



**ANNUAL FINANCIAL ACCOUNTABILITY MANAGEMENT REPORT
FOR THE YEAR ENDING AUGUST 31, 2023**

**Dr. Kimberley James, Superintendent
Garrett K. Matej, Chief Financial Officer**



Prepared by: WISD Business & Finance Department
October 9, 2024



WILLIS INDEPENDENT SCHOOL DISTRICT

Annual Financial Management and Accountability Report for the Fiscal Year Ending August 31, 2023

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WILLIS INDEPENDENT SCHOOL DISTRICT

Garrett K. Matej
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October 9, 2024

Mr. Kyle Hoegemeyer, President
Members of the Board of Trustees
Willis Independent School District

Dear Mr. Hoegemeyer and Members:

Senate Bill 218 of the 77th Legislature (2001) authorized the implementation of the Financial Integrity Rating System of Texas, officially known as School FIRST. This law requires each school district to prepare and distribute an annual financial management report, and to provide the public an opportunity to comment on the report at a public meeting. The annual financial management report must include a description of the district's financial management performance based on a comparison of the district's performance on the indicators provided by the Texas Education Agency (TEA). The primary goal of School FIRST is to improve the management of school districts' financial resources.

School FIRST was developed by TEA in consultation with the Texas Comptroller of Public Accounts, Texas Business and Education Council (TBEC), Texas Association of School Business Officials (TASBO), Texas Schools Public Relations Association (TS.PRA) and other professional organizations.

The current School FIRST rating is based on student, staff, and budgetary and actual financial data reported through the Public Education Information Management System (PEIMS) for the fiscal year ending August 31, 2023. On August 8, 2024, we received notice of the 2023-2024 final School FIRST rating. We are pleased to announce that Willis Independent School District received a "Superior Achievement" rating based on the twenty one indicators established by the Texas Education Agency.

This report includes a copy of the worksheet TEA used to determine the rating, along with feedback to the indicators and other relevant disclosures.

Respectfully submitted,

Garrett K. Matej
WISD Chief of Finance Operations



WILLIS INDEPENDENT SCHOOL DISTRICT

Financial Integrity Rating System of Texas (FIRST) Annual Report

OVERVIEW

Passed during the 77th regular session of the Texas Legislature (2001), Senate Bill 218 requires each Texas school district to prepare an annual financial accountability report on the District's School FIRST (Financial Accountability Rating System of Texas) rating. Many business-related issues are covered in this report and the District must hold a public meeting to discuss the report. Since its inception, the FIRST rating has been modified several times to reflect changes in legislation and serve as a better measurement of a district's financial position. The rating system has 21 indicators for this current rating year. Other changes previously included measurements based on student performance but have been removed to focus strictly on financial matters. In addition, under Chapter 109, the Commissioner of Education requires the following six disclosures included in this report:

- the Superintendent's employment contract,
- reimbursements received by the Superintendent and Board members,
- outside compensation and/or fees received by the Superintendent for professional consulting and/or other personal services,
- gifts received by the executive officer(s) and Board members (and first degree relatives, if any),
- business transactions between the school district and Board members, and
- additional information deemed useful by the district's board of trustees

The District's School FIRST rating is based upon budgetary and actual financial data reported for the 2022-2023 fiscal year. This information is submitted through the District's annual PEIMS, (Public Education Information Management System) submissions.

The Texas Education Agency under the School FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, as shown in the chart:

Determination of Ratings:	
<i>A = Superior Achievement</i>	<i>(90-100)</i>
<i>B = Above Standard Achievement</i>	<i>(80-89)</i>
<i>C = Meets Standard Achievement</i>	<i>(70-79)</i>
<i>F = Substandard Achievement</i>	<i>(below 70)</i>

The Willis Independent School District received a rating of “Superior Achievement” under Texas’ Schools FIRST financial accountability rating system for the fiscal year ending August 31, 2023. The Superior Achievement rating is the state’s highest, demonstrating the quality of the financial management and reporting system of Willis ISD.

