

Irving

Independent School District

2018-2019 Ratings for the

Annual Financial Management Report

(A Report on the School FIRST Accountability Rating System)

Fall 2019

Financial Integrity Rating System of Texas

Prepared by Gary Micinski, CPA
Chief Financial Officer

Presented to the Irving ISD Board of Trustees
and General Public on Monday, December 16, 2019

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The Fall 2018 Irving ISD Report

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ATTACHMENT 1: 46

The Fall 2018 Irving ISD Report (The prior year report is included with this report)

Overview of School FIRST

(Financial Integrity Rating System of Texas)

The FIRST (Financial Accountability Rating System of Texas) report represents an financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

FOR THE CURRENT-YEAR (Fall 2019) RATING, the School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts:

A = Superior

B = Above Standard

C = Meets Standard

F = Substandard Achievement

FOR THE CURRENT-YEAR (Fall 2019) RATING, the School FIRST accountability rating system assigns Irving ISD a rating of A = Superior.

FOR THE PRIOR-YEAR (Fall 2018) RATING, the School FIRST accountability rating system assigns Irving ISD a rating of A = Superior.

A 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. Its purpose is also to ensure that school districts will be held accountable for the quality of their financial management practices. The system is designed to encourage Texas public schools to manage their financial resources better in order to provide the maximum allocation possible for direct instructional purposes. The system will also disclose the quality of local management and decision-making processes that impact the allocation of financial resources in Texas public schools.

Other Ratings Include:

Fall 2016: Irving ISD's 2013-2014 School FIRST rating: Superior Achievement

Fall 2015: Irving ISD's 2013-2014 School FIRST rating: Superior Achievement

Fall 2014: Irving ISD's 2012-2013 School FIRST rating: Superior Achievement

Of the 15 indicators for the financial period ended August 31, 2018 the district received 98 out of a possible 100.

RATING YEAR DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON SCHOOL YEAR 2017-2018 DATA - DISTRICT STATUS DETAIL

| | |
|---------------------------------|---|
| Name: IRVING ISD(057912) | Publication Level 1: 8/7/2019 3:33:27 PM |
| Status: Passed | Publication Level 2: 8/8/2019 2:06:12 PM |
| Rating: A = Superior | Last Updated: 8/8/2019 2:06:12 PM |
| District Score: 98 | Passing Score: 60 |

| # | Indicator Description | Updated | 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? | 8/5/2019 11:05:35 PM | Yes |
| 2 | Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B. | | |
| 2.A | Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.) | 8/5/2019 11:05:35 PM | Yes |
| 2.B | Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) | 8/5/2019 11:05:35 PM | 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.) | 8/5/2019 11:05:36 PM | 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? | 8/5/2019 11:05:36 PM | Yes |
| 5 | This indicator is not being scored. | | |
| | | | 1 Multiplier Sum |
| 6 | Was the number of days of cash on hand and current investments in the general fund for the school | 8/5/2019 | 10 |

https://tealprod.tea.state.tx.us/First/forms/District.aspx?year=2017&district=057912

1/3

| | | | |
|----|---|----------------------|------------------|
| | <u>district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u> | 11:05:36 PM | |
| 7 | <u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u> | 8/5/2019 11:05:37 PM | 10 |
| 8 | <u>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.) (See ranges below.)</u> | 8/5/2019 11:05:37 PM | 8 |
| 9 | <u>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?</u> | 8/5/2019 11:05:38 PM | 10 |
| 10 | <u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u> | 8/5/2019 11:05:38 PM | 10 |
| 11 | <u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u> | 8/5/2019 11:05:39 PM | 10 |
| 12 | <u>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.)</u> | 8/5/2019 11:05:40 PM | 10 |
| 13 | <u>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?</u> | 8/5/2019 11:05:41 PM | 10 |
| 14 | <u>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.)</u> | 8/5/2019 11:05:41 PM | 10 |
| 15 | <u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u> | 8/5/2019 11:05:41 PM | 10 |
| | | | 98 Weighted Sum |
| | | | 1 Multiplier Sum |
| | | | 98 Score |

DETERMINATION OF RATING

| | |
|-----------|--|
| A. | Did the district answer 'No' to Indicators 1, 3, 4, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned. |
| B. | Determine the rating by the applicable number of points. (Indicators 6-15) |
| | A = Superior 90-100 |
| | B = Above Standard 80-89 |
| | C = Meets Standard 60-79 |

| | |
|---|-----|
| F = Substandard Achievement | <60 |
| 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. | |

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THE **TEXAS EDUCATION AGENCY**
1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.7.1.0

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 1

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Status | Passed |
| Last Updated: | 8/5/2019 11:05:35 PM |

FORMULA

| Field | Value |
|--|------------|
| Date Received | 2019/01/25 |
| <= Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End) | 2019/02/28 |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the audit report was on time or filed within 30 days of the deadline.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 2.A

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 8/5/2019 11:05:35 PM |

FORMULA

| Field | Value |
|--------------------|-----------------------------------|
| Unmodified Opinion | <input type="text" value="true"/> |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district received an unmodified opinion in the AFR.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 2.B

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 8/5/2019 11:05:35 PM |

FORMULA

| Field | Value |
|----------------------------|------------------------------------|
| Not Weak Internal Controls | <input type="text" value="false"/> |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the external auditor reported no material weaknesses in the audit report.

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DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 3

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 8/5/2019 11:05:36 PM |

FORMULA

| Field | Value |
|-------------------------|-------|
| Not Default Disclosures | false |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if there were no disclosures in the annual financial report and/or other sources of information concerning default on debt agreements.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 4

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Status | Passed |
| Last Updated: | 8/5/2019 11:05:36 PM |

FORMULA

| Field | Value |
|--|-------|
| Timely Payments to Government Agencies | true |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district made timely payments to the TRS, TWC, IRS, and other government agencies.

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 6

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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)? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:36 PM |

FORMULA

| Field | Value |
|---|-------------|
| (| |
| (| |
| Cash and Equivalents | 114,475,128 |
| + Current Investments | 5,995,737 |
|) | |
| / | |
| (| |
| Total Expenditures | 308,520,704 |
| - Facilities Acquisition and Construction | 1,296,950 |
|) | |
|) | |
| * | 365 |
| Mathematical Breakdown: 143.1265 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=90 | <90 >=75 | <74 >=60 | <60 >=45 | <45 >=30 | <30 |

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 7

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:37 PM |

FORMULA

| Field | Value |
|---------------------------------------|-------------|
| Current Assets | 167,118,651 |
| / Current Liabilities | 44,986,990 |
| Mathematical Breakdown: 3.7148 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=3.00 | <3.00 >=2.50 | <2.50 >=2.00 | <2.00 >=1.50 | <1.50 >=1.00 | <1.00 |

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Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 8

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) (See ranges below.) |
| Result/Points | 8 |
| Last Updated: | 8/5/2019 11:05:37 PM |

FORMULA

| Field | Value |
|---|-------------|
| (| |
| Long Term Liabilities | 463,554,799 |
| / | |
| Total Assets | 667,492,102 |
| <= 1 | |
|) | |
| Or | |
| (| |
| (| |
| 2018 Total Students | 33,901 |
| - 2014 Total Students | 35,259 |
|) | |
| / | |
| 2014 Total Students | 35,259 |
| >= Threshold for Five-Year Percent Change in Students | 0.07 |
|) | |

Mathematical Breakdown: 0.6945 <= 1 Or -0.0385 >= 0.07

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|-------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| <=0.60 | >0.60 <=0.70 | >0.70 <=0.80 | >0.80 <=0.90 | >0.90 <=1.00 | >1.00 |

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DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 9

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:38 PM |

FORMULA

| Field | Value |
|---|--|
| (Total Revenue | <input type="text" value="336,397,881"/> |
| / | |
| (Total Expenditures | <input type="text" value="308,520,704"/> |
| - Facilities Acquisition and Construction | <input type="text" value="1,296,950"/> |
|) | |
| - 1 | |
|) | |
| >= 0 | |
| Or | |
| (| |
| (Cash and Equivalents | <input type="text" value="114,475,128"/> |
| + Current Investments | <input type="text" value="5,995,737"/> |
|) | |
| / | |
| (Total Expenditures | <input type="text" value="308,520,704"/> |
| - Facilities Acquisition and Construction | <input type="text" value="1,296,950"/> |
|) | |
|) | |
| * 365 | |
| >= Acceptable Days Cash on Hand | <input type="text" value="60"/> |

Mathematical Breakdown: 0.095 >= 0 Or 143.1265 >= 60

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|----------|
| 10 | 0 |

12/4/2019

Indicator Test

>=0%

<0%

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DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 10

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:38 PM |

FORMULA

| Field | Value |
|--|-------------|
| (| |
| Total Revenues (in the General Fund and Debt Service Fund) | 367,406,844 |
| - Total Expenditures (in the General Fund and Debt Service Fund) | 355,233,737 |
| +Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund) | 46,713,033 |
| +Fund Code 599 (Ending Debt Service fund balance) | 5,751,970 |
| +Function Code 81 | 1,296,950 |
|) | |
| / Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund) | 46,713,033 |
| Mathematical Breakdown: 1.4115 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=1.20 | <1.20 >=1.15 | <1.15 >=1.10 | <1.10 >=1.05 | <1.05 >=1.00 | <1.00 |

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FIRST 5.7.1.0

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 11

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:39 PM |

FORMULA

| | |
|------------------------------------|---|
| Field | Value |
| District Administrative Cost Ratio | <input type="text" value="0.0582"/> |
| And | |
| ADA | <input type="text" value="31,581.862"/> |
| Or | |
| Sparse | <input type="text" value="FALSE"/> |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | | |
|--------------------------------|---------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------|
| ADA Size | 10 | 8 | 6 | 4 | 2 | 0 |
| 10,000 and Above | <= 0.0855 | > 0.0855 <= 0.1105 | > 0.1105 <= 0.1355 | > 0.1355 <= 0.1605 | > 0.1605 <= 0.1855 | > 0.1855 |
| 5,000 to 9,999 | <= 0.1000 | > 0.1000 <= 0.1250 | > 0.1250 <= 0.1500 | > 0.1500 <= 0.1750 | > 0.1750 <= 0.2000 | > 0.2000 |
| 1,000 to 4,999 | <= 0.1151 | > 0.1151 <= 0.1401 | > 0.1401 <= 0.1651 | > 0.1651 <= 0.1901 | > 0.1901 <= 0.2151 | > 0.2151 |
| 500 to 999 | <= 0.1311 | > 0.1311 <= 0.1561 | > 0.1561 <= 0.1811 | > 0.1811 <= 0.2061 | > 0.2061 <= 0.2311 | > 0.2311 |
| Less than 500 | <= 0.2404 | > 0.2404 <= 0.2654 | > 0.2654 <= 0.2904 | > 0.2904 <= 0.3154 | > 0.3154 <= 0.3404 | > 0.3404 |
| Sparse | <= 0.3364 | > 0.3364 <= 0.3614 | > 0.3614 <= 0.3864 | > 0.3864 <= 0.4114 | > 0.4114 <= 0.4364 | > 0.4364 |

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<https://tealprod.tea.state.tx.us/First/forms/Tests.aspx?year=2017&district=057912&test=Administrative Cost Ratio>

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 11

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:39 PM |

FORMULA

| | |
|------------------------------------|---|
| Field | Value |
| District Administrative Cost Ratio | <input type="text" value="0.0582"/> |
| And | |
| ADA | <input type="text" value="31,581.862"/> |
| Or | |
| Sparse | <input type="text" value="FALSE"/> |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | | |
|--------------------------------|---------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------|
| ADA Size | 10 | 8 | 6 | 4 | 2 | 0 |
| 10,000 and Above | <= 0.0855 | > 0.0855 <= 0.1105 | > 0.1105 <= 0.1355 | > 0.1355 <= 0.1605 | > 0.1605 <= 0.1855 | > 0.1855 |
| 5,000 to 9,999 | <= 0.1000 | > 0.1000 <= 0.1250 | > 0.1250 <= 0.1500 | > 0.1500 <= 0.1750 | > 0.1750 <= 0.2000 | > 0.2000 |
| 1,000 to 4,999 | <= 0.1151 | > 0.1151 <= 0.1401 | > 0.1401 <= 0.1651 | > 0.1651 <= 0.1901 | > 0.1901 <= 0.2151 | > 0.2151 |
| 500 to 999 | <= 0.1311 | > 0.1311 <= 0.1561 | > 0.1561 <= 0.1811 | > 0.1811 <= 0.2061 | > 0.2061 <= 0.2311 | > 0.2311 |
| Less than 500 | <= 0.2404 | > 0.2404 <= 0.2654 | > 0.2654 <= 0.2904 | > 0.2904 <= 0.3154 | > 0.3154 <= 0.3404 | > 0.3404 |
| Sparse | <= 0.3364 | > 0.3364 <= 0.3614 | > 0.3614 <= 0.3864 | > 0.3864 <= 0.4114 | > 0.4114 <= 0.4364 | > 0.4364 |

