



Sherman ISD has received a rating of “Superior Achievement” for the 2011 fiscal year. The Superior Achievement rating is the highest rating available.

Schools FIRST is a financial rating system developed by the Texas Education Agency. 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 the accounting associated with Texas’ school finance system.

The Schools FIRST accountability rating ensures that Texas school districts are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

Sherman ISD  
FIRST Management Report  
Fiscal Year 2011



User: Randy Reid  
 User Role: District

YEAR **2010-2011**

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**Financial Integrity Rating System of Texas**

**2010-2011 DISTRICT STATUS DETAIL**

<b>Name:</b> <b>SHERMAN ISD(091906)</b>	<b>Publication Level 1:</b> 6/28/2012 12:33:14 PM
<b>Status:</b> <b>Passed</b>	<b>Publication Level 2:</b> None
<b>Rating:</b> Superior Achievement	<b>Last Updated:</b> 6/28/2012 12:33:14 PM
<b>District Score:</b> 70	<b>Passing Score:</b> 52

#	Indicator Description	Updated	Score
1	<u>Was The Total Fund Balance Less Nonspendable and Restricted Fund Balance Greater Than Zero In The General Fund?</u>	6/15/2012 3:23:18 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>	6/15/2012 3:23:18 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>	6/15/2012 3:23:19 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>	6/15/2012 3:23:19 PM	Yes
5	<u>Was There An Unqualified Opinion in Annual Financial Report?</u>	6/15/2012 3:23:19 PM	Yes



6	<u>Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?</u>	6/15/2012 3:23:20 PM	Yes
			1 Multiplier Sum
7	<u>Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?</u>	6/15/2012 3:23:20 PM	5
8	<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>	6/15/2012 3:23:20 PM	5
9	<u>Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) &lt; \$350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or &gt; 7%, Or If Property Taxes Collected Per Penny Of Tax Effort &gt; \$200,000 Per Student)</u>	6/15/2012 3:23:21 PM	5
10	<u>Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?</u>	6/15/2012 3:23:21 PM	5
11	<u>Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)</u>	6/15/2012 3:23:21 PM	5
12	<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>	6/15/2012 3:23:22 PM	5
13	<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>	6/15/2012 3:23:22 PM	5
14	<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</u>	6/15/2012 3:23:22 PM	5



	<u>Net Delinquent Taxes Receivable)</u>		
15	<u>Was The Administrative Cost Ratio Less Than The Threshold Ratio?</u>	6/15/2012 3:23:23 PM	5
16	<u>Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?</u>	6/15/2012 3:23:23 PM	5
17	<u>Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?</u>	6/15/2012 3:23:23 PM	5
18	<u>Was The Decrease In Undesignated Unreserved Fund Balance &lt; 20% Over Two Fiscal Years?(If Total Revenues &gt; Operating Expenditures In The General Fund,Then District Receives 5 Points)</u>	6/15/2012 3:23:24 PM	5
19	<u>Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?</u>	6/15/2012 3:23:24 PM	5
20	<u>Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) Meet or Exceed the 3-Month Treasury Bill Rate?</u>	6/15/2012 3:23:24 PM	5
			70 Weighted Sum
			1 Multiplier Sum
			70 Score

**DETERMINATION OF RATING**

<b>A.</b>	Did The District Answer ' <b>No</b> ' To Indicators 1, 2, 3 Or 4? <b>OR</b> Did The District Answer ' <b>No</b> ' To Both 5 and 6? If So, The District's Rating Is <b>Substandard Achievement.</b>
<b>B.</b>	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-20)
	<b>Superior Achievement</b> 64-70

<b>Above Standard Achievement</b>	58-63
<b>Standard Achievement</b>	52-57
<b>Substandard Achievement</b>	<52

**INDICATOR 17 & 18 RATIOS**

<b>Indicator 17</b>	Ranges for Ratios		<b>Indicator 18</b>	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**

Suspension Reason.

