

Financial Management Performance Report

KILGORE Independent School District

2007-2008

District Status

Public Hearing

October 26, 2009

Kilgore ISD

Financial Accountability Management Report

The Kilgore ISD received a rating of “Superior Achievement” for the fiscal year ended August 31, 2008 on the Schools FIRST financial accountability rating system. The Superior Achievement rating is the state’s highest, demonstrating the quality of Kilgore ISD’s financial management and reporting system.

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

The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being “Superior Achievement”. The rating system consists of twenty-four indicators. To receive the “Superior Achievement” rating the district must receive a score of 75 to 85 and have a positive response to indicator seven. The indicators either have a yes or no compliance factor or are ranked by point value, with some indicators being one point and others being five. See Exhibit D for further detail. Kilgore ISD received 84 of the possible 85 points, receiving four (4) of five (5) points on indicator ten, the same indicator we received zero (0) points on last year. This indicator assigns points based on debt payments per student in average daily attendance. In the 2006 – 2007 school year, Kilgore ISD refinanced bonds, and although a positive result occurs for the District, the refinancing has to be shown as revenue and expense on the Districts books. In the 2007-2008 year, District property values increased to a point in which the District no longer receives any help from the state in financing these bonds, accordingly the entire burden of debt payment lies upon the District. Since the state no longer played a part in our debt financing due to our wealth, our expenditure per student has increased, but, our taxpayers have seen their first decline in debt service tax rate since the State converted part of it’s assistance plan from education to debt service in 1996. The debt we currently have is set to be totally paid off in 2018.

The 2007-2008 District Status report is attached to this report as Exhibit A. The report contains each indicator and the result for the district. Anyone wishing to receive more details in any individual indicator, or any financial matter is asked to contact the Assistant Superintendent of Finances.

The Superior Achievement rating is due to successful efforts of the Board of Trustees, administration, faculty and staff of Kilgore ISD. These groups have successfully utilized resources available to the district to provide a quality education to the students of Kilgore ISD. Kilgore ISD is committed to continuing the efficient and effective use of all resources to maintain the Superior Achievement rating in the future.

Included in the report for the third year is information concerning the superintendent and board members. This information, presented in Exhibit B, is being given in an attempt to comply with the provisions of Title 19, TAC, Section 109.1005, and is presented in the format recommended by the Texas Education Agency. Additionally, included as Exhibit C, you will find a copy of the Superintendent’s contract required to be included in this report.

Exhibit A

2007 – 2008 District Status Detail Report

User: Revard Pfeffer
 User Role: District

YEAR **2007-2008**



Financial Integrity Rating System of Texas

2007-2008 DISTRICT STATUS DETAIL

Name: KILGORE ISD(092902)	Publication Level 1: 6/8/2009 4:39:05 PM
Status: Passed	Publication Level 2: 8/25/2009 1:41:58 PM
Rating: Superior Achievement	Last Updated: 8/25/2009 1:41:58 PM
District Score: 84	Passing Score: 55

#	Indicator Description	Updated	Score
1	<u>Was The Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?</u>	5/13/2009 2:05:23 PM	Yes
2	<u>Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% more)</u>	5/13/2009 2:05:24 PM	Yes
3	<u>Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?</u>	5/13/2009 2:05:24 PM	Yes
4	<u>Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?</u>	5/13/2009 2:05:24 PM	Yes
5	<u>Was There An Unqualified Opinion in Annual Financial Report?</u>	5/13/2009 2:05:24 PM	Yes
6	<u>Did The Annual Financial Report Not Disclose Any Instance(s)</u>	5/13/2009	Yes

	<u>Of Material Weaknesses In Internal Controls?</u>	2:05:24 PM	
			1 Multiplier Sum
7	<u>Did the Districts Academic Rating Exceed Academically Unacceptable?</u>	5/13/2009 2:05:24 PM	5
8	<u>Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?</u>	5/13/2009 2:05:25 PM	5
9	<u>Did The Comparison Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?</u>	5/13/2009 2:05:25 PM	5
10	<u>Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < \$250.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 7%, Or If Property Taxes Collected Per Penny Of Tax Effort > \$200,000 Per Student)</u>	5/13/2009 2:05:25 PM	4
11	<u>Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?</u>	5/13/2009 2:05:25 PM	5
12	<u>Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)</u>	5/13/2009 2:05:26 PM	5
13	<u>Was The Percent Of Operating Expenditures Expended For Instruction More Than 65%? (Functions 11, 36, 93, 95) (Phased in over three years, 55% for 2006-2007; 60% for 2007-2008; and 65% for 2008-2009)</u>	5/13/2009 2:05:26 PM	3
14	<u>Was The Percent Of Operating Expenditures Expended For Instruction More Than or equal to 65%? (Functions 11, 12, 31, 33, 36, 93, 95)</u>	5/13/2009 2:05:26 PM	3
15	<u>Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?</u>	5/13/2009 2:05:26 PM	5