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<https://tealprod.tea.state.tx.us/First/forms/Tests.aspx?year=2017&district=057912&test=Administrative Cost Ratio>

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 12

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:40 PM |

FORMULA

| Field | Value |
|--|------------|
| (| |
| 2017-2018 Total Enrollment | 33,971 |
| / | |
| 2017-2018 Number of FTE Staff | 4,092.8912 |
|) | |
| / | |
| (| |
| 2015-2016 Total Enrollment | 34,929 |
| / | |
| 2015-2016 Number of FTE Staff | 4,104.3423 |
|) | |
| - | |
| 1 | |
| > | |
| Threshold for Three-Year Percent Change in Ratio | -0.15 |
| Or | |
| 2017-2018 Total Enrollment | 33,971 |
| - | |
| 2015-2016 Total Enrollment | 34,929 |
| > | |
| 0 | |
| Mathematical Breakdown: -0.0247 > -0.15 Or -958 > 0 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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THE TEXAS EDUCATION AGENCY
1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.7.1.0

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 13

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:41 PM |

FORMULA

| Field | Value |
|--------------------------------|-------------|
| Sum of Differences | 249 |
| / Denominator | 308,520,501 |
| < Acceptable Level of Variance | .03 |

Mathematical Breakdown: $0 < 0.03$

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------------|
| 10 | 0 |
| < 3% | >= 3% |

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FIRST 5.7.1.0

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 14

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:41 PM |

FORMULA

| Field | Value |
|-----------------------------|-------|
| Not Material Non-Compliance | false |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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FIRST 5.7.1.0

DISTRICT NUMBER



Financial Integrity Rating System of Texas

2018-2019 RATINGS BASED ON 2017-2018 SCHOOL YEAR DATA INDICATOR TEST 15

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship? |
| Result/Points | 10 |
| Last Updated: | 8/5/2019 11:05:41 PM |

FORMULA

| Field | Value |
|--------------------------------|-----------------------------------|
| No Adjusted Repayment Schedule | <input type="text" value="true"/> |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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 1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.7.1.0

Disclosures

Financial Integrity Rating System of Texas

Fall 2019

Reporting requirements for the financial management report for School FIRST public hearing are found in Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System.

Disclosures

Outside Compensation

Financial Integrity Rating System of Texas

Fall 2019

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2018

| | |
|---|--------|
| For the Twelve-Month Period Ended August 31, 2018 | |
| Name(s) of Entity(ies) | |
| None | \$0.00 |
| | |
| | |
| | |
| Total | \$0.00 |

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

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2018

| For the Twelve-month Period August 31, 2018 | Superintendent Dr. Jose Para | Board Member Larry Stipes | Board Member Randy Randle | Board Member Randy Necessary | Board Member Steven Jones |
|---|---------------------------------|------------------------------|------------------------------|---------------------------------|------------------------------|
| Description of Reimbursements | | | | | |
| Meals | \$148.22 | \$206.60 | \$233.40 | \$420.90 | \$125.12 |
| Lodging | 888.63 | 171.66 | 180.96 | - | - |
| Transportation | 606.51 | 364.78 | 615.86 | - | 30.00 |
| Motor Fuel | - | - | - | - | - |
| Other | 6,483.70 | 50.00 | 425.00 | 100.00 | 425.00 |
| Total | \$8,127.06 | \$793.04 | \$1,455.22 | \$520.90 | \$580.12 |

| For the Twelve-month Period August 31, 2018 | Board Member Nell Anne Hunt | Board Member Dinesh Mali | Board Member A.D. Jenkins | Board Member Nuzhat Hye |
|---|--------------------------------|-----------------------------|------------------------------|----------------------------|
| Description of Reimbursements | | | | |
| Meals | \$437.92 | \$414.50 | \$437.62 | \$40.00 |
| Lodging | 647.88 | - | - | - |
| Transportation | 263.15 | 290.32 | 47.77 | - |
| Motor Fuel | - | - | - | - |
| Other | 395.00 | - | 425.00 | 375.00 |
| Total | \$1,743.95 | \$704.82 | \$910.39 | \$415.00 |

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2018, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals – Meals consumed off the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

Disclosures

Gifts Received

Financial Integrity Rating System of Texas

Fall 2019

Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2018

| | | | | | |
|--|---------------------------------|------------------------------|------------------------------|---------------------------------|------------------------------|
| For the Twelve-Month Period August <u>31, 2018</u> | Superintendent Dr. Jose Para | Board Member Larry Stipes | Board Member Randy Randle | Board Member Randy Necessary | Board Member Steven Jones |
| Summary Amounts | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

| | | | | |
|--|--------------------------------|-----------------------------|------------------------------|----------------------------|
| For the Twelve-Month Period August <u>31, 2018</u> | Board Member Nell Anne Hunt | Board Member Dinesh Mali | Board Member A.D. Jenkins | Board Member Nuzhat Hye |
| Summary Amounts | \$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. Gifts received by first degree relatives, if any, will be reported under the applicable school official.

Note: The ISD had not received the return gift/transaction questions from Mr. Mali as of the date of this report, however, there are no known reportable transactions of which the ISD is aware.

Disclosures

Business Transactions

Financial Integrity Rating System of Texas

Fall 2019

Business Transactions Between School District and Board Members for Fiscal Year 2018

| For the Twelve-Month Period August <u>31, 2018</u> | Superintendent Dr. Jose Para | Board Member Larry Stipes | Board Member Randy Randle | Board Member Randy Necessary | Board Member Steven Jones |
|---|---------------------------------|------------------------------|------------------------------|---------------------------------|------------------------------|
| Summary Amounts | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

| For the Twelve-Month Period August <u>31, 2018</u> | Board Member Nell Anne Hunt | Board Member Dinesh Mali | Board Member A.D. Jenkins | Board Member Nuzhat Hye |
|---|--------------------------------|-----------------------------|------------------------------|----------------------------|
| Summary Amounts | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

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

Disclosures

Superintendent's Employment Contract

Financial Integrity Rating System of Texas

Fall 2019

Superintendent Term Contract

This Contract is entered into between the Board of Trustees (the "Board") of the IRVING INDEPENDENT SCHOOL DISTRICT (the "District") and Magda Hernandez (the "Superintendent").

WITNESSETH:

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

1. **Term.** The Board agrees to employ the Superintendent on a twelve-month basis per school year, starting December 18, 2018 and ending December 31, 2021, based on a 230-contract-day school year.
2. **Extension.** The Board and the Superintendent (collectively the "Parties") may extend the term of this Contract by agreement or as permitted by state law at any time during the Contract Term but not until after the Superintendent's second formal appraisal. Failure to extend a contract shall not constitute contract nonrenewal. No property interest, express or implied, is created in continued employment beyond the term of this Contract.
3. **Certification and Records.** The Superintendent agrees to maintain the required certification and experience records throughout the term of employment with the District, and all other records required for personnel or payroll purposes. If the Superintendent's certification expires, is canceled, or is revoked, then this Contract is void.
4. **Reassignment.** The parties agree that the Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.
5. **Representations.** The Superintendent makes the following representations:
 - 5.1 **Beginning of Contract:** At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of her national criminal history record information (NCHRI) if required by the District, the Texas Education Agency, or the State Board for Educator Certification. The Superintendent understands that a criminal history record acceptable to the Board, in its sole discretion, is a condition precedent to this Contract.

- 5.2 **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 for any felony, any offense involving moral turpitude, and any of the other mandatory reporting offenses as indicated in state or federal law or regulations or Board policy. 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.
- 5.3 **False Statements and Misrepresentations:** The Superintendent represents that any records or information provided in connection with her employment application, certification, employment history, and payroll and personnel records are true and correct. Any knowingly false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.
6. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to faithfully perform her duties as follows:
- 6.1 **Authority:** The Superintendent shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in federal and state law and regulations, Board policy, the job description, and as may be lawfully assigned by the Board, and shall comply with all lawful Board directives, state and federal law and regulations, Board policy, rules, and regulations as they exist or may hereafter be amended. The duties of the superintendent are as set forth in Texas Education Code §11.201(d), as may hereinafter be amended, including:
- (1) assuming administrative responsibility and leadership for the planning, organization, operation, supervision, and evaluation of the education programs, services, and facilities of the District and for the annual performance appraisal of the District's staff;
 - (2) except as provided by Education Code Section 11.202, assuming administrative authority and responsibility for the assignment, supervision, and evaluation of all personnel of the District other than the Superintendent;
 - (3) overseeing compliance with the standards for school facilities established by the commissioner under Education Code Section 46.008;
 - (4) initiating the termination or suspension of an employee or the nonrenewal of an employee's term contract;
 - (5) managing the day-to-day operations of the District as its administrative manager, including implementing and monitoring plans, procedures, programs, and systems to achieve clearly defined and desired results in major areas of district operations;

- (6) preparing and submitting to the board of trustees a proposed budget as provided by Section Education Code Section 44.002 and rules adopted under that section, and administering the budget;
- (7) preparing recommendations for policies to be adopted by the board of trustees and overseeing the implementation of adopted policies;
- (8) developing or causing to be developed appropriate administrative regulations to implement policies established by the board of trustees;
- (9) providing leadership for the attainment and, if necessary, improvement of student performance in the District based on the indicators adopted under Education Code Sections 39.053 and 39.301 and other indicators adopted by the commissioner or the District's board of trustees;
- (10) organizing the District's central administration;
- (11) consulting with the District-level committee as required under Education Code Section 11.252(f);
- (12) ensuring:
 - (A) adoption of a student code of conduct as required under Education Code Section 37.001 and enforcement of that code of conduct; and
 - (B) adoption and enforcement of other student disciplinary rules and procedures as necessary;
- (13) submitting reports as required by state or federal law, rule, or regulation;
- (14) providing joint leadership with the board of trustees to ensure that the responsibilities of the board and superintendent team are carried out; and
- (15) performing any other duties assigned by action of the board of trustees.

All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

6.2 Standard of Performance: Except as otherwise permitted by this Contract, the Superintendent agrees to devote her full time and energy to the performance of her duties. The Superintendent shall perform her duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal laws and regulations, Board policy and regulations as they exist or may hereafter be amended.

6.3 Evaluation:

6.3.1 Development of Goals. The Superintendent shall submit to the Board a preliminary list of goals for the District each year ("District Goals") for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve, or revise and approve, the list of District Goals. The Superintendent shall then submit to the Board for its revision or approval a plan to implement the goals and shall submit for approval, or revision and adoption, the Superintendent's recommended Superintendent Performance Goals. The Superintendent and the Board shall meet biannually to assess all of the District Goals and Superintendent Performance Goals and may adjust or revise the goals either by action of the

Board or upon recommendation of the Superintendent and approval, or revision and adoption, of the Board. The District Goals and the Superintendent Performance 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. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent responsibilities of this paragraph.

6.3.2 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; provided, however, the Board may conduct an evaluation of the Superintendent in closed session at any time, in its discretion, or at the request of the Superintendent. The Board's evaluation and assessment of the Superintendent shall be reasonably related to the duties of the Superintendent as outlined in state and federal statutes and regulations, Board policy, and the Superintendent's job description; and shall be based at least in part on the District's progress toward accomplishing the District Goals and the Superintendent's progress toward accomplishing the Superintendent's Performance Goals. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent annual responsibilities of this paragraph.

6.3.3 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. The Board shall adopt the completed evaluation in open session; provided, however, that such adoption shall not make the evaluation a public document.