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User: Randy Reid  
User Role: District

YEAR **2010-2011****Select An Option****Help****Home****Log Out**

### Financial Integrity Rating System of Texas

## OVERALL STATISTICS 2010-2011 STATUS COUNTS

Status	Count	% Total	Enrollment	% Total Enrollment
Passed	1,005	97.67 %	4,720,201	98.78 %
Failed	24	2.33 %	58,487	1.22 %
<b>Total</b>	<b>1,029</b>	<b>100.00 %</b>	<b>4,778,688</b>	<b>100.00 %</b>

## 2010-2011 RATING COUNTS

Ratings	Count	% Total	Enrollment	% Total Enrollment
Superior Achievement	897	87.17 %	4,571,400	95.66 %
Above Standard Achievement	85	8.26 %	138,227	2.89 %
Standard Achievement	23	2.24 %	10,574	0.22 %
Substandard Achievement	24	2.33 %	58,487	1.22 %
<b>Total</b>	<b>1,029</b>	<b>100.00 %</b>	<b>4,778,688</b>	<b>100.00 %</b>

## 2010-2011 ALL RESULTS BY INDICATOR

Indicator	Result	Count	% of Districts	Enrollment	% Total Enrollment
1	Yes	1025	99.61 %	4769322	99.80 %
	No	4	0.39 %	9366	0.20 %

2	Yes	1022	99.32 %	4749881	99.40 %
	No	7	0.68 %	28807	0.60 %
3	Yes	1029	100.00 %	4778688	100.00 %
	No	0	0.00 %	0	0.00 %
4	Yes	1018	98.93 %	4767938	99.78 %
	No	11	1.07 %	10750	0.22 %
5	Yes	1026	99.71 %	4760732	99.62 %
	No	3	0.29 %	17956	0.38 %
6	Yes	984	95.63 %	4509801	94.37 %
	No	45	4.37 %	268887	5.63 %
7	5	868	84.35 %	4326389	90.54 %
	4	142	13.80 %	422076	8.83 %
	3	16	1.55 %	16219	0.34 %
	2	1	0.10 %	6625	0.14 %
	1	1	0.10 %	7173	0.15 %
	0	1	0.10 %	206	0.00 %
8	5	1003	97.47 %	4700161	98.36 %
	0	26	2.53 %	78527	1.64 %
9	5	636	61.81 %	4214645	88.20 %
	4	138	13.41 %	196576	4.11 %
	3	87	8.45 %	144082	3.02 %



	2	63	6.12 %	106823	2.24 %
	1	37	3.60 %	54764	1.15 %
	0	68	6.61 %	61798	1.29 %
10	5	1008	97.96 %	4576692	95.77 %
	0	21	2.04 %	201996	4.23 %
11	5	1023	99.42 %	4764396	99.70 %
	0	6	0.58 %	14292	0.30 %
12	5	1021	99.22 %	4769505	99.81 %
	0	8	0.78 %	9183	0.19 %
13	5	1028	99.90 %	4778519	100.00 %
	0	1	0.10 %	169	0.00 %
14	5	1027	99.81 %	4777661	99.98 %
	0	2	0.19 %	1027	0.02 %
15	5	982	95.43 %	4723905	98.85 %
	0	47	4.57 %	54783	1.15 %
16	5	944	91.74 %	4646558	97.24 %
	4	46	4.47 %	101888	2.13 %
	3	18	1.75 %	25033	0.52 %
	2	8	0.78 %	2959	0.06 %
	1	7	0.68 %	1664	0.03 %
	0	6	0.58 %	586	0.01 %
17					

	5	706	68.61 %	4064794	85.06 %
	4	118	11.47 %	440892	9.23 %
	3	76	7.39 %	173710	3.64 %
	2	56	5.44 %	53694	1.12 %
	1	24	2.33 %	15673	0.33 %
	0	49	4.76 %	29925	0.63 %
18	5	1007	97.86 %	4690514	98.15 %
	2	1	0.10 %	791	0.02 %
	0	21	2.04 %	87383	1.83 %
19	5	1028	99.90 %	4777830	99.98 %
	0	1	0.10 %	858	0.02 %
20	5	1005	97.67 %	4707998	98.52 %
	0	24	2.33 %	70690	1.48 %

### 2010-2011 ANSWERS BY INDICATOR

Indicator	Yes	No	5	4	3	2	1	0	Total
1	1025	4	x	x	x	x	x	x	1029
2	1022	7	x	x	x	x	x	x	1029
3	1029	x	x	x	x	x	x	x	1029
4	1018	11	x	x	x	x	x	x	1029
5	1026	3	x	x	x	x	x	x	1029
6	984	45	x	x	x	x	x	x	1029
7	x	x	868	142	16	1	1	1	1029



