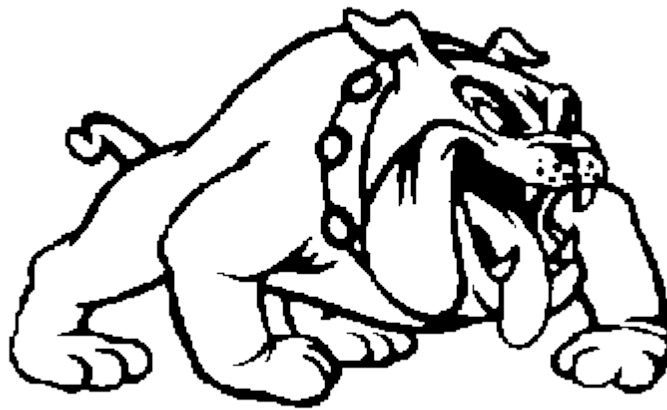


**Sweeny Independent School District  
Sweeny, Texas**

**2017 Annual Financial  
Management Report – Schools FIRST**

**For the Year Ending August 31, 2016**



**Dr. Tory C. Hill, Superintendent of Schools**

**Amy Pope, Executive Director of Teaching & Learning**

**Amy Carter, Chief Financial Officer**

**SWEENY INDEPENDENT SCHOOL DISTRICT  
SCHOOLS FIRST REPORT FOR 2015-16**

**Table of Contents**

	<b><u>Page</u></b>
Introduction	3 - 4
Financial Accountability Ratings Worksheet for 2015-16	5 - 7
Overview of the Worksheet's Criteria	
Indicators 1-3	8
Indicators 4-9	9
Indicators 10-12	10
Indicators 13-15	11
2015-2016 Status Counts and Rating Counts	12
2015-2016 All District Results by Indicator	12 - 14
2015-2016 Answers by Indicator	14 - 15

## Introduction

During the 77<sup>th</sup> regular session of the Texas Legislature (2001), Senate Bill 218 was passed and signed it into law shortly thereafter. This law requires every school district to prepare an annual financial accountability report. The primary goal of School FIRST is to improve the management of school districts' financial resources. 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 of 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. Ratings are based on analysis of staff and student data and on budgetary and actual financial data for the fiscal year.

Many business-related issues are covered in this report. The primary reporting tool, however, is the Financial Accountability Ratings Worksheet. Representatives of the Texas Education Agency (TEA), the Texas Business & Education Council (TBEC) and the Texas Association of School Business Officials (TASBO) developed this worksheet. It is administered by TEA and calculated on information submitted to the Agency via our PEIMS submission each year and other documentation procured by TEA. The accuracy of PEIMS data has always been critical on the student side of the submission, and this reporting requirement adds a high degree of importance to our finance submission each year.

Starting in the 2005-2006 fiscal year, the financial management report issued at the School FIRST hearing must contain certain required disclosures, in accordance with Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules concerning Financial Accountability Rating System. Those disclosures are as follows: (1) a copy of the Superintendent's current employment contract, (2) a summary schedule for the fiscal year of total reimbursements received by the superintendent and each board member, (3) a summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional consulting and/or other personal services, (4) a summary schedule for the fiscal year of the total dollar amount by the executive officers and board members and board members of gifts that had an economic value of \$250 or more, (5) a summary schedule for the fiscal year of the dollar amount by board member for the aggregate amount of business transaction with the school district.

Another change for the 2006-2007 fiscal year is one indicator was moved, three indicators were deleted, one indicator was added, and three indicators were modified. In 2009-2010 fiscal year two indicators were deleted. In 2010-11 fiscal year two more indicators were deleted (related to academic rating and fund balance requirements) and two were modified (tax collections are now measured on a three year average instead of one and investment earnings baseline is the 3-Month Treasury Bill instead of \$20 per student).

In 2013-2014 fiscal year, thirteen indicators were removed, reducing the number of indicators from 20 to 7 and reducing the total number of possible points from 70 to 30. Also, the Rating system scale was changed to either Pass or Substandard Achievement.

In 2014-2015 fiscal year, eight indicators were added, increasing the number from 7 to 15 and increasing the total number of possible points from 30 to 100. Also, the Rating system scale was changed to an A – F grading system from a Pass or Substandard Achievement rating.

Sweeny ISD's 2017 rating under School FIRST for the year ended August 31, 2016 was "A = Superior Achievement," with a score of 94 of 100 or 94 percent. This report briefly describes data used to calculate the rating and what each indicator means.