6.3.4 Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the Board's policies and mandatory state and federal law, to the extent such exist; and may be based on the Commissioner of Education's guidelines regarding superintendent or administrator evaluations, or other formats and procedures developed by the Board. In the event that the Board members, collectively or individually, as a part of the evaluation process, determine that the performance of the Superintendent is unsatisfactory in any material respect, they shall describe in writing, in reasonable detail, the evaluation criteria on which the Superintendent is deemed deficient, and shall, to the extent possible, identify specific instances of unsatisfactory performance, which can be provided to the Superintendent by any individual board member. The evaluation may include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory, but the Superintendent shall be

expected to know how to improve her job performance once deficiencies are pointed out to her. A copy of the written evaluation shall be delivered to the Superintendent. Upon or immediately after delivery of the written evaluation to the Superintendent, the Board shall meet with the Superintendent to discuss the evaluation and the Superintendent's working relationship with the Board. The Superintendent shall have the right to make a written response to the evaluation within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. The Board, in its discretion, may meet with the Superintendent to discuss the Superintendent's response. 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, not less than one year, in the discretion of the Board, to demonstrate such expected performance before being evaluated on new performance expectations.

- 6.4 **Outside Employment:** With prior written consent of the Board after an open session vote, the Superintendent may serve as a consultant or undertake speaking engagements, writing, teaching or other professional duties and obligations outside the District (referred to collectively herein as "Consulting Services") that do not conflict or interfere with the Superintendent's professional responsibilities to the District, and which shall be at no expense to the District. The Superintendent may accept a reimbursement of expenses for such Consulting Services at no expense to the District. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law, including, but not limited to Texas Education Code Section 11.201(e). For any outside employment, the Superintendent agrees to comply with applicable ethics rules, laws, and Board policy regarding reporting potential and actual conflicts of interest. In addition, the Superintendent agrees to provide information regarding income from such activities to the District as necessary for financial reporting requirements.
- 6.5 **Professional and Civic Activities.** The Superintendent is encouraged to participate in professional growth activities and civic activities, which shall be reimbursed as provided below. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent, as the Board deems appropriate, to attend such

seminars, courses or meetings.

6.6 **Board Meetings.** The Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, or the Superintendent's evaluation, or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal, or when the Board is meeting with the internal auditor on a matter which the Board reasonably determines requires exclusion of the Superintendent. In the event of illness or Board-approved absence, the Superintendent's designee, subject to advanced approval by the board president, shall attend such meetings.

6.7 **Criticisms, Complaints, and Suggestions.** The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the entire Board in writing of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies. Provided, however, nothing in this section shall be construed to limit or inhibit in any manner any employee's statutory right to talk to any board member, the board members' rights to talk to community members and employees, or the board members' right to talk to the internal auditor, and the Superintendent shall not retaliate in any manner against any employee or community member who speaks directly to any Board member.

7. **Annual Compensation.** The District shall pay the Superintendent an annual salary as follows:

7.1 **Salary:** An annual salary of TWO HUNDRED FIFTY-FIVE THOUSAND DOLLARS AND NO/100 (\$255,000.00) shall be payable in twelve (12) monthly installments in accordance with the District's standard payroll practices and shall be subject to all appropriate withholding. Subject to and without waiving any Constitutional and/or other challenges by the Superintendent, the Superintendent acknowledges that the District may have certain rights pursuant to Education Code Sections 21.212(f), 21.4022 and/or 21.4021.

7.2 **Salary Increases:** The Board, in its sole discretion, may award salary increases at any constitutionally-permissible time through an amendment to this Contract, provided, however, that the Superintendent's salary increase percentage shall never be greater than the highest salary increase percentage received by District professional staff. The salary for the remaining years' of the Contract shall not be less than the salary stated in this Contract, except as

required by paragraph 7.1 of this Contract or by mutual written agreement of the parties.

- 7.3 **Benefits:** The District shall provide benefits to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase those benefits, at the Board's sole discretion. In addition, the Board agrees to provide the Superintendent the following benefits:
- 7.3.1 **Car Allowance:** The Board shall provide the Superintendent with an automobile allowance for travel within the Dallas-Fort Worth Metroplex (within a radius of forty (40) miles from the District Administrative Offices) in the sum of One Thousand and No/100 Dollars (\$1,000.00) per month.
- 7.3.2 **Medical Insurance Premiums:** The District shall pay on behalf of the Superintendent medical insurance premiums in the same amount as that paid by the District on behalf of other full-time employees.
- 7.3.3 **Vacations, Sick Leave, and Holidays:** The Superintendent shall receive three weeks' (15 work days) vacation per year. Vacation days may accrue and carry over up to a maximum of ten (10) days' of unused vacation from the year in which they were provided, for an annual maximum of 25 days. These vacation days shall have no cash value upon retirement, resignation or voluntary or involuntary termination of employment, but may be used in accordance with Board policy and this Contract. The Superintendent shall also observe the same holidays and breaks as provided for other 12-month administrators in the Board's adopted annual calendar and shall be eligible for any leave or leave reimbursement upon retirement available to other employees under state law or Board policy. The vacation days taken by the Superintendent will be taken at times that will least interfere with the performance of the Superintendent's duties, and will only be taken after written notification to the Board President.
- 7.3.4 **Business Expense Reimbursements:** The District shall reimburse the Superintendent, according to Board policy, for reasonable expenses incurred by the Superintendent in the performance of the Superintendent's duties. The District agrees to pay the actual and incidental costs incurred by the Superintendent for out-of-Metroplex (in excess of a 40-mile radius from the District Administrative Offices) District-related travel, in accordance with the adopted budget, the Board's policies, and District practice related to reimbursement. Such actual or incidental costs may include, but are not limited to, mileage or rental car expense, hotels and accommodations, meals, economy

class air travel, and other reasonable expenses incurred in the performance of the business of the District. The Superintendent shall comply with all reimbursement procedures and documentation requirements in accordance with Board policies and District practice.

7.3.5 Membership Dues: The Board encourages the Superintendent to become a member of and participate in local and state civic and professional activities, to be chosen in the Superintendent's discretion. The Board concludes that such membership will serve a legitimate purpose related to the educational mission of the District. The District will reimburse the Superintendent for the reasonable expenses of membership in said organizations, subject to Board approval. Provided, however, the Board hereby approves the Superintendent's membership in the following organizations: Texas Association of School Administrators, American Association of School Administrators, Association of Latino Administrators and Supervisors, Irving Chamber of Commerce, Hispanic Chamber of Commerce, Texas School Alliance, National School Board Association, Texas Association of Latino Superintendents and Supervisors, and Texas Association of School Boards.

7.3.6 Professional Growth Activities: The Superintendent shall attend appropriate professional meetings at the local, state, and national levels, with advance approval of the Board. The District shall reimburse the Superintendent for reasonable actual expenses incurred in attending such activities in accordance with the adopted budget and the Board's policies regarding expense reimbursements, per paragraph 7.3.4.

7.3.7 Technology: The Superintendent shall be provided a mobile telephone for business use, in accordance with District practice, and at District's expense. In addition, the District shall provide the Superintendent with a laptop computer and/or tablet for professional use, at the sole expense of the District, and in accordance with District practice.

- 8. Residence:** The Superintendent shall maintain a residence within the geographic boundaries of the District.
- 9. Suspension/Termination.** In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent with pay at any time during the term of this Contract or may suspend the Superintendent without pay or dismiss the Superintendent during the term of the Contract for "good cause" as determined by the Board. The term "good cause" is defined to include, but shall not be limited to, the following:

- (a) Failure to perform the Superintendent's duties in the scope of employment that a person of ordinary prudence would have done under same or similar circumstances, and which is inconsistent with the continued existence of the employer-employee relationship;
- (b) Failure to fulfill duties or responsibilities as set forth in state or federal statute or regulation, Board policy, Board or District goals, Board directives, or under the terms and conditions of this Contract;
- (c) Deficiencies, incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written or oral 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 incompetency or inefficiency, unless such deficiency, incompetence or inefficiency constitutes "good cause" for immediate employment termination under Texas law;
- (d) Insubordination or failure to comply with lawful written Board directives, or oral directives of the Board given at a lawfully-called meeting of the Board;
- (e) Failure to comply with applicable state or federal laws, regulations, the Board's policies or the District's administrative regulations;
- (f) Neglect of duties, whether resulting from action or inaction on the part of the Superintendent, or whether resulting from excessive absences, not otherwise protected by law, in excess of available leave;
- (g) Drunkenness or excessive use of alcoholic beverages;
- (h) Illegal possession, use, manufacture, or distribution of controlled substances, dangerous drugs, drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act or other criminal laws;
- (i) Conviction of or deferred adjudication for a felony, a crime under Texas Education Code Section 22.085, a crime listed as an excludable offense under Board policy, or a crime involving moral turpitude, or conduct constituting one of the above offenses, or conviction of a lesser-included offense pursuant to a plea deal when the original charged offense is a felony;
- (j) Failure to meet the District's, federal, State or common law standards of professional conduct;
- (k) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
- (l) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
- (m) 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 criminal acts, fraud, theft, dishonesty, deceit, corruption, indecency, or depravity;
- (n) Physical threats, explosive temper, or assault on a community member, parent, Board member, District contractor, employee or student, or other behavior that presents a danger of physical harm to herself or others;
 - (o) Knowingly falsifying records or documents related to the District's activities or communications with the Board; or knowingly making any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required employment application, certification, employment history, criminal history, or payroll and personnel records;
 - (p) Conscious misrepresentation of facts or intentional withholding of pertinent information to the Board or other District, federal, state or local officials in the conduct of the District's business;
 - (q) Failure to fulfill or maintain requirements for superintendent certification;
 - (r) A breach of the duty of trust or failure to take reasonable steps to maintain an effective, close, positive, and professional working relationship with the Board; or,
 - (s) Any other reason constituting "good cause" under Texas law for terminating the Contract during the term of the Contract.

In the event that the Board terminates this Contract or suspends the Superintendent without pay for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies and state and federal law.

10. **Nonrenewal or Resignation of Contract.** Nonrenewal of this Contract, or resignation under this Contract, will be pursuant to Texas Education Code Chapter 21 and applicable Board policies. Provided, however, this Contract shall terminate on the retirement or death of the Superintendent; or may be terminated by mutual agreement of the Superintendent and the Board upon mutually-agreed-upon terms and conditions. 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 unilaterally resign this Contract at the end of the Contract term, or may resign with the consent of the Board at any other time.
11. **Indemnification:** To the extent permitted by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 101, 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 legal proceedings brought against the Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, acting within the course and scope of the Superintendent's employment (Covered

Claim).

The term "Covered Claim" excludes any demands, claims, suits, actions, judgments, expenses, and attorneys' fees where it is determined 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.

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. This indemnity provision shall survive the termination of this Contract.

While employed as the Superintendent of the District, 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. After the Superintendent is no longer employed by the District, the Superintendent agrees to reasonably 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 reasonable cooperation, the District shall reimburse the Superintendent's reasonable related expenses, including travel and lodging expenses and any salary lost by virtue of her taking time off from her then-current employment to assist the District at its request, if the Superintendent is no longer an employee of the District. Requests for assistance from the Superintendent with respect to such matters shall be made through the Board of Trustees' President, any successor superintendent, and/or legal counsel for the District, and the amount to be reimbursed to the Superintendent shall be mutually agreed upon in advance. The Parties' obligations under this paragraph shall continue after the termination of this Contract.

12. **General Provisions.**

12.1 **Amendment:** This Contract may not be amended except by written agreement of the Parties.

12.2 **Severability:** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.

- 12.3 **Entire Agreement:** All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract constitutes the entire agreement between the Parties.
- 12.4 **Controlling Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that mandatory and exclusive venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be in state district court in Dallas County.
- 12.5 **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 meaning of the paragraphs that follow them.
- 12.6 **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.
- 12.7 **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.

13. **Notices.**

- 13.1 **To Superintendent:** The Superintendent agrees to keep a current address 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, and/or express delivery service to the Superintendent's address of record.
- 13.2 **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, and/or express delivery service, to the Board President and Vice President's addresses of record, as provided to the District.