16	<u>If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To The Fund Balance Deficit Situation)</u>	5/13/2009 2:05:27 PM	5
17	<u>Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable)</u>	5/13/2009 2:05:27 PM	5
18	<u>Was The Administrative Cost Ratio Less Than The Threshold Ratio?</u>	5/13/2009 2:05:27 PM	5
19	<u>Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?</u>	5/13/2009 2:05:27 PM	5
20	<u>Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?</u>	5/13/2009 2:05:27 PM	5
21	<u>Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% Of Optimum According To The Fund Balance And Cash Flow Calculation Worksheet In The Annual Financial Report?</u>	5/13/2009 2:05:28 PM	5
22	<u>Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If 1.5 Times Optimum Fund Balance < Total Fund Balance In General Fund Or If Total Revenues > Operating Expenditures In The General Fund,Then District Receives 5 Points)</u>	5/13/2009 2:05:28 PM	5
23	<u>Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?</u>	5/13/2009 2:05:28 PM	5
24	<u>Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) More Than \$20 Per Student?</u>	5/13/2009 2:05:28 PM	4
			84 Weighted Sum
			1

	Multiplier Sum
	84 Score

DETERMINATION OF RATING

A. Did The District Answer 'No' To Indicators 1, 2, 3 Or 4? **OR** Did The District Answer 'No' To Both 5 and 6? If So, The District's Rating Is **Substandard Achievement**.

B. Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-24)

Superior Achievement	75-85 and Yes to indicator 7
Above Standard Achievement	65-74 or ≥ 75 and No to indicator 7
Standard Achievement	55-64
Substandard Achievement	<55 or No to one default indicator

INDICATOR 19 & 20 RATIOS

Indicator 19	Ranges for Ratios		Indicator 20	Ranges for Ratios	
	Low	High		Low	High
District Size - Number of Students Between			District Size - Number of Students Between		
< 500	7	22	< 500	5	14
500-999	10	22	500-999	5.8	14
1000-4999	11.5	22	1000-4999	6.3	14
5000-9999	13	22	5000-9999	6.8	14
≥ 10000	13.5	22	≥ 10000	7.0	14

OPTIONS

Update Unpassed	Update All	Lower Publication Level	Suspend
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Suspension Reason.

Audit Home Page: [School Financial Audits](#) | Send comments or suggestions to schoolaudits@tea.state.tx.us

THE TEXAS EDUCATION AGENCY

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

Exhibit B

First Rating Supplement Information
Superintendent and Board of Trustees

Superintendent's Current Employment Contract

A copy of the superintendent's contract has been included in this 2009 School First Rating in Exhibit C.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period Ended August 31, 2008	Board of Trustees										
	Superintendent	J. Clements	J. Roberts	D Borders	B Cole	M Dickey	G Faber	T George	G Hargrave	J Marley	H Stephens
Description of Reimbursements											
Meals & Lodging Conferences	686.86	197.42	\$	1233.88	803.78	802.46	\$			958.7	1003.48
Conference Registration	640.00	871.26	325.00	642.00	317.00	317.00	32.00	32.00	32.00	642.00	642.00
Transportation		449.67									
Motor Fuel	1,299.90	3,525.63									
Other					1,657.92						
Total	\$2,626.76	\$5,043.98	\$325.00	\$3,533.80	\$1,120.78	\$1,119.46	\$32.00	\$32.00	\$32.00	\$1,600.70	\$1,645.48

The above information was compiled from District records and includes direct payments to individuals, credit card payments paid by the District and expenditures paid through the District purchase order process on behalf of the individual.

Conference Registration - Registration fees, telephone/cell phone, internet service, fax machine, and other

Meals & Lodging - Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).

as well as hotel charges for conferences and other events attended.

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

Motor fuel - Gasoline used in vehicles available for personal use.

Other - Other items not described above

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

For the Twelve-Month Period

Ended August 31, 2008

Name(s) of Entity(ies)

Amount Received
\$

\$0.00

Total

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

Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)
 (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)

For the Twelve-Month Period
 Ended August 31, 2008

Superintendent		Board of Trustees							
J. Clements	J. Roberts	D Borders	B Cole	M Dickey	G Faber	T George	G Hargrave	J Marley	H Stephens
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total									

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

Business Transactions Between School District and Board Members

For the Twelve-Month Period
 Ended August 31, 2006

Superintendent		Board of Trustees							
J. Clements	J. Roberts	D Borders	B Cole	M Dickey	G Faber	T George	G Hargrave	J Marley	H Stephens
\$	\$	\$	\$48.00	\$	\$	\$	\$	\$	\$
Amounts									

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

Exhibit C

Superintendents Contract

SUPERINTENDENT'S TERM EMPLOYMENT CONTRACT

STATE OF TEXAS §
 §
COUNTY OF GREGG §

KNOW ALL MEN BY THESE PRESENTS:

THIS SUPERINTENDENT'S TERM EMPLOYMENT CONTRACT ("Contract") is made and entered into effective the 15th day of July, 2009, by and between the Board of Trustees (the "Board") of Kilgore Independent School District (the "District") and Jody D. Clements (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:

I. Term

1.1 **Term.** The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of three (3) years commencing July 1, 2009, and ending June 30, 2012. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Contract as permitted by state law.