The financial accountability rating of the District is based on its overall performance on certain financial measurements, ratios, and other indicators established by the Commissioner of Education. The indicators cover many different areas of school operations including, finance, staffing, and accreditation by way of a financial accountability rating worksheet. The worksheet was developed by representatives of the Texas Education Agency, (TEA), and the Texas Business & Education Council, (TBEC), the Comptroller’s office and the Texas Association of School Business Officials (TASBO). The worksheet consists of 21 indicators, each weighted with numeric values with the exception of four critical indicators and six ceiling indicators.

After receiving the financial accountability rating system report generated by the Texas Education Agency, the district must hold at least one public meeting annually to discuss the district’s financial performance.

The 2022-2023 District Status report issued by the TEA is included as Exhibit A. This report contains each indicator and the results for the district. Exhibit B will follow with the district’s financial management for the current and previous year’s accountability ratings. Additional disclosures required by the commissioner under 19 TAC 109.1001(q) will follow as Exhibit C.

The Willis ISD information for the 2022-2023 report was acquired from the Texas Education Agency (TEA) website.



WILLIS INDEPENDENT SCHOOL DISTRICT
Financial Integrity Rating System of Texas (FIRST) Annual Report
Exhibit A – District Status Detail

Determination of Ratings:

A=Superior Achievement (90-100)

B=Above Standard Achievement (80-89)

C=Meets Standard Achievement (70-79)

F=Substandard Achievement (below 70)

Ceiling Indicator in the Texas Education Agency (TEA) is the highest score that can be achieved for a specific indicator, regardless of the overall score.

Indicator 1

Was the completed annual financial report (AFR) and data submitted to the TEA within 30 days of the January 28 deadline?

Yes, the district submitted their AFR on January 23rd, 2024

The District prepares its Annual Financial Report (AFR) for board approval at the regularly scheduled January meeting. The AFR and data was submitted to the TEA within 30 days of the January 28th deadline for the fiscal year ending August 31, 2023. This indicator is considered "passed" if the audit report is filed within 30 days of the deadline.

Indicator 2

Was there an unmodified opinion in the AFR on the financial statements as a whole? (Unmodified opinion is defined by the American Institute of Certified Public Accountants (AICPA) and is determined by the external independent auditor.)

The district's external auditors determined an unmodified opinion in the Annual Financial Report.

When the AFR is audited by independent auditors, they issue an opinion stating whether the financial statements are fairly presented and free of material misstatements. The affirmation of this process is indicated by issuance of an unmodified opinion by the auditors. A modified opinion from the independent auditors generally means that the District needs to take some type of corrective action as to its financial reporting or the operation of its internal controls. Willis ISD received an Unmodified Opinion from its independent auditors for the 2022-23 fiscal year.

Indicator 3

Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?

Yes. The district was in compliance with all debt agreements.

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

Indicator 4

Did the school district make timely payment to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), IRS, and other government agencies?

Yes, the district was in compliance with all government agencies. Score: Ceiling Passed

This indicator seeks to make sure the District fulfilled its obligation to TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the District. Willis ISD has always made timely payments to TRS, TWC, and IRS.

Indicator 5

Was the total net position in the governmental activities column in the Statement of Net Position greater than zero?

Yes. Score: Ceiling Passed

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.

Indicator 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?

Score: Ceiling Passed

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.

Indicator 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?

Yes. The district scored 10 out of 10.

This indicator measures how long (after the end of the fiscal year) the District could disburse funds for operating expenditures without receiving any new revenues. The optimal number of days considered acceptable by the TEA is 90 or more. The District exceeds this target with a score of 203.1762 day's cash and investments on hand.

Indicator 8

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

Yes. The district scored 10 out of 10.

This indicator measures whether the District had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. TEA's targeted current ratio is 3.0 or more. Willis ISD's current ratio is 12.6829.

Indicator 9

Did the school districts' general fund revenues equal or exceed expenditures?

The district scored 10 out of 10.

This indicator is a solvency and resource allocation measurement. The District's revenues exceeded expenditures. Therefore, the District received the full 10 points.

Indicator 10	This indicator was not evaluated.
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Indicator 11	Was the ratio of long-term liabilities to total assets sufficient to support long-term solvency?
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Yes. The district scored 10 out of 10.

