



FIRST – Financial Integrity Rating System of Texas

Includes 20 indicators that show the financial health of a school district

This rating is for Brownwood ISD's 20-21 data

The passing score is 60 and Brownwood ISD received a 79 – Meets Standard Achievement

There were 3 questions that we did not get the full number of points:

Question 7 – number of days of cash on hand and current investments sufficient to cover operating expenditures – we received 6 points for having cash on hand to cover 65 days – districts receive 10 points for having cash on hand to cover 90 days

Question 8 – the measure of current assets to current liabilities sufficient to cover short-term debt – we received 6 points for having sufficient assets to cover current liabilities at 2.4478 times – districts receive 10 points for having 3 or more times

Question 17 – external independent auditor noted a material weakness – if District fails indicator 17, the maximum points and highest rating the school district may receive is 79.

With this report we have the annual financial management report and the Superintendents Contract

RATING YEAR DISTRICT NUMBER



Financial Integrity Rating System of Texas

2021-2022 RATINGS BASED ON SCHOOL YEAR 2020-2021 DATA - DISTRICT STATUS DETAIL

Name: BROWNWOOD ISD(025902)	Publication Level 1: 8/2/2022 2:05:39 PM
Status: Passed	Publication Level 2: 8/4/2022 12:15:48 PM
Rating: C = Meets Standard Achievement	Last Updated: 8/4/2022 12:15:48 PM
District Score: 79	Passing Score: 70

#	Indicator Description	Updated	Score
1	Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?	7/12/2022 8:28:04 AM	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.)	5/16/2022 10:01:43 AM	Yes
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)	5/16/2022 10:01:44 AM	Yes
4	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (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.)	5/16/2022 10:01:44 AM	Yes Ceiling Passed
5	This indicator is not being scored.		
			1 Multiplier Sum
6	Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	5/17/2022 9:37:38 AM	Ceiling Passed
7	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.	5/16/2022 10:01:45 AM	6
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.	5/16/2022 10:01:46 AM	6
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.	5/16/2022 10:01:47 AM	10
10	This indicator is not being scored.		10
11	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the school district's increase of students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator. See ranges below in the Determination of Points section.	5/16/2022 10:01:48 AM	10
12	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.	5/16/2022 10:01:49 AM	10
13	Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.	6/9/2022 10:47:48 AM	10
14	Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.	5/16/2022 10:01:50 AM	10

15	This indicator is not being scored.		5
16	<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? (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>	5/16/2022 10:01:51 AM	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>	5/16/2022 10:01:52 AM	Ceiling Failed
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>	5/16/2022 10:01:52 AM	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>	5/16/2022 10:01:53 AM	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>	5/16/2022 10:01:53 AM	Ceiling Passed
			92 Weighted Sum
			1 Multiplier Sum
			(79 Ceiling)
			79 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points.	
	A = Superior Achievement	90-100
	B = Above Standard Achievement	80-89
	C = Meets Standard Achievement	70-79
	F = Substandard Achievement	<70
<p>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.</p> <p>The school district receives an F if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.</p>		

CEILING INDICATORS

Did the school district meet the criteria for any of the following **ceiling indicators** 4, 6, 16, 17, or 20? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.

Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is No.	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is No.	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is No.	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is No.	89	B = Above Standard Achievement

School FIRST Annual Financial Management Report

BROWNWOOD INDEPENDENT SCHOOL DISTRICT

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(g). Effective 8/1/2018.

The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may 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, 2022

Description of Reimbursements	Superintendent		Board Member 1		Board Member 2		Board Member 3		Board Member 4		Board Member 5		Board Member 6		Board Member 7	
	Joe Young	Michael Cloy	Diane Thompson	Roderick Jones	Ereic Evans	Codie Smith	Amary Doremus	Tim Jacobs								
Meals	641.46	263.99	263.99	0	263.99	263.99	263.99	263.99	263.99	263.99	263.99	263.99	263.99	263.99	263.99	263.99
Lodging	1974	767.03	767.03	0	767.03	767.03	767.03	767.03	767.03	767.03	767.03	767.03	767.03	767.03	767.03	767.03
Transportation	313.85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Training	2626.83	460	460	460	460	460	460	460	460	460	460	460	460	460	460	460
Other																
Total	\$5,556.14	\$1,491.02	\$1,491.02	\$460.00	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$1,491.02	\$0.00

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:

- Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).
- Lodging - Hotel charges.
- Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).
- Motor fuel – Gasoline.
- Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

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

For the Twelve-Month Period
 Ended August 31, 2022
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, 2022

Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Joe Young	Michael Cloy	Diane Thompson	Roderick Jones	Ereic Evans	Codie Smith	Amary Doremus	Tim Jacobs
\$	\$	\$	\$	\$	\$	\$	\$
<hr/>							
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, 2022

Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Joe Young	Michael Cloy	Diane Thompson	Roderick Jones	Ereic Evans	Codie Smith	Amary Doremus	Tim Jacobs
\$	\$	\$	\$	\$	\$	\$	\$

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.

