SCHOOLS FIRST

FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

Galena Park Independent School District
Annual Financial Management Report
Fiscal Year 2013-2014

Distributed at Public Hearing
December 14, 2015

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Galena Park Independent School District

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December 14, 2015

Dr. Angi Williams, Superintendent
Board of Trustees
Citizens of Galena Park Independent School District

In accordance with Texas Administrative Code Chapter 109, Subchapter AA 109.001, the 2013-2014 Annual Financial Management Report is being presented. Galena Park Independent School District received a rating of "Passed" under the Texas Schools FIRST financial accountability rating system, which is the state's highest, demonstrating the quality of Galena Park ISD's financial management and reporting system. This rating shows that Galena Park ISD is accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

This is the 13th year of Schools FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of Schools FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system. Changes authorized by House Bill 5, Section 49, 83rd Texas Legislature, Regular Session, 2013, are being implemented by the Texas Education Agency and phased in over a three year period. There are only seven indicators for the current year, which will expand to fifteen indicators in the subsequent year.

Included in this report are the additional disclosure requirements, which include a copy of the Superintendent's contract, details of reimbursements received by the Superintendent and members of the Board of Trustees, additional statements relating to any outside compensation of the Superintendent, gifts to District officials or Board members, and business transactions between the District and members of the Board of Trustees.

Sincerely,

Sonya George, CPA

Texas Education Agency
1701 North Congress Avenue • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • tea.texas.gov
Michael Williams
Commissioner

October 22, 2015

To the Administrator Addressed:

Subject: 2014–2015 Final FIRST Ratings

Final 2014–2015 Financial Integrity Rating System of Texas (FIRST) ratings based on fiscal year 2014 are now publicly available. You can find ratings for both school districts and open-enrollment charter schools on the Texas Education Agency (TEA) website:

- school district ratings
- charter school ratings

A previous "To the Administrator Addressed" letter dated August 7, 2015, instructed your school district or charter school (local education agency [LEA]) to view its *preliminary* FIRST rating. The letter also provided information about the data the TEA analyzes to produce the rating and described the appeals process available to your LEA. This appeals process is now complete, and all FIRST ratings are final.

Required Reporting

Within two months of the release of its final FIRST rating, your LEA must announce and hold a public meeting to distribute a financial management report that explains the LEA's rating and its performance under each indicator for the current and previous year's ratings. The report also must provide the financial information described in 19 Texas Administrative Code (TAC) §109.1001(o)(3). We encourage your LEA to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the LEA's performance under one or more of the indicators.

The first of two required newspaper notices to inform stakeholders of the meeting must be published no more than 30 days and no fewer than 14 days before the public meeting. Your LEA may combine the meeting with a scheduled regular meeting of its governing board.

For full requirements related to the report and meeting, see 19 TAC §109.1001(o). For a template that your LEA can use in developing its financial management report, see the TEA FIRST web page or FIRST Rating for Charter Schools web page.

Accreditation Status

Please note that the TEA considers an LEA's FIRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC §97.1055.

Contact for Further Information

If you have questions about your LEA's FIRST rating, please contact me by telephone at (512) 463-0947 or by email at Yolanda.Walker@tea.texas.gov.

Sincerely,

Yolanda Walker
Manager of Financial Accountability
Division of Financial Compliance

Changes to the School FIRST system implemented by the Texas Education Agency in August 2015 are being phased-in over three years. The changes in the Commissioner's Rule were authorized by HB 5, Section 49, 83rd Texas Legislature, Regular Session, 2013. House Bill 5 amended Section 39.082 Texas Education Code to require the commissioner of education to include processes in the financial accountability rating system for anticipating the future financial solvency of each school district and open-enrollment charter school.

Effective with the 2013-2014 Schools FIRST ratings, there are a total of seven indicators.

