

**PUBLIC HEARING REGARDING THE FINANCIAL INTEGRITY RATING SYSTEM OF
TEXAS (SCHOOL FIRST REPORT)**



Financial Integrity Rating System of Texas

The state's school financial accountability rating system, known as the School Financial Integrity Rating System of Texas (FIRST), ensures that Texas public schools are held accountable for the quality of their financial management practices and that they improve those practices.

- Indicators of FIRST
- Disclosures

Key Financial Staff

- Irving ISD School Board & the Superintendent
- Irving ISD Financial Committee
- Irving ISD Financial Advisors
- Irving ISD External Auditors
- Irving ISD Business Division

Irving ISD School Board & the Superintendent



Nuzhat Hye
Vice President, District 4



Randy Randle
President, District 7



Magda Hernández
Superintendent



Pamela Campbell
Secretary, District 3



Tony Grimes
District 6



A.D. Jenkins
District 5



Michael Kelley
District 2



Dr. Rosemary Robbins
District 1

Irving ISD Fall 2021 FIRST Report

- Irving ISD Financial Advisors

- Derek Honea- RBC Capital Markets, Dallas
- Rob Collins- Bond Attorney

- Irving ISD External Auditors

- Claire Wootton, CPA- Weaver and Tidwell, L.L.P., Dallas
- Sara Dempsey, CPA (Partner)- Weaver and Tidwell, L.L.P., Dallas Irving ISD External Auditors

- Irving ISD Other Key Pieces

- Depository- Chase Bank
- Underwriters- Banks and Financiers (Support Bond Sales)

Irving ISD Fall 2021 FIRST Report



Tax Services
Ms. Elzy



Business
Ms. Lalee



Administrative Assistant
Ms. Wilshire



Payroll
Ms. McConathy



Purchasing
Mr. Pilgrim

Texas Education Agency 2021 FIRST Report

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS (FIRST)



Financial Integrity Rating System of Texas

2020-2021 RATINGS BASED ON SCHOOL YEAR 2019-2020 DATA - DISTRICT STATUS DETAIL

Name: IRVING ISD(057912)	Publication Level 1: 8/4/2021 2:00:38 PM
Status: Passed	Publication Level 2: 8/6/2021 11:10:55 AM
Rating: A = Superior Achievement	Last Updated: 8/6/2021 11:10:55 AM
District Score: 98	Passing Score: 70

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS (FIRST)

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?	6/8/2021 3:19:20 PM	Yes
2	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)	6/8/2021 3:19:20 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.)	6/8/2021 3:19:20 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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)	7/1/2021 9:01:10 AM	Yes Colling Passed
5	This indicator is not being scored.		
			: Multiplier Sum
6	Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/28/2021 11:04:19 AM	Colling Passed
7	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.	6/8/2021 3:19:21 PM	10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.	6/8/2021 3:19:21 PM	8
9	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.	6/8/2021 3:19:21 PM	10
10	Did the school district average less than a 1.0 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?	7/2/2021 1:10:52 PM	10

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS (FIRST)

11	<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 increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.</u>	6/8/2021 3:19:22 PM	10
12	<u>Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments? See ranges below in the Determination of Points section.</u>	6/8/2021 3:19:22 PM	10
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	6/8/2021 3:19:23 PM	10
14	<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>	6/8/2021 3:19:23 PM	10
15	<u>Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections? See ranges below in the Determination of Points section.</u>	6/8/2021 3:19:23 PM	5
16	<u>Did the comparison of Public Education Information Management System (PEIMS) data to file information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points. B = Above Standard Achievement.)</u>	6/8/2021 3:19:24 PM	Ceiling Passed
17	<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.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points. C = Meets Standard Achievement.)</u>	6/8/2021 3:19:24 PM	Ceiling Passed
18	<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>	6/8/2021 3:19:24 PM	10
19	<u>Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?</u>	6/8/2021 3:19:24 PM	5
20	<u>Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget? (If the school district fails indicator 20 the maximum points and highest rating that the school district may receive is 89 points. B = Above Standard Achievement.)</u>	6/8/2021 3:19:24 PM	Ceiling Passed

Texas Education Agency 2021 FIRST Report in Common Terms

Irving ISD Fall 2021 FIRST Report

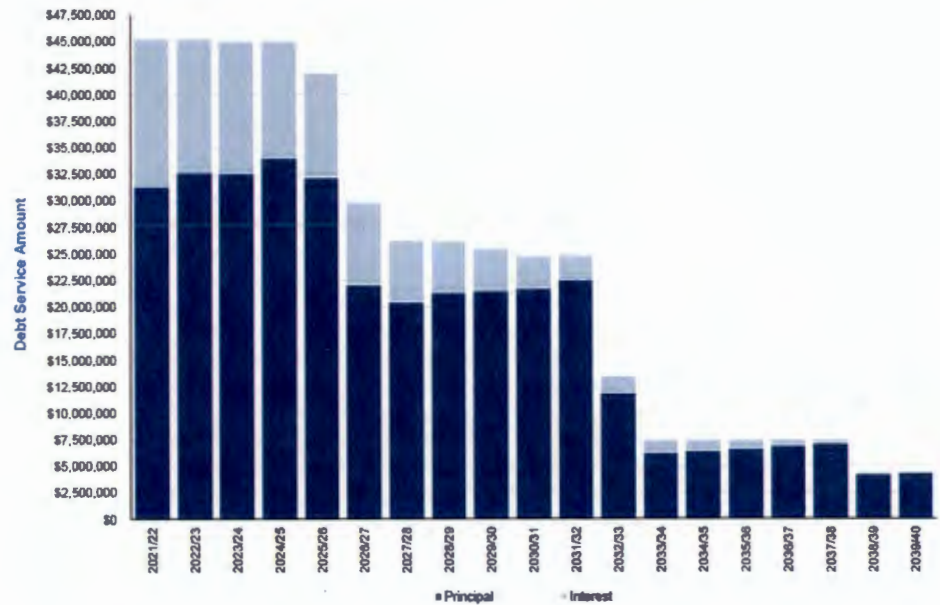
1. Was the annual financial report (AFR) submitted to TEA **on time**?
2. Was there an **unmodified** opinion in the AFR?
3. Were all Debt and Bond payments made **on time**?
4. Were payments to pension fund, IRS, and other governmental agencies made **on time**?
5. This indicator is not being scored