Superintendent Contract Signature Page:

The contract was signed by Superintendent Magda Hernandez, President Randy Randle, and Secretary Nuzhat Hye on the December 18, 2019.

Disclosures

Other Information

Financial Integrity Rating System of Texas

Fall 2019

- Fall 2019 Bond Rating Maintained
- Staff
- HB 3
- Biggest Challenges Financially:
 - (1) Student Safety
 - (2) Understanding the Stabilization of Student Population
 - (3) Cyber-security
 - (4) Maintenance of Facilities / Capital Projects w/o Bond Issue
 - (5) HB 3 Funding
 - (6) Compliance

Attachment A

Irving ISD FIRST Report (2016-2017) Reported November 2018

Irving

Independent School District

2017-2018 Ratings for the

Annual Financial Management Report

(A Report on the School FIRST Accountability Rating System)

Fall 2018

Prepared by Gary Micinski, CPA
Chief Financial Officer

Presented to the Irving ISD Board of Trustees
and General Public on Monday, November 12, 2018

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report

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The Fall 2018 Irving ISD Report

- 2016-2017 School District's Rating Summary 2
- Rating Detail 5
- Disclosures: Financial 21
- Disclosures: Superintendent's Contract 25

The Fall 2017 Irving ISD Report (The prior year report is included with this report)

- 2015-2016 District Rating Summary 39
- Disclosures: Financial 42
- Disclosures: Superintendent's Contract 46

Overview of School FIRST

(Financial Integrity Rating System of Texas)

The FIRST (Financial Accountability Rating System of Texas) report represents an financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

FOR THE CURRENT-YEAR (Fall 2018) RATING, the School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts:

A = Superior (Earned by Irving ISD for this report)

B = Above Standard

C = Meets Standard

F = Substandard Achievement

FOR THE PRIOR-YEAR (Fall 2017) RATING, the School FIRST accountability rating system assigns Irving ISD a rating of A = Superior.

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. Its purpose is also to ensure that school districts will be held accountable for the quality of their financial management practices. The system is designed to encourage Texas public schools to manage their financial resources better in order to provide the maximum allocation possible for direct instructional purposes. The system will also disclose the quality of local management and decision-making processes that impact the allocation of financial resources in Texas public schools.

Other Ratings Include:

Fall 2016: Irving ISD's 2013-2014 School FIRST rating: Superior Achievement

Fall 2015: Irving ISD's 2013-2014 School FIRST rating: Superior Achievement

Fall 2014: Irving ISD's 2012-2013 School FIRST rating: Superior Achievement

Of the 15 indicators for the financial period ended August 31, 2017 the district received 96 out of a possible 100.

Overview of School FIRST

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA - DISTRICT STATUS DETAIL

| | |
|---------------------------------|--|
| Name: IRVING ISD(057912) | Publication Level 1: 8/6/2018 2:48:24 PM |
| Status: Passed | Publication Level 2: 8/8/2018 12:11:29 PM |
| Rating: A = Superior | Last Updated: 8/8/2018 12:11:29 PM |
| District Score: 96 | Passing Score: 60 |

| # | Indicator Description | Updated | Score |
|-----|---|----------------------------|-------|
| 1 | <u>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?</u> | 4/20/2018 8:25:45 AM | Yes |
| 2 | Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B. | | |
| 2.A | <u>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.)</u> | 4/20/2018 8:25:45 AM | Yes |
| 2.B | <u>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.)</u> | 4/20/2018 8:25:45 AM | Yes |
| 3 | <u>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.)</u> | 4/20/2018 8:25:46 AM | Yes |
| 4 | <u>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?</u> | 4/20/2018 8:25:46 AM | Yes |
| 5 | <u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (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.)</u> | 4/20/2018 8:25:46 AM | Yes |
| | | | 1 |

| | | | Multiplier Sum |
|----|---|-----------------------------|------------------------|
| 6 | <u>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)? (See ranges below.)</u> | 4/20/2018 8:25:46 AM | 10 |
| 7 | <u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u> | 4/20/2018 8:25:46 AM | 10 |
| 8 | <u>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.) (See ranges below.)</u> | 4/20/2018 8:25:47 AM | 6 |
| 9 | <u>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?</u> | 4/20/2018 8:25:47 AM | 10 |
| 10 | <u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u> | 4/20/2018 8:25:47 AM | 10 |
| 11 | <u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u> | 4/20/2018 8:25:48 AM | 10 |
| 12 | <u>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.)</u> | 6/19/2018 11:07:39 AM | 10 |
| 13 | <u>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?</u> | 4/20/2018 8:25:48 AM | 10 |
| 14 | <u>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.)</u> | 4/20/2018 8:25:49 AM | 10 |
| 15 | <u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u> | 4/20/2018 8:25:49 AM | 10 |
| | | | 96 Weighted Sum |
| | | | 1 Multiplier Sum |
| | | | 96 Score |

DETERMINATION OF RATING

| | | |
|-----------|---|--------|
| A. | Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned. | |
| B. | Determine the rating by the applicable number of points. (Indicators 6-15) | |
| | A = Superior | 90-100 |

| | |
|-----------------------------|-------|
| B = Above Standard | 80-89 |
| C = Meets Standard | 60-79 |
| F = Substandard Achievement | <60 |

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.

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FIRST 5.4.1.0



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 1

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Status | Passed |
| Last Updated: | 4/20/2018 8:25:45 AM |

FORMULA

| Field | Value |
|--|------------|
| Date Received | 2018/01/25 |
| <= Due Date (Fiscal Year End + Deadline in Days After Fiscal Year End) | 2018/02/28 |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the audit report was on time or filed within 30 days of the deadline.

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 2.A

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 4/20/2018 8:25:45 AM |

FORMULA

| Field | Value |
|--------------------|-------|
| Unmodified Opinion | true |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district received an unmodified opinion in the AFR.

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 2.B

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 4/20/2018 8:25:45 AM |

FORMULA

| Field | Value |
|----------------------------|-------|
| Not Weak Internal Controls | false |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the external auditor reported no material weaknesses in the audit report.

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Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 3

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Status | Passed |
| Last Updated: | 4/20/2018 8:25:46 AM |

FORMULA

| Field | Value |
|-------------------------|-------|
| Not Default Disclosures | false |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if there were no disclosures in the annual financial report and/or other sources of information concerning default on debt agreements.

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 4

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Status: | Passed |
| Last Updated: | 4/20/2018 8:25:46 AM |

FORMULA

| Field | Value |
|--|-------|
| Timely Payments to Government Agencies | true |

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if the district made timely payments to the TRS, TWC, IRS, and other government agencies.

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 5

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (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.) |
| Status | Passed |
| Last Updated: | 4/20/2018 8:25:46 AM |

FORMULA

| Field | Value |
|--|------------|
| (| |
| (| |
| 2016-2017 Total Membership | 34,725 |
| - 2012-2013 Total Membership | 34,961 |
|) | |
| / 2012-2013 Total Membership | 34,961 |
| >= Threshold for Five-Year Percent Change in Students | 0.07 |
|) | |
| Or | |
| (| |
| (| |
| Total Unrestricted Net Position Balance | 32,925,745 |
| + Accretion of Interest for Capital Appreciation Bonds | 23,501,770 |
| + Net Pension Liability | 85,416,214 |
|) | |
| > 0 | |
|) | |

Mathematical Breakdown: -0.0068 >= 0.07 Or 141,843,729 > 0

RESULT DETERMINATION REFERENCE

This indicator will be considered PASSED if EITHER of the following CONDITIONS is TRUE:
 1. The District's Five-Year Percent Change in Students was 7% or MORE.
 ---- OR ----
 2. The sum of Total Unrestricted Net Asset Balance in the governmental activities column in the Statement of Net Assets, Accretion of Interest for Capital Appreciation Bonds, and Net Pension Liability, as applicable, was GREATER THAN ZERO.

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 6

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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)? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:46 AM |

FORMULA

| Field | Value |
|---|-------------|
| (| |
| (| |
| Cash and Equivalents | 109,856,183 |
| + Current Investments | 12,995,737 |
|) | |
| / | |
| (| |
| Total Expenditures | 305,606,427 |
| - Facilities Acquisition and Construction | 7,389,401 |
|) | |
|) | |
| * 365 | |
| Mathematical Breakdown: 150.3635 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|-------------------------|----------|----------|----------|----------|-----|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=90 | <90 >=75 | <74 >=60 | <60 >=45 | <45 >=30 | <30 |

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Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 7

| | |
|---------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:46 AM |

FORMULA

| Field | Value |
|---------------------------------------|-------------|
| Current Assets | 162,872,852 |
| / Current Liabilities | 45,722,535 |
| Mathematical Breakdown: 3.5622 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=3.00 | <3.00 >=2.50 | <2.50 >=2.00 | <2.00 >=1.50 | <1.50 >=1.00 | <1.00 |

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 8

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) (See ranges below.) |
| Result/Points | 6 |
| Last Updated: | 4/20/2018 8:25:47 AM |

FORMULA

| Field | Value |
|---|-------------|
| (| |
| Long Term Liabilities | 500,368,769 |
| / | |
| Total Assets | 674,248,726 |
| <= 1 | |
|) | |
| Or | |
| (| |
| (| |
| 2017 Total Students | 34,725 |
| - 2013 Total Students | 34,961 |
|) | |
| / | |
| 2013 Total Students | 34,961 |
| >= Threshold for Five-Year Percent Change in Students | 0.07 |
|) | |
| Mathematical Breakdown: 0.7421 <= 1 Or -0.0068 >= 0.07 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|-------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| <=0.60 | >0.60 <=0.70 | >0.70 <=0.80 | >0.80 <=0.90 | >0.90 <=1.00 | >1.00 |

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FIRST 5.4.1.0

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 9

| | |
|----------------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:47 AM |

FORMULA

| Field | Value |
|---|-------------|
| (| |
| Total Revenue | 335,372,897 |
| / | |
| (| |
| Total Expenditures | 305,606,427 |
| - Facilities Acquisition and Construction | 7,389,401 |
|) | |
| - 1 | |
|) | |
| >= 0 | |
| Or | |
| (| |
| (| |
| Cash and Equivalents | 109,856,183 |
| + Current Investments | 12,995,737 |
|) | |
| / | |
| (| |
| Total Expenditures | 305,606,427 |
| - Facilities Acquisition and Construction | 7,389,401 |
|) | |
|) | |
| * 365 | |
| >= Acceptable Days Cash on Hand | 60 |

Mathematical Breakdown: 0.1246 >= 0 Or 150.3635 >= 60

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|----------|
| 10 | 0 |

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 10

| | |
|----------------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:47 AM |

FORMULA

| Field | Value |
|--|-------------|
| (| |
| Total Revenues (in the General Fund and Debt Service Fund) | 370,192,602 |
| - Total Expenditures (in the General Fund and Debt Service Fund) | 352,503,868 |
| + Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund) | 46,897,441 |
| + Fund Code 599 (Ending Debt Service fund balance) | 6,909,699 |
| + Function Code 81 | 7,389,401 |
|) | |
| / Debt Service function codes 71, 72, and 73 (in the General Fund and Debt Service Fund) | 46,897,441 |
| Mathematical Breakdown: 1.6821 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|
| 10 | 8 | 6 | 4 | 2 | 0 |
| >=1.20 | <1.20 >=1.15 | <1.15 >=1.10 | <1.10 >=1.05 | <1.05 >=1.00 | <1.00 |

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 11

| | |
|---------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.) |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:48 AM |