Financial Integrity Rating System of Texas

2014-2015 RATINGS BASED ON SCHOOL YEAR 2013-2014 DATA – DISTRICT STATUS DETAIL

Name: GALENA PARK ISD(101910)	**Publication Level 1:** 08/20/2015 11:24:40 AM
Status: Passed	**Publication Level 2:** 08/20/2015 11:24:40 AM
Rating: Pass	**Last Updated:** 08/20/2015 11:24:40 AM
District Score: 28	**Passing Score:** 16

#	Indicator Description	FY 2013-2014 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? (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	Yes

	includes a Plan for Paying Back the Debt.)	
4	Was the Total Unrestricted Net Asset Balance (Net of the Accretion of Interest for Capital Appreciation Bonds) in the Governmental Activities Column in the Statement of Net Assets Greater than Zero?	Yes
		1 Multiplier Sum
5	Was the School District's Administrative Cost Ratio Equal to or Less Than the Threshold Ratio?	8
6	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 (Data Quality Measure)?	10
7	Did the External Independent Auditor Report that the AFR was Free of any Instance9s0 of Material Weaknesses in Internal Controls over Financial Reporting and Compliance for Local, State, or Federal Funds? (The AICPA Defines Material Weakness.)?	10
		28 Weighted Sum
		1 Multiplier Sum
		28 Score

DETERMINATION OF RATING 2013-2014

A.	Did The District Answer '**No**' To Indicators 1, 2, 3, Or 4? If So, The District's Rating Is **Substandard Achievement**	
B.	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 5-7)	
	Pass	16-30
	Substandard Achievement	<16

Financial Integrity Rating System of Texas

2013-2014 RATINGS BASED ON SCHOOL YEAR 2012-2013 DATA – DISTRICT STATUS DETAIL

Name: GALENA PARK ISD(101910)	**Publication Level 1:** 06/18/2014 8:04:42 aM
Status: Passed	**Publication Level 2:** 09/05/2014 4:00:21 PM
Rating: Superior Achievement	**Last Updated:** 09/05/2014 4:00:21 PM
District Score: 70	**Passing Score:** 52

#	Indicator Description	FY 2012-2013 Score
1	Was The Total Fund Balance Less Nonspendable and Restricted Fund Balance Greater Than Zero In The General Fund?	Yes
2	Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% more)	Yes
3	Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?	Yes
4	Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?	Yes
5	Was There An Unqualified Opinion in Annual Financial Report?	Yes
6	Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?	Yes
		1 Multiplier Sum
7	Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?	5
8	Did The Comparison Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?	5
9	Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < $350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 7%, Or If Property Taxes Collected Per Penny Of Tax Effort > $200,000 Per Student)	5
10	Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?	5
11	Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)	5
12	Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?	5
13	If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To	5

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

DETERMINATION OF RATING 2012-2013

A.	Did The District Answer '**No**' To Indicators 1, 2, 3 Or 4? **OR** Did The District Answer '**No**' To Both 5 and 6? If So, The District's Rating Is **Substandard Achievement**.	
B.	Determine Rating By Applicable Range For summation of the indicator scores (Indicators 7-20)	
	Superior Achievement	64-70
	Above Standard Achievement	58-63
	Standard Achievement	52-57
	Substandard Achievement	<52

INDICATOR 17 & 18 RATIOS

Indicator 17	Ranges for Ratios			**Indicator 18**	Ranges for Ratios	
District Size - Number of Students	Low	High		District Size - Number of Students	Low	High
< 500	7	22		< 500	5	14
500-999	10	22		500-999	5.8	14
1000-4999	11.5	22		1000-4999	6.3	14
5000-9999	13	22		5000-9999	6.8	14
=> 10000	13.5	22		=> 10000	7.0	14

HOW 2013-2014 RATINGS ARE ASSESSED

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.**

   A "modified" version of the auditor's opinion in your annual audit report means that you need to correct some of your reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its Annual Financial Report. This is a simple "Yes" or "No" indicator.

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 make certain that your district has paid your bills/obligations on financing arrangements to pay for school construction, school buses, photocopiers, etc.

4. **Was the total unrestricted net asset balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Assets greater than zero?**

   This indicator simply asks, "Did the district's total assets exceed the total amount of liabilities (according to the very first financial statement in the annual audit report)?"

5. **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?

6. **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 (Data Quality Measure)?**

   This indicator measures the quality of data reported to PIEMS and in your Annual Financial Report to make certain 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.

7. **Did the external independent auditor report that the AFR was free of any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)**

   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.

EMPLOYMENT CONTRACT

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This Contract ("Contract") is made between the Board of Trustees ("Board") of the Galena Park Independent School District ("District") and Dr. Angi Williams ("Superintendent").

