BRIDGEPORT
INDEPENDENT SCHOOL DISTRICT

Annual Financial Management Report
2023 – 2024

SCHOOL FIRST
FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

Bridgeport Independent School District

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BRIDGEPORT
INDEPENDENT SCHOOL DISTRICT

Dr. Amy Ellis
Superintendent

December 9, 2024

To Bridgeport Independent School District Stakeholders:

In accordance with Texas Administrative Code Chapter 109, Subchapter AA 109.001, the 2023-2024 Annual Financial Management Report is being presented. During these challenging times, maintaining the financial health of the District and modeling accountability is imperative. One of the District's core beliefs is that high expectations lead to high levels of success. This belief applies to our students, staff and financial operations of the District. The Board of Trustees has set a goal that the District will demonstrate fiscal responsibility and communicate financial information to our stakeholders. This report is presented to fulfill these beliefs and goals.

In addition to the evaluation of 21 criteria and disclosures (2 of which are not being scored this reporting year), the Financial Solvency Provisions of TEC §39.0822 now require additional data to assist in evaluating a school district's financial solvency. We continue to strive towards improving the financial operations of the District.

Should you have any questions, please feel free to come by or call my office.

Sincerely,

Amy L. Ellis

Dr. Amy Ellis
Superintendent of Schools

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Executive Summary

Background Information:

Senate Bill (SB) 875 of the 76th Legislature in 1999 required the development of a proposal for a school financial accountability rating system for school districts. The 83rd Texas Legislature in 2001 enacted SB 218, which requires the implementation of a financial accountability rating system and was amended under House Bill 5, 83rd Texas Legislature, Regular Session 2013. The financial accountability rating system is officially referred to as "Schools FIRST" (Financial Integrity Rating System of Texas). The primary goal of Schools FIRST is to achieve quality, a goal made more significant due to the complexity of 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.

The primary objective of the rating system is to assess the quality of financial management in Texas public schools. A secondary objective is to measure and report the extent to which financial resources in Texas public schools assure the maximum allocation possible for direct instructional purposes. Other objectives reflect the implementation of a rating system that fairly and equitably evaluates the quality of financial management decisions. After full implementation of the rating system, the districts' ratings will be openly reported to the general public and to other interested persons and entities.

District Ratings

The Schools FIRST accountability rating system assigns financial accountability ratings to Texas school districts by the applicable number of points earned as follows:

A = Superior 90-100
B = Above Standard 80-89
C = Meets Standard 70-79
F = Substandard Achievement < 70

Districts that receive the "Substandard Achievement" rating under Schools FIRST must file a corrective action plan with the Texas Education Agency.

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For 2023-2024 the Bridgeport Independent School District received a School FIRST rating of:

C = MEETS STANDARD ACHIEVEMENT

Resulting in a status of

PASSED

Reporting, Notices and Public Meetings

The Board of Trustees will publish an annual report describing the financial management performance of the district. The report must include the information provided by the Texas Education Agency and any supplemental information as may be determined by the local board of trustees. **A copy of the report is available, upon request, at the District's administrative offices and on the district's website.**

As required by State law, the Board of Trustees shall hold a public meeting within two months of receiving the School FIRST ratings. **The public meeting was held in conjunction with the regularly called Board of Trustees meeting on December 9, 2024.**

2023-2024 RATINGS BASED ON SCHOOL YEAR 2022-2023 DATA

Name: BRIDGEPORT ISD (249903)	
Status: PASSED	Rating: C = MEETS STANDARD
District Score: 79	**Passing Score: 70**

#	Indicator Description	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?**	**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.)**	**Yes**
3	**Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?**	**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?**	**Yes Ceiling Passed**
5	**Was the total net position in the governmental activities column in the Statement of Net Position greater than zero?**	**Yes Ceiling Passed**
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?**	**Yes Ceiling Passed**

2023-2024 RATINGS BASED ON SCHOOL YEAR 2022-2023 DATA

#	Indicator Description	Score
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)?**	10
8	**Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?**	10
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 cash on hand greater than or equal to 60 days?**	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 in students in membership over 5 years was 7 percent or more, then the school district automatically passes this indicator.**	10
12	**Was the debt per $100 of assessed property value ratio sufficient to support future debt repayments?**	10
13	**Was the school district's administrative cost ratio equal to or less than the threshold ratio?**	8
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.**	10
15	**This indicator is not being scored.**	5

2022-2023 RATINGS BASED ON SCHOOL YEAR 2021-2022 DATA

#	Indicator Description	Score
16	**Did the comparison of Public Education Information 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.)**	Ceiling Passed
17	**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 70 points, C = Meets Standard)**	Ceiling Failed
18	**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)**	0
19	**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?**	5
20	**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.).**	Ceiling Passed
21	**Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of a financial hardship?**	Ceiling Passed

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 Rating By Applicable Range For Summation of the Indicator Scores (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	70-79
	F = Substandard Achievement	<70

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.

