Subchapter E, and applicable law. Notwithstanding anything to the contrary in Section 21.212(a) of the Texas Education Code, the Superintendent shall be entitled to written notice not later than the 60<sup>th</sup> day before the last day of the Contract term, containing reasonable notice of the reason(s) for the proposed nonrenewal of the Superintendent's Contract with the District consistent with District policy and state law.

## **VII. Termination of Employment Contract**

7.1 **Mutual Agreement.** This Contract shall 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 **Dismissal for Good Cause.** The Board may dismiss the Superintendent during the term of the Contract for good cause. The term "good cause" is defined as follows:

- a. Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- b. Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; provided, however, the terms and conditions of this paragraph shall not justify good cause unless the Board has provided the Superintendent a reasonable opportunity to remediate any incompetence or inefficiency;
- c. Insubordination or failure to comply with lawful written Board directives;
- d. Failure to comply with written Board Policies or District 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 substantially impairs the Superintendent's performance of required duties;
- l. Immorality, which is conduct 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 material 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 Plan;
- r. Any other reason constituting "good cause" under Texas law.

**7.4 Termination Procedure.** In the event the Board proposes the termination of this Contract for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies, and state and federal law.

**7.5 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 45<sup>th</sup> 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.

### **Article VIII. Miscellaneous**

**8.1 Controlling Law.** This Contract shall be governed by, and interpreted and enforced in accordance with, the laws of the State of Texas and shall be performable in Bastrop County, Texas, unless otherwise provided by law.

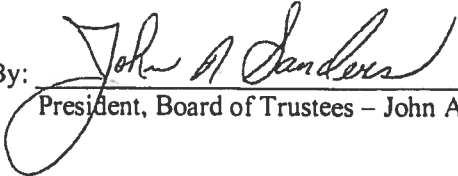


8.2 **Complete Agreement.** This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties, except as expressly provided herein.

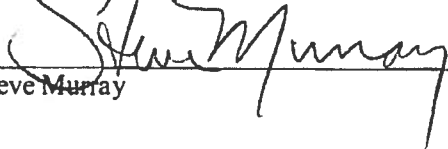
8.3 **Conflicts.** In the event of any conflict between the terms, conditions and provisions of this Employment Contract and the provisions of the Board's policies, or any permissive state or federal law, then, unless otherwise prohibited by law, the terms of this Contract shall take precedence over the contrary provisions of the Board's policies or any such permissive law during the term of the Contract.

8.4 **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.

BASTROP  
INDEPENDENT SCHOOL DISTRICT

By:   
\_\_\_\_\_  
President, Board of Trustees – John A. Sanders\*\*

SUPERINTENDENT

By:   
\_\_\_\_\_  
Steve Murray

Executed this 25<sup>th</sup> of January 2011.

\*\* (Authorization given to President, Board of Trustees to sign employment contract for Superintendent, on behalf of the Bastrop Independent School District Board of Trustees, in Board action on January 25, 2011.)