1.2 **No Tenure.** The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.

II. Employment

2.1 **Duties.** The Superintendent shall faithfully perform the duties of Superintendent of Schools for the District as prescribed by law, Board policies, the job description, and as may be lawfully assigned by the Board from time to time. The Superintendent shall comply with all lawful Board directives, policies, rules and regulations, and state and federal laws, as they exist or may hereafter be amended or adopted during the term of this Contract. Except as provided in this Contract, the Superintendent agrees to devote his full time, energy and skill to the performance of these duties in a faithful, diligent, conscientious, and efficient manner.

The Superintendent shall have charge of the administration of the schools under the oversight and supervision of the Board. He shall be the chief executive officer of the District; shall direct and assign teachers and other employees of the schools under his supervision; shall organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the District; shall select personnel in accordance with Board policy; shall from time to

time suggest regulations, rules and procedures deemed necessary for the efficient operation of the District; and in general perform all duties incident to the office of the Superintendent and such duties.

The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, diligence, skill, and expertise. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

2.2 Professional Certification. The Superintendent shall at all times during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the State Board for Educator Certification or the Texas Education Agency and any other certificates required by law.

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

2.4 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, salary or benefits; evaluation of the Superintendent's performance; or for purposes of resolving conflicts between individual Board members; or when the Board is acting in its capacity as a tribunal.

2.5 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 Board of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by District Board policies.

2.6 Indemnification. To the extent it may be permitted to do by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify Superintendent from any: and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys' fees arose or does arise in the future from an act or omission of Superintendent as an employee of the District, acting within the course and scope of Superintendent's employment with the District; excluding, however, any such demand claim, suits, actions, judgments, expenses, and attorneys' fees for those claims or any causes of action where it is determined that Superintendent committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any cost, fees, expenses, or damages that would be recoverable or payable under an insurance contract held either by District or by Superintendent. The selection of

Superintendent's legal counsel shall be with the mutual agreement of Superintendent and the District if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent this Section 2.6 exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 2.6 shall survive the termination of this Contract.

The Board shall not be required to pay any costs of any legal proceedings in the event the Board and the Superintendent are adverse to each other in any such proceedings.

The Superintendent shall fully cooperate with the District in the defense of any and all demands, claims, suits, actions and legal proceedings brought against the District. The Superintendent's obligation under this paragraph shall continue after the termination of this Contract.

III. Compensation

3.1 **Salary.** The District shall provide the Superintendent with an annual salary in the sum of 137,700 Dollars (\$ 137,700.00). This annual salary rate shall be paid to the Superintendent in equal installments consistent with the District's policies.

3.2 **Salary Adjustments.** At any time during the term of this Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in Section 3.1 of this Contract except by mutual agreement of the two parties. Such adjustments, if any, shall be made pursuant to a lawful Board resolution. In such event, the parties agree to provide their best efforts and reasonable cooperation to execute a new contract incorporating the adjusted salary.

3.3 **Vacation, Holiday and Personal Leave.** The Superintendent may take, at the Superintendent's choice, the same number of days of vacation authorized by policies adopted by the Board for administrators on twelve-month contracts, the days to be in a single period or at different times. The vacation days taken by the Superintendent will be taken at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Contract. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same personal leave benefits as authorized by Board policies for administrative employees on twelve-month contracts.

3.4 **Insurance.** The Superintendent may receive health insurance coverage on the same terms as those available to all District administrative employees.

3.5 **Term Life Insurance.** The Superintendent shall receive the same term life insurance contributions and benefits as all District administrative employees.

3.6 Professional Growth. The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent's active attendance at and participation in appropriate professional meetings at the local, regional, state and national levels. 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 Superintendent and the Board deem appropriate, to attend such seminars, courses or meetings. The District does hereby agree to provide in the District's budget during the term of this Contract for the benefit of the Superintendent, a professional development budget per contract year to be used for registration, travel, meals, lodging, and other related expenses. The District shall pay the Superintendent's membership dues in the American Association of School Administrators and the Texas Association of School Administrators, as well as other memberships necessary to maintain and improve the Superintendent's professional skills. The District shall bear the reasonable cost and expense for such attendance and membership.

3.7 Civic Activities. The Board encourages the Superintendent to become a member of and participate in community and civic affairs, including the chamber of commerce, civic clubs, governmental committees, and educational organizations. The Board concludes that such participation will serve a legitimate purpose related to the educational mission of the District. The Superintendent may hold offices or accept responsibilities in these professional organizations, provided that such responsibilities do not interfere with the performance of his duties as Superintendent. Before engaging in these activities, the Superintendent will notify the Board in writing of the activity. The Board will notify the Superintendent if the activity presents a conflict or interferes with the performance of his duties as Superintendent. The District shall reimburse the Superintendent for the cost of membership in civic organizations in which the Superintendent participates and reimburse related travel outside of the District, subject to advance Board approval.