FORMULA

| Field | Value |
|------------------------------------|-----------|
| District Administrative Cost Ratio | 0.0582 |
| And ADA | 32,275.39 |
| Or Sparse | FALSE |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | | | | | | |
|-------------------------|-----------|--------------------|--------------------|--------------------|--------------------|----------|
| ADA Size | 10 | 8 | 6 | 4 | 2 | 0 |
| 10,000 and Above | <= 0.0855 | > 0.0855 <= 0.1105 | > 0.1105 <= 0.1355 | > 0.1355 <= 0.1605 | > 0.1605 <= 0.1855 | > 0.1855 |
| 5,000 to 9,999 | <= 0.1000 | > 0.1000 <= 0.1250 | > 0.1250 <= 0.1500 | > 0.1500 <= 0.1750 | > 0.1750 <= 0.2000 | > 0.2000 |
| 1,000 to 4,999 | <= 0.1151 | > 0.1151 <= 0.1401 | > 0.1401 <= 0.1651 | > 0.1651 <= 0.1901 | > 0.1901 <= 0.2151 | > 0.2151 |
| 500 to 999 | <= 0.1311 | > 0.1311 <= 0.1561 | > 0.1561 <= 0.1811 | > 0.1811 <= 0.2061 | > 0.2061 <= 0.2311 | > 0.2311 |
| Less than 500 | <= 0.2404 | > 0.2404 <= 0.2654 | > 0.2654 <= 0.2904 | > 0.2904 <= 0.3154 | > 0.3154 <= 0.3404 | > 0.3404 |
| Sparse | <= 0.3364 | > 0.3364 <= 0.3614 | > 0.3614 <= 0.3864 | > 0.3864 <= 0.4114 | > 0.4114 <= 0.4364 | > 0.4364 |



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 12

| | |
|---------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Result/Points | 10 |
| Last Updated: | 6/19/2018 11:07:39 AM |

FORMULA

| Field | Value |
|---|------------|
| (2016-2017 Total Enrollment | 34,792 |
| / 2016-2017 Number of FTE Staff | 4,134.018 |
|) | |
| (2014-2015 Total Enrollment | 35,191 |
| / 2014-2015 Number of FTE Staff | 4,182.1938 |
|) | |
| - 1 | |
| > Threshold for Three-Year Percent Change in Ratio | -0.15 |
| Or | |
| 2016-2017 Total Enrollment | 34,792 |
| - 2014-2015 Total Enrollment | 35,191 |
| > 0 | |
| Mathematical Breakdown: 0.0002 > -0.15 Or -399 > 0 | |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 13

| | |
|---------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | 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? |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:48 AM |

FORMULA

| Field | Value |
|--------------------------------|-------------|
| Sum of Differences | 354 |
| / Denominator | 305,606,209 |
| < Acceptable Level of Variance | .03 |

Mathematical Breakdown: $0 < 0.03$

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------------|
| 10 | 0 |
| < 3% | >= 3% |

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 14

| | |
|---------------|---|
| Name: | IRVING ISD (057912) |
| Indicator: | 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.) |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:49 AM |

FORMULA

| Field | Value |
|-----------------------------|-------|
| Not Material Non-Compliance | false |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON 2016-2017 SCHOOL YEAR DATA INDICATOR TEST 15

| | |
|---------------|--|
| Name: | IRVING ISD (057912) |
| Indicator: | Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship? |
| Result/Points | 10 |
| Last Updated: | 4/20/2018 8:25:49 AM |

FORMULA

| Field | Value |
|--------------------------------|-------|
| No Adjusted Repayment Schedule | true |

RESULT DETERMINATION REFERENCE

| DETERMINATION OF POINTS | |
|-------------------------|-----------|
| 10 | 0 |
| Yes | No |

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Disclosures

Reporting requirements for the financial management report for Schools FIRST public hearing are found in **Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System**. This rule describes requirements for the six (6) disclosures explained below that are to be presented as appendices in the Schools FIRST financial management report.

1. Superintendent's Employment Contract

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2018. In lieu of publication in the Schools 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.

As of November 12, 2018, the "acting superintendent" is Magda Hernandez. At this time the Board has not issued an "acting superintendent" contract. Prior to the appointment of Ms. Hernandez, the superintendent was Jose Parra. A copy of that contract is attached.



Disclosures

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2017

For the Twelve-month Period
Ended August 31, 2017

| Reimbursements | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Meals | 264.58 | 64.88 | 171.36 | 74.40 | 24.90 |
| Lodging | 1,588.73 | 347.92 | 1,088.53 | 347.92 | 1,310.55 |
| Transportation | 663.41 | | 250.20 | 361.15 | 288.40 |
| Motor Fuel | | | | | |
| Other | 2,707.08 | 525.00 | 427.25 | 525.00 | 1,070.00 |
| Total | 5,223.80 | 937.80 | 1,937.34 | 1,308.47 | 2,693.85 |

For the Twelve-month Period
Ended August 31, 2017

| Reimbursements | Board Member Dinesh Mali | Board Member Randy Necessary | Board Member A. D. Jenkins |
|----------------|-----------------------------|---------------------------------|-------------------------------|
| Meals | 35.96 | 50.80 | 22.63 |
| Lodging | 662.67 | 347.92 | 773.10 |
| Transportation | 594.90 | 442.57 | 586.68 |
| Motor Fuel | | | |
| Other | 1,145.00 | 685.00 | 425.00 |
| Total | 2,438.53 | 1,526.29 | 1,807.41 |

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2017, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals – Meals consumed off of the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Disclosures

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2017

| | |
|---|------|
| For the Twelve-Month Period Ended August 31, 2017 | |
| Name(s) of Entity(ies) | |
| NONE | 0.00 |
| | |
| Total | 0.00 |

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

4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2017

For the Twelve-month Period Ended August 31, 2017

| | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|-----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

For the Twelve-month Period Ended August 31, 2017

| | Board Member Dinesh Mali | Board Member Randy Necessary | Board Member A.D. Jenkins |
|-----------------|-----------------------------|---------------------------------|------------------------------|
| Summary Amounts | 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. Gifts received by first degree relatives, if any, will be reported under the applicable school official.



Disclosures

5. Business Transactions Between School District and Board Members for Fiscal Year 2017

For the Twelve-month Period
Ended August 31, 2017

| | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|-----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

For the Twelve-month Period
Ended August 31, 2017

| | Board Member Dinesh Mali | Board Member Randy Necessary | Board Member A.D. Jenkins |
|----------------|-----------------------------|---------------------------------|------------------------------|
| Summary Amount | 0.00 | 0.00 | 0.00 |

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

Item 6 Other Information.

- Any other information the board of trustees of the school district or open-enrollment charter school determines to be useful.

NONE

Amended Superintendent Term Contract

This Amended Contract is entered into between the Board of Trustees (the "Board") of the IRVING INDEPENDENT SCHOOL DISTRICT (the "District") and Dr. Jose Parra (the "Superintendent").

WITNESSETH:

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

1. **Term.** The Board agrees to continue to employ the Superintendent on a twelve-month basis per school year, starting September 1, 2017 and ending August 31, 2022, based on a 230-contract-day school year.
2. **Extension.** The Board and the Superintendent (collectively the "Parties") may extend the term of this Contract by agreement or as permitted by state law at any time during the Contract Term but not until after the Superintendent's second formal appraisal. Failure to extend a contract shall not constitute contract nonrenewal. No property interest, express or implied, is created in continued employment beyond the term of this Contract.
3. **Certification and Records.** The Superintendent agrees to maintain the required certification and experience records throughout the term of employment with the District, and all other records required for personnel or payroll purposes. If the Superintendent's certification expires, is canceled, or is revoked, then this Contract is void.
4. **Reassignment.** The parties agree that the Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.
5. **Representations.** The Superintendent makes the following representations:
 - 5.1 **Beginning of Contract:** At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of his national criminal history record information (NCHRI) if required by the District, the Texas Education Agency, or the State Board for Educator Certification. The Superintendent understands that a criminal history record acceptable to the Board, in its sole discretion, is a condition precedent to this Contract.
 - 5.2 **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 for any felony, any offense involving moral turpitude, and any of the other mandatory reporting offenses as indicated in state or federal law or regulations or Board policy. 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.

5.3 **False Statements and Misrepresentations:** The Superintendent represents that any records or information provided in connection with his employment application, certification, employment history, and payroll and personnel records are true and correct. Any knowingly false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.

6. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to faithfully perform his duties as follows:

6.1 **Authority:** The Superintendent shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in federal and state law and regulations, Board policy, the job description, and as may be lawfully assigned by the Board, and shall comply with all lawful Board directives, state and federal law and regulations, Board policy, rules, and regulations as they exist or may hereafter be amended. The duties of the superintendent are as set forth in Texas Education Code §11.201(d), as may hereinafter be amended, including:

- (1) assuming administrative responsibility and leadership for the planning, organization, operation, supervision, and evaluation of the education programs, services, and facilities of the district and for the annual performance appraisal of the district's staff;
- (2) except as provided by Education Code Section 11.202, assuming administrative authority and responsibility for the assignment, supervision, and evaluation of all personnel of the district other than the superintendent;
- (3) overseeing compliance with the standards for school facilities established by the commissioner under Education Code Section 46.008;
- (4) initiating the termination or suspension of an employee or the nonrenewal of an employee's term contract;
- (5) managing the day-to-day operations of the district as its administrative manager, including implementing and monitoring plans, procedures, programs, and systems to achieve clearly defined and desired results in major areas of district operations;
- (6) preparing and submitting to the board of trustees a proposed budget as provided by Section Education Code Section 44.002 and rules adopted under that section, and administering the budget;
- (7) preparing recommendations for policies to be adopted by the board of trustees

- (8) and overseeing the implementation of adopted policies; developing or causing to be developed appropriate administrative regulations to implement policies established by the board of trustees;
- (9) providing leadership for the attainment and, if necessary, improvement of student performance in the district based on the indicators adopted under Education Code Sections 39.053 and 39.301 and other indicators adopted by the commissioner or the district's board of trustees;
- (10) organizing the district's central administration;
- (11) consulting with the district-level committee as required under Education Code Section 11.252(f);
- (12) ensuring:
 - (A) adoption of a student code of conduct as required under Education Code Section 37.001 and enforcement of that code of conduct; and
 - (B) adoption and enforcement of other student disciplinary rules and procedures as necessary;
- (13) submitting reports as required by state or federal law, rule, or regulation;
- (14) providing joint leadership with the board of trustees to ensure that the responsibilities of the board and superintendent team are carried out; and
- (15) performing any other duties assigned by action of the board of trustees.

All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

6.2 **Standard of Performance:** Except as otherwise permitted by this Contract, the Superintendent agrees to devote his full time and energy to the performance of his duties. The Superintendent shall perform his duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal laws and regulations, Board policy and regulations as they exist or may hereafter be amended.

6.3 **Evaluation:**

6.3.1 **Development of Goals.** The Superintendent shall submit to the Board a preliminary list of goals for the District each year ("District Goals") for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve, or revise and approve, the list of District Goals. The Superintendent shall then submit to the Board for its revision or approval a plan to implement the goals and shall submit for approval, or revision and adoption, the Superintendent's recommended Superintendent Performance Goals. The Superintendent and the Board shall meet biannually to assess all of the District Goals and Superintendent Performance Goals and may adjust or revise the goals either by action of the Board or upon recommendation of the Superintendent and approval, or revision and adoption, of the Board. The District Goals and the Superintendent Performance 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. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent responsibilities of this paragraph.

6.3.2 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; provided, however, the Board may conduct an evaluation of the Superintendent in closed session at any time, in its discretion, or at the request of the Superintendent. The Board's evaluation and assessment of the Superintendent shall be reasonably related to the duties of the Superintendent as outlined in state and federal statutes and regulations, Board policy, and the Superintendent's job description; and shall be based at least in part on the District's progress toward accomplishing the District Goals and the Superintendent's progress toward accomplishing the Superintendent's Performance Goals. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent annual responsibilities of this paragraph.

6.3.3 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. The Board shall adopt the completed evaluation in open session; provided, however, that such adoption shall not make the evaluation a public document.

6.3.4 Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the Board's policies and mandatory state and federal law, to the extent such exist; and may be based on the Commissioner of Education's guidelines regarding superintendent or administrator evaluations, or other formats and procedures developed by the Board. In the event that the Board members, collectively or individually, as a part of the evaluation process, determine that the performance of the Superintendent is unsatisfactory in any material respect, they shall describe in writing, in reasonable detail, the evaluation criteria on which the Superintendent is deemed deficient, and shall, to the extent possible, identify specific instances of unsatisfactory performance, which can be provided to the Superintendent by any individual board member. The evaluation may include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory, but the Superintendent shall be expected to know how to improve his job performance once deficiencies are pointed out to him. A copy of the written evaluation shall be delivered to the Superintendent. Upon or immediately after delivery of the written evaluation to the Superintendent, the Board shall meet with the Superintendent to discuss

the evaluation and the Superintendent's working relationship with the Board. The Superintendent shall have the right to make a written response to the evaluation within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. The Board, in its discretion, may meet with the Superintendent to discuss the Superintendent's response. 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, in the discretion of the Board, to demonstrate such expected performance before being evaluated.