**Financial Integrity Rating System of Texas**

**2016-2017 RATINGS BASED ON SCHOOL YEAR 2015-2016**  
**DATA - DISTRICT STATUS DETAIL**

<b>Name:</b> SWEENY ISD(020906)	<b>Publication Level 1:</b> 8/8/2017 2:29:29 PM
<b>Status:</b> Passed	<b>Publication Level 2:</b> 8/8/2017 2:29:29 PM
<b>Rating:</b> A = Superior	<b>Last Updated:</b> 8/8/2017 2:29:29 PM
<b>District Score:</b> 94	<b>Passing Score:</b> 60

#	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>	3/28/2017 11:08:55 AM		Yes
2	Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds "No" to indicator 2.A. or to both indicators 2.A and 2.B.			
2.A	<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>	3/28/2017 11:08:56 AM		Yes
2.B	<u>Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)</u>	3/28/2017 11:08:56 AM		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</u>	3/28/2017 11:08:56 AM		Yes

	<u>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	<u>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?</u>	3/28/2017 11:08:56 AM	Yes
5	<u>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? (If the school district's change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)</u>	3/28/2017 11:08:56 AM	Yes
			1 Multiplier Sum
6	<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.)</u>	3/28/2017 11:08:57 AM	10
7	<u>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)</u>	3/28/2017 11:08:57 AM	6
8	<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 change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	3/28/2017 11:08:57 AM	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 greater than or equal to 60 days?</u>	3/28/2017 11:08:58 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	5/18/2017 12:17:27 PM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	3/28/2017 11:08:58 AM	8
12	<u>Did the school district not have a 15 percent decline in the students</u>	6/21/2017	10

	<u>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>	8:12:33 PM	
13	<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?</u>	3/28/2017 11:09:00 AM	10
14	<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>	3/28/2017 11:09:00 AM	10
15	<u>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?</u>	3/28/2017 11:09:00 AM	10
			94 Weighted Sum
			1 Multiplier Sum
			94 Score

### **DETERMINATION OF RATING**

<b>A.</b>	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? If so, the school district's rating is <b>F for Substandard Achievement</b> regardless of points earned.	
<b>B.</b>	Determine the rating by the applicable number of points. (Indicators 6-15)	
	<b>A = Superior</b>	70-100
	<b>B = Above Standard</b>	50-69
	<b>C = Meets Standard</b>	31-49
	<b>F = Substandard Achievement</b>	<31

## Overview of the Worksheet

**Indicator # 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?**

School districts with a fiscal year end of August 31st must legally submit their annual audit report to TEA via the TEASE website portal within 30 calendar days of the January 28<sup>th</sup> deadline.

Sweeny ISD’s annual audit report was successfully submitted through TEASE within the time allotted.

**Indicator # 2A – 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.)**

This indicator simply asks, “Did the district’s external auditors find a material weakness or misstatement in the financial accounting statements or procedures.

Sweeny ISD’s external auditors issued an unmodified opinion, meaning we had a clean audit.

**Indicator # 2B - 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.)**

Sweeny ISD’s external auditors reported that our AFR was free of any instance of material weaknesses in internal controls.

**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 the District has paid its bills/obligations on debt obligations issued to pay for school construction and the like.

Sweeny ISD has had no instances of default on bonded indebtedness obligations.



**Indicator # 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?**

This indicator simply asks, “Did the District meet the various timelines for payments to various governmental agencies?”

Sweeny ISD’s made timely payments to all listed governmental agencies.

**Indicator # 5 – 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? (If the school district’s change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)**

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)?

Sweeny ISD’s district’s total assets exceeded the total amount of liabilities.

**Indicator # 6 – 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)?**

To receive the maximum of 10 points, districts must have enough cash and equivalents to cover at least 90 days of expenditures. Sweeny ISD had enough to cover 124.09 days as of August 31, 2016.

**Indicator # 7 – Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?**

To receive the maximum of 10 points, districts current assets must be 3 times greater than current liabilities. Sweeny ISD’s ratio of current assets to current liabilities was 2.3652 as of August 31, 2016, which gave us 6 out of 10 possible points.

**Indicator # 8 – 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 change of students in membership over 5 years was 10 percent or more, then the school district passes this indicator.)**

To receive the maximum of 10 points, districts ratio of long term liabilities to total assets must be no greater than .6. Sweeny ISD’s ratio of long-term liabilities to total assets was .5209 as of August 31, 2016.