FILE COPY

SUPERINTENDENT'S CONTRACT
BROWNWOOD INDEPENDENT SCHOOL DISTRICT

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF BROWN

This Superintendent Employment Contract ("Contract") is made and entered into by and between the Board of Trustees (the "Board") of the BROWNWOOD INDEPENDENT SCHOOL DISTRICT (the "District") and DR. JOE YOUNG (the "Superintendent").

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

I. Term

1.1 Employment. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of approximately five (5) years commencing on January 11, 2022 and ending on January 11, 2027. 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 Right to Tenure. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure is created by this Contract. No property interest, express or implied, is created in continued employment beyond the Contract term.

II. Employment

2.1 Duties. The Superintendent is the chief executive and instructional leader of the District and shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in the job description and as may be lawfully assigned by the Board and shall comply with all lawful Board directives, state and federal law, district policy, rules, and regulations as they exist or may hereafter be amended. Specifically, it shall be the duty of the Superintendent to recommend for employment all professional employees of the District subject to the Board's approval. It shall be the further duty of the Superintendent to employ all other personnel consistent

with the Board's policies. It shall be the further duty of the Superintendent to direct, assign, reassign, and evaluate all of the employees of the District consistent with Board policies and federal and state law. It shall be the further duty of the Superintendent to organize, reorganize and arrange the staff of the District, and to develop and establish administrative regulations, rules, and procedures which the Superintendent deems necessary for the efficient and effective operation of the District consistent with the Board's lawful directives, the Board's policies, and state and federal law. It shall be the further duty of the Superintendent to accept all resignations of employees of the District consistent with the Board's policies, except the Superintendent's resignation, which must be accepted by the Board. The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, diligence, skill and expertise. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

2.2 Professional Certification and Records. This Contract is conditioned on the Superintendent's providing the necessary certification and experience records, medical records and other records required for the personnel files or payroll purposes. Failure to provide necessary certification shall render this Contract void. Any conscious misrepresentation by the Superintendent relative to necessary certification and experience records, medical records and other records required for the personnel files or payroll purposes may be grounds for dismissal.

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 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 salary and benefits as set forth in this Contract, or the Superintendent's performance and/or evaluation, or when the Board is acting in its capacity as a tribunal, or to consider interpersonal relationships between individual Board members.

2.5 Criticisms, Complaints, and Suggestions. The Board, individually and collectively, shall refer all substantive complaints from staff and/or third parties to the Superintendent for review and appropriate action. The Superintendent will refer such matter(s) to the appropriate District employee for investigation or investigate such matter(s) and inform the entire Board of the results of such action or, refer such matter(s) to the appropriate complaint

resolution procedure as established by District Board policies. Substantive complaints include allegations of possible wrongdoing by staff and/or students, complaints of possible criminal behavior by staff and/or students, and complaints about personnel which, if true, would require action by the Superintendent and/or administration. Provided, however, nothing herein shall be construed to prevent the right of a District employee to communicate directly with a Board member pursuant to Board policy. The Board retains the right to investigate complaints about the Superintendent. The Superintendent shall refer all substantive complaints from staff and/or third parties regarding a Board member to the Board President for review and action. If the complaint is about the Board President, then the Superintendent shall refer the complaint to the next most senior non-implicated Board officer or, if necessary, Board member.

2.6 Nepotism. With the exception of any individuals already employed for the statutorily-allowed time periods by the District as of the date of this Contract, the District will not employ, and the Superintendent will not recommend for employment, any individual related to the Superintendent within any prohibited degree under the Texas nepotism law, regardless of whether or not the nepotism law applies to the Superintendent.