- 6.4 **Outside Employment:** With prior written consent of the Board after an open session vote, the Superintendent may serve as a consultant or undertake speaking engagements, writing, teaching or other professional duties and obligations outside the District (referred to collectively herein as "Consulting Services") that do not conflict or interfere with the Superintendent's professional responsibilities to the District, and which shall be at no expense to the District. The Superintendent may accept a reimbursement of expenses for such Consulting Services at no expense to the District. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law, including, but not limited to Texas Education Code Section 11.201(e). For any outside employment, the Superintendent agrees to comply with applicable ethics rules, laws, and Board policy regarding reporting potential and actual conflicts of interest. In addition, the Superintendent agrees to provide information regarding income from such activities to the District as necessary for financial reporting requirements.

- 6.5 **Professional and Civic Activities.** The Superintendent is encouraged to participate in professional growth activities and civic activities, which shall be reimbursed as provided below. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent, as the Board deems appropriate, to attend such seminars, courses or meetings.

- 6.6 **Board Meetings.** The Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of

action on the Superintendent's Contract, or the Superintendent's evaluation, or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal, or when the Board is meeting with the internal auditor on a matter which the Board reasonably determines requires exclusion of the Superintendent. In the event of illness or Board-approved absence, the Superintendent's designee, subject to advanced approval by the board president, shall attend such meetings.

- 6.7 **Criticisms, Complaints, and Suggestions.** The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the entire Board in writing of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies. Provided, however, nothing in this section shall be construed to limit or inhibit in any manner any employee's statutory right to talk to any board member, the board members' rights to talk to community members and employees, or the board members' right to talk to the internal auditor, and the Superintendent shall not retaliate in any manner against any employee or community member who speaks directly to any Board member.
7. **Annual Compensation.** The District shall pay the Superintendent an annual salary as follows:
- 7.1 **Salary:** An annual salary of TWO HUNDRED SEVENTY THOUSAND, FIVE HUNDRED TWENTY-NINE DOLLARS AND FIFTY CENTS (\$270,529.50) shall be payable in twelve (12) monthly installments in accordance with the District's standard payroll practices, and shall be subject to all appropriate withholding. Subject to and without waiving any Constitutional and/or other challenges by the Superintendent, the Superintendent acknowledges that the District may have certain rights pursuant to Education Code Sections 21.212(f), 21.4022 and/or 21.4021.
- 7.2 **Salary Increases:** The Board, in its sole discretion, may award salary increases on an annual basis through an amendment to this Contract, provided, however, that the Superintendent's salary increase percentage shall never be greater than the highest salary increase percentage received by District professional staff. The salary for the remaining years' of the Contract shall not be less than the salary stated in this Contract, except as required by paragraph 7.1 of this Contract or by mutual written agreement of the parties.
- 7.3 **Benefits:** The District shall provide benefits to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or

increase those benefits, at the Board's sole discretion. In addition, the Board agrees to provide the Superintendent the following benefits:

- 7.3.1 **Car Allowance:** The Board shall provide the Superintendent with an automobile allowance for travel within the Dallas-Fort Worth Metroplex (within a radius of forty (40) miles from the District Administrative Offices) in the sum of One Thousand and No/100 Dollars (\$1,000.00) per month.
- 7.3.2 **Medical Insurance Premiums:** The District shall pay on behalf of the Superintendent medical insurance premiums in the same amount as that paid by the District on behalf of other full-time employees.
- 7.3.3 **Vacations, Sick Leave, and Holidays:** The Superintendent shall receive three weeks' (15 work days) vacation per year. Vacation days may accrue and carry over up to a maximum of ten (10) days' of unused vacation from the year in which they were provided, for an annual maximum of 25 days. These vacation days shall have no cash value upon retirement, resignation or voluntary or involuntary termination of employment, but may be used in accordance with Board policy and this Contract. The Superintendent shall also observe the same holidays and breaks as provided for other 12-month administrators in the Board's adopted annual calendar and shall be eligible for any leave or leave reimbursement upon retirement available to other employees under state law or Board policy. The vacation days taken by the Superintendent will be taken at times that will least interfere with the performance of the Superintendent's duties, and will only be taken after written notification to the Board President. Provided, however, the Superintendent shall be allowed to take three non-contract, vacation, or local or state leave days, twice per year, to attend an out-of-state conference at the Superintendent's own expense, for the Superintendent's own personal professional development.
- 7.3.4 **Business Expense Reimbursements:** The District shall reimburse the Superintendent, according to Board policy, for reasonable expenses incurred by the Superintendent in the performance of the Superintendent's duties. The District agrees to pay the actual and incidental costs incurred by the Superintendent for out-of-Metroplex (in excess of a 40-mile radius from the District Administrative Offices) District-related travel, in accordance with the adopted budget, the Board's policies, and District practice related to reimbursement. Such actual or incidental costs may include, but are not limited to, mileage or rental car expense, hotels and accommodations, meals, economy class air travel, and other reasonable expenses incurred in the performance of the business of the District. The Superintendent shall

comply with all reimbursement procedures and documentation requirements in accordance with Board policies and District practice.

7.3.5 **Membership Dues:** The Board encourages the Superintendent to become a member of and participate in local and state civic and professional activities, to be chosen in the Superintendent's discretion. The Board concludes that such membership will serve a legitimate purpose related to the educational mission of the District. The District will reimburse the Superintendent for the reasonable expenses of membership in said organizations, subject to Board approval. Provided, however, the Board hereby approves the Superintendent's membership in the following organizations: Texas Association of School Administrators, American Association of School Administrators, Association of Latino Administrators and Supervisors, Irving Chamber of Commerce, Hispanic Chamber of Commerce, Texas School Alliance, National School Board Association, and Texas Association of School Boards.

7.3.6 **Professional Growth Activities:** The Superintendent shall attend appropriate professional meetings at the local, state, and national levels, with advance approval of the Board. The District shall reimburse the Superintendent for reasonable actual expenses incurred in attending such activities in accordance with the adopted budget and the Board's policies regarding expense reimbursements, per paragraph 7.3.4.

7.3.7. **Technology:** The Superintendent shall be provided a mobile telephone for both business and personal use, in accordance with District practice, and at District's expense. In addition, the District shall provide the Superintendent with a laptop computer and/or tablet for both professional and personal use, at the sole expense of the District, and in accordance with District practice.

8. **Residence:** The Superintendent shall maintain a residence within the geographic boundaries of the District.
9. **Suspension/Termination.** In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent with pay at any time during the term of this Contract, or may suspend the Superintendent without pay or dismiss the Superintendent during the term of the Contract for "good cause" as determined by the Board. The term "good cause" is defined to include, but shall not be limited to, the following:
 - (a) Failure to perform the Superintendent's duties in the scope of employment that a person of ordinary prudence would have done

- under same or similar circumstances, and which is inconsistent with the continued existence of the employer-employee relationship;
- (b) Failure to fulfill duties or responsibilities as set forth in state or federal statute or regulation, Board policy, Board or District goals, Board directives, or under the terms and conditions of this Contract;
 - (c) Deficiencies, incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written or oral 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 incompetency or inefficiency, unless such deficiency, incompetence or inefficiency constitutes "good cause" for immediate employment termination under Texas law;
 - (d) Insubordination or failure to comply with lawful written Board directives, or oral directives of the Board given at a lawfully-called meeting of the Board;
 - (e) Failure to comply with applicable state or federal laws, regulations, the Board's policies or the District's administrative regulations;
 - (f) Neglect of duties, whether resulting from action or inaction on the part of the Superintendent, or whether resulting from excessive absences, not otherwise protected by law, in excess of available leave;
 - (g) Drunkenness or excessive use of alcoholic beverages;
 - (h) Illegal possession, use, manufacture, or distribution of controlled substances, dangerous drugs, drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act or other criminal laws;
 - (i) Conviction of or deferred adjudication for a felony, a crime under Texas Education Code Section 22.085, a crime listed as an excludable offense under Board policy, or a crime involving moral turpitude, or conduct constituting one of the above offenses, or conviction of a lesser-included offense pursuant to a plea deal when the original charged offense is a felony;
 - (j) Failure to meet the District's, federal, State or common law standards of professional conduct;
 - (k) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
 - (l) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
 - (m) 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 criminal acts, fraud, theft, dishonesty, deceit, corruption, indecency, or depravity;

- (n) Physical threats, explosive temper, or assault on a community member, parent, Board member, District contractor, employee or student, or other behavior that presents a danger of physical harm to himself or others;
- (o) Knowingly falsifying records or documents related to the District's activities or communications with the Board; or knowingly making any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required employment application, certification, employment history, criminal history, or payroll and personnel records;
- (p) Conscious misrepresentation of facts or intentional withholding of pertinent information to the Board or other District, federal, state or local officials in the conduct of the District's business;
- (q) Failure to fulfill or maintain requirements for superintendent certification;
- (r) A breach of the duty of trust or failure to take reasonable steps to maintain an effective, close, positive, and professional working relationship with the Board; or,
- (s) Any other reason constituting "good cause" under Texas law for terminating the Contract during the term of the Contract.

In the event that the Board terminates this Contract or suspends the Superintendent without pay for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies and state and federal law.

- 10. **Nonrenewal or Resignation of Contract.** Nonrenewal of this Contract, or resignation under this Contract, will be pursuant to Texas Education Code Chapter 21 and applicable Board policies. Provided, however, this Contract shall terminate on the retirement or death of the Superintendent; or may be terminated by mutual agreement of the Superintendent and the Board upon mutually-agreed-upon terms and conditions. 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 unilaterally resign this Contract at the end of the Contract term, or may resign with the consent of the Board at any other time.
- 11. **Indemnification:** To the extent permitted by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 101, 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 legal proceedings brought against the Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, acting within the course and scope of the Superintendent's employment (Covered Claim).

The term "Covered Claim" excludes any demands, claims, suits, actions, judgments, expenses, and attorneys' fees where it is determined 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.

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. This indemnity provision shall survive the termination of this Contract.

While employed as the Superintendent of the District, 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. After the Superintendent is no longer employed by the District, the Superintendent agrees to reasonably 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 reasonable cooperation, the District shall reimburse the Superintendent's reasonable related expenses, including travel and lodging expenses and any salary lost by virtue of his taking time off from his then-current employment to assist the District at its request, if the Superintendent is no longer an employee of the District. Requests for assistance from the Superintendent with respect to such matters shall be made through the Board of Trustees' President, any successor superintendent, and/or legal counsel for the District, and the amount to be reimbursed to the Superintendent shall be mutually agreed upon in advance. The Parties' obligations under this paragraph shall continue after the termination of this Contract.

12. **General Provisions.**

12.1 **Amendment:** This Contract may not be amended except by written agreement of the Parties.

12.2 **Severability:** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.

12.3 **Entire Agreement:** All existing agreements and contracts, both verbal and

written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract constitutes the entire agreement between the Parties.

- 12.4 **Controlling Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that mandatory and exclusive venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be in state district court in Dallas County.
- 12.5 **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 meaning of the paragraphs that follow them.
- 12.6 **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.
- 12.7 **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.
13. **Notices.**
- 13.1 **To Superintendent:** The Superintendent agrees to keep a current address 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, and/or express delivery service to the Superintendent's address of record.
- 13.2 **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, and/or express delivery service, to the Board President and Vice President's addresses of record, as provided to the District.