**Indicator # 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?**

Sweeny ISD's general fund revenues exceeded expenditures for 2015-2016, therefore Sweeny ISD received 10 points.

**Indicator # 10 – Was the debt service coverage ratio sufficient to meet the required debt service?**

This indicator looks at the following financial components to ensure the combination of revenues and fund balance are adequate to cover bond payments.

Field	Value
( Total Revenues	19,562,150
- Total Expenditures	20,339,472
+ Debt Service (function codes 71, 72, and 73)	2,941,283
+ Fund Code 599 (Debt Service fund balance)	1,445,634
+ Function Code 81	0
)	
/ Debt Service (function codes 71, 72, and 73)	2,941,283

**Mathematical Breakdown: 1.5903**

**RESULT DETERMINATION REFERENCE**

**DETERMINATION OF POINTS**

10	8	6	4	2	0
>=1.20	<1.20 >=1.15	<1.15 >=1.10	<1.10 >=1.05	<1.05 >=1.00	<1.00

**Indicator # 11 – Was the school district's administrative cost ratio equal to or less than the threshold ratio?**

TEA and state law sets a cap on the percentage of their budget that Texas school districts can spend on administration based on district size. For districts in Sweeny's ISD category, the administrative cost ratio should fall below 11.51 percent. Sweeny's ratio for the 2015-2016 school year was 12.41 percent, or 0.90 percent above the state cap. Sweeny ISD earned 8 out of 10 points on this indicator.

**Indicator # 12 – 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.)**

Enrollment increased from 1,886 in 2013-2014 to 2,040 in 2015-16. Total number of staff grew from 247.4515 to 248.0452 over the same period. District received 10 points.

**Indicator # 13 – 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?**

This indicator measures the quality of data reported to TEA through the Public Education Information Management System (PEIMS) and in the 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 more than 3 percent, the district “fails” this measure.

Sweeny ISD’s data quality measure fell well below the allowable 3% variation.

**Indicator # 14 – Did the external independent auditor report that 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 weakness.)**

Sweeny ISD external auditors reported no material noncompliance.

**Indicator # 15 – Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?**

Sweeny ISD did not have a repayment schedule to TEA, therefore nothing to adjust and not applicable for the year ended August 31, 2016.



**Financial Integrity Rating System of Texas**

**OVERALL STATISTICS**  
**2015-2016 STATUS COUNTS**

<b>Status</b>	<b>Count</b>	<b>% Total</b>	<b>Enrollment</b>	<b>% Total Enrollment</b>
Passed	1,017	99.51 %	5,022,222	99.88 %
Failed	5	0.49 %	6,205	0.12 %
<b>Total</b>	<b>1,023</b>	<b>100.00 %</b>	<b>5,028,427</b>	<b>100.00 %</b>

**2015-2016 RATING COUNTS**

<b>Ratings</b>	<b>Count</b>	<b>% Total</b>	<b>Enrollment</b>	<b>% Total Enrollment</b>
A = Superior	853	83.46 %	4,457,010	88.64 %
B = Above Standard	121	11.84 %	445,407	8.86 %
C = Meets Standard	43	4.21%	119,805	2.38 %
F = Substandard Achievement	5	0.49 %	6,205	0.12 %
<b>Total</b>	<b>1,022</b>	<b>100.00 %</b>	<b>5,028,427</b>	<b>100.00 %</b>

**2015-2016 ALL RESULTS BY INDICATOR**

<b>Indicator</b>	<b>Result</b>	<b>Count</b>	<b>% of Districts</b>	<b>Enrollment</b>	<b>% Total Enrollment</b>
1	Yes	1022	100.00 %	5028427	100.00 %
	No	0	0.00 %	0	0.00 %
2.A	Yes	1021	99.90 %	5026985	99.97 %
	No	1	0.10 %	1442	0.03%
2.B	Yes	992	97.06 %	4926793	97.98 %

