



Bastrop Independent School District
Annual Financial Management Report
Report Fiscal Year 2023

Rating is A=Superior



Distributed at Regular Board Meeting
November 14, 2023

Bastrop Independent School District

Financial Management Report

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November 14, 2023

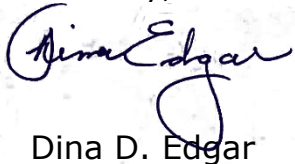
Mr. Barry Edwards, Superintendent
Board of Trustees
Citizens of Bastrop Independent School District

In accordance with Texas Administrative Code Chapter 19, Subchapter AA 109.1001, the 2023 Annual Financial Management Report is being presented, which is based on fiscal year 2021-2022 data. The School FIRST (Financial Integrity Rating System of Texas) was mandated by Senate Bill 875 of the 76th Texas Legislature in 1999 with the primary goal of achieving quality performance in the management of school districts' financial resources. This goal is made more significant due to the complexity of accounting associated with the State of Texas' school finance system. The School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts. The highest rating is "Superior Achievement", followed by "Above-Standard Achievement", "Standard Achievement", and "Substandard Achievement".

Bastrop Independent School District received a rating of "A=Superior" under the Texas School FIRST financial accountability rating system. The A=Superior rating is the state's highest, demonstrating the quality of Bastrop ISD's financial management and reporting system. The School FIRST financial rating ensures that Texas school districts are accountable not only for student learning, but also for achieving results in a cost effective and efficient manner. The information provided by the School FIRST system will guide the Board in their continued efforts to maximize each taxpayer dollar.

Included in this report are the additional disclosure requirements, which include a copy of the Superintendent's contract, details of reimbursements received by the Superintendent and members of the Board of Trustees, additional statements relating to any outside compensation of the Superintendent, gifts to District officials or Board members and business transactions between the District and members of the Board of Trustees.

Sincerely,



Dina D. Edgar



Financial Integrity Rating System of Texas

2023 RATINGS BASED ON SCHOOL YEAR 2021-2022 DATA – DISTRICT STATUS DETAIL

Name: BASTROP ISD(011901)		Publication Level 1: 8/4/2023 12:06:16 PM
Status: Passed		Publication Level 2: 8/7/2023 3:01:39 PM
Rating: A = Superior		Last Updated: 8/7/2023 3:01:39 PM
District Score: 96		Passing Score: 70
#	Indicator Description	Score
1	Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district’s fiscal year end date of June 30 or August 31, respectively?	Yes
2	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
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)	Yes
4	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes Ceiling Passed
5	This indicator is not being scored.	
		1 Multiplier Sum
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? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	Ceiling Passed
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)?	8

8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.	10
9	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and 6/8/2021 10 construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?	10
10	This indicator is not being scored.	
11	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the school district's increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator.	10
12	What is the correlation between future debt requirements and the district's assessed property value?	8
13	Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.	10
14	This indicator is not being scored.	
15	This indicator is not being scored.	
16	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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	Ceiling Passed
17	Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)	Ceiling Passed
18	Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)	10
19	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?	5

20	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? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points, B	Ceiling Passed
		96 Weighted Sum
		1 Multiplier Sum
		(100 Ceiling)
		96 Score

Determination of Rating		
A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points.	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	70-79
	F = Substandard Achievement	<70
No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.		
The school district receives an F if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.		

Ceiling Indicators		
Did the school district meet the criteria for any of the following ceiling indicators 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.		
Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is No.	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is No.	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is No.	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is No.	89	B = Above Standard Achievement

HOW 2023 RATINGS ARE ASSESSED

(BASED ON 2021-22 DATA)

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?

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

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.)

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

3. Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)

This indicator seeks to make certain that your district has timely paid all bills/obligations, including financing arrangements to pay for school construction, school buses, photocopiers, etc.

4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

This indicator seeks to make sure the district fulfilled its obligation to the TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.

5. This indicator is not being scored this year due to the impact of accounting changes implemented by the Governmental Accounting Standards Board.

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?

This indicator measures the percentage change in fund balance to see whether the fund balance is declining too quickly, and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.

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

8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did you meet or exceed the target amount in School FIRST?

9. Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?

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

10. Did the school district average less than a 10 percent variance (90%-110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?

This indicator measures how accurately the district forecast projected revenue by comparing budgeted revenue submitted through PEIMS in October of the fiscal year to actual revenue submitted after the close of the fiscal year. This indicator is not being evaluated due to the volatile conditions in school finance over the past several years.

11. Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)

This question is like asking someone if their mortgage exceeds the market value of their home. Were you below the cap for this ratio in School FIRST? Fortunately, this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.

12. What is the correlation between future debt requirements and the district's assessed property value?

This indicator asks about the school district's ability to make debt principal and interest payments that will become due during the year based on a ratio of debt to property value. Did you meet or exceed the target amount in School FIRST?

13. Was the school district's administrative cost ratio equal to or 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?

14. Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)

If the school district had a decline in students over 3 school years, this indicator asks if the school district decreased the number of the staff on the payroll in proportion to the decline in students. (The school district automatically passes this indicator if there was no decline in students.) This indicator is not being evaluated.