2.7 Consulting or Personal Services. During the term of this Contract, the Superintendent will not provide any personal services for a financial benefit, engage in any consulting activities for a fee, or engage in any outside employment for any business entity that conducts or solicits business with the District. Any financial benefit received by the Superintendent for performing personal services for any other entity must receive prior Board approval, on a case-by-case basis, in an open meeting. The Superintendent will comply with all federal and state laws and regulations and District policies, rules and regulations regarding conflict of interest and fraud as they exist or may hereafter be amended or adopted during the term of this Contract. Any such consulting or personal services shall not conflict or interfere with the Superintendent's professional responsibilities to the District and shall be performed during the work days only to the extent that the Superintendent has available vacation or personal leave days to cover his absences. The Board has sole authority to determine whether the consulting or personal services conflict with the Superintendent's duties to the District.

2.8 Residence. The District requires the Superintendent to establish a residence in the District.

III. Representations

The Superintendent makes the following representations:

3.1 Beginning of Contract. At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of his national criminal history record information (NCHRI) if required by the District, TEA, or SBEC. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.

3.2 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, with the exception of routine traffic citations. The Superintendent agrees to provide such notification in writing within seven (7) calendar days of the event or any shorter period specified in Board policy.

3.3 False Statements and Misrepresentations. The Superintendent represents that any records or information provided in connection with his employment application are true and correct. Any 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.

IV. Compensation

4.1 Salary. The District shall provide the Superintendent with an annual salary, the amount of which shall be approved in the annual budget. This annual salary shall be paid to the Superintendent in equal installments consistent with the Board's policies. This Contract begins before the adoption of the next budget and the annual base salary shall be Two Hundred and Five Thousand, and No/00 Dollars (\$205,000) beginning with the January 2022 payment.

4.2 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 4.1 of this Contract. Such adjustments, if any, shall be in the form of a written addendum to this Contract or a new contract. The requirements of a mutual agreement or a written addendum or new contract are not applicable if the reduction in salary is made pursuant to and in accordance with the provisions of either Section 21.4021 or 21.4032 of the Texas Education Code.

4.3 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 these benefits, at the Board's sole discretion.

4.4 Business Expenses. The District shall pay or reimburse the Superintendent for reasonable business expenses incurred by the Superintendent in the continuing performance of his duties under this Contract. The District agrees to pay the Superintendent a stipend in the amount of five hundred dollars (\$500) per month for actual and incidental costs incurred by the Superintendent for District-related travel. The District agrees to pay the actual and incidental costs incurred by the Superintendent for District-related travel outside the District. Such actual or incidental costs may include, but are not limited to, gasoline, hotels and accommodations, meals, and rental car expenses incurred in the performance of the business of the District, but shall not include alcohol or entertainment expenses (unless the entertainment expenses are pre-approved by the Board). The Superintendent shall comply with all policies, procedures and documentation requirements regarding these expenses in accordance with Board policies and established procedures, as required by the District's independent auditors, and/or state and federal laws and regulations regarding such business expenses, which shall be subject to review by the District's independent auditors. The District will make available to the Superintendent a school owned vehicle for in-district and out-of-district travel.

4.5 Insurance. During the Superintendent's employment with the District, the District shall supplement the Superintendent's annual salary by an amount equal to the annual family premiums for coverages selected by the Superintendent under TRS ActiveCare, dental, and vision insurance pursuant to the group health plan provided by the District for its twelve-month administrative employees. During the Superintendent's employment with the District, the District shall include in this insurance supplement an amount equal to the annual premium for term life insurance coverage on the life of the Superintendent under the District's term life insurance plan in an amount equal to the Superintendent's base salary as specified in Section 4.1 of this Contract. This additional supplement shall be paid to the Superintendent by regular payroll installments and shall be reported as creditable compensation by the District for purposes of TRS. On an ongoing basis, the Superintendent is to use his own private funds to personally and directly pay for any and all premiums for TRS ActiveCare, dental, vision, and life insurance insurance of any nature to

provide coverage for the Superintendent, his spouse, and his dependents. The Superintendent shall have the sole right to select the beneficiary(ies) for his term life coverage.

4.6 Vacation, Holidays, Leave. The Superintendent may take, at the Superintendent's choice, ten (10) days of vacation annually, 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 that will least interfere with the performance of the Superintendent's duties as set forth in this Contract. Accrued but unused vacation days shall accumulate and carry forward from year to year during the term of this contract. At the sole option of the Superintendent, either at the end of each year of the term of this Contract, at retirement, or when the Contract is terminated, either voluntarily or involuntarily, the district shall pay in a single taxable lump-sum to the Superintendent accrued but unused vacation, state, and local leave days at the Superintendent's then current daily rate of pay as calculated with his annual salary as reported to the Texas Teacher Retirement System on a 226 work day calendar. If the Superintendent elects to receive a yearly payment, the Superintendent may choose to receive payment for a portion of accrued vacation or leave days. Unpaid days would remain in the Superintendent's account. Any payment for unused leave will be considered supplemental wages. 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 number of illness benefits, non-duty days, and leave as authorized by Board policies for administrative employees on twelve-month contracts.