	No	30	2.94 %	101634	2.02 %
3	Yes	1022	100.00 %	5028427	100.00 %
	No	0	0.00 %	0	0.00 %
4	Yes	1021	99.90 %	5027891	99.99 %
	No	1	0.10 %	536	0.01 %
5	Yes	1021	99.90 %	5026365	99.96 %
	No	1	0.10 %	2062	0.04 %
6	10	824	80.63 %	3860878	76.78 %
	8	67	6.56 %	514904	10.24 %
	6	52	5.09 %	274170	5.45 %
	4	37	3.62 %	183137	3.64 %
	2	25	2.45 %	104333	2.07 %
	0	17	1.66 %	91005	1.81 %
7	10	840	82.19 %	3602756	71.65 %
	8	79	7.73 %	686833	13.66 %
	6	62	6.07 %	399088	7.94 %
	4	32	3.13 %	333304	6.63 %
	2	9	0.88 %	6446	0.13 %
8	10	887	86.79 %	3748025	74.54 %
	8	78	7.63 %	502002	9.98 %
	6	37	3.62 %	516875	10.28 %
	4	13	1.27 %	216040	4.30 %
	2	4	0.39 %	17645	0.35 %

	0	3	0.29 %	27840	0.55 %
9	10	985	96.38 %	4914101	97.73 %
	0	37	3.62 %	114326	2.27 %
10	10	808	79.06 %	4177927	83.09%
	8	25	2.45 %	80261	1.60%
	6	20	1.96 %	83975	1.67 %
	4	13	1.27 %	81764	1.63 %
	2	17	1.66 %	89944	1.79 %
	0	139	13.60 %	514556	10.23 %
11	10	826	80.82 %	4327916	86.07 %
	8	132	12.92 %	603272	12.00 %
	6	31	3.03 %	76653	1.52 %
	4	20	1.96 %	17346	0.34 %
	2	4	0.39 %	1579	0.03 %
	0	9	0.88 %	1661	0.03 %
12	10	997	97.55 %	5015235	99.74 %
	0	25	2.45 %	13192	0.26 %
13	10	1017	99.51 %	5025539	99.94%
	0	5	0.49 %	2888	0.06 %
14	10	987	96.58%	4942392	98.29 %
	0	35	3.42 %	86035	1.71 %
15	10	1022	100.00 %	5028427	100.00 %

## **2015-2016 ANSWERS BY INDICATOR**

<b>Indicator</b>	<b>Yes</b>	<b>No</b>	<b>10</b>	<b>8</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>Total</b>
1	1022	x	x	x	x	x	x	x	1022
2.A	1021	1	x	x	x	x	x	x	1022
2.B	992	30	x	x	x	x	x	x	1023
3	1022	x	x	x	x	x	x	x	1022
4	1021	1	x	x	x	x	x	x	1022
5	1021	1	x	x	x	x	x	x	1022
6	x	x	824	67	52	37	25	17	1022
7	x	x	840	79	62	32	9	x	1022
8	x	x	887	78	37	13	4	3	1022
9	x	x	985	x	x	x	x	37	1022
10	x	x	808	25	20	13	17	139	1022
11	x	x	826	132	31	20	4	9	1022
12	x	x	997	x	x	x	x	25	1022
13	x	x	1017	x	x	x	x	5	1022
14	x	x	987	x	x	x	x	35	1022
15	x	x	1022	x	x	x	x	x	1022

Sweeny Independent School District

Required Disclosures

For the Year Ending August 31, 2016



**Reimbursements Received by the Superintendent and Board Members**

**For the Twelve-Month Period  
Ended August 31, 2016**

	<b>Meals</b>	<b>Lodging</b>	<b>Transportation</b>	<b>Motor Fuel</b>	<b>Other</b>	<b>Total</b>
<b>Superintendent</b>	\$247.72	\$1,618.43	\$10.66	\$258.50	\$731.67	\$2,866.98
<b>Board Member 1</b>		\$524.58		\$170.00	\$375.00	\$1,069.58
<b>Board Member 2</b>		\$524.58			\$375.00	\$899.58
<b>Board Member 3</b>		\$1,278.96			\$770.00	\$2,048.96
<b>Board Member 4</b>	\$35.55	\$1,278.96		\$508.00	\$820.00	\$2,642.51
<b>Board Member 5</b>		\$524.58			\$375.00	\$899.58
<b>Board Member 6</b>		\$753.43				\$753.43
<b>Board Member 7</b>	\$58.23	\$524.58	\$10.00		\$375.00	\$967.81

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

**For the Twelve-Month Period  
Ended August 31, 2016**

<b><u>Name(s) of Entity(ies)</u></b>	<b>Amount Received</b>
<b>None</b>	<b>\$0</b>

**Total**

**\$0.00**

**Gifts Received by Executive Officers and Board Members  
(and First Degree Relatives, if any)  
For the Twelve-Month Period Ended August 31, 2016**

<b>Superintendent</b>	<b>None</b>
<b>Board Member 1</b>	<b>None</b>
<b>Board Member 2</b>	<b>None</b>
<b>Board Member 3</b>	<b>None</b>
<b>Board Member 4</b>	<b>None</b>
<b>Board Member 5</b>	<b>None</b>
<b>Board Member 6</b>	<b>None</b>
<b>Board Member 7</b>	<b>None</b>
<b>Total</b>	<b>\$0</b>

**Business Transactions Between School District and Board Members  
For the Twelve-Month Period Ended August 31, 2016**

<b>Superintendent</b>	<b>None</b>
<b>Board Member 1</b>	<b>None</b>
<b>Board Member 2</b>	<b>None</b>
<b>Board Member 3</b>	<b>None</b>
<b>Board Member 4</b>	<b>None</b>
<b>Board Member 5</b>	<b>None</b>
<b>Board Member 6</b>	<b>None</b>
<b>Board Member 7</b>	<b>None</b>
<b>Total</b>	<b>\$0</b>

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## Superintendent Term Contract

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This Contract is entered into between the Board of Trustees (the "Board") of Sweeny Independent School District (the "District") and Tory Hill (the "Superintendent").

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

1. **Term.** The Board agrees to employ the Superintendent on a twelve-month basis per school year, beginning April 3, 2017 and ending June 30, 2020. The Board and the Superintendent (the "Parties") may extend the term of this Contract by agreement.
2. **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 voidable.
3. **Representations.** The Superintendent makes the following representations:
  - 3.1 **Beginning of Contract:** At the beginning of this Contract, and at any time during this Contract, the Superintendent specifically agrees to submit to a review of his national criminal history record information (NCHRI) if required by the District, TEA, or SBEC. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.
  - 3.2 **During Contract:** The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board in writing of any arrest or of any indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent involving a felony, a crime defined as moral turpitude under the Texas Penal Code, or any other offense specified in Board Policy. 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 his employment application are true and correct. Any knowing or conscious 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.
4. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to perform his duties as follows:
  - 4.1 **Authority:** The Superintendent shall perform such duties and have such powers as may be prescribed by the law and the Board. The Board shall have the right to assign additional duties to the Superintendent and to make changes in responsibilities or work at any time during the contract term consistent with state law and Board policy. All duties assigned by the Board shall be appropriate to and consistent with the

professional role and responsibility of the Superintendent.

4.2 **Standard:** Except as otherwise permitted by this Contract, the Superintendent agrees to devote his full time and energy to the performance of his duties. The Superintendent shall perform his duties with reasonable care, skill, and diligence. The Superintendent shall comply with all Board directives, state and federal laws and rules, Board policy, and regulations as they exist or may hereafter be amended, including but not limited to Board policy DH (Exhibit) which is the Educators' Code of Ethics.

5. **Compensation.** The District shall pay the Superintendent an annual salary as follows:

5.1 **Salary:** The District shall pay the Superintendent an annual salary of One Hundred Sixty-Seven Thousand and Five Hundred AND NO/100 DOLLARS (\$167,500.00). The annual salary shall be paid to the Superintendent in equal monthly installments consistent with the Board's policies. At any time during the term of this Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent. Except as provided below, the Superintendent shall not be paid less than the salary set forth in this Section 5.1 of the Contract.

(a) **Widespread Salary Reduction.** If the Board implements a widespread salary reduction under Texas Education Code section 21.4032, the Superintendent's annual salary shall be reduced by the percent or fraction of a percent that is equal to the average percent or fraction of a percent by which teacher salaries have been reduced.

(b) **Furlough.** If the Board implements a furlough under Texas Education Code section 21.4021, the Superintendent shall be furloughed for the same number of days as other contract personnel and the Superintendent's salary shall be reduced in proportion to the number of furlough days.

5.2 **Benefits:** The District shall provide benefits to the Superintendent as provided by state law and Board policies, including health insurance benefits. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase those benefits, at the Board's sole discretion.

5.3 **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.

- 5.4 **Professional Organizations:** 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 and participation in appropriate professional meetings, seminars, conferences, or courses at the local, regional, state, and national level. 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 meetings, seminars, conferences, or courses. The District does hereby agree to provide in the District's budget per contract year an amount to be used for registration, travel, meals, lodging, and other related expenses. The District shall pay for the Superintendent's membership dues to the Texas Association of School Administrators and one other professional organization selected by the Superintendent. The District shall bear the reasonable cost and expense for registration, travel, meals, lodging, and other related expenses for such attendance and membership.
- 5