*The long-term debt ratio measures the financial leverage of the District. It indicates what portions of the District's total assets are financed from long-term debt, so the ratio value should be less than 1.0. The lower the ratio, the better it is. The District's long-term debt ratio is 0.7303. This indicator also recognizes that high-growth districts incur additional operating costs and debt to open new instructional campuses. Willis ISD is considered a high growth district with a **17.3%** increase in students over a five year period, and passes this indicator for both measurements.*

Indicator 12	Was the debt per \$100 of assessed property value ratio sufficient to support future debt repayments?
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Yes. The district scored 8 out of 10.

This indicator measures the District's ability to make debt (bond) principal and interest payments that will become due during the year and over time. Bonded debt is by far the largest category of long-term liabilities. Local property taxes are the primary resource for the repayment of bonded debt, constituting 99% of the revenue reported in the Debt Service Fund. The property tax levy, and therefore tax collections, is based on two components- tax rate and taxable property values. This indicator measures the correlation between the amount of outstanding long-term debt (mostly bonds) and assessed property values. To be awarded the full 10 points, a ratio of 4.0 or less is required. Districts are scored according to a sliding scale ranging from 4.00 to 13.5. Willis ISD's ratio of 5.7467 earned 8 of the 10 available points. Fast growth districts will experience higher ratios due to the recurring issuance of bonds needed to build additional school buildings and infrastructure. These districts must monitor and manage this debt to ensure long term financial stability.

Indicator 13	Was the District's administrative cost ratio equal to or less than the threshold ration?
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The district scored 10 out of 10.

The administrative cost ratio is determined by dividing the non-capital expenditures for central administration (functions 21 & 41) by total expenditures for instruction, curriculum & staff development, and guidance/counseling/evaluation services (functions 11, 12, 13, 31). TEA and state law set a cap on the percentage of their budget that Texas school districts should spend on administrative costs based on district size. For districts in Willis ISD's category, the administrative cost ratio should fall below 10 percent. Willis ISD's ratio for the 2022-23 school year was 6.88 percent, well below the state cap.

Indicator 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)?
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The district scored 10 out of 10.

This indicator measures whether a school district had student enrollment decrease.

Indicator 15	This indicator was not evaluated.
Indicator 16	Did the comparison of PEIMS data to like information in the District's AFR result in a total variance of less than 3% of all expenditures by function? Score: Ceiling Passed <i>This indicator measures the quality of data reported to PEIMS and in the district's 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, the district "fails" this measure.</i>
Indicator 17	Did the external auditor report that the AFR was free of any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, and federal funds? Score: Ceiling Passed <i>A clean audit of the Annual Financial Report would state that the district has no material weaknesses in internal controls. Any internal weaknesses create a risk of a district not being able to properly account for its use of public funds and should be immediately addressed.</i>
Indicator 18	Did the external audit report indicate the AFR was free of any instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? Yes. The district scored 10 out of 10. <i>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.</i>
Indicator 19	Did the 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 states, laws and rules that were in effect at fiscal year end? Yes. The district scored 5 out of 5. <i>This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information. All postings were made by the district as required.</i>
Indicator 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? Score: Ceiling Passed <i>This indicator measures whether the school board had the opportunity to consider the impact of changes in property value on the finances of the district. If the district fails this indicator, the maximum points and highest rating the district may receive is 89 points and a B, which is equal to above standard achievement. The impact of property value changes has always been, and will continue to be, an important topic of discussion and consideration in the District's budgeting process.</i>

Indicator 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?

Score: Ceiling Passed

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

Willis Independent School District received an overall score of:

98

WILLIS ISD PREVIOUS YEARS' FIRST RATINGS

WILLIS INDEPENDENT SCHOOL DISTRICT		
YEAR PRESENTED	FIRST RATING DATA	SCORE
2023-2024	2022-2023	98
2022-2023	2021-2022	96
2021-2022	2020-2021	98
2020-2021	2019-2020	79
2019-2020	2018-2019	100
2018-2019	2017-2018	100
2017-2018	2016-2017	100
2016-2017	2015-2016	100
2015-2016	2014-2015	88



EXHIBIT B

Financial Integrity Rating System of Texas

2023-2024 RATINGS BASED ON SCHOOL YEAR 2022-2023 DATA - DISTRICT STATUS DETAIL

Name: WILLIS ISD(170904)	Publication Level 1: 8/8/2024 6:33:40 PM
Status: Passed	Publication Level 2: 8/8/2024 6:33:40 PM
Rating: A = Superior Achievement	Last Updated: 8/20/2024 1:56:49 PM
District Score: 98	Passing Score: 70

