

SUBJECT: Schools FIRST Rating 2015-2016
PRESENTED BY: Bryan Myres, Executive Director of Finance, RTSBA

BACKGROUND INFORMATION

In 1999, Senate Bill 875 of the 76th Texas Legislature required that TEA develop a financial accountability system for Texas school districts. The primary goal of Schools FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made significant due to the complexity of accounting associated with Texas' school finance system. Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001. Amended to be effective August 6, 2015.

The Schools FIRST accountability rating system is required to be reviewed every three years. In previous years, TEA underwent major revisions in the indicators so during the transitional years, only a rating of "Pass" or "Substandard Achievement" was issued, having only 7 critical indicators for that year. The scoring system was 0-30 with a scores between 16-30 gave the score of "Passing." Godley received a **PASS** rating receiving 30 out of 30 points in 2014-2015.

District financial accountability ratings in School FIRST **are now** based on the number of points received. The four primary levels of ratings (Superior Achievement, Above Standard Achievement, Standard Achievement, and Substandard Achievement) are based upon the points received for indicators by each school district.

Godley received a **Superior** rating receiving 98 out of 100 points for 2016-2017, based on 2015-2016 Financial Data.

ACTION REQUIRED

None. Information and discussion only.

User: Bryan Myres
User Role: District

RATING YEAR

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Financial Integrity Rating System of Texas

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

Name: GODLEY ISD(126911)	Publication Level 1: 8/8/2017 2:29:29 PM
Status: Passed	Publication Level 2: 8/8/2017 2:29:29 PM
Rating: A = Superior	Last Updated: 8/8/2017 2:29:29 PM
District Score: 98	Passing Score: 60

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	3/28/2017 11:53:52 AM	Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.		
2.A	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	3/28/2017 11:53:52 AM	Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	3/28/2017 11:53:52 AM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	3/28/2017 11:53:52 AM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	3/28/2017 11:53:53 AM	Yes
5	<u>Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)</u>	3/28/2017 11:53:53 AM	Yes
			1 Multiplier Sum

District Status Detail

6	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? (See ranges below.)</u>	3/28/2017 11:53:53 AM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	3/28/2017 11:53:53 AM	10
8	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	3/28/2017 11:53:54 AM	8
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?</u>	3/28/2017 11:53:54 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	5/18/2017 12:28:58 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/28/2017 11:53:55 AM	10
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	6/21/2017 8:23:34 PM	10
13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?</u>	3/28/2017 11:53:55 AM	10
14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	3/28/2017 11:53:56 AM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	3/28/2017 11:53:56 AM	10
			98 Weighted Sum
			1 Multiplier Sum
			98 Score

DETERMINATION OF RATING

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is F for Substandard Achievement regardless of points earned.				
B.	Determine the rating by the applicable number of points. (Indicators 6-15)				
	<table border="1"> <tr> <td>A = Superior</td> <td>90-100</td> </tr> <tr> <td>B = Above Standard</td> <td>80-89</td> </tr> </table>	A = Superior	90-100	B = Above Standard	80-89
A = Superior	90-100				
B = Above Standard	80-89				

District Status Detail

C = Meets Standard

60-79

F = Substandard Achievement

<60

No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.

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THE **TEXAS EDUCATION AGENCY**
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FIRST 4.5.9.0



GODLEY INDEPENDENT SCHOOL DISTRICT
2016-2017 Ratings based on 2015-2016 Data

School FIRST Annual Financial Management Report

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(o). Effective 8/6/2015.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is attached. In lieu of publication in the annual School FIRST financial management report, the school district may chose to publish the superintendent's employment contract on the school district's Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
 Ended August 31, 2016

Description of Reimbursements	Superintendent- Rich Dear	Terrie Goodloe Board Member 1	Marrissa Abbott Board Member 2	James McGehee Board Member 3	Dennis McFarlin Board Member 4	Jeff Pannell Board Member 5	Craig Stephenson Board Member 6	Matt McKittrick Board Member 7
	Meals	\$ 345.45	\$ 52.10	\$ 274.32	\$ -	\$ 259.20	\$ -	\$ 275.40
Lodging	1,595.68	512.34	512.34	512.34	512.34	512.34	512.34	512.34
Transportation	3,599.50							
Motor Fuel								
Other	1,501.50	535.00	535.00	535.00	535.00	535.00	535.00	535.00
Total	\$ 7,042.13	\$ 1,099.44	\$ 1,321.66	\$ 1,047.34	\$ 1,306.54	\$ 1,047.34	\$ 1,322.74	\$ 1,047.34