3.8 Outside Consultant Activities. 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. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law.

3.9 Expenses. The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel. Such actual or incidental costs may include, but are not limited to,

gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

3.10 Technology Allowance. The Superintendent shall maintain a personal mobile telephone and shall not open an account in the name of the District. The Superintendent shall have total responsibility of payment of his personal mobile phone account. The District shall pay Superintendent a personal technology allowance of One Hundred Fifty Dollars (\$150.00) per month during the term of this contract to be used by Superintendent at his discretion.

3.11 Laptop Computer. The District shall provide a laptop computer for the Superintendent's business and personal use, at the sole cost and expense of the District. The Superintendent shall comply with the District's policies regarding computer use.

3.12 Car Allowance. The District will provide the Superintendent an automobile allowance in the sum of \$600.00 per month during the term of this Contract.

IV. Annual Performance Goals

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

V. Review of Performance

5.1 Time and Basis of Evaluation. The Board shall evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this Contract. The Board's evaluation and assessment of the Superintendent shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description and shall consider the District's progress towards accomplishing the District Goals.

5.2 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.

5.3 Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the evaluation instrument selected by the Board in accordance with Article V of this Contract, the Board's policies, and state and federal law. In the event the Board deems that the evaluation instrument, format and/or procedure is to be modified by the Board and such

modifications would require new or different performance expectations, the Superintendent shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

VI. Extension, Nonrenewal, or Termination of Employment Contract

6.1 Extension/Nonrenewal. Extension of this contract before the end of the current term is within the Board's discretion. Nonrenewal shall be in accordance with Board policy, Texas Education Code Chapter 21, Subchapter E, and applicable law.

6.2 Termination by Mutual Agreement. This Agreement may be terminated by the mutual agreement of the parties in writing and upon such terms and conditions as may be agreed upon.

6.3 Retirement or Death. This Contract shall be terminated upon the retirement or death of the Superintendent.

6.4 Disability of Superintendent. Should the Superintendent become unable to perform any or all of the duties of his position by reason of illness, accident or other cause, and said disability exists after all accrued leave has been exhausted, the District may make appropriate deduction from the Superintendent's annual base salary for any additional days in which the Superintendent is unable to perform the duties of his position. If such disability continues for a continuous period of one hundred eighty (180) days, or if such disability is permanent or irrevocable as determined by a physician mutually acceptable to the Board and the Superintendent's or his representative, the Board may, at its option, terminate this Contract, whereupon the respective rights, duties and obligations herein stated shall terminate, unless specifically provided to the contrary.

If a question arises concerning the capacity of the Superintendent to return to his duties, the Board may require the Superintendent to submit to a medical examination to be performed by a doctor licensed to practice medicine in the State of Texas and who is mutually acceptable to the Board and the Superintendent. The examination shall be done at the expense of the Board. The physician shall limit the report to the issue of whether the Superintendent has a continuing disability that prohibits him from performing any or all of his duties.

6.5 Termination for Good Cause. The Board may dismiss the Superintendent during the term of the Contract for good cause. The term "good cause" includes, but is not necessarily limited to the following:

- a. Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- b. Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; 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 remediable incompetency or inefficiency;

- c. Insubordination or failure to comply with lawful written Board directives;
- d. Failure to comply with the Board's policies or the District's administrative regulations;
- e. Neglect of duties;
- f. Drunkenness or excessive use of alcoholic beverages;
- g. Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act;
- h. Conviction of a felony or crime involving moral turpitude;
- i. Failure to meet the District's standards of professional conduct;
- j. Assault on an employee or student;
- k. Knowingly falsifying records or documents related to the District's activities;
- l. Conscious misrepresentation of facts to the Board Or other District officials in the conduct of the District's business;
- m. Failure to fulfill requirements for superintendent certification;
- n. Failure to maintain a strong moral character in accordance with the Board's expectation that the Superintendent set himself forth as an example to the District and community as a person of high morals and good character; or
- o. Any other reason constituting "good cause" under Texas law.

6.6 Termination Procedure. In the event that the Board terminates this Contract for "good cause," the Superintendent shall be afforded all the rights as set forth in the Board's policies and state and federal law. If the Superintendent chooses to be represented by legal counsel in any such proceedings, he shall bear any costs therein involved.

6.7 Resignation of Superintendent. The Superintendent may leave the employment of the District at the end of a school year without penalty by filing a written resignation with the Board. The resignation must be addressed to the Board and filed not later than the 45th day before the first day of instruction of the following year. The Superintendent may resign with the consent of the Board at any other time.

VII. Miscellaneous

7.1 Controlling Law and Venue. Texas law shall govern construction of this Contract. The Parties agree that venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be Gregg County, Texas. If litigation is brought in federal court, the Parties agree that venue shall be the Tyler Division of the Eastern District of Texas.

7.2 Complete Agreement. This Contract constitutes the entire agreement between the Parties. All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the superintendent are superseded by this Contract.