#	Indicator Description	Updated	Score
1	<u>Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?</u>	4/19/2024 6:26:24 PM	Yes
2	<u>Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)</u>	4/19/2024 6:26:24 PM	Yes
3	<u>Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</u>	4/19/2024 6:26:24 PM	Yes
4	<u>Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC),</u>	4/19/2024 6:26:24	Yes

	<u>Internal Revenue Service (IRS), and other government agencies? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)</u>	PM	Ceiling Passed
			1 Multiplier Sum
5	<u>Was the total net position 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 that 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 an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	4/19/2024 6:26:24 PM	Ceiling Passed
6	<u>Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	4/19/2024 6:26:24 PM	Ceiling Passed
7	<u>Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.</u>	4/19/2024 6:26:24 PM	10
8	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.</u>	4/19/2024 6:26:24 PM	10
9	<u>Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand</u>	4/19/2024 6:26:24 PM	10 12

	<u>greater than or equal to 60 days? See ranges below in the Determination of Points section.</u>		
10	This indicator is not being evaluated.		10
11	<u>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's 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.)</u>	4/19/2024 6:26:24 PM	10
12	<u>What is the correlation between future debt requirements and the district's assessed property value?</u>	8/20/2024 1:56:48 PM	8
13	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? See ranges below in the Determination of Points section.</u>	8/20/2024 1:56:49 PM	10
14	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.</u>	4/19/2024 6:26:24 PM	10
15	This indicator is not being evaluated.		5
16	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)</u>	4/19/2024 6:26:24 PM	Ceiling Passed
17	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds 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 indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)</u>	4/19/2024 6:26:24 PM	Ceiling Passed
18	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	4/19/2024 6:26:24 PM	10

19	<u>Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?</u>	4/19/2024 6:26:24 PM	5
20	<u>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?</u>	4/19/2024 6:26:24 PM	Ceiling Passed
21	<u>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?</u>	4/19/2024 6:26:24 PM	Ceiling Passed
			98 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			98 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? If so, the school district's rating is F for Substandard Achievement regardless of points earned.	
B.	Determine the rating by the applicable number of points.	
	A = Superior Achievement	90-100
	B = Above Standard Achievement	80-89
	C = Meets Standard Achievement	70-79
	F = Substandard Achievement	<70

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, 20, or 21? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.

Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 21 (FSP Repayment Plan) - Response to indicator is <i>Yes</i> .	70	C = Meets Standard Achievement

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THE [TEXAS EDUCATION AGENCY](#)

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FIRST 5.15.6.0



Disclosures

Exhibit C-1 Superintendent's Employment Contract

The school district is to provide a copy of the superintendent's employment contract that is effective on the date of the Schools FIRST hearing in calendar year 2024 . In lieu of publication in the Schools FIRST financial management report, the school district may choose 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.

See Attached

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

SUPERINTENDENT TERM CONTRACT

This Superintendent Term Contract (the "Contract") is entered into by and between the Board of Trustees (the "Board") of the Willis Independent School District (the "District"), a body politic and corporate, of Montgomery County, Texas, and Kimberley James, Ed.D. ("Superintendent"). This Contract is entered into and executed pursuant to the authority of Texas Education Code Section 11.151, Texas Education Code Chapter 21, and the general laws of the state of Texas. The Board on behalf of the District and the Superintendent may be referred to jointly in this contract as "Parties".

The Board and the Superintendent, for and in consideration of the terms stated in this Contract, hereby agree as follows:

I. Term. The Board agrees to employ the Superintendent on a twelve-month basis per school year, beginning May 6, 2024, and ending July 1, 2027. Beginning July 1, 2024, and thereafter during the term of this Contract or any extension thereof, the Contract Year shall be from July 1 through the following June 30.

II. Certification. The Superintendent agrees to maintain the required certification throughout the term of employment with the District. If the Superintendent's certification expires, is canceled, or is revoked, this Contract is void.

III. Representations. The Superintendent makes the following representations:

3.1 Beginning of Contract. The Superintendent represents that she has disclosed to the Board, in writing, any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.