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 .

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 Ratings
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

HOW RATINGS ARE ASSESSED

How Ratings are Assessed

Preliminary ratings are released by TEA every calendar year on or before August 8. The commissioner's rules for School FIRST are contained in 19 TAC 109.1001. The rules include an attached figure (rating worksheet) for each rating year that specifies the rating indicators for that year.

The questions a school district must address in completing the worksheet used to assess its financial management system can be confusing to non-accountants. The indicators for **rating year 2023-2024 based on fiscal year 2023 financial data** are set out below with an explanation of what the questions mean—and what your district's answers can mean to its rating.

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?

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

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.)

Review the AFR for an unmodified opinion and material weaknesses.

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.)

This indicator seeks to confirm that your district has timely paid all bills/obligations, including financing arrangements to pay for school construction, school buses, photocopiers, etc.

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 this

HOW RATINGS ARE ASSESSED

indicator. If the school district was issued a warrant hold, the maximum points and highest rating 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).

This indicator seeks to confirm the district fulfilled its obligation to the TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.

5. Was the total net position balance in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero? (If it is not, the maximum points and highest rating the school district may receive is 79 points, C = Meets Standard Achievement, unless the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership. If the school district has such an increase, the maximum points and highest rating the school district may receive is 89 points, B = Above Standard Achievement.)

This indicator determines if the total net position in the governmental activities column of the Statement of Net Position as reported in the Annual Financial Report is greater than zero. A positive net position demonstrates financial solvency.

6. Was the average change in (assigned and unassigned) fund balance over 3 years less than a 25% decrease or did the current year assigned and unassigned fund balance exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating the school district may receive is 89 points, B = Above Standard Achievement.)

This indicator measures the percentage change in fund balance to see whether the fund balance is declining too quickly, and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.?

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)?

This indicator measures how many days after the end of the fiscal year the school district could have disbursed funds for its operating expenditures without receiving any new revenues. At least 90 days must be covered to receive the maximum points.

8. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?

This indicator measures whether the school district had sufficient short-term

HOW RATINGS ARE ASSESSED

assets at the end of the fiscal year to pay off its short-term liabilities. Did you meet or exceed the target amount in School FIRST?

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?

This indicator simply asks, "Did you spend more than you earned?" (the school district will automatically pass this indicator if the school district had at least 60 days cash on hand.)

10. Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?

This indicator continues to be paused for the 2023-24 rating period.

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 or 1,000 or more students in membership, then the school district passes this indicator.)

This question is like asking if a person's mortgage exceeds the market value of their home. Were you below the cap for this ratio in School FIRST? Fortunately, this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.

12. What is the correlation between future debt requirements and the district's assessed property value?

This indicator asks about the school district's ability to make debt principal and interest payments. Did you meet or exceed the target amount in School FIRST?

13. Was the school district's administrative cost ratio equal to or less than the threshold ratio?

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

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.)

If a decline in student enrollment is occurring, this indicator measures if the decline in total staff is in proportion to the declining enrollment over a 3-year period. If declining enrollment is occurring, the change in this ratio cannot exceed 15 percent.

15. Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections?

This indicator continues to be paused

HOW RATINGS ARE ASSESSED

for the 2023-24 rating period.

16. 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 this indicator, the maximum points and highest rating the district may receive is 89 points, B = Above Standard Achievement.)

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

17. 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, federal funds and free from substantial doubt about the school district's ability to continue as a going concern? (The AICPA defines material weakness.) (If the school district fails this indicator, the maximum points and highest rating the district may receive is 79 points, C = Meets Standard Achievement.)

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

18. 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.)

This indicator measures whether the district is complying with laws, rules and regulations related to the expenditure of grant funds. contracts, and other state and federal funds.

19. 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?

This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information.

20. Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget? (If the school district fails this indicator, the maximum points and highest rating the school district may receive is 89 points, B = Above Standard Achievement.)