7.3 **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.

7.4 **Savings Clause.** 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.

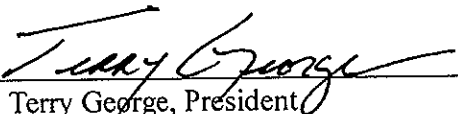
7.5 **Amendment.** This Contract may not be amended except by written agreement of the Parties.

7.6 **Paragraph Headings.** The headings used at the beginning of each numbered paragraph in this Contract are not intended to have any substantive, legal effect; the headings do not limit or expand the meaning of the paragraphs that follow them.

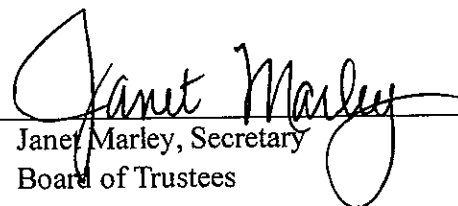
7.7. **Legal Representation.** Both Parties have been represented by legal counsel of their choice, or have had the opportunity to consult with legal counsel, in the negotiation and execution of this Contract and this Contract shall not be construed as if either party was the primary drafter of the Contract.

EFFECTIVE the 15th day of July, 2009.

KILGORE INDEPENDENT SCHOOL DISTRICT

By: 
Terry George, President
Board of Trustees

ATTEST:

By: 
Janet Marley, Secretary
Board of Trustees

SUPERINTENDENT

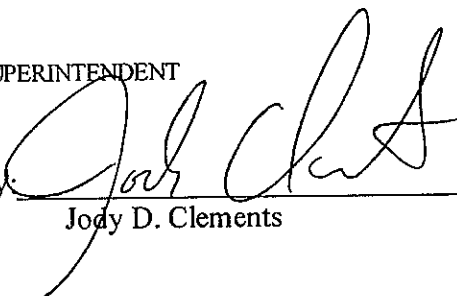
By: 
Jody D. Clements

Exhibit D

How Ratings are Assessed



How Ratings are Assessed

Rating Worksheet

The questions a school district must address in completing the worksheet used to assess its financial management system can be confusing to non-accountants. The following is a layman's explanation of what the questions mean—and what your district's answers can mean to its rating.

1. Was total Fund Balance less Reserved Fund Balance greater than Zero in the General Fund?

School districts must legally have a fund balance to ensure adequate funding for operations. This indicator is designed to ensure that your district has a positive amount of fund balance cash (savings) that is not designated or "reserved" for a specific purpose. In other words, "Does your district have funds set aside for a rainy day?"

2. Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest for Capital Appreciation Bonds) in the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's Five-Year Percent Change in Students was a 10% Increase or More then Answer Yes)

This indicator simply asks, "Did the district's total assets exceed the total amount of liabilities (according to the very first financial statement in the annual audit report)?" Fortunately this indicator recognizes that high-growth districts incur large amounts of debt to

fund construction, and that total debt may exceed the total amount of assets under certain scenarios.

3. Were there NO disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?

This indicator seeks to make certain that your district has paid your bills/obligations on bonds issued to pay for school construction, etc.

4. Was the Annual Financial Report filed within one month after the November 27 or January 28 deadline depending upon the district's Fiscal Year end date (June 30 or August 31)?

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

5. Was there an Unqualified Opinion in the Annual Financial Report?

A "qualification" on your financial report means that you need to correct some of your reporting or financial controls. A district's goal, therefore, is to receive an "unqualified opinion" on its Annual Financial Report. This is a simple "Yes" or "No" indicator.

6. Did the Annual Financial Report NOT disclose any instance(s) of material weakness in internal controls?



How Ratings are Assessed

A clean audit of your Annual Financial Report would state that your district has no material weaknesses in internal controls. Any internal weaknesses create a risk of your District not being able to properly account for its use of public funds, and should be immediately addressed.

7. Did the district's academic rating exceed academically unacceptable?

This indicator simply asks whether the district's accreditation status is in good standing.

8. Was the percent of total tax collections (including delinquent) greater than 98 percent?

This indicator measures your district's success in collecting the taxes owed to you by your community's businesses and homeowners, placing a 98 percent minimum collections standard. You must collect more than 98% of your taxes, including any delinquent taxes owed from past years. A district earns up to five points under this indicator based upon its relative performance.

9. Did the comparison of PEIMS data to like information in the Annual Financial Report result in an aggregate variance of less than 3 percent of expenditures per fund type (Data Quality Measure)?

This indicator measures the quality of

data reported to PEIMS and in your Annual Financial Report to make certain that the data reported in each case "matches up." If the difference in numbers reported in any fund type is 3 percent or more, your district "fails" this measure.

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

This indicator shows the Legislature's intent for school districts to spend money on education, rather than fancy buildings, by limiting the amount of money district's can spend on debt to \$250 per student. Fortunately, the Legislature did allow for fast-growth schools to exceed this cap. A district earns up to five points under this indicator based upon its relative performance.