5	This indicator is not being scored.
---	-------------------------------------

**Automatic Failure*

Irving ISD Fall 2021 FIRST Report

**Irving Independent School District
Outstanding Unlimited Tax Debt by Principal and Interest**



Note: Debt service payments reflect payments from September 1 through August 31

Irving ISD Fall 2021 FIRST Report

6. Was the average change in fund balance over 3 years less than a 25% decrease?
7. Was the number of days of cash on hand sufficient to cover operating expenditures?
8. Was the current assets to current liabilities ratio sufficient to cover short-term debt?

- Current Assets / Current Liabilities > 3 (IISD = 2.9182 or 2% low = 8/10)
9. Did the District's general funds revenue exceed its expenditures?
10. Did the School District average less than a 10% variance when comparing to last 3 years' revenues ?

11. Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?
12. Was the debt per \$100 of assessed property sufficient to support future debt repayment?
13. Was the school district's administrative cost equal or less to the threshold ratio?
14. Did the school district not have a 15% decline in the student to staff ratio?
15. Was the school district's ADA within the allotted range of the district's biennial pupil projection submitted to TEA?

Irving ISD Fall 2021 FIRST Report

16. Did PEIMS data matches district's AFR result? (>3%)
17. Was the AFR free of any instances of material weakness in internal controls?
18. Was the AFR free of any instances of material noncompliance for grants, contracts, and laws?
19. Did the school district post the required financial information on its website in accordance with Government Codes?
20. Did the school board discuss the district's property values at a board meeting within 120 days before budget adoption?

Irving ISD Fall 2021 FIRST Report

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points.	
	A = Superior Achievement	90-100
	B = Above Standard Achievement	80-89
	C = Meets Standard Achievement	70-79
	F = Substandard Achievement	<70

Disclosures

Irving ISD Fall 2021 FIRST Report

1. Superintendent's Employment Contract
- <https://www.irvingisd.net/Page/1092>
2. Reimbursement received by the Superintendent and Board Members
- Meals, Lodging, Transportation, Motor Fuel, other
3. Outside Compensation and/or Fees received by the Superintendent for Professional Consulting
- None
4. Gifts received by the Executive Officers and Board Members
- None
5. Business Transactions between School District and Board Members
- None

* All documents are included in the Board Book as part of this item



DISCLOSURES

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 School FIRST hearing in calendar year 2021. In lieu of publication in the School FIRST financial management report, the school district may choose to publish the superintendent's employment contract on the school district's Internet site. **If published on the Internet**, the contract is to remain accessible for twelve months.

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 January 1, 2020 and ending June 30, 2024, 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(c). 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 SIXTY-THREE THOUSAND, NINE HUNDRED TWENTY FIVE DOLLARS AND NO/100 (\$263,925.00) 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.

I have read this Contract and agree to abide by its terms and conditions:

Irving ISD

Superintendent Term Contract Signature Page

February - 2020

Signed by *Magda Hernandez* Superintendent 2/6/20

Signed by *Mr. A. D. Jenkins* Board President 2/6/20

Signed by *Mr. Randy Randle* Board Secretary 2/6/20



DISCLOSURES

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2020

For the Twelve-month Period August 31, 2020					
Description of Reimbursements	Superintendent Magda Hernandez	Board Member Randy Randle	Board Member A.D. Jenkins	Board Member Nuzhat Hye	Board Member Tony Grimes
Meals	429.65	22.72	28.08	43.31	
Lodging	3,569.57	347.62	347.62	347.62	
Transportation	1,294.67	326.03	355.65	359.08	
Motor Fuel					
Other	6,351.40		525.00		525.00
Total	11,645.29	696.37	1,256.35	750.01	525.00

For the Twelve-month Period August 31, 2020					
Description of Reimbursements	Board Member Pamela Campbell	Board Member Rosemary Robbins	Board Member Nell Anne Hunt		
Meals	54.00	17.31			
Lodging	347.62	347.62			
Transportation	362.53	646.32			
Motor Fuel					
Other					
Total	764.15	1,011.25	0		

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2020, 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

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2020

For the Twelve-Month Period Ended August 31, 2020	
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.



DISCLOSURES

4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2020

For the Twelve-month Period August 31, 2020					
	Superintendent Magda Hernandez	Board Member Randy Randle	Board Member A.D. Jenkins	Board Member Nuzhat Hye	Board Member Tony Grimes
Summary Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

For the Twelve-month Period August 31, 2020					
	Board Member Pamela Campbell	Board Member Rosemary Robbins	Board Member Nell Anne Hunt		
Summary Total	\$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 2020

For the Twelve-Month Period August 31, 2020	Superintendent Magda Hernandez	Board Member Randy Randle	Board Member A.D. Jenkins	Board Member Nuzhat Hye	Board Member Tony Grimes
Summary Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

For the Twelve-Month Period August 31, 2020	Board Member Pamela Campbell	Board Member Rosemary Robbins	Board Member Nell Anne hunt		
Summary Amounts	\$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

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

None

Conservative

Transparent

Strategic

Any Questions?