HOW RATINGS ARE ASSESSED

This indicator measures whether the administration and the board had the opportunity to consider the impact of changes in local, state, and federal funding.

21. Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of a financial hardship? (If the school district fails this indicator, the maximum points and highest rating the school district may receive is 70 points, C = Meets Standard Achievement.)

This indicator determines if the district has an adjusted repayment schedule for an overallocation of FSP funds.

DISCLOSURES

Per Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, the six (6) disclosures are presented as appendices in the Schools FIRST financial management report.

1. Superintendent's Employment Contract in Effect on the Date of the Schools FIRST public hearing in calendar year 2023

SUPERINTENDENT'S EMPLOYMENT CONTRACT

THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF WISE	§	

THIS SUPERINTENDENT'S EMPLOYMENT CONTRACT ("Contract") is made and entered into effective January 8, 2024, by and between the **Board of Trustees** (the "Board") of the **Bridgeport Independent School District** (the "District") and **Dr. Amy Ellis** (the "Superintendent").

WITNESSETH:

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Chapter 11, Subchapters D and E, Section 11.201 and Chapter 21, Subchapter E of the Texas Education Code, have agreed, and do hereby agree, as follows:

I. TERM

1.1 **Term.** The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of three (3) years, commencing on January 8, 2024, and ending on January 7, 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 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 of Superintendent.** The Superintendent is the chief executive 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**. The Superintendent shall, during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the State Board for Educator Certification or the Texas Education Agency and any other certificates required by law.

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

2.4 **Board Meetings**. The Superintendent shall attend all meetings of the Board, both public and closed, except for 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. Further, the Superintendent shall provide recommendation(s) and/or information as to each of the items of business considered at each meeting as needed or requested by the Board.

2.5 **Criticisms, Complaints, and Suggestions**. The Board, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Board's attention either: (a) to the Superintendent for study and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the Board of the results of such efforts; or, (b) to the appropriate complaint resolution procedure as established by Board policies.

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

of the applicable insurance contract. To the extent this Section 2.6 exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 2.6 shall survive the termination of this Contract.

2.7 **Duties of Board/Governance**. The District is governed by the Board who, acting as a body corporate, (1) oversee the management of the district; and (2) ensure the Superintendent implements and monitors plans, procedures, programs, and systems to achieve appropriate, clearly defined and desired results in the major areas of District operations. Unless authorized by the Board, a member of the Board may not, individually, act on behalf of the Board. The Board may act only by majority vote of the members present at a meeting held in compliance with Chapter 551 of the Texas Government Code, at which a quorum of the Board is present and voting. The Board shall provide the Superintendent an opportunity to present at a meeting an oral or written recommendation to the Board on any item that is voted on by the Board at the meeting. Governance includes management oversight of all major operations of District. The Board acknowledges that "management oversight" is not management itself. It is instead ensuring that the Superintendent implements and monitors plans, procedures, program and systems to achieve appropriate, clearly defined and desired results in the major areas of district operations including: the establishment and/or modification of policies, strategies and principles that govern the District; reviewing and voting on recommendations submitted by the Superintendent; reviewing the results of management decisions and modifying policies, strategies or principles on the basis of those results; and analysis of data, including audits, that enable the Board to hold the Superintendent accountable for effective management of the District. The Board expressly acknowledges that "management oversight" is not: intervention in personnel disputes; direction of day-to-day activities, management, or management decisions; and advocating a product or service, or denigrating a product or service. The Board also recognizes that it is a collective body and each Board Member recognizes that his or her power as a Board Member is derived from the collective deliberation and action of the Board as a whole in a duly-constituted meeting and that there is no individual authority to give direction to the Superintendent or any District staff member regarding the management of the District or the solution of specific problems. Board members acknowledge that they have the same rights and responsibilities related to management of the District and its staff as any other citizen of the community.

III. COMPENSATION

3.1 **Salary**. The District shall provide the Superintendent with an annual salary in the sum of One Hundred Eighty-Five Thousand Six Hundred Fifty-Seven and 50/100 Dollars ($185,657.50), which amount shall be automatically increased each year by an amount equal to the greater of (i) the highest percentage raise given to the District's teachers or (ii) a percentage mutually agreeable to the Board and the Superintendent. This annual salary rate shall be paid to the Superintendent in equal installments consistent with the Board's policies.