Pursuant to the authority of Section 11.201 of the Texas Education Code and the general laws of the State of Texas, the Board and the Superintendent agree as follows:

I. TERM

1.1 The Board, by and on behalf of the District, employed the Superintendent, and the Superintendent accepted employment as General Superintendent for the District, for a term that commenced on December 7, 2011 and ending on June 30, 2014. At a Board meeting on June 25, 2012, the term was extended to June 30, 2015, at a Board meeting held on February 11, 2013 the term was extended to June 30, 2016, and at a Board meeting held on February 10, 2014, the term was extended to June 30, 2017. This Contract shall automatically be extended annually for an additional one-year period beginning on July 1st and ending on June 30th of the following year, unless either party shall notify the other party in writing prior to June 1st of each year that it does not desire the contract to be extended. The term of this Contract may also be extended by mutual written agreement.

II. EMPLOYMENT

2.1 **Duties**. The Superintendent is the chief executive officer of the District and shall faithfully perform the duties of Superintendent for the District as prescribed in the job description and as may be assigned by the Board, and shall comply with all Board directives, state and federal law, District policy, rules, and regulations, as they exist or may hereinafter be adopted or amended. Except as provided in this Contract, the Superintendent agrees to

devote her full time and energy to the performance of these duties in a faithful, diligent, and efficient manner.

2.2 **Professional Development and Activities**. The Superintendent may attend and participate in appropriate professional meetings at the local, state, and national levels, with the reasonable expenses for such attendance to be borne by the District upon written Board approval. The Superintendent may hold offices or accept responsibilities in these professional organizations provided that such responsibilities do not interfere with the performance of duties as Superintendent.

2.3 **Consultation Activities**. The Superintendent is not permitted to undertake writing, teaching, consulting, speaking, or any other types of outside employment for remuneration unless prior Board approval is obtained. Any consultation activities or outside employment approved by the Board must be accomplished on the Superintendent's vacation days, holidays, or other non-duty time.

2.4 **Board Meetings**. The Superintendent or the Superintendent's designee shall attend all meetings of the Board, both public and closed, with the exception of the closed meetings devoted to the consideration of any action or lack of action on the Superintendent's contract, the Superintendent's salary or benefits, or the Superintendent's performance or evaluation. The Superintendent or designee may also be excluded from any Board meeting when the subject is related to conflicts or interpersonal relationships between individual Board members, when the Board is acting in its capacity as a tribunal, or at other times determined by the Board.

2.5 **Professional Certification and Records.** The Superintendent shall maintain at all times during the term of this Contract valid and appropriate certification to act as

Superintendent of Schools in the State of Texas as prescribed by the laws of the State of Texas and the rules and regulations of the Texas Education Agency and/or the State Board for Educator Certification, and shall provide evidence of such certification to the Board upon request at any time. The Superintendent shall also provide evidence of education attainment, degrees earned, previous professional experience, and other records required for the personnel files of the District. Failure to maintain valid and appropriate certification shall render this Contract void, and any material misrepresentation in any records provided to the District shall be grounds for termination.

III. COMPENSATION AND BENEFITS

3.1 **Annual Base Salary**. The Superintendent shall be paid an annual base salary of Two Hundred Forty-Two Thousand and Five Hundred Five Dollars and 44/100 ($242,505.44) effective February 12, 2013 and extending through the duration of this Contract unless the Board, at its discretion, increases the Superintendent's annual salary as provided by Paragraph 3.2. Nothing in this paragraph prevents the Board from reducing the salary of the Superintendent in accordance with Section 21.4032 of the Texas Education Code or from implementing a furlough program applicable to the Superintendent in accordance with state law or from amending the terms of this contract in accordance with Section 21.212(f) of the Texas Education Code.

3.2 **Salary Adjustments**. The Board may, in its sole discretion, increase the annual base salary of the Superintendent, provided that such annual increase shall not be more than the average percentage increase received by the District's classroom teachers, unless the Board chooses to increase the Superintendent's salary by a greater amount.

3.3 **Business Expenses**. The District shall pay or reimburse the Superintendent for reimbursable 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 out of District business travel. Such costs may include, but are not limited to, airline tickets, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of District business. The District shall also reimburse the Superintendent for the reasonable costs of meals and incidental expenses associated with the Superintendent's work with staff members, Board members, community members and other persons related to the performance of her duties as Superintendent. Subject to Board approval, the District shall also reimburse the Superintendent for professional and civic association dues related to her job duties. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies and District procedures. The Superintendent will be issued a credit card to pay for school-related expenses. The credit card may be used only for school-related expenses, not personal expenses.

3.4 **Laptop Computer**. The District shall provide the Superintendent with a laptop computer for both professional and personal use, at the sole expense of the District.

3.5 **Health Insurance**. No health insurance or benefits will be paid by the District.