8	x	x	1003	x	x	x	x	26	1029
9	x	x	636	138	87	63	37	68	1029
10	x	x	1008	x	x	x	x	21	1029
11	x	x	1023	x	x	x	x	6	1029
12	x	x	1021	x	x	x	x	8	1029
13	x	x	1028	x	x	x	x	1	1029
14	x	x	1027	x	x	x	x	2	1029
15	x	x	982	x	x	x	x	47	1029
16	x	x	944	46	18	8	7	6	1029
17	x	x	706	118	76	56	24	49	1029
18	x	x	1007	x	x	1	x	21	1029
19	x	x	1028	x	x	x	x	1	1029
20	x	x	1005	x	x	x	x	24	1029

Last Updated: Tuesday, July 10, 2012 8:26:15 AM

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**THE TEXAS EDUCATION AGENCY**

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# School FIRST Annual Financial Management Report

## Sherman ISD

For the Twelve-Month Period  
 Ended June 30,2011

### 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 June 30,2011

Description of Reimbursements	Dr. Hambrick	Lynn Michusson	Andy Morales	Kiki Osterman	Cathy Renshaw	Kate Whitfield	Doug Walters	Al Zorrilla
Meals	\$320.22	\$87.50	\$87.50	\$87.50	\$87.50	\$151.21	\$87.50	\$87.50
Lodging	\$782.65	\$687.75	\$794.07	\$687.75	\$581.43	\$1,370.57	\$687.75	\$687.75
Transportation	\$303.80	\$348.00	\$0.00	\$0.00	\$0.00	\$1,038.60	\$348.00	\$0.00
Motor Fuel	\$9.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$1,355.01	\$425.00	\$765.00	\$934.19	\$498.00	\$407.19	\$425.00	\$845.00
<b>Total</b>	<b>\$2,771.39</b>	<b>\$1,548.25</b>	<b>\$1,646.57</b>	<b>\$1,709.44</b>	<b>\$1,166.93</b>	<b>\$2,967.57</b>	<b>\$1,548.25</b>	<b>\$1,620.25</b>

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 June 30, 2011	
Name(s) of Entity(ies)	Amount Received
N/A	\$0.00
Total	<u>\$0.00</u>

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 June 30, 2011								
	Lynn	Andy	Kiki	Cathy	Kate	Doug	AI	
	Dr. Hambrick	Michusson	Morales	Osterman	Renshaw	Whitfield	Walters	Zorrilla
Total	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

**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 June 30, 2011								
	Lynn	Andy	Kiki	Cathy	Kate	Doug	AI	
	Dr. Hambrick	Michusson	Morales	Osterman	Renshaw	Whitfield	Walters	Zorrilla
Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**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.

**Summary Schedule of Data Submitted under the Financial Solvency Provisions of TEC §39.0822**

General Fund - First-Quarter Expenditures By Object Code

<b>Payroll-</b> Expenditures for payroll costs	\$7,423,145.00
<b>Contract Costs-</b> Expenditures for services rendered by firms, individuals, and other organizations	\$890,198.00
<b>Supplies and Materials-</b> Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	\$437,215.00
<b>Other Operating-</b> Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	\$429,059.00
<b>Debt Service-</b> Expenditures for debt service	\$0.00
<b>Capital Outlay-</b> Expenditures for land, buildings, and equipment	\$137,502.00

Additional Financial Solvency Questions

1) Districts with a July 1- June 30 fiscal year:

Within the last two years, did the school district

- 1) draw funds from a short-term financing note (term less than 12 months) between the months of July and October, inclusive, and
- 2) for the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61?

NO

NO

2) Has the school district declared financial exigency within the past two years?

YES



3) Provide comments or explanations for student-to-staff ratios significantly (more than 15%) below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures, or any other information that may be helpful in evaluating the school district's financial solvency.

Mean Enroll-to-Teacher Ratio	85% of Mean Enroll-to-		School District Size
	Teacher Ratio	Teacher Ratio	
8.39	7.13	Under 100	
9.48	8.06	100 to 249	
10.73	9.12	250 to 499	
11.48	9.76	500 to 999	
12.45	10.58	1,000 to 1,599	
13.52	11.50	1,600 to 2,999	
14.29	12.15	3,000 to 4,999	
14.80	12.58	5,000 to 9,999	
14.88	12.65	10,000 to 24,999	
15.01	12.76	25,000 to 49,999	
15.06	12.80	50,000 and Over	

N/A

4) How many superintendents has your school district had in the last five years?

\_\_\_\_\_ 1

5) How many business managers has your school district had in the last five years?