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

efforts and reasonable cooperation to execute a new contract incorporating the adjusted salary.

3.3 **Vacation, Holiday and Personal Leave.** The Superintendent may take, at the Superintendent's choice, the greater of (i) 10days of vacation annually or (ii) the same number of days of vacation authorized by policies adopted by the Board for administrators on twelve-month contracts, the days to be in a single period or at different times. The vacation days taken by the Superintendent will be taken at such time or times as will least interfere with the performance of the Superintendent's duties as set forth in this Contract. Accrued but unused vacation days shall accumulate and carry forward from year to year during the term of this Contract. In December of each year during the term of this Contract, the District shall pay in a lump sum to the Superintendent any accrued but unused vacation days, up to a maximum of five (5) days each year at the Superintendent's daily rate of pay as of the payment date. At retirement, or when the Contract is terminated, either voluntarily or involuntarily, the District shall pay in a lump sum to the Superintendent any accrued but unused vacation, non-duty days up to a maximum of twenty (20) days, to be paid at the Superintendent's daily rate of pay as of the payment date. The daily rate shall be calculated by dividing the Superintendent's TRS creditable compensation by 226. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same personal leave benefits as authorized by Board policies for administrative employees on twelve-month contracts, except that the Superintendent, at her discretion, may utilize all accrued but unused leave days to be taken in a single period or at different times during the term of this Contract so long as such utilization is done so as to least interfere with the performance of the Superintendent's duties as set forth in this Contract.

3.4 **Insurance.** The District shall pay the same premiums for hospitalization and major medical insurance coverage for the Superintendent as it does for other administrators on twelve-month contracts, pursuant to the group health care plan provided by the District for its administrative employees.

3.5 **Professional Growth.** The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent's active attendance at and participation in appropriate professional meetings at the local, regional, state and national levels. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent as the Superintendent and the Board deem appropriate, to attend such seminars, courses or meetings. The District 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 registration, travel, meals, lodging, and other related expenses for such attendance and membership.

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

3.7 **Outside Consultant Activities.** The Superintendent may serve as a consultant or undertake speaking engagements, writing, teaching or other professional duties and obligations outside the District (referred to collectively herein as "Consulting Services") that do not conflict or interfere with the Superintendent's professional responsibilities to the District and provided that the Superintendent secures Board approval in advance of agreeing to perform any Consulting Services. The Superintendent may accept a reimbursement of expenses for such Consulting Services at no expense to the District. Consulting Services provided by the Superintendent under the terms and conditions of this paragraph must be consistent with state and federal law.

3.8 **Expenses.** The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel. Such actual or incidental costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

3.9 **Mobile Telephone.** The Superintendent shall maintain a personal account for mobile telephone service and shall not open an account in the name of the District. The Superintendent shall have total responsibility for payment of such personal account. The Superintendent understands that information stored in her cell phone, computer or other device is subject to public disclosure if such information is related to the public business of the School District or to her duties as Superintendent. Notwithstanding the location of personal data on the cell phone, computer or other device, whether owned by the District or Superintendent, the parties agree that any personal or private information of the Superintendent contained on the cell phone, computer or other devices containing such data or information shall be deemed private and the Superintendent's sole property; provided it shall be the responsibility of the Superintendent to assert, and to bear any costs of asserting, privacy or other confidentiality privileges or rights as to any such data or information.

3.10 **Annual Physical Examination.** The Superintendent shall undergo an annual physical examination performed by a licensed physician mutually acceptable to the Board and the Superintendent. The examination will determine the Superintendent's continuing

physical fitness to fulfill the duties and responsibilities of the position and may include laboratory analysis of blood, urine, stress, EKG and other procedures as deemed appropriate by the licensed physician. The health care professional who performs the examination shall submit confidential reports to the Board regarding the Superintendent's fitness to perform the essential functions of the job. These reports will be maintained as confidential medical records to the extent permitted by law. The District shall pay all reasonable costs of the examination.

3.11 **Out-of-District Travel.** The Board shall reimburse the Superintendent for out-of-District travel incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract in accordance with section 3.8.

3.12 **Texas Teacher Retirement System.** For performance of Superintendent duties, the District shall supplement the Superintendent's salary by an amount equal to the Superintendent's portion of the member contribution to the Texas Teacher Retirement System ("TRS") beginning on the first day of the Term and continuing throughout the Term of this Contract, including any extensions thereof. This supplement shall include both the retirement and TRS-Care parts of the TRS member contribution, as applicable. This additional salary supplement for services rendered shall be paid to the Superintendent in regular monthly payroll installments and shall be reported as "creditable compensation" by the District for purposes of TRS, to the extent permitted by TRS.