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



GODLEY INDEPENDENT SCHOOL DISTRICT
2016-2017 Ratings based on 2015-2016 Data

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, 2016

Name(s) of Entity(ies)	Amount Received
NONE	\$ -

Total	\$0.00
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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, 2016

	Terrie Goodloe Board Member 1	Brett Neill Board Member 2	James McGehee Board Member 3	Dennis McFarlin Board Member 4	Barbara Willis Board Member 5	Craig Stephenson Board Member 6	Matt McKittrick Board Member 7
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.



GODLEY INDEPENDENT SCHOOL DISTRICT 2016-2017 Ratings based on 2015-2016 Data

Business Transactions Between School District and Board Members

For the Twelve-Month Period
 Ended August 31, 2016

	Terrie Goodloe Board Member 1	Brett Neill Board Member 2	James McGehee Board Member 3	Dennis McFarlin Board Member 4	Barbara Willis Board Member 5	Craig Stephenson Board Member 6	Matt McKittrick Board Member 7
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.

Date given Superintendent: _____

Date returned by Superintendent: _____

STATE OF TEXAS

COUNTY OF JOHNSON

SUPERINTENDENT'S TERM CONTRACT

The BOARD OF TRUSTEES ("Board") of the GODLEY INDEPENDENT SCHOOL DISTRICT ("GISD" or "District") and Dr. Christopher Rich Dear ("Superintendent") pursuant to Section 11.201 of the Texas Education Code agree to the following terms and conditions of employment as Superintendent for GISD.

I. Term

- 1.1 The Superintendent shall be employed for a term of **5 years**, commencing on July 1, 2016, and ending on June 30, 2021. This contract includes 226 workdays within any 12 month period.
- 1.2 GISD may by action of the Board, and with the consent of the Superintendent, extend the term of this term contract.
- 1.3 The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this term contract. No property interest, express or implied, is created in continued employment beyond the contract term.

II. Employment

- 2.1 *Duties.* The Superintendent is the educational leader and chief executive of the district and shall faithfully perform the duties of the Superintendent of Schools for the GISD, as prescribed in the job description and as may be assigned by action of the Board, and shall comply with all lawful Board directives, state and federal law, district policy, rules, and regulations as they exist or may hereafter be amended. The Superintendent shall perform the duties of the Superintendent of Schools for the GISD with reasonable care, diligence, skill, and expertise and shall devote substantially all of his time, skill, labor, and attention to his employment and the performance of these duties during the term of this term contract. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.
- 2.1.a Specifically, it shall be the duty of the Superintendent to:
 - (1) Assume administrative responsibility and leadership for the planning, operation, supervision, and evaluation of the education

check, and his employment is contingent upon such results being clear of any conviction for a felony or for any offense involving moral turpitude and consistent with information previously disclosed to the Board.

- 2.3 *Reassignment.* The Board may reassign the Superintendent to another position only if the Superintendent expressly consents in writing.
- 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, 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. In the event of illness or Board-approved absence, the Superintendent's designee shall attend such meetings.
- 2.5 *Criticisms, Complaints.* 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.

III. Compensation

- 3.1 *Salary.* The District shall provide the Superintendent with an annual salary in the sum of _____ One hundred thirty-nine thousand, fifty Dollars and 00 cents (\$ 139,050.00 _____). The annual salary shall be paid to the Superintendent in equal monthly installments consistent with the Board's policies.
- 3.2 *Salary Adjustments.* The Board will consider all compensation regularly and determine if increases are warranted by performance, longevity, and general economic conditions. Adjustments shall be in the form of a written addendum to this term contract or a new contract shall be issued, 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.
- 3.3 *Annuity Benefits.* On July 1, 2016 and on each following July 1 during the term of this contract, the Board shall authorize employer discretionary non-elective contributions to a 403(b) and/or 457 (b) account established in the Superintendent's name ("403(b) Plan") in

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. Subject to availability, the Superintendent will have access to the District-owned van and car for all school-related business travel, whether in the District or outside the District. All travel expenses may be reviewed by the Board, and the Board by policy may limit or require pre-approval for out-of-district travel. The District shall pay the Superintendent a monthly in-District travel allowance of \$350.00.