3.2 During Contract. The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board, in writing, of any arrest, indictment, conviction, not contest or guilty plea, or other such adjudication of the Superintendent. The Superintendent agrees to provide such notification in writing within seven calendar days of the event or any shorter period specified in Board policy.

3.3 False Statements and Misrepresentations. The Superintendent represents that any records or information provided in connection with her employment application are true and correct. Any false statements, misrepresentations, omissions of requested information, or fraud by the Superintendent in or concerning any required records or in the employment application may be grounds for termination or nonrenewal, as applicable.

IV. Duties. The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to perform her duties as follows.

4.1 Authority. The Superintendent is the chief administrative officer of the District. The Superintendent shall perform such duties and have such powers as may be prescribed by state law, the job description, and District policies, as well as any additional duties as the Board may designate from time to time. The Superintendent will annually evaluate all administrators who report directly to the Superintendent.

4.2 Standard. Except as otherwise permitted by this Contract, the Superintendent agrees to devote her full time and energy to the performance of her duties. The Superintendent shall perform her duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal laws and rules, Board policy, and regulations as they exist or may hereafter be amended.

V. Review of Performance.

5.1 Development of Goals. The Superintendent shall submit to the Board by July 1 each year, for the Board's consideration and adoption, a preliminary list of goals for the District. For the 2024-2025 school year only, the Superintendent shall submit the list of goals to the Board no later than September 1, 2024, and the Board shall consider and adopt goals not later than October 1, 2024. The Superintendent and the Board shall then meet, and the Board shall approve or revise the list of goals in July. 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 Board agrees to work with the Superintendent in achieving the District Goals.

5.2 Time and Basis of Evaluation. Beginning July 1, 2025, the Board shall evaluate and assess in writing the performance of the Superintendent in July of each year during the term of this Contract or any extension thereof. No later than 20 days prior to the Superintendent's evaluation, the Superintendent shall provide the Board a self-appraisal using the adopted evaluation instrument and the Board shall take this into consideration in conducting the Superintendent's evaluation. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description and shall be based in the Superintendent's performance of the Superintendent's assigned duties and responsibilities, including the District's progress toward accomplishing the District Goals. No later than October 1, 2024, the Board shall adopt, after considering any input from the Superintendent, an evaluation instrument for the Superintendent's performance evaluation by the Board.

- 5.3 Confidentiality.** Unless the Board and Superintendent expressly agree otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in closed or 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.

VI. Compensation.

- 6.1 Salary.** The District shall pay the Superintendent an annual base pay of \$245,000.00 (Two Hundred Forty-Five Thousand and NO/100 Dollars) per year during the term of this Contract. The Superintendent shall receive the same annual average percent salary increase adopted by the Board for full time classroom teachers (teacher scale consisting of one year of experience to thirty-four years of experience). This average is to be calculated by the Willis ISD Assistant Superintendent of Business and Finance.
- 6.2 Adjustments.** At any time during the term of this Contract or any extension thereof, 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 this Contract. Adjustments to salary and any other compensation under Section VI of this Contract shall be based only on performances in accordance with the Superintendent's annual evaluation under Section V of this Contract and not on any general increase for the District administrators, unless otherwise determined by the Board.
- 6.3 Benefits.** The District shall provide benefits to the Superintendent as provided by state law and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to increase the benefits but not reduce the benefits provided for in this paragraph.
- 6.4 Professional and Civic Organization Membership Fees.** Reasonable fees and costs will be paid by the District for the Superintendent's membership and participation in organizations related to her professional development and civic responsibilities. The Superintendent is encouraged to participate in various professional educational organizations that expand her professional growth and her involvement in the community. The Superintendent will submit an annual budget for such fees as part of the District's overall budget for the Board's approval.
- 6.5 Business 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 outside the District or Regional Service Center area. Such actual or incidental costs may include, but are not limited to, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District, excluding any expenses for which the Superintendent is other compensated under this

Contract. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.