3.13 **Supplemental Retirement Contributions—ER Paid.** The District shall contribute on or before December 31 of each year during which this Contract is in effect to a Supplemental Retirement Tax Deferred Plan or plans (the "Plan") established for the benefit of the Superintendent under Section 403(b), Section 457(b), and/or Section 401(a) of the Internal Revenue Code ("Code") a lump sum amount equal to Ten Thousand and 00/100 Dollars ($10,000.00).

Unless already established, the 403(b) and 401(a) plans shall be established as employer-paid plans with non-discretionary contributions by the District and the Superintendent shall have no right to receive such contributions in cash. Unless already established, the 403(b) plan, 401(a) plan, and 457(b) plan shall each be established under a written plan document that meets the requirements of the Code and such documents are hereby incorporated herein by reference. The funds for the 403(b) plan, 401(a) plan, and 457(b) plan shall each be invested in such investment vehicles as are allowable under the Code for the applicable type of plan. The Superintendent shall have sole discretion as to where the contributions to the Plan are invested, to the extent such investments comply with applicable State and federal laws. The Superintendent shall not be entitled to receive in cash any portion of the funds that exceed the contribution limit or limits established by law. Each such Plan established on behalf of the Superintendent shall provide that the contributions made to the Plan by the District and all earnings thereon shall be fully vested in the Superintendent on December 31, 2024.

Contributions made by the District to the Plan shall first be made to the 403(b) plan. If the contribution to the 403(b) plan exceeds the contribution limit established by law for such plan, then the remaining contribution by the District shall be made to the 457(b) plan. If the contribution to the 457(b) plan then exceeds the contribution limit established by law for such plan, the remaining contribution by the District shall be made to the 401(a) plan.

3.14 Benefits. In addition to the benefits expressly set forth herein, the District shall provide other benefits to the Superintendent as provided to District employees 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 the benefits not expressly provided herein, at the Board's sole discretion.

IV. ANNUAL PERFORMANCE GOALS

4.1 **Development of Goals.** The Superintendent shall submit to the Board a preliminary list of goals for the District each year for the Board's consideration and adoption. The Superintendent and the Board shall then meet, and the Board shall approve or revise the list of goals. The Superintendent shall submit to the Board for its approval a plan to implement the goals. The Superintendent and the Board shall meet biannually to assess the goals and may adjust or revise the goals either by action of the Board or upon recommendation of the Superintendent and approval of the Board. The goals approved by the Board shall, at all times, be reduced to writing ("District Goals") and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated. The District Goals approved by the Board shall be specific, definitive and measurable, to the extent feasible. The Board agrees to work with and support the Superintendent in achieving the District Goals.

V. REVIEW OF PERFORMANCE

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

5.2 **Confidentiality.** Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall, at all times, be conducted in executive session and shall be considered confidential to the extent permitted by law. Nothing herein shall prohibit the Board or the Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

5.3 **Evaluation Format and Procedures.** The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law. If the Board determines that the performance of the Superintendent is unsatisfactory in any respect, it shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. 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 within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. Within sixty (60) days of the delivery of the written evaluation to the Superintendent, the Board shall meet with the Superintendent to discuss the evaluation. The Board shall devote a portion of, or all of, one executive session annually to a discussion of the working relationship between the Superintendent and the Board. 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, 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.

VI. EXTENSION OR NONRENEWAL OF EMPLOYMENT CONTRACT

6.1 **Extension/Nonrenewal.** Extension and/or nonrenewal shall be in accordance with Board policy, Texas Education Code Chapter 21, Subchapter E, 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 150 days 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.

VII. TERMINATION OF EMPLOYMENT CONTRACT

7.1 **Mutual Agreement.** This Contract may 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.

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

7.3 **Dismissal for Good Cause.** The Board may dismiss the Superintendent during the term of the Contract for good cause. The term "good cause" is defined as the failure of the Superintendent to perform the duties in the scope of his employment that a person of ordinary prudence would have done under the same or similar circumstances, and includes, but is not necessarily limited to:

(a) Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
(b) Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; provided, however, the terms and conditions of this paragraph shall not justify good cause unless the Board has provided the Superintendent a reasonable opportunity to remediate any 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 is conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the District. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;

(m) 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; or,

(q) Any other reason constituting "good cause" under Texas law.