3.6 **Indemnification**. To the extent permitted by law and District policy, the District shall indemnify, defend, and hold harmless the Superintendent regarding any claims, demands, duties or other legal proceedings against her or damages incurred by the Superintendent, for any act or failure to act involving her exercise of judgment and discretion within the normal course and scope of her duties as Superintendent. This provision does not apply if the Superintendent is found to have materially breached her contract, to have acted

with gross negligence or with intent to have violated a person's clearly established legal rights, to have acted outside the course and scope of her employment, to have engaged in criminal conduct, or to have engaged in official misconduct. This provision also does not apply to criminal investigations or proceedings. At its sole discretion, the District may fulfill the obligation under this paragraph by purchasing insurance coverage for the benefit of the Superintendent or by including the Superintendent as a covered party under any contract providing errors and omissions insurance coverage purchased for the protection of the Board and the professional employees of the District. The Board may retain attorneys to represent the Superintendent in any proceeding for which she could seek indemnification under this paragraph, to the extent that damages are recoverable or a defense is provided under any such contract of insurance. No individual member of the Board or employee of the District shall be personally liable for indemnifying or defending the Superintendent under this provision. The District's obligation to indemnify, defend, and hold harmless the Superintendent will survive the termination of this Contract for qualifying acts or failure to act occurring during the term of this Contract or any extension thereof.

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

The Superintendent shall fully cooperate with the District in the defense of any and all demands, claims, suits, actions and legal proceedings brought against the District. The Superintendent's obligation under this paragraph shall continue after the termination of this Contract.

3.7 **Leave**. The Superintendent shall have the same leave benefits as authorized by Board policy for administrative employees.

3.8 **Vacation and Holidays**. The Superintendent may take, at the Superintendent's choice and subject to the Board's approval, ten (10) days of vacation per year of this Contract. The vacation days taken by the Superintendent shall 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 and Board Policy. In addition, the Superintendent shall observe the same District holidays as those observed by other administrators who work on a twelve (12) month basis. On or before June 30th of each year during the term of this Contract, the District shall pay in lump sum to the Superintendent any accrued but unused vacation days, up to a maximum of ten (10) days annually at her then current daily rate of pay based on two hundred and twenty nine (229) days of service per year during the term of this Contract, effective the 2013-2014 school year. Prior accrued but unused vacation days from December 7, 2011 through June 30, 2013 will be paid on or before June 30, 2014. Upon termination of employment under this Contract, the Superintendent shall be entitled to payment of any unused accumulated vacation days at her then current daily rate of pay based on two hundred and twenty nine (229) days of service per year during the term of this Contract.

3.9 **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 physician shall submit a confidential statement to the Board, verifying the Superintendent's fitness to perform the Superintendent's duties, and copies of all such statements shall be confidential to the extent permitted by law. The District shall pay the reasonable costs of the annual physical examination.

3.10 **Contract Days and Work Calendar**. The Superintendent shall work and be compensated on the basis of two hundred twenty-nine (229) contract days per year. In the

event that the Superintendent works more than 229 days in a contract year, she shall not be entitled to additional compensation or compensatory work credit in future years. The Superintendent shall submit her proposed work calendar to the Board at the beginning of each contract year, and will detail all proposed vacation, out-of-District travel, and professional development days for the coming year. The Superintendent will notify the Board of any changes to the calendar.

3.11 **Payments into an Annuity.** The District shall make payments of Ten Thousand Dollars ($10,000) per year, for each year covered by this Contract for which the Superintendent is employed as Superintendent of the District, to either a qualified tax-sheltered annuity or custodial account (the "403(b) Annuity") under Section 403(b) of the Internal Revenue Code of 1986, as amended (the "Code"). The 403(b) Annuity is to be mutually acceptable to the Superintendent and the Board. For each year during the term of this Contract for which the Superintendent is employed as Superintendent of the District, the District shall make a contribution to the 403(b) Annuity of an amount equal to the lesser of (i) the amount specified herein, or (ii) the yearly maximum amount the District may contribute to a qualified tax-sheltered annuity under Section 403(b) of the Code for and on behalf of the Superintendent, without causing any portion of such contribution to be included in the Superintendent's taxable income for the year in which the contribution is made. Payments into the 403(b) Annuity shall be made on or before September 1 of each contract year. Any contributions to the 403(b) Annuity shall be paid directly by the District and shall be nonelective, and the Superintendent shall not have any right to receive such contributions in cash. Any District required contribution under this Section in excess of (ii) shall be paid to the Superintendent as a part of her regular taxable compensation. The District's

contributions to the 403(b) plan created under this Section, and all earnings thereon, shall become vested with the Superintendent on June 30, 2014. Prior to June 30, 2014 the Superintendent shall have no vested right in her account value in the 403(b) Annuity. The Superintendent shall have the sole right to choose the investments in such 403(b) plan, but such investments must comply with the Code and any applicable state laws.