\_\_\_\_\_ 2

STATE OF TEXAS

COUNTY OF GRAYSON

### **SUPERINTENDENT'S EMPLOYMENT CONTRACT**

THIS Superintendent's Employment Contract ("Agreement") is made and entered into by and between the Board of Trustees (the "Board") of the Sherman Independent School District (the "District") and Dr. Al Hambrick (the "Superintendent").

NOW THEREFORE, the Board and the Superintendent, for and in consideration of the terms stated in this Agreement and pursuant to Section 11.201 and Chapter 21, Subchapter E of the Texas Education Code do hereby agree, as follows:

1. The Board agrees to employ the Superintendent on a 12-month basis for three (3) years and approximately four (4) months, beginning October 9, 2006 and ending January 31, 2010. For purposes of this Agreement, a contract year shall be February 1 of each year through January 31 of the following year. The Superintendent's annual salary shall be prorated for the period beginning October 9, 2006 to January 31, 2007.
2. This Agreement is conditioned on the Superintendent's satisfactorily providing the necessary certification and experience records, medical records, and other records required by law, district policy, State Board for Educator Certification rules, and Texas Education Agency rules. Failure to provide necessary certification shall render this Agreement void. Any material misrepresentation by Superintendent in such records may be grounds for dismissal.
3. (A) The Superintendent shall perform the duties of Superintendent of Schools for the District as prescribed in state law, the job description, and as may be lawfully assigned by the Board. The Superintendent shall perform those duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal law and rules, district policy, and regulations as they exist or may hereafter be amended. Texas law shall govern construction of this Agreement. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.  
  
(B) The Superintendent shall attend, and shall be required to attend, all meetings of the Board, both public and closed, unless otherwise notified by the Board's presiding officer 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.

(C) 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.

4. The Superintendent agrees to devote his time, skill, labor, and attention to performing his duties, but may, with prior written consent of the Board receive payment and reimbursement from outside entities for consulting work, speaking engagements, writing, lecturing, and other professional duties and obligations that do not conflict or interfere with the Superintendent's professional responsibilities to the District. No reimbursements or payments made to Superintendent under this paragraph will be paid from Sherman ISD funds.

5. The Board agrees to pay the Superintendent an annual salary and other compensation as follows:

(a) The District shall provide the Superintendent with an annual salary in the sum of One Hundred Thirty-Four Thousand dollars (\$134,000.00), which sum includes any doctoral stipend to which the Superintendent might otherwise be entitled. This annual salary rate shall be paid to the Superintendent in installments, consistent with the Board's policies.

(b) At any time during the term of this Agreement, 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 5(a) of this Agreement. Approximate date of the review is set in the Board/Staff activity calendar. Such adjustments, if any, shall be made pursuant to a lawful Board resolution. In such event, the Parties will agree to revise the contract by amendment (if only salary amount or contract term dates changed) or to execute a new contract (if the Parties are negotiating substantially new agreement terms).

(c) Expenses. The District shall pay or reimburse the Superintendent for reasonable expenses directly incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Agreement. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel; such costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental cars, 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 policy.



(d) Professional Growth. In its encouragement of the Superintendent to grow professionally, the District shall permit a reasonable amount of release time for the Superintendent, as the Board deems appropriate, to attend seminars, courses, or meetings that fit within the District's guidelines in Policies BJA and BJCB. Reasonable expenses, as approved by the Board in the District's budget, of such professional growth activities shall be borne by the District to a maximum of Fifteen thousand dollars (\$15,000.00) each district fiscal year. This maximum ceiling may be increased by the Board if need be.

(e) Insurance. The District shall pay the premiums for hospitalization, major medical, and dental insurance coverage for the Superintendent pursuant to the group health care plan(s) provided by the District for its administrative employees.

(f) Automobile. The District shall provide the Superintendent with mileage expense reimbursement, for Superintendent's use of the Superintendent's personal automobile for District's business. The mileage traveled by the Superintendent in the Superintendent's personal automobile while performing the Superintendent's duties will be reimbursed at the per mile rate set by the District for its administrative employees.

(g) Vacations, Holidays, and Sick Leave Options. The Superintendent may take the same number of days of vacation authorized by policies adopted by the Board for administrative employees on 12-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 times as will least interfere with the performance of the Superintendent's duties as set forth in this Agreement. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on 12-month contracts. The Superintendent is hereby granted the same number of illness benefits and leave as authorized by board policies for administrative employees on 12-month contracts. The Superintendent shall inform the Board's presiding officer in advance of any vacation absences from the district that exceed three consecutive business days.