7.4 **Termination Procedure**. If 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.

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

VIII. MISCELLANEOUS

8.1 **Controlling Law**. This Contract shall be governed by the laws of the State of Texas and shall be performable in Wise County, Texas, unless otherwise provided by law.

8.2 **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.

8.3 **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.

8.4 **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 for the term covered by this Contract 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.

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

8.6 **Authority**. The Board President and Secretary have been authorized to execute this Contract on behalf of the District by action of a majority of a quorum of the Trustees present at a properly called and posted meeting on January 8, 2024.

IN WITNESS WHEREOF, all the parties hereto have executed the Contract in multiple originals to be effective from and after January 8, 2024.

BRIDGEPORT ISD

By:_____
Scott Hiler, President, Board of Trustees

ATTEST:

By:_____
Duane Sutherland, Secretary, Board of Trustees

Executed this January 8, 2024.

SUPERINTENDENT

By:_____
Dr. Amy Ellis

Executed this January 8, 2024.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended June 30, 2024

Description of Reimbursements	Dr. Amy Ellis Superintendent	Place 1 Richard Vidal	Place 2 Charles Mauldin	Place 3 Kailynn Hudson	Place 4 Jim Bost	Place 5 Duane Sutherland	Place 6 Scott Hiler	Place 7 Terre Rye
Meals	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lodging	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation	$ 984.90	$ 388.60	$ -	$ 388.60	$ -	$ -	$ -	$ 388.60
Motor Fuel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	$984.90	$388.60	$0.00	$388.60	$0.00	$0.00	$0.00	$388.60

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, 2024

Name(s) of Entity(ies)	Amount Received
	$ -
Total	$0.00

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, 2024

	Dr. Amy Ellis Superintendent	Place 1 Richard Vidal	Place 2 Charles Mauldin	Place 3 Kailynn Hudson	Place 4 Jim Bost	Place 5 Duane Sutherland	Place 6 Scott Hiler	Place 7 Terre Rye
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 June 30, 2024

	Place 1 Richard Vidal	Place 2 Charles Mauldin	Place 3 Kailynn Hudson	Place 4 Jim Bost	Place 5 uane Sutherlar	Place 6 Scott Hiler	Place 7 Terre Rye
Amounts	$ -	$ -	$ -	$ -	$ -	$ 29,055.82	$ -

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.

Glossary

Annual Financial Report (AFR): The audited annual report required by TEC section 44.008, that is due to TEA by no later than 150 days after the close of a school district's or an open-enrollment charter school's fiscal year.

Ceiling indicator: An upper limit (the maximum score) at which a score from a standard limit of a specific indicator will result regardless of overall points.

Debt: An amount of money owed to a person, bank, company, or other organization.

Electronic submission: The TEA electronic data feed format required for use by school districts, open-enrollment charter schools, and regional education service centers (ESCs).

Financial Integrity Rating System of Texas (FIRST): The financial accountability rating system administered by the TEA in accordance with the TEC sections 39.082 and 39.085. The system provides additional transparency to public education finance and meaningful financial oversight and improvement for school districts (School FIRST) and open-enrollment charter schools and charter schools operated by a public institution of higher education under TEC, Chapter 12, Subchapters D and E (Charter FIRST).

Fiscal Year: The fiscal year of a school district or an open-enrollment charter school, which begins on July 1 or September 1 of each year, as determined by the board of trustees of the district or the governing body of the charter holder in accordance with the TEC, §44.0011.

Foundation School Program (FSP): The program established under the TEC, Chapters 46, 48, and 49 or any successor program of state-appropriated funding for school districts in this state.

Summary of Finances (SOF) report: The document of record for FSP allocations. An SOF report is produced for each school district and open-enrollment charter school by the TEA division responsible for state funding that describes the school district's or open-enrollment charter school's funding elements and FSP state aid.

Texas Student Data System Public Education Information Management System (TSDS PEIMS): The system that school districts and open-enrollment charter schools use to load, validate, and submit their data to the TEA.

Warrant hold: The process by which state payments issued to payees indebted to the state, or payees with a tax delinquency, are held by the Texas Comptroller of Public Accounts until the debt is satisfied in accordance with the Texas Government Code section 403.055