4.7 Telecommunications. In addition to the base compensation reflected in Section 4.1, the Superintendent shall be provided a district cell phone for business and limited personal use.

4.8 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 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 to attend such seminars, courses or meetings. The District agrees 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 to the Texas Association of School Administrators, two other professional organization of the Superintendent's choosing, as well as other memberships that the Board approves and determines is necessary to maintain and improve the Superintendent's professional skills. The District shall bear the reasonable cost and expense for such attendance and membership. The Superintendent shall notify the Board President when he intends to be out of the District traveling on District business or vacation.

4.9 Civic Activities Allowance. The Superintendent is encouraged to participate in community and civic affairs. The District shall pay the Superintendent's membership dues which the Board approves through the regular budget process to be used in connection with community and civic affairs.

4.10 Retirement Supplement. During the Superintendent's employment with the District, the District shall supplement the Superintendent's annual salary by an amount equal to the Superintendent's portion of the monthly contribution to the Teacher Retirement System of Texas ("TRS") and the Superintendent's portion of his monthly social security taxes due. This additional supplement shall be paid to the Superintendent by regular payroll installments and shall be reported as creditable compensation by the District for purposes of TRS.

4.11 Supplemental Retirement Plan. As an inducement to continue service to the District, the District shall contribute to a Supplemental Retirement Plan for the benefit of the Superintendent an annual amount equal to ten percent (10%) of the Superintendent's annual salary as reported to TRS, as it changes, for the term of this contract or any extension hereof. The payment shall be made each year by the District on or before January 31st beginning January 31, 2022.

The contributions to the Supplemental Retirement Plan and earnings thereon shall become vested according to the schedule listed below.

<u>Date</u>	<u>Vested Percentage</u>
Prior to January 20, 2023	0%
January 20, 2023	100%

Should the Superintendent still be employed after January 20, 2023, additional contributions shall be made under the same terms and the contributions and earnings thereon shall become vested according the schedule listed below.

<u>Date</u>	<u>Vested Percentage</u>
Prior to January 20, 2026	0%
January 20, 2026	100%

The Supplemental Retirement Plan (the "Plan") shall be a plan established under Section 403(b) and/or 457 of the Internal Revenue Code (the "Code") to be selected by the Superintendent. The Plan shall be established as employer-paid with non-discretionary contributions by the District and the Superintendent shall have no right to receive such contributions in cash. The Plan shall be established under a written plan document that meets the requirements of the Code and such document is incorporated herein by reference. The funds for the Plan shall each be invested as determined solely by the Superintendent in such investment vehicles as are allowable under the Code for the applicable type of plan.

V. Annual Performance Goals and Review of Performance

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

5.2 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. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job descriptions, Board policies, lawful Board directives, and to the adopted annual District and Superintendent goals outlined in Section 5.1.

5.3 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.

5.4 Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the evaluation instrument selected by the Board in accordance with the provisions of Article V. of this Contract, the Board's policies, and state and federal law. The evaluation shall include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory. A copy of the written evaluation shall be delivered to the Superintendent. The Superintendent shall have the right to make a written response to the evaluation. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. In the event the Board deems that the evaluation instrument, format and/or procedure is to be modified by the Board, such modifications must be adopted with input from the Superintendent and the Superintendent shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

5.5 Indemnification. The District shall indemnify, defend, and hold the Superintendent harmless regarding any claims, demands, duties, actions or other legal proceedings against the Superintendent, or damages incurred by the Superintendent, including court costs and reasonable attorney's fees, in his individual or official capacity for any act or failure to act involving the exercise of judgment and discretion within the normal course and scope of his duties as Superintendent of the District, to the extent and to the limits permitted by law. This paragraph does not apply if the Superintendent is found to have materially breached this Contract, to have acted with gross negligence or with intent to violate a person's clearly established legal rights, or to have engaged in official misconduct or criminal conduct, nor does it apply to criminal investigations or proceedings against the Superintendent. The District may, at its discretion, fulfill its obligation under this paragraph by purchasing appropriate insurance coverage for the benefit of the Superintendent or by including the Superintendent as a covered party under any contract providing errors and omissions insurance coverage purchased for the protection of the Board and the professional employees of the District. The Board may retain attorneys to represent the Superintendent in any proceeding for which he could seek indemnification under this paragraph,

to the extent that damages are recoverable or a defense is provided, under any such contract of insurance. No individual member of the Board shall be personally liable for indemnifying and defending the Superintendent under this paragraph. The District's obligation under this paragraph shall survive the termination of this Contract for qualifying acts or failures to act occurring during the term of this Contract or any extension thereof.