11. Was there NO disclosure in the Annual Audit Report of Material Noncompliance?

NO disclosure means the Annual Audit Report includes no disclosure indicating that the school district failed to comply with laws, rules and regulations for a government entity.

12. Did the district have full



How Ratings are Assessed

accreditation status in relation to financial management practices? (e.g. no conservator or monitor assigned)

Did TEA take over control of your district due to financial issues such as fraud or having a negative fund balance? If not, you pass this indicator.

13. Was the percent of operating expenditures expended for instruction more than or equal to 65%? (Functions 11, 36, 93 and 95) (Phased in over five years: 55% for 2006-2007, 60% for 2007-2008, 65% for 2008-2009)

This indicator shows your district's ability to focus the majority of its funding so that it directly pays for student instruction. Student instructional costs only include expenditure categories in the reporting format followed by the NCES (National Center for Educational Statistics), which include function code 11, instruction; function code 36, extracurricular activities; function code 93, payments to cooperatives; and function code 95, payments to juvenile justice alternative education programs. A district earns up to three points under this indicator based upon its relative performance. The district may post its check register and aggregate payroll amount if its performance on Indicator 13 prevents attaining the three points.

14. Was the percent of operating expenditures expended for instruction more than or equal to 65%? (Functions 11, 12, 31, 33, 36, 93 and

95)

This indicator provides another perspective on your district's ability to focus the majority of its funding so that it directly pays for student instruction. Student instructional costs include expenditure categories in the reporting format followed by the NCES (National Center for Educational Statistics) plus costs reported under function code 12, libraries and media services; function code 31, guidance, counseling and evaluation services; and function code 33, medical services. A district earns up to three points under this indicator based upon its relative performance.

15. Was the aggregate of Budgeted Expenditures and Other Uses LESS THAN the aggregate of Total Revenues, Other Resources and Fund Balance in General Fund?

Did you overspend your budget? Your district will receive a negative rating on this measure if your total expenditures and other uses for the fiscal year exceeded your total funds available.

16. If the district's Aggregate Fund Balance in the General Fund and Capital Projects Fund was LESS THAN zero, were construction projects adequately financed? (Were construction projects adequately financed or adjusted by change orders or other legal means to avoid creating or adding to the fund balance deficit situation?)

Did you over-spend on school buildings



How Ratings are Assessed

or other capital projects? This indicator measures your district's ability to construct facilities without damaging your Fund Balance.

17. Was the ratio of Cash and Investments to Deferred Revenues (excluding amount equal to net Delinquent Taxes Receivable) in the General Fund greater than or equal to 1:1? (If Deferred Revenues are less than Net Delinquent Taxes Receivable, then the district receives 5 points)

This indicator measures whether or not your district has sufficient cash and investments to balance Fund Balance monies such as TEA overpayments (deferred revenues). In other words, your District should have fund balance monies of its own that are at least equal to those dollars that are there due to overpayments from TEA, and you should not be spending "next year's" monies this year. A district earns up to five points under this indicator based upon its relative performance.

18. Was the Administrative Cost Ratio less than the standard in State Law?

This indicator measures the percentage of their budget that Texas school districts spent on administration. Did you exceed the cap in School FIRST for districts of your size?

19. Was the Ratio of Students to Teachers within the ranges shown

below according to district size?

This indicator measures your pupil-teacher ratio to ensure that it is within TEA recommended ranges for district's of your student population range. For example, districts with a student population between 500 and 999 should have no more than 22 students per teacher and no fewer than 10 students per teacher. A district earns up to five points under this indicator based upon its relative performance.

Indicator 19		
District Size –	Ranges for Ratios	
No. of Students	Low	High
<500	7	22
500 – 999	10	22
1,000 – 4,999	11.5	22
5,000 – 9,999	13	22
=> 10,000	13.5	22

20. Was the Ratio of Students to Total Staff within the ranges shown below according to district size?

This indicator measures your pupil-staff ratio to ensure that it is within TEA-recommended ranges for district's of your student population range. For example, districts with a student population between 500 and 1,000 should have no more than 14 students per staff member and no fewer than 5.8 students per district employee. A district earns up to five points under this indicator based upon its relative performance.



How Ratings are Assessed

Indicator 20

District Size – No. of Students	Ranges for Ratios	
	Low	High
<500	5	14
500 – 999	5.8	14
1,000 – 4,999	6.3	14
5,000 – 9,999	6.8	14
=> 10,000	7.0	14

21. Was the Total Fund Balance in the General Fund more than 50 percent and less than 150 percent of Optimum according to the Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report?

Your district’s audit provides an optimum General Fund “Fund Balance” for your district. Your district should have no less than one-half and no more than one and one-half times this amount in your Fund Balance, counting both reserved and unreserved fund balances. A district earns up to five points under this indicator based upon its relative performance.