Irving ISD
Superintendent Contract Signature Page
September - 2017

| | | |
|--------------------------------------|-----------------|--------|
| Signed by <i>Dr. Jose Parra</i> | Superintendent | 9/6/17 |
| Signed by <i>Mr. Larry Stipes</i> | Board President | 9/6/17 |
| Signed by <i>Mr. Randy Necessary</i> | Board Secretary | 9/6/17 |

**IRVING
INDEPENDENT SCHOOL DISTRICT**

**2016-2017 Ratings for the
Annual Financial Management Report**

(A report on the School FIRST Accountability Rating System)

Fall 2017

**Prior-year Fall 2017 First Report Summary
to be included with the Fall 2018 report.**

Prepared by Gary Micinski
Chief Financial Officer

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report



Financial Integrity Rating System of Texas

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

| | |
|----------------------------------|---|
| Name: IRVING ISD (057912) | Publication Level 1: 8/8/2017 2:29:29 PM |
| Status: Passed | Publication Level 2: 8/8/2017 2:29:29 PM |
| Rating: A = Superior | Last Updated: 8/8/2017 2:29:29 PM |
| District Score: 96 | Passing Score: 60 |

| # | Indicator Description | Updated | 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? | 3/28/2017 11:22:01 AM | Yes |
| 2 | Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A, or to both indicators 2.A and 2.B. | | |
| 2.A | Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.) | 3/28/2017 11:22:01 AM | Yes |
| 2.B | Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) | 3/28/2017 11:22:02 AM | 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.) | 3/28/2017 11:22:02 AM | 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? | 3/28/2017 11:22:02 AM | Yes |
| 5 | Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) | 3/28/2017 11:22:02 AM | Yes |
| | | | 1 |

Attachment A to the December 2019 IISD FIRST Report: Prior Year IISD FIRST Report

| | | | Multiplier Sum |
|----|--|-----------------------------|------------------------|
| 6 | <u>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)? (See ranges below.)</u> | 3/28/2017 11:22:03 AM | 10 |
| 7 | <u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u> | 3/28/2017 11:22:03 AM | 10 |
| 8 | <u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u> | 3/28/2017 11:22:03 AM | 8 |
| 9 | <u>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?</u> | 3/28/2017 11:22:04 AM | 10 |
| 10 | <u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u> | 5/18/2017 12:20:46 PM | 8 |
| 11 | <u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u> | 3/28/2017 11:22:04 AM | 10 |
| 12 | <u>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.)</u> | 6/21/2017 8:15:50 PM | 10 |
| 13 | <u>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?</u> | 3/28/2017 11:22:05 AM | 10 |
| 14 | <u>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.)</u> | 3/28/2017 11:22:05 AM | 10 |
| 15 | <u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u> | 3/28/2017 11:22:06 AM | 10 |
| | | | 96 Weighted Sum |
| | | | 1 Multiplier Sum |
| | | | 96 Score |

DETERMINATION OF RATING

| | | |
|-----------|---|--------|
| A. | Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned. | |
| B. | Determine the rating by the applicable number of points. (Indicators 6-15) | |
| | A = Superior | 90-100 |

| | |
|------------------------------------|-------|
| B = Above Standard | 80-89 |
| C = Meets Standard | 60-79 |
| F = Substandard Achievement | <60 |

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.

Home Page: [Financial Accountability](#) | Send comments or suggestions to FinancialAccountability@tea.texas.gov

THE TEXAS EDUCATION AGENCY
 1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.4.1.0



Disclosures

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2016

For the Twelve-month Period
Ended August 31, 2016

| Reimbursements | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Meals | 55.09 | 17.36 | | 17.36 | 15.62 |
| Lodging | 982.83 | | 935.35 | | 1,439.18 |
| Transportation | 852.97 | | | 303.59 | 719.20 |
| Motor Fuel | | | | | |
| Other | 920.00 | 125.00 | 480.00 | 125.00 | 985.00 |
| Total | 2,810.89 | 142.36 | 1,415.35 | 445.95 | 3,159.00 |

For the Twelve-month Period
Ended August 31, 2016

| Reimbursements | Board Member Dinesh Mali | Board Member Lee Mosty | Board Member Randy Necessary | Board Member A. D. Jenkins |
|----------------|-----------------------------|---------------------------|---------------------------------|-------------------------------|
| Meals | | 25.00 | 17.36 | |
| Lodging | | | | |
| Transportation | 282.03 | 344.36 | | |
| Motor Fuel | | | | |
| Other | 175.00 | | | 700.00 |
| Total | 457.03 | 369.36 | 17.36 | 700.00 |

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2016, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals – Meals consumed off of the school district’s premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental), taxis, mileage reimbursements, leased cars, parking and tolls.

Motor fuel – Gasoline.

Other - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.



Disclosures

2. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2016

| | |
|--|------|
| For the Twelve-Month Period Ended June 30 or August 31, 2016 | |
| Name(s) of Entity(ies) | |
| NONE | 0.00 |
| | |
| Total | 0.00 |

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

3. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2016

For the Twelve-month Period Ended August 31, 2016

| | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|-----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

For the Twelve-month Period Ended August 31, 2016

| | Board Member Dinesh Mali | Board Member Lee Mosty | Board Member Randy Necessary | Board Member A. D. Jenkins |
|-----------------|-----------------------------|---------------------------|---------------------------------|-------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 |

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. (Any gifts received by their immediate family as described in Government Code, Chapter 573, Subchapter B, Relationships by Consanguinity or by Affinity will be reported under the applicable school official.)



Disclosures

4. Business Transactions Between School District and Board Members for Fiscal Year 2016

For the Twelve-month Period
Ended August 31, 2016

| | Superintendent Jose Parra | Board Member Randy Randle | Board Member Steven Jones | Board Member Larry Stipes | Board Member Nell Anne Hunt |
|-----------------|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

For the Twelve-month Period
Ended August 31, 2016

| | Board Member Dinesh Mali | Board Member Lee Mosty | Board Member Randy Necessary | Board Member A. D. Jenkins |
|-----------------|-----------------------------|---------------------------|---------------------------------|-------------------------------|
| Summary Amounts | 0.00 | 0.00 | 0.00 | 0.00 |

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

Item 6 Other Information.

5. Any other information the board of trustees of the school district or open-enrollment charter school determines to be useful.

None



Disclosures

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

1. Superintendent's Employment Contract

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2017. In lieu of publication in the Schools FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site. **If published on the Internet**, the contract is to remain accessible for twelve months.

Amended Superintendent Term Contract

This Amended Contract is entered into between the Board of Trustees (the "Board") of the IRVING INDEPENDENT SCHOOL DISTRICT (the "District") and Dr. Jose Parra (the "Superintendent").

WITNESSETH:

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

1. **Term.** The Board agrees to continue to employ the Superintendent on a twelve-month basis per school year, starting September 1, 2017 and ending August 31, 2022, based on a 230-contract-day school year.
2. **Extension.** The Board and the Superintendent (collectively the "Parties") may extend the term of this Contract by agreement or as permitted by state law at any time during the Contract Term but not until after the Superintendent's second formal appraisal. Failure to extend a contract shall not constitute contract nonrenewal. No property interest, express or implied, is created in continued employment beyond the term of this Contract.
3. **Certification and Records.** The Superintendent agrees to maintain the required certification and experience records throughout the term of employment with the District, and all other records required for personnel or payroll purposes. If the Superintendent's certification expires, is canceled, or is revoked, then this Contract is void.
4. **Reassignment.** The parties agree that the Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's express written consent.
5. **Representations.** The Superintendent makes the following representations:
 - 5.1 **Beginning of Contract:** At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of his national criminal history record information (NCHRI) if required by the District, the Texas Education Agency, or the State Board for Educator Certification. The Superintendent understands that a criminal history record acceptable to the Board, in its sole discretion, is a condition precedent to this Contract.
 - 5.2 **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 for any felony, any offense involving moral turpitude, and any of the other mandatory reporting offenses as indicated in state or federal law or regulations or Board policy. 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.

5.3 **False Statements and Misrepresentations:** The Superintendent represents that any records or information provided in connection with his employment application, certification, employment history, and payroll and personnel records are true and correct. Any knowingly false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.

6. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to faithfully perform his duties as follows:

6.1 **Authority:** The Superintendent shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in federal and state law and regulations, Board policy, the job description, and as may be lawfully assigned by the Board, and shall comply with all lawful Board directives, state and federal law and regulations, Board policy, rules, and regulations as they exist or may hereafter be amended. The duties of the superintendent are as set forth in Texas Education Code §11.201(d), as may hereinafter be amended, including:

- (1) assuming administrative responsibility and leadership for the planning, organization, operation, supervision, and evaluation of the education programs, services, and facilities of the district and for the annual performance appraisal of the district's staff;
- (2) except as provided by Education Code Section 11.202, assuming administrative authority and responsibility for the assignment, supervision, and evaluation of all personnel of the district other than the superintendent;
- (3) overseeing compliance with the standards for school facilities established by the commissioner under Education Code Section 46.008;
- (4) initiating the termination or suspension of an employee or the nonrenewal of an employee's term contract;
- (5) managing the day-to-day operations of the district as its administrative manager, including implementing and monitoring plans, procedures, programs, and systems to achieve clearly defined and desired results in major areas of district operations;
- (6) preparing and submitting to the board of trustees a proposed budget as provided by Section Education Code Section 44.002 and rules adopted under that section, and administering the budget;
- (7) preparing recommendations for policies to be adopted by the board of trustees

- (8) and overseeing the implementation of adopted policies;
- (8) developing or causing to be developed appropriate administrative regulations to implement policies established by the board of trustees;
- (9) providing leadership for the attainment and, if necessary, improvement of student performance in the district based on the indicators adopted under Education Code Sections 39.053 and 39.301 and other indicators adopted by the commissioner or the district's board of trustees;
- (10) organizing the district's central administration;
- (11) consulting with the district-level committee as required under Education Code Section 11.252(f);
- (12) ensuring:
 - (A) adoption of a student code of conduct as required under Education Code Section 37.001 and enforcement of that code of conduct; and
 - (B) adoption and enforcement of other student disciplinary rules and procedures as necessary;
- (13) submitting reports as required by state or federal law, rule, or regulation;
- (14) providing joint leadership with the board of trustees to ensure that the responsibilities of the board and superintendent team are carried out; and
- (15) performing any other duties assigned by action of the board of trustees.

All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

- 6.2 **Standard of Performance:** Except as otherwise permitted by this Contract, the Superintendent agrees to devote his full time and energy to the performance of his duties. The Superintendent shall perform his duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal laws and regulations, Board policy and regulations as they exist or may hereafter be amended.

6.3 **Evaluation:**

6.3.1 **Development of Goals.** The Superintendent shall submit to the Board a preliminary list of goals for the District each year ("District Goals") for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve, or revise and approve, the list of District Goals. The Superintendent shall then submit to the Board for its revision or approval a plan to implement the goals and shall submit for approval, or revision and adoption, the Superintendent's recommended Superintendent Performance Goals. The Superintendent and the Board shall meet biannually to assess all of the District Goals and Superintendent Performance Goals and may adjust or revise the goals either by action of the Board or upon recommendation of the Superintendent and approval, or revision and adoption, of the Board. The District Goals and the Superintendent Performance 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. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent responsibilities of this paragraph.

6.3.2 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; provided, however, the Board may conduct an evaluation of the Superintendent in closed session at any time, in its discretion, or at the request of the Superintendent. The Board's evaluation and assessment of the Superintendent shall be reasonably related to the duties of the Superintendent as outlined in state and federal statutes and regulations, Board policy, and the Superintendent's job description; and shall be based at least in part on the District's progress toward accomplishing the District Goals and the Superintendent's progress toward accomplishing the Superintendent's Performance Goals. The Superintendent shall be responsible for placing on the Board's meeting agendas the meetings necessary to accomplish the Board and Superintendent annual responsibilities of this paragraph.

6.3.3 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. The Board shall adopt the completed evaluation in open session; provided, however, that such adoption shall not make the evaluation a public document.

6.3.4 Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the Board's policies and mandatory state and federal law, to the extent such exist; and may be based on the Commissioner of Education's guidelines regarding superintendent or administrator evaluations, or other formats and procedures developed by the Board. In the event that the Board members, collectively or individually, as a part of the evaluation process, determine that the performance of the Superintendent is unsatisfactory in any material respect, they shall describe in writing, in reasonable detail, the evaluation criteria on which the Superintendent is deemed deficient, and shall, to the extent possible, identify specific instances of unsatisfactory performance, which can be provided to the Superintendent by any individual board member. The evaluation may include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory, but the Superintendent shall be expected to know how to improve his job performance once deficiencies are pointed out to him. A copy of the written evaluation shall be delivered to the Superintendent. Upon or immediately after delivery of the written evaluation to the Superintendent, the Board shall meet with the Superintendent to discuss

the evaluation and the Superintendent's working relationship with the Board. The Superintendent shall have the right to make a written response to the evaluation within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. The Board, in its discretion, may meet with the Superintendent to discuss the Superintendent's response. 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, in the discretion of the Board, to demonstrate such expected performance before being evaluated.