(h) Civic Activities. The Superintendent is encouraged to participate in community and civic affairs. The reasonable expense of such activities shall be reimbursed or borne by the District.

(i) Professional Dues. The Board shall pay the Association dues of the Superintendent for the American Association of School Administrators and the Texas Association of School Administrators.



6. The Superintendent cannot be reassigned from the position of Superintendent by the School Board to another position without the Superintendent's written consent.
7. The Superintendent and the Board shall work together as a Team of Eight each year to develop a 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 shall evaluate and assess in writing the Superintendent's performance at least twice each year during the term of this Agreement. The evaluation format and procedure shall comply with Section 7 of this Agreement, Board policy and state and federal law. The approximate dates for these activities are set in the Board/Staff Calendar. 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. 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.
8. The Board may dismiss the Superintendent at any time for good cause in accordance with Texas Education Code Sections 21.211, 21.212(d), and Board policy. 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.
9. This Agreement shall be terminated upon the death of the Superintendent or upon the Superintendent's retirement under the Teacher Retirement System of Texas.
10. The Superintendent and the Board may agree in writing to terminate this Agreement pursuant to any mutually agreed-upon terms and conditions.
11. Renewal or nonrenewal of this Agreement shall be in accordance with Texas Education Code Chapter 21, Subchapter E, and Board policy.
12. At any time during the term of this Agreement, the Board may, in its discretion, reissue the contract for an extended term. Failure to reissue the contract for an extended term shall not constitute nonrenewal under Board policy. The approximate date of this activity is set in the Board/Staff Calendar.
13. 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 45<sup>th</sup> 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.

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

15. The Superintendent agrees to have a comprehensive medical examination, at District expense, by a licensed physician selected by the Superintendent, once a year, and to obtain a statement certifying that the Superintendent is physically able to perform his or her essential job functions with or without reasonable accommodation. This statement shall be filed with the president of the Board.

16. The Board contracts that the District shall defend, hold harmless and indemnify Dr. Al Hambrick from any and all demands, claims, suits, actions, judgments, expenses and attorney's fees incurred in any legal proceedings brought against Dr. Al Hambrick in his individual capacity or in his official capacity providing the incident(s) to which is (are) the basis of any claim or lawsuit arose while Dr. Al Hambrick was acting within the course and scope of his employment with the District. The District shall provide insurance coverage to protect Dr Al Hambrick as set forth herein. The District's obligation to indemnify, defend and hold Dr. Al Hambrick harmless under this paragraph survives the termination of the Contract.

17. Dr. Al Hambrick agrees that his principal residence shall be within the boundaries of the Sherman Independent School District, and shall continue within the boundaries of the Sherman Independent School District during the term of this Contract.

18. In the event any one or more of the provisions contained in this Agreement 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 Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All prior agreements and resolutions and all existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Agreement, and this Agreement constitutes the entire agreement between the parties. This Agreement may not be amended except by written agreement of the parties.

19. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, including any change of membership of the Board.



20. Although drawn by counsel for the Board, this Contract has been reviewed by Dr. Al Hambrick, who has had an opportunity to consult with his own counsel, and the Contract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party. Said Contract is subject to the laws of the State of Texas and is performable in Grayson County, Texas.

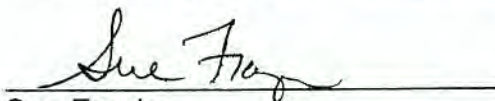
21. In the event of any conflict between the terms, conditions, and provisions of this Agreement and the provisions of the Board's policies, then unless otherwise prohibited by law, the terms of this Agreement shall take precedence over the provisions of the Board's policies during the term of the Agreement.

22. The District shall provide the Superintendent with a laptop computer and a mobile telephone (with Treo or other comparable technology) for both professional and personal use, at the sole cost and expense of the District. Any identifiable charges, i.e. those outside of the calling plan, as reflected on the mobile telephone bill provided to the Superintendent each month, directly attributable to personal calls by the Superintendent shall be promptly reimbursed by the Superintendent.

23. This offer will expire unless signed and returned to the Board or its authorized representative by 5:00p.m. the 23rd day of October, 2006.

24. Record of Authorization for Contract. This contract was approved by the Board at a properly posted meeting dated November 6, 2006. Such approval shall be reflected in the official minutes of such meeting, which shall be available for review by the public upon request.