22. Was the decrease in Undesignated Unreserved Fund Balance less than 20 percent over two Fiscal Years? (If 1.5 times Optimum Fund balance is less than total Fund Balance in General Fund or if Total Revenues the General exceeded Operating Expenditures in Fund, then the district receives 5 points)

Are you “feeding off of your Fund Balance” to pay for salaries or other district operating expenses? This indicator notes rapid decreases in your undesignated Fund Balance (those

dollars not designated as a “land fund” or “construction fund”) or emergency fund. A district earns up to five points under this indicator based upon its relative performance.

23. Was the Aggregate Total of Cash and Investments in the General Fund more than \$0?

Does your district have cash in the bank, and/or investments?

24. Were Investment Earnings in all funds (excluding Debt Service Fund and Capital Projects Fund) more than \$20 per student?

Are you using your cash or reserve fund (Fund Balance) monies wisely? A district earns up to five points under this indicator based upon its relative performance.

Figure: 19 TAC §109.1002(c)

School FIRST - Rating Worksheet Calculations Effective August 2006		
	Indicator	Calculation Defined
1	Was Total Fund Balance Less Reserved Fund Balance Greater Than Zero In The General Fund?	$A > 0$ Where $A = [\text{Aggregate Of Unreserved, Designated Fund Balance And Unreserved, Undesignated Fund Balance In General Fund At June 30 or August 31 Depending On Fiscal Year End}]$
2	Was the Total Unrestricted Net Asset Balance (Net of the Accretion of Interest for Capital Appreciation Bonds) in the Governmental Activities Column in the Statement of Net Assets Greater Than Zero? (If The District's Five-Year Percent Change In Students Was A 10% Increase Or More Then The District Answers Yes)	If $((C - D) / D) \times 100 < 10\%$ Then Continue Calculation $A + B > 0$ Where $A = \text{Total Unreserved Net Asset Balance in the Governmental Activities Column in Exhibit A-1, Statement of Net Assets in the Annual Financial Report; } B = \text{Accretion of Interest for Capital Appreciation Bonds; } C = [\text{Number Of Students In Year 5 From Base Year}]; D = [\text{Number Of Students In Base Year}]$
3	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	No Calculation Involved
4	Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?	No Calculation Involved
5	Was There An Unqualified Opinion In Annual Financial Report?	No Calculation Involved
6	Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	No Calculation Involved

Figure: 19 TAC §109.1002(c)

School FIRST - Rating Worksheet Calculations Effective August 2006		
	Indicator	Calculation Defined
7	Did The District's Academic Rating Exceed Academically Unacceptable?	No Calculation Involved
8	Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?	$((A / B) \times 100)$ Where A = [Tax Collections For Three Years]; B = [Tax Levy For Three Years] Reported In Exhibit J-1 Schedule of Delinquent Taxes Receivable In The Annual Financial Report
9	Did The Comparison Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?	$((A / B) \times 100)$ Of C Where A = [Absolute Value Of All Differences In Expenditures In Exhibit C-2 Statement of Revenues, Expenditures, and Changes in Fund Balance And PEIMS]; B = [Sum Of Expenditure In PEIMS Per Fund Type Presented In Exhibit C-2]; C = [Fund Class]
10	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) Less Than \$250.00 Per Student? (If The District's Five-Year Percent Change In Students Was A 7% Increase Or More, Or If Property Taxes Collected Per Penny Of Tax Effort Were More Than \$200,000 Per Student, Then The District Receives 5 Points)	If $((B - D) / D) \times 100 < 7\%$ Or $E / F < \$200,000$, Then Continue Calculation $((A - C) / B)$ Where A = [Function 71 Expenditures Report In The Debt Service And General Funds (Excluding Expenditure Object Codes 6524 and 6525)]; B = [Number Of Students In Year 5 From Base Year]; C = [IFA + EDA Allotments]; D = [Number Of Students In Base Year]; E = [Total Tax Collections]; F = [Total Tax Rate In Pennies]
11	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	No Calculation Involved
12	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g., Conservator Assigned)	No Calculation Involved

Figure: 19 TAC §109.1002(c)