- 6.6 Technology.** The District will provide the technology necessary to carry out the duties of the Superintendent, including a cell phone, tablet, laptop, and any monthly charges associated with such technology. The Superintendent may use the cell phone and other technology provided by the District for both business and personal use, provided that any personal use shall not interfere with the business use of technology.
- 6.7 Health and Life Insurance.** The District shall provide the Superintendent with the same standard group health-related options available to other District employees.
- 6.8 Vacation Leave Days.** In addition to the personal leave days granted to other employees of the District, the Superintendent shall receive an additional 15 vacation leave days annually, which she may take at her choice when not interfering with urgent duties. The days may be taken in a single period or at different times, as will least interfere with the performance of her regular duties for the District. At the Superintendent's discretion, prior to July 1 each year during the term of this Contract or any extension thereof, she may surrender and be paid for up to ten (10) accrued but unused vacation leave days, such payment to be at the Superintendent's then-current daily rate. The Superintendent shall at no time accrue, in the aggregate, more than 30 vacation days. The Superintendent shall notify the Board President of the days taken as vacation.
- 6.9 Unused Vacation Days.** The District shall pay the Superintendent for any unused vacation leave days up to a maximum of 20 days upon her leaving the District's employ, at her then-current daily rate.
- 6.10 Board Meetings.** The Superintendent shall attend all meetings of the Board, both public and closed, unless excused by the Board, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's contract, the Superintendent's salary and benefits, the Superintendent's evaluation and issues related to internal Board matters.
- 6.11 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"), in the percentage amount required by the Texas Teacher Retirement System for the account of the Superintendent for each payroll during the term of this Contract. 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 by regular monthly payroll installments and shall be reported as "creditable compensation" to TRS, to the extent permitted by IRS and law.

VII. Legal Defense and Indemnification.

7.1 Legal Defense. The District shall provide a legal defense to the Superintendent in connection with any and all demands, claims, suits, actions, or any legal proceedings brought against the Superintendent in an official capacity for act or omissions occurring within the course and scope of the Superintendent's employment, to the extent permitted by law. The District shall indemnify the Superintendent against any and all awards, judgments, settlements, or any form of monetary compensation arising out of any demand, claim, suit, action, or legal proceeding brought against the Superintendent, in an official capacity, for act or omission occurring within the course and scope of the Superintendent's employment, to the extent permitted by law.

7.2 Dispute with District. The Board shall not provide a legal defense or indemnification for any demand, claim, suit, action, or any legal proceeding between the Superintendent and the District, its agent, servants, employees, or subordinates.

7.3 Misconduct. Notwithstanding anything in this section or in the Contract to the contrary, the District shall not be obligated to defend or indemnify the Superintendent in the event it is determined that the demand, claim, suit, action, or legal proceeding against the Superintendent is the result of:

- a. An act or omission that involves intentional misconduct or a knowing violation of the law; or
- b. A transaction from which the Superintendent received an improper benefit

7.4 Insurance. The District may fulfill its obligation under this section by purchasing insurance coverage as determined by the Board.

VIII. Extension. At any time during the Contract, the Board may, in its discretion, extend the term of the Contract and reissue the Contract, adding one year to the term. Extension of the Contract may be considered as part of the annual evaluation process under Section V of this Contract. Failure to extend or to reissue the Contract for an extended term shall not constitute nonrenewal under Board policy. The Superintendent shall have no right to such extension.

IX. Resignation. The Superintendent may relinquish her position and leave the employment of the District by written resignation addressed and filed with the Board not less than 120 days prior to its effective date in the year that the release from this Contract is requested. The Superintendent may resign with the consent of the Board at any other time.

X. Termination and Nonrenewal of Contract. Termination or nonrenewal of this Contract or resignation under this Contract will be pursuant to Texas Education Code Chapter 21.

XI. Suspension. In accordance with Texas Education Code Chapter 21, the Board may suspend the Superintendent with or without pay during the term of this Contract for good cause as determined by the Board.

XII. General Provisions.

12.1 Amendment. This Contract may not be amended except by written agreement of Parties.

12.2 Severability. If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.

12.3 Entire Agreement. All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by the Contract. This Contract and any addenda constitute the entire agreement between Parties.

12.4 Applicable Law and Venue. Texas law shall govern this Contract. The Parties agree that the venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be the county in which the District's administration building is located. If litigation is brought in federal court, the Parties agree that the venue shall be the federal district and division in which the district's administration building is located.