Signed this 9 day of November, 2006.



Sue Frazier  
President, Board of Trustees  
Sherman Independent School District

Signed this 9 day of November 2006



Dr. Al Hambrick  
Superintendent

## Addendum to Superintendent's Contract

The Board of Trustees (the "Board") of SHERMAN INDEPENDENT SCHOOL DISTRICT and Dr. Al Hambrick (the "Superintendent") agree to extend and amend the Superintendent's Contract (the "Contract") entered into between the Board and the Superintendent on October 9, 2006 and amended January 22, 2008 as follows:

1. Paragraph 5 (f) of the Contract is changed to include an additional paragraph:

District-provided vehicle: The District shall provide the Superintendent with a late-model vehicle. The District shall pay all operating expenses for the vehicle, including gasoline costs. The district shall fully maintain the vehicle in a safe and good working condition and maintain an automobile liability insurance policy on the vehicle with the Superintendent as a named insured. The Superintendent is permitted to use the vehicle for business and reasonable personal use.

The Board and the Superintendent agree that there have been no oral modifications to the Superintendent's Contract. All other terms and conditions of the Contract, as amended, shall remain in full force and effect.

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

Superintendent: \_\_\_\_\_

Date signed: \_\_\_\_\_

Sherman Independent School District

By: \_\_\_\_\_  
President, Board of Trustees

Date signed: \_\_\_\_\_



**Addendum to Superintendent's Contract**

The Board of Trustees (the "Board") of SHERMAN INDEPENDENT SCHOOL DISTRICT and Dr. Al Hambrick (the "Superintendent") agree to amend the Superintendent's Contract (the "Contract") entered into between the Board and the Superintendent on October 9, 2006 and amended August 6, 2007, January 14, 2008 and January 22, 2008 as follows:

1. The District shall pay the amount of \$3,500 to Dr. Hambrick during the August 2008 payroll as consideration for his foregoing his vacation and working on Sherman High School issues during the summer of 2008.

2. The District shall increase Dr. Hambrick's base salary to the amount of \$150,358 for the 2008-09 school year, effective August 4, 2008.

3. Beginning with the 2008-09 school year, if District business requires Dr. Hambrick, in his sole judgment and discretion, to conduct District business in lieu of vacation days to which he is entitled under Board policy and the Contract, the District agrees to pay Dr. Hambrick an additional amount equal to his normal daily rate of pay for all days worked in lieu of vacation days up to a maximum of five (5) days. The District agrees that the compensation paid pursuant to this paragraph is in addition to the salary and other financial benefits to which Dr. Hambrick is entitled under Board policy and the Contract and is additional consideration for additional work. Dr. Hambrick acknowledges and agrees that the maximum amount of this additional compensation for conducting District business in lieu of vacation is the equivalent of five (5) days at his normal daily rate of pay.

4. The District agrees to increase Dr. Hambrick's salary to the amount of \$153,296 if, and only if, the Tax Ratification Election is successful. This additional raise will be effective, if at all, on October 5, 2008.

The Board and the Superintendent agree that there have been no oral modifications to the Superintendent's Contract. All other terms and conditions of the Contract, as amended, shall remain in full force and effect.

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

Superintendent: \_\_\_\_\_

*A Hambrick*

Date signed: \_\_\_\_\_

*8-18-08*

Sherman Independent School District

By: \_\_\_\_\_

*John Allen Henderson*  
President, Board of Trustees

Date signed: \_\_\_\_\_

*August 18, 2008*

## Extension Addendum to Superintendent's Contract

The Board of Trustees (the "Board") of SHERMAN INDEPENDENT SCHOOL DISTRICT and Dr. Al Hambrick (the "Superintendent") agree to extend and amend the Superintendent's Contract (the "Contract") entered into between the Board and the Superintendent on October 9, 2006 and amended January 9, 2012 as follows:

1. Paragraph 1 of the Contract is changed to extend the ending date of employment under the Contract from January 31, 2012 to January 31, 2015.

The Board and the Superintendent agree that there have been no oral modifications to the Superintendent's Contract. All other terms and conditions of the Contract, as amended, shall remain in full force and effect.

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

Superintendent: \_\_\_\_\_

*A. Hambrick*

Date signed: \_\_\_\_\_

*1/12/12*

Sherman Independent School District

By: \_\_\_\_\_

*Kiki Osterman*

President, Board of Trustees

Date signed: \_\_\_\_\_

*1/12/12*