15. Was the school districts ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA?

This indicator measures how well the district was able to project average daily attendance for the coming biennium for payment purposes. Projected ADA is compared to actual. This indicator is not being evaluated.

16. 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?

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.

17. 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?

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. If the district fails this indicator, the maximum points and highest rating the district may receive is 89 points and a B, which is equal to above standard achievement.

18. 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.)

This indicator measures whether the district is complying with laws, rules and regulations related to the expenditure of grant funds, contracts, and other state and federal funds.

19. 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?

This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information.

20. Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget?

This indicator measures whether the school board had the opportunity to consider the impact of changes in property value on the finances of the district. If the district fails this indicator, the maximum points and highest rating the district may receive is 89 points and a B, which is equal to above standard achievement.

School FIRST Annual Financial Management Report Bastrop Independent School District

Disclosures

Reporting requirements for the financial management report to be distributed at the School FIRST public hearing are defined under Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability, Rule 109.1001 Financial Accountability Ratings.

Bastrop ISD's required disclosures are reported in the subsequent sections.

Superintendent's Current Employment Contract

The Superintendent's current employment contract is included in the appendix section of this document.

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, 2022

Description of Reimbursement	Superintendent Mr. Barry Edwards	President Ashley Mutschink	Vice President Chris Dillon	Secretary Kellye Seekatz	Position 1 Trustee Rick Rivera	Position 3 Trustee Billy Moore	Position 4 Trustee Priscilla Ruiz	Position 6 Trustee Dr. Matthew Mix
Lodging	\$1,342.34	\$1,393.19	\$1,936.03	\$1,342.34	\$1,004.21	\$1,520.96	\$1,393.19	\$1,908.89
Meals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$485.00	\$485.00	\$485.00	\$485.00	\$485.00	\$485.00	\$485.00	\$485.00
Transportation	\$204.93	\$313.55	\$234.38	\$313.35	\$154.93	\$134.93	\$134.93	\$134.93
Total	\$2,032.27	\$2,191.74	\$2,655.41	\$2,140.69	\$1,644.14	\$2,140.89	\$2,013.12	\$2,528.82

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, 2022

Name(s) of Entity(ies)	Amount Received
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, 2022

	Superintendent Mr. Barry Edwards	President Ashley Mutschink	Vice President Billy Moore	Secretary Kellye Seekatz	Position 1 Trustee Rick Rivera	Position 4 Trustee Molly McClure	Position 5 Trustee Chris M. Dillon	Position 6 Trustee Dr. Matthew Mix
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note – An executive officer is defined as the Superintendent, unless the Board of Trustees or the District administration names additional staff under this classification for local officials.

Business Transactions Between School District and Board Members

For the Twelve-Month Period
 Ended June 30, 2022

	Superintendent Mr. Barry Edwards	President Ashley Mutschink	Vice President Billy Moore	Secretary Kellye Seekatz	Position 1 Trustee Rick Rivera	Position 4 Trustee Molly McClure	Position 5 Trustee Chris M. Dillon	Position 6 Trustee Dr. Matthew Mix
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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

Appendix

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 9th day of December 9, 2022 by and between the Board of Trustees (the "Board") of the Bastrop Independent School District (the "District") and Barry Edwards ("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 December 9, 2022 and ending on June 30, 2026. 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, the Board delegates to the Superintendent the final authority for employment of contractual personnel, as well as the final authority to employ and dismiss non-contractual employees on an at-will basis. 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 Two hundred fifty-five thousand, six hundred seventy-three dollars and 28/100 (\$255,673.28). This annual salary rate shall be paid to the Superintendent in equal installments consistent with the Board's policies.

3.2 **Salary Adjustments.** If teachers' salaries are increased in the annual budget adopted by the Board of Trustees for any year this contract is in effect, the Superintendent's base salary, set forth in Section 3.1 of the Contract, shall be increased by the same percentage as teachers' salaries are increased for that budget year. In addition, 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 **Teacher Retirement of Texas Supplement.** The Superintendent will participate in the Texas Retirement System ("TRS") according to applicable laws and regulations governing such participation. The District does hereby supplement the Superintendent's annual salary by an amount equal to the Superintendent's portion of the monthly contribution to the Texas Retirement System. This additional salary supplement shall be paid to the Superintendent in regular monthly payroll installments and shall be reported as "creditable" compensation for purposes of TRS, to the extent permitted by TRS.

3.4 **Expenses.** Subject to any District policies or practices, if any, the District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this contract. The District agrees to pay the actual and incidental costs incurred by the Superintendent for "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 to two organizations, and professional membership fees and dues to two state and two 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.

3.5 **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.

3.6 **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.

3.7 **Residency.** The Superintendent agrees to live in the District during his term as Superintendent.

3.8 **Annual Physical.** At the Board's request, 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.

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 60th 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.

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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;

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- 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 45th day before the first day of instruction of the following year. The Superintendent may resign, with the consent of the Board, at any other time.

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: *Billy Moore*
President, Board of Trustees - Billy Moore

SUPERINTENDENT

By: *Barry Edwards*
Barry Edwards

Executed this 13th day of December, 2022.

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