- 3.7 *Legal Proceedings.* The GISD shall provide the Superintendent with a legal defense with the mutual agreement of Superintendent and the District if such legal counsel is not also District's legal counsel, and shall pay the costs and expenses related to that defense for any and all demands, claims, suits, actions, and legal proceedings brought against the Superintendent in his or her individual or official capacity as agent and employee of the GISD, provided that the Board determines that the Superintendent was acting in good faith and within the course and scope of his employment. GISD's obligation to provide a legal defense under this paragraph shall survive the termination of this contract. The Board may purchase legal liability insurance to satisfy this provision.

IV. Annual Performance Goals

- 4.1 *Development of Goals.* The Superintendent, in cooperation with the District-Level Planning and Decision-Making Committee, shall submit to the Board each year, for its consideration and adoption, a preliminary list of goals for the GISD. The goals approved by the Board shall at all times be reduced to writing and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated. The Board agrees to work with and support the Superintendent in achieving the board-approved 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 term contract. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description and shall be based on the District's progress towards accomplishing the board-approved goals. The Board, at its discretion, may evaluate and assess the performance of the Superintendent as many times during the year as it deems appropriate. Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in closed meeting and shall be considered

7.4 *Dismissal or Suspension Without Pay for Good Cause.* The Board may dismiss the Superintendent, or suspend without pay for a period not to extend beyond the end of a school year, during the term of this term contract for good cause. The following are examples of conduct and situations which may constitute "good cause," but the term is not limited in meaning by this list:

- (1) Failure to perform duties or responsibilities within the scope of employment or as set forth under the terms and conditions of this term contract that a Texas school superintendent of ordinary prudence would have done under the same or similar circumstances;
- (2) Any sexual misconduct, as defined by GISD policy, with a student or employee or any conduct that endangers or has the potential to endanger the health or safety of one or more students or employees.
- (3) Insubordination or failure to comply with written or oral directives issued by action of the Board or failure to comply with Board policies.
- (4) Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memorandum, or other written communication when the Board has provided the Superintendent a reasonable opportunity to remediate any incompetence or inefficiency that is remediable;
- (5) Neglect of duties;
- (6) Drunkenness or excessive use of alcoholic beverages;
- (7) Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Dangerous Drug Act or the Texas Controlled Substances Act;
- (8) Conviction of a felony or any crime involving moral turpitude; conviction of a lesser included offense pursuant to a plea when the original charged offense is a felony; deferred adjudication for a felony or any crime involving moral turpitude, when the conviction or deferred adjudication occurs during the term of employment.
- (9) Failure to meet the GISD's standards of professional conduct;
- (10) Failure to comply with reasonable GISD professional development requirements;
- (11) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
- (12) Immorality, which is conduct the Board determines is not in conformity with the accepted moral standards of the community

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 shall pay the Superintendent's membership dues to 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.

- 8.4 *Controlling Law.* This term contract shall be governed by the laws of the State of Texas, and shall be performed in Johnson County, Texas, unless otherwise provided by law.
- 8.5 *Complete Agreement.* This term contract embodies the entire understanding between the parties and cannot be varied except by written agreement of the undersigned parties and Board approval of the new or additional writing at a lawfully called meeting. All existing term contracts, both oral and written, between the parties regarding the employment of the Superintendent are superseded by this term contract, and this term contract constitutes the entire agreement between the parties unless amended pursuant to this paragraph or other specific terms of this term contract.
- 8.6 *Conflicts.* In the event of any conflict between the terms, conditions, and provisions of this term contract and the provisions of the Board's policies or any permissive state or federal law, the terms of this term contract shall take precedence over the contrary provisions of the Board's policies or any such permissive law, unless otherwise prohibited by law.
- 8.7 *Savings Clause.* In the event any one or more of the provisions contained in this term contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision, and this term contract shall be construed as if such invalid, illegal, or unenforceable provision had never been included.