12.5 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 paragraph that follows them.

XIII. Board/Superintendent Communication.

13.1 Board/Superintendent Communications and Working Relationships. By September 1, 2024, the Board and the Superintendent shall meet to discuss and agree on the process and procedures for how they will communicate and work together. Annually, the Board and the Superintendent shall review the agreed-upon process and procedures and agree on necessary changes.

13.2 Criticism, Complaints, and Suggestions. The Board, individually and collectively, shall refer all substantive criticisms, complaints, and suggestions called to the Board's attention to the Superintendent for study and appropriate action, and the Superintendent shall investigate such matters and inform the Board of the results of such efforts.

XIV. Notices.

- 14.1 To Superintendent.** The Superintendent agrees to keep a current address on file with the District's human resources office and the Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the Superintendent written notice by delivering the notice through hand-delivery, certified mail, regular mail and/or express delivery service to the Superintendent's address of record.
- 14.2 To Board.** The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand delivery, certified mail, regular mail, and/or express delivery service to the Board President and Vice President's addresses of record, as provided to the District.

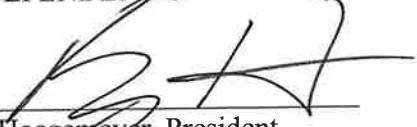
This contract has been approved by majority vote of the Board in a lawfully called and convened public meeting. It is executed by authorized individuals in duplicate on the dates stated below.

The parties have read this Contract and agree to abide by its terms and conditions.

Superintendent: 
Kimberley James, Ed.D.

Date Signed: 4/22/24

WILLIS INDEPENDENT SCHOOL DISTRICT

By: 
Kyle Hoegemeyer, President
Board of Trustees

Date Signed: 4/22/2024

Attest: 
Chad Jones, Secretary
Board of Trustees

Date Signed: 4/22/2024

supersedes any previous negotiations, discussions, agreements, understandings, or written communications with respect to its subject matter.

[signatures to follow]

EXECUTED AND AGREED TO in duplicate originals this 22nd day of April, 202.

WILLIS ISD

By: _____

Kyle Hoegemeyer, President
Board of Trustees

ATTEST:

By: _____

Chad Jones, Secretary
Board of Trustees

DR. KIMBERLEY JAMES

Dr. Kimberley James



Disclosures

Exhibit C-2 Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2022- 2023

For the Twelve-month Period Ended August 31, 2023								
Description of Reimbursements	Superintendents	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Meals	\$597.34	\$ -	\$0.00	\$22.48	\$0.00	\$0.00	\$0.00	\$22.48
Lodging	\$1,754.62	\$1,545.90	\$564.63	\$0.00	\$0.00	\$977.46	\$565.62	\$0.00
Transportation	\$0.00	\$ -	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Motor Fuel	\$644.80	\$ -	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$636.23	\$ -	\$0.00	\$80.00	\$0.00	\$0.00	\$80.00	\$80.00
Total	\$ 3,632.99	\$ 1,545.90	\$ 564.63	\$ 102.48	\$0.00	\$ 977.46	\$ 645.62	\$ 102.48

Note - The spirit of the rule is to capture all "reimbursements" for fiscal year 2023, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order. Reimbursements to be reported per category include:

Meals - Meals consumed off of the school district's premises, and in-district meals at area restaurants (excludes catered meals for board meetings).

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.



Disclosures

Exhibit C-3 Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2022- 2023

For the Twelve-month Period Ended August 31, 2023	
Name(s) of Entity(ies)	
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
Total	\$0.00

Note - Compensation does not include business revenues from the superintendent's livestock or agricultural-based activities on a ranch or farm. Report gross amount received (do not deduct business expenses from gross revenues). Revenues generated from a family business that have no relationship to school district business are not to be disclosed.



Disclosures

Exhibit C-4 Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2022- 2023

For the Twelve-month Period Ended August 31, 2023								
	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Summary Amounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Note - An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification. Gifts received by first degree relatives, if any, will be reported under the applicable school official.



Disclosures

Exhibit C-5 Business Transactions Between School District and Board Members for Fiscal Year 2022- 2023

For the Twelve-month Period Ended August 31, 2023	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Summary Amounts	\$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 reported in the summary schedule of reimbursements received by board members.