3.12 **Beneficiary**. In the event of Superintendent's death or catastrophic illness prior to June 30, 2014 the annuity will be paid to the Superintendent's named beneficiary.

IV. ANNUAL PERFORMANCE EVALUATION

4.1 **Review of Performance.** The Board shall evaluate and assess the performance of the Superintendent through a formative appraisal in June of each year. At its discretion, the Board may choose to conduct additional evaluations. The parties may change appraisal dates by mutual agreement. The meetings at which the Board evaluates the Superintendent will be held in closed session, unless the Board and Superintendent agree that they should be held in open session. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description.

4.2 **Evaluation Format and Procedure**. The evaluation format and procedure shall be in accordance with the Board's policies, and state and federal law.

4.3 **Performance Incentive.** During the term of this Contract or any extension thereof, the Board may at any time after the completion of the Superintendent's evaluation award the Superintendent a performance incentive for exceptional performance as determined by the Superintendent's evaluation. The performance incentive may not exceed Ten Thousand and 00/100 Dollars ($10,000.00). Payment will be paid in a lump sum. The Board is not required to award a performance incentive in any year regardless of the

Superintendent's performance. The award of the performance incentive is solely at the discretion of the Board. This section becomes effective immediately upon approval of the Board.

V. TERMINATION OF EMPLOYMENT CONTRACT

5.1 **Mutual Agreement**. This Contract shall be terminated by mutual agreement of the Superintendent and the Board in writing upon such terms and conditions as may be mutually agreed upon.

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

5.3 **Dismissal for Good Cause**. The Board may dismiss the Superintendent during the term of this Contract for good cause as that term is defined by the Board.

5.4 **Disability**. In the event the Superintendent shall become unable to perform her duties as Superintendent, the Board, at its option, may terminate this Contract and the employment of the Superintendent. Verification of the disability of the Superintendent shall be required whenever a majority of the entire Board requests it. Verification shall be by a physician agreed upon by the Board and Superintendent. Should the Superintendent be terminated due to disability, the Superintendent shall be entitled to one (1) year of her annual base salary set out in Subsection 3.1. The District shall have no further liability to the Superintendent for any compensation, benefits, or other financial remuneration. By entering into this Contract, the Superintendent is hereby waiving any right to temporary disability leave provided by state law and local policy and hereby agrees to waive any right to the procedural safeguards referenced in paragraphs 5.3 and 5.5 of this Contract.

5.5 **Termination Procedure**. In the event that the Board proposes to terminate this Contract for good cause, the Superintendent shall be afforded the rights as set forth in the Board's policies and applicable state and federal law.

5.6 **Nonrenewal of Contract**. Except as provided in Subsection 5.4 of this Contract, nonrenewal of this Contract shall be in accordance with Board policy and applicable law.

5.7 **Unilateral Termination by Board**. The Board reserves the right to terminate this Contract without cause upon the provision of thirty (30) days' written notice to the Superintendent. As consideration for this right of unilateral termination, the District will pay the Superintendent the sum of one year's salary calculated as her annual salary at the time of the termination, minus applicable withholdings/deductions. A check for this amount will be tendered to the Superintendent within thirty (30) days of notice of unilateral termination. Upon the tender of this check, the Superintendent will be released from her duties as Superintendent. Furthermore, the Superintendent will not be entitled to a hearing or any other due process relating to her employment as Superintendent or departure from this position. In addition, upon tender of this payment, the Superintendent releases and discharges the District, its trustees, agents, attorneys, and employees from any liability relating to her employment at the District and/or her departure from employment, and agrees not to file any legal proceeding against them, including without limitations, lawsuits in state or federal court, actions before the Texas Education Agency, or before any state or federal administrative agencies, relating to her employment at the District or her departure from her employment with the District.

VI. MISCELLANEOUS

6.1 **Nepotism.** With the exception of any individuals already employed by the District as of December 7, 2011, the District will not employ any individual related to the

Superintendent within the third degree of consanguinity (relation by blood) or the second degree of affinity (relation by marriage) during the term of this Contract, unless specifically permitted by law and prior Board approval is provided. If the Superintendent contemplates such a hire, she will consult with the Board before any recommendation to hire is made.