School FIRST - Rating Worksheet Calculations Effective August 2006		
	Indicator	Calculation Defined
13	Was The Percent Of Operating Expenditures Expended For Instruction More Than or Equal to 65%? (Functions 11, 36, 93, 95) <u>(Phased in over three years: 55% for 2006-2007; 60% for 2007-2008; and 65% for 2008-2009)</u>	$((A / B) \times 100)$ Where A = [Expenditures In General Fund, Special Revenue Funds (Excluding SSA Fund Codes) and Capital Projects In Functions 11, 36, 93, 95 And Object Codes 6112-6499]; B = [Expenditures In General Fund, Special Revenue Fund, And Enterprise Fund 701(Child Nutrition Program); (Excluding SSA Fund Codes) And Capital Projects Fund; Functions 11 through 61 and 93 & 95; Object Codes 6112 through 6499]
14	Was The Percent Of Operating Expenditures Expended For Instruction More Than or Equal to 65%? (Functions 11, 12, 31, 33, 36, 93, 95)	$((A / B) \times 100)$ Where A = [Expenditures In General Fund, Special Revenue Funds (Excluding SSA Fund Codes) and Capital Projects In Functions 11, 12, 31, 33, 36, 93, 95 And Object Codes 6112-6499]; B = [Expenditures In General Fund, Special Revenue Fund, And Enterprise Fund 701(Child Nutrition Program); (Excluding SSA Fund Codes) And Capital Projects Fund; Functions 11 through 61 and 93 & 95; Object Codes 6112 through 6499]
15	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance in General Fund?	$(A + B) - (C + D + E) < 0$ Where A = [Budgeted Appropriations In General Fund]; B = [Budgeted Other Uses In The General Fund]; C = [Budgeted Revenues In General Fund]; D = [Budgeted Other Resources In The General Fund]; E = [Fund Balance In General Fund At July 1 or September 1 Depending On Fiscal Year End]
16	If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (Were Construction Projects Adequately Financed Or Adjusted By Change Orders Or Other Legal Means To Avoid Creating Or Adding To The Fund Balance Deficit Situation?)	If $(C + D) < 0$ Then Continue Calculation As $(A - B - (C + D)) < 0$ Where A = [Expenditures Function 81 In General Fund and Capital Projects Fund]; B = [Other Resources For Real Property Financing In General Fund and Capital Projects Fund]; C = [Fund Balance In General Fund At July 1 or September 1 Depending On Fiscal Year End]; D = [Fund Balance In Capital Projects Fund At July 1 or September 1 Depending On Fiscal Year End]
17	Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable, Then The District Receives 5 Points)	If $B > 0$ Then Continue Calculation As (A / B) Where A = [Cash And Investments In General Fund]; B = [Deferred Revenue In General Fund - Property Tax Receivable Net Of Uncollectible]

Figure: 19 TAC §109.1002(c)

School FIRST - Rating Worksheet Calculations Effective August 2006		
	Indicator	Calculation Defined
18	Was The Administrative Cost Ratio Less Than The Threshold Ratio? (See Ranges Below)	(A>B) A = [Acceptable Administrative Cost Ratio]; B = [Administrative Cost Ratio Of The District]
19	Was The Ratio Of Students To Teachers Within The Ranges Shown Below According To District Size? (See Ranges Below)	(A / B) Where A = [Number Of Students]; B = [Number Of Teachers FTEs]
20	Was The Ratio Of Students To Total Staff Within The Ranges Shown Below According To District Size? (See Ranges Below)	(A / B) Where A = [Number Of Students]; B = [Total Staff FTEs]
21	Was The Total Fund Balance In The General Fund More Than 50% And Less Than 150% of Optimum According To The Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report?	Deficient Fund Balance Amount In General Fund Is Defined As $A < (B \times .5)$ And Excess Is Defined As $A > (B \times 1.5)$ Where A = [Total General Fund Balance At June 30, 20XX or August 31, 20XX Depending On Fiscal Year End]; B = Line 10 in Exhibit J-3, Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report.
22	Was The Decrease In Undesignated Unreserved Fund Balance Less Than 20% Over Two Fiscal Years? (If 1.5 Times Optimum Fund Balance Is Less Than Total Fund Balance In General Fund Or If Total Revenues Exceeded Operating Expenditures In The General Fund, Then The District Receives 5 Points).	If $(A - B) > 0$ And Optimum Fund Balance $\times 1.5$ Is Less Than Total Fund Balance In General Fund And $[C] \times .80 > [D]$, Then Continue Calculation $[A] - [B]$ Where A = [Expenditures In General Fund In Functions 11 Through 61 And Expenditure Object Codes 6100 Through 6400]; B = [Total Revenues In General Fund]; C = [Undesignated, Unreserved Fund Balance In General Fund At June 30 or August 31, Depending On Fiscal Year End, Two Fiscal Years Prior]; D= [Undesignated, Unreserved Fund Balance In General Fund For The Last Fiscal Year]
23	Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?	$A > 0$ Where A = [Cash and Investments In General Fund]
24	Were Investment Earnings In All Funds (Excluding Debt Service Fund And Capital Projects Fund) More Than \$20 Per Student?	(A / B) Where A = [Investment Earnings In All Funds Except Debt Service Fund And Capital Projects Fund]; B = [Number Of Students]

Figure: 19 TAC §109.1002(c)

Indicator 18	
ADA Group	Standard
10,000 and Above	0.1105
5,000 to 9,999	.1250
1,000 to 4,999	.1401
500 to 999	.1561
Less than 500	.2654
Sparse	0.3614

		Ranges for Ratios	
District Size - Number of Students Between		Low	High
Indicator 19			
	<500	7.0	22
500	999	10.0	22
1,000	4,999	11.5	22
5,000	9,999	13.0	22
=>10,000		13.5	22
Indicator 20			
	<500	5.0	14
500	999	5.8	14
1,000	4,999	6.3	14
5,000	9,999	6.8	14
=>10,000		7.0	14

For Questions Call The Division Of School Financial Audits At (512) 463-9095