- 6.4 **Outside Employment:** With prior written consent of the Board after an open session vote, the Superintendent may serve as a consultant or undertake speaking engagements, writing, teaching or other professional duties and obligations outside the District (referred to collectively herein as "Consulting Services") that do not conflict or interfere with the Superintendent's professional responsibilities to the District, and which shall be at no expense to the District. The Superintendent may accept a reimbursement of expenses for such Consulting Services at no expense to the District. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law, including, but not limited to Texas Education Code Section 11.201(e). For any outside employment, the Superintendent agrees to comply with applicable ethics rules, laws, and Board policy regarding reporting potential and actual conflicts of interest. In addition, the Superintendent agrees to provide information regarding income from such activities to the District as necessary for financial reporting requirements.
- 6.5 **Professional and Civic Activities.** The Superintendent is encouraged to participate in professional growth activities and civic activities, which shall be reimbursed as provided below. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent, as the Board deems appropriate, to attend such seminars, courses or meetings.
- 6.6 **Board Meetings.** The Superintendent shall attend, and shall be permitted to attend, all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of

action on the Superintendent's Contract, or the Superintendent's evaluation, or for purposes of resolving conflicts between individual Board members, or when the Board is acting in its capacity as a tribunal, or when the Board is meeting with the internal auditor on a matter which the Board reasonably determines requires exclusion of the Superintendent. In the event of illness or Board-approved absence, the Superintendent's designee, subject to advanced approval by the board president, shall attend such meetings.

- 6.7 **Criticisms, Complaints, and Suggestions.** The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the entire Board in writing of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies. Provided, however, nothing in this section shall be construed to limit or inhibit in any manner any employee's statutory right to talk to any board member, the board members' rights to talk to community members and employees, or the board members' right to talk to the internal auditor, and the Superintendent shall not retaliate in any manner against any employee or community member who speaks directly to any Board member.

7. **Annual Compensation.** The District shall pay the Superintendent an annual salary as follows:

7.1 **Salary:** An annual salary of TWO HUNDRED SEVENTY THOUSAND, FIVE HUNDRED TWENTY-NINE DOLLARS AND FIFTY CENTS (\$270,529.50) shall be payable in twelve (12) monthly installments in accordance with the District's standard payroll practices, and shall be subject to all appropriate withholding. Subject to and without waiving any Constitutional and/or other challenges by the Superintendent, the Superintendent acknowledges that the District may have certain rights pursuant to Education Code Sections 21.212(f), 21.4022 and/or 21.4021.

7.2 **Salary Increases:** The Board, in its sole discretion, may award salary increases on an annual basis through an amendment to this Contract, provided, however, that the Superintendent's salary increase percentage shall never be greater than the highest salary increase percentage received by District professional staff. The salary for the remaining years' of the Contract shall not be less than the salary stated in this Contract, except as required by paragraph 7.1 of this Contract or by mutual written agreement of the parties.

7.3 **Benefits:** The District shall provide benefits to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or

increase those benefits, at the Board's sole discretion. In addition, the Board agrees to provide the Superintendent the following benefits:

- 7.3.1 **Car Allowance:** The Board shall provide the Superintendent with an automobile allowance for travel within the Dallas-Fort Worth Metroplex (within a radius of forty (40) miles from the District Administrative Offices) in the sum of One Thousand and No/100 Dollars (\$1,000.00) per month.
- 7.3.2 **Medical Insurance Premiums:** The District shall pay on behalf of the Superintendent medical insurance premiums in the same amount as that paid by the District on behalf of other full-time employees.
- 7.3.3 **Vacations, Sick Leave, and Holidays:** The Superintendent shall receive three weeks' (15 work days) vacation per year. Vacation days may accrue and carry over up to a maximum of ten (10) days' of unused vacation from the year in which they were provided, for an annual maximum of 25 days. These vacation days shall have no cash value upon retirement, resignation or voluntary or involuntary termination of employment, but may be used in accordance with Board policy and this Contract. The Superintendent shall also observe the same holidays and breaks as provided for other 12-month administrators in the Board's adopted annual calendar and shall be eligible for any leave or leave reimbursement upon retirement available to other employees under state law or Board policy. The vacation days taken by the Superintendent will be taken at times that will least interfere with the performance of the Superintendent's duties, and will only be taken after written notification to the Board President. Provided, however, the Superintendent shall be allowed to take three non-contract, vacation, or local or state leave days, twice per year, to attend an out-of-state conference at the Superintendent's own expense, for the Superintendent's own personal professional development.
- 7.3.4 **Business Expense Reimbursements:** The District shall reimburse the Superintendent, according to Board policy, for reasonable expenses incurred by the Superintendent in the performance of the Superintendent's duties. The District agrees to pay the actual and incidental costs incurred by the Superintendent for out-of-Metroplex (in excess of a 40-mile radius from the District Administrative Offices) District-related travel, in accordance with the adopted budget, the Board's policies, and District practice related to reimbursement. Such actual or incidental costs may include, but are not limited to, mileage or rental car expense, hotels and accommodations, meals, economy class air travel, and other reasonable expenses incurred in the performance of the business of the District. The Superintendent shall

comply with all reimbursement procedures and documentation requirements in accordance with Board policies and District practice.

- 7.3.5 **Membership Dues:** The Board encourages the Superintendent to become a member of and participate in local and state civic and professional activities, to be chosen in the Superintendent's discretion. The Board concludes that such membership will serve a legitimate purpose related to the educational mission of the District. The District will reimburse the Superintendent for the reasonable expenses of membership in said organizations, subject to Board approval. Provided, however, the Board hereby approves the Superintendent's membership in the following organizations: Texas Association of School Administrators, American Association of School Administrators, Association of Latino Administrators and Supervisors, Irving Chamber of Commerce, Hispanic Chamber of Commerce, Texas School Alliance, National School Board Association, and Texas Association of School Boards.
- 7.3.6 **Professional Growth Activities:** The Superintendent shall attend appropriate professional meetings at the local, state, and national levels, with advance approval of the Board. The District shall reimburse the Superintendent for reasonable actual expenses incurred in attending such activities in accordance with the adopted budget and the Board's policies regarding expense reimbursements, per paragraph 7.3.4.
- 7.3.7 **Technology:** The Superintendent shall be provided a mobile telephone for both business and personal use, in accordance with District practice, and at District's expense. In addition, the District shall provide the Superintendent with a laptop computer and/or tablet for both professional and personal use, at the sole expense of the District, and in accordance with District practice.
- 8. **Residence:** The Superintendent shall maintain a residence within the geographic boundaries of the District.
- 9. **Suspension/Termination.** In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent with pay at any time during the term of this Contract, or may suspend the Superintendent without pay or dismiss the Superintendent during the term of the Contract for "good cause" as determined by the Board. The term "good cause" is defined to include, but shall not be limited to, the following:
 - (a) Failure to perform the Superintendent's duties in the scope of employment that a person of ordinary prudence would have done

- under same or similar circumstances, and which is inconsistent with the continued existence of the employer-employee relationship;
- (b) Failure to fulfill duties or responsibilities as set forth in state or federal statute or regulation, Board policy, Board or District goals, Board directives, or under the terms and conditions of this Contract;
 - (c) Deficiencies, incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written or oral 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 incompetency or inefficiency, unless such deficiency, incompetence or inefficiency constitutes "good cause" for immediate employment termination under Texas law;
 - (d) Insubordination or failure to comply with lawful written Board directives, or oral directives of the Board given at a lawfully-called meeting of the Board;
 - (e) Failure to comply with applicable state or federal laws, regulations, the Board's policies or the District's administrative regulations;
 - (f) Neglect of duties, whether resulting from action or inaction on the part of the Superintendent, or whether resulting from excessive absences, not otherwise protected by law, in excess of available leave;
 - (g) Drunkenness or excessive use of alcoholic beverages;
 - (h) Illegal possession, use, manufacture, or distribution of controlled substances, dangerous drugs, drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act or other criminal laws;
 - (i) Conviction of or deferred adjudication for a felony, a crime under Texas Education Code Section 22.085, a crime listed as an excludable offense under Board policy, or a crime involving moral turpitude, or conduct constituting one of the above offenses, or conviction of a lesser-included offense pursuant to a plea deal when the original charged offense is a felony;
 - (j) Failure to meet the District's, federal, State or common law standards of professional conduct;
 - (k) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
 - (l) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
 - (m) 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 criminal acts, fraud, theft, dishonesty, deceit, corruption, indecency, or depravity;

- (n) Physical threats, explosive temper, or assault on a community member, parent, Board member, District contractor, employee or student, or other behavior that presents a danger of physical harm to himself or others;
- (o) Knowingly falsifying records or documents related to the District's activities or communications with the Board; or knowingly making any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required employment application, certification, employment history, criminal history, or payroll and personnel records;
- (p) Conscious misrepresentation of facts or intentional withholding of pertinent information to the Board or other District, federal, state or local officials in the conduct of the District's business;
- (q) Failure to fulfill or maintain requirements for superintendent certification;
- (r) A breach of the duty of trust or failure to take reasonable steps to maintain an effective, close, positive, and professional working relationship with the Board; or,
- (s) Any other reason constituting "good cause" under Texas law for terminating the Contract during the term of the Contract.

In the event that the Board terminates this Contract or suspends the Superintendent without pay for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies and state and federal law.

10. **Nonrenewal or Resignation of Contract.** Nonrenewal of this Contract, or resignation under this Contract, will be pursuant to Texas Education Code Chapter 21 and applicable Board policies. Provided, however, this Contract shall terminate on the retirement or death of the Superintendent; or may be terminated by mutual agreement of the Superintendent and the Board upon mutually-agreed-upon terms and conditions. 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 unilaterally resign this Contract at the end of the Contract term, or may resign with the consent of the Board at any other time.
11. **Indemnification:** To the extent permitted by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 101, 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 legal proceedings brought against the Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, acting within the course and scope of the Superintendent's employment (Covered Claim).

The term "Covered Claim" excludes any demands, claims, suits, actions, judgments, expenses, and attorneys' fees where it is determined 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.

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. This indemnity provision shall survive the termination of this Contract.

While employed as the Superintendent of the District, 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. After the Superintendent is no longer employed by the District, the Superintendent agrees to reasonably 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 reasonable cooperation, the District shall reimburse the Superintendent's reasonable related expenses, including travel and lodging expenses and any salary lost by virtue of his taking time off from his then-current employment to assist the District at its request, if the Superintendent is no longer an employee of the District. Requests for assistance from the Superintendent with respect to such matters shall be made through the Board of Trustees' President, any successor superintendent, and/or legal counsel for the District, and the amount to be reimbursed to the Superintendent shall be mutually agreed upon in advance. The Parties' obligations under this paragraph shall continue after the termination of this Contract.

12. **General Provisions.**

12.1 **Amendment:** This Contract may not be amended except by written agreement of the Parties.

12.2 **Severability:** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.

12.3 **Entire Agreement:** All existing agreements and contracts, both verbal and

written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract constitutes the entire agreement between the Parties.

- 12.4 **Controlling Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that mandatory and exclusive venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be in state district court in Dallas County.
- 12.5 **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 meaning of the paragraphs that follow them.
- 12.6 **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.
- 12.7 **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.
13. **Notices.**
- 13.1 **To Superintendent:** The Superintendent agrees to keep a current address 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, and/or express delivery service to the Superintendent's address of record.
- 13.2 **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, and/or express delivery service, to the Board President and Vice President's addresses of record, as provided to the District.

Signature Page to Superintendent Contract (439860 v6)

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|---------------|--------|
| Dr. Parra | 9/6/17 |
| Mr. Stipes | 9/6/17 |
| Mr. Necessary | 9/6/17 |

Irving

Independent School District

2018-2019 Ratings for the

Annual Financial Management Report

(A Report on the School FIRST Accountability Rating System)

Fall 2019

END OF REPORT

**Presented to the Irving ISD Board of Trustees
and General Public on Monday, December 16, 2019**