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

5.5.2 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 any termination of the Contract for a period of four (4) years.

VI. Termination, Nonrenewal, Suspension or Resignation of Employment Contract

6.1 Renewal/Nonrenewal. Renewal or nonrenewal shall be in accordance with Board policy and applicable law. Notwithstanding anything to the contrary in Section 21.212(a) of the Texas Education Code, the Superintendent shall be entitled to written notice, containing reasonable notice of the reason for the proposed nonrenewal, not later than the 30th day before the last day of the contract term, containing reasonable notice of the reason(s) for the proposed nonrenewal of the Superintendent's Contract with the District.

6.2 Suspension. In accordance with Texas Education Code chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board under and pursuant to applicable Texas law.

6.3 Mutual Agreement. This Contract shall be terminated by the mutual agreement of the Superintendent and the Board in writing, upon such terms and conditions as may be mutually agreed upon. Any amendment to this contract must be in writing and agreed upon by the Parties.

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

6.5 Resignation. 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 no later than the forty-fifth (45th) day before the first day of instruction of the following school year. The Superintendent may resign, with the consent of the Board, at any other time.

6.6 Dismissal for Good Cause. The Board may dismiss the Superintendent during the term of this Contract for good cause. The term "good cause" shall include, but not be limited to the following:

- (a) Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- (b) Incompetency 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 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) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;
- (k) Disability, not otherwise protected by law, that impairs performance of the required duties of the Superintendent;
- (l) Immorality, which consists of conduct determined by the Board to not conform with the accepted moral standards of the community encompassed by the District. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;
- (m) Criminal assault on an employee or student;
- (n) Knowingly falsifying records or documents related to the District's activities;
- (o) Conscious misrepresentation of facts to the Board or other District officials in the conduct of the District's business;
- (p) Failure to fulfill requirements for Superintendent certification;

- (q) Failure to fulfill the requirements of a deficiency plan under an Emergency Permit;
- (r) Any other reason constituting "good cause" under Texas law.

6.7 Termination Procedure. In the event the Board terminates this Contract for "good cause", the Superintendent shall be afforded all the rights as set forth in the Board's policies, state and federal law.

VII. Miscellaneous

7.1 Controlling Law. This Contract shall be governed by the laws of the State of Texas, and shall be performable in Brown County, Texas. Venue for any legal proceeding under this Contract shall be in state district court in Brown County, Texas, unless a different venue is mandatory under the provisions of the Texas Education Code.

7.2 Complete Agreement. This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties, except as expressly provided herein.

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. In the event any one or more of the provisions contained in this contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Contract, and this Contract constitutes the entire agreement between the parties unless amended pursuant to the terms of this Contract.

7.5 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.

7.6 Savings Clause. In the event any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity,

illegality, or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

7.7 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.

7.8 Multiple Originals. This Contract is executed in two (2) originals, one for the Board and one for the Superintendent, each of which shall constitute but one and the same instrument.

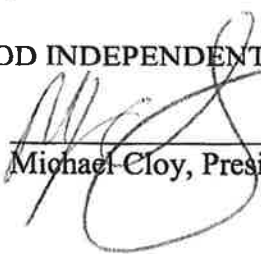
VIII. Notices

8.1 To Superintendent. The Superintendent agrees to keep a current address on file with the Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the Superintendent written notice by delivering the notice through hand-delivery, certified mail, regular mail, and/or express delivery service to the Superintendent's address of record.


8.2 To Board. The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice 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.

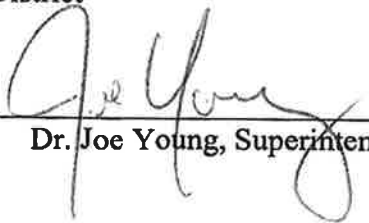
EXECUTED this 10th day of January, 2022.

BROWNWOOD INDEPENDENT SCHOOL DISTRICT

By: 
Michael Cloy, President

ATTEST:


Diane Thompson, Secretary
Board of Trustees
Brownwood Independent School District

By: 
Dr. Joe Young, Superintendent