6.2 **Residency**. The Superintendent agrees that she will reside within the boundaries of the District while employed as the Superintendent.

6.3 **Controlling Law.** This Contract shall be governed by Texas law, and it shall be performable in Harris County, Texas, unless otherwise provided by law.

6.4 **Complete Agreement**. This Contract embodies the entire agreement between the parties, and supersedes all previous employment agreements. Except as expressly provided herein, it cannot be varied or amended except by written agreement of the parties.

6.5 **Savings Clause**. In the event any one or more of the provisions contained in this Contract shall, for any reason, be held invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect the other provisions, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

ATTEST:

By: _____
Wilfred J. Broussard, Jr.,
Vice President
Board of Trustees

Date: 2-10-2014

By: _____
Jeff Miller,
President
Board of Trustees

Date: 2/10/14

By: _____
Dr. Angi Williams

Date: 2/11/14

Superintendent Contract Updates and Recommendations
February 10, 2014

I. Updates

a. One year extension of present contract

b. 3.8 – Any unused vacation days will be paid annually, instead of in a large lump sum, upon termination of the Superintendent's employment.

c. 3.11 – Date of annuity payments have been updated to continue through the term of the contract.

d. 4.3 – **Bonus Payment Based on District Adequate Yearly Progress (AYP)** has been removed since AYP is no longer in effect. It has been replaced with **Performance Incentive**, which is given annually after the Superintendent's evaluation. The amount awarded as performance incentive is solely at the discretion of the Board and may not exceed $10,000.

e. 5.7 – **Unilateral Termination by Board** has been updated by removing the specific amount of the salary so as not to have to update this section each year. The amount of salary has been replaced with "the sum of one year's salary calculated as her annual salary at the time of the termination, minus applicable withholdings/deductions."

II. Recommendations

a. Performance Incentive Award
$ 10,000.00 Bonus
b. 2014 – 2015 General Pay Increase
Same percentage as faculty

Same percentage as faculty
$10000.00

Jeff Miller, Board President

Superintendent and Board of Trustees Disclosure Requirements

Expenditures and/or reimbursements paid directly to or on-behalf of the Superintendent and Board Members for fiscal year 2013-2014:

Description of Reimbursement	Dr. Angi Williams	Ramon Garza	Jeff Miller	Dawn Fisher	June Harris	Minnie Rivera	Wilfred J. Broussard Jr.	Joe Stephens	Wanda Heath Johnson
Meals	$ 1,091.15	$ 105.29	$ -	$ -	$ 178.01	$ -	$ 189.89	$ 620.33	$ 907.26
Lodging	5,337.35	385.42	-	-	385.42	-	930.32	2,820.97	3,471.60
Transportation/Mileage	1,618.38	268.88	-	-	469.44	-	361.81	2,190.09	1,975.67
Banquet and Charity Events	-	71.43	71.43	71.43	71.43	-	71.43	71.43	71.42
Awards/Gifts	377.77	160.00	225.00	160.00	160.00	-	160.00	159.99	159.99
Dues/Membership Fees	2,736.00	-	-	-	-	-	-	50.00	-
Home Internet/Phones	3,013.98	-	-	-	482.83	-	-	-	-
Registration	2,311.50	172.50	172.50	521.50	409.00	112.50	521.50	1,172.50	2,586.50
Other	1,012.00	-	-	-	-	-	-	-	-
Total	$ 17,498.13	$ 1,163.52	$ 468.93	$ 752.93	$ 2,156.13	$ 112.50	$ 2,234.95	$ 7,085.31	$ 9,172.44

Business transactions between GPISD and Board Members for fiscal year 2013-2014:

Vendor Name	Board Member Affiliation	Amount Paid
Slocomb Insurance Agency	Jeff Miller	$ 23,831.00
Halo Corporation	June Harris	3,501.41
		$ 27,332.41

1. Slocomb Insurance Agency – gross premiums for the district's boiler and machinery insurance policies, as well as surety/crime bonds for select district administrators.
2. Halo Corporation – payments under an agreement where promotional items can be purchased for district activities and events.

Notes:
1. The Superintendent received no outside compensation in exchange for professional consulting or other personal services.
2. No gifts from outside entities or competing vendors were received by the Superintendent, Board of Trustees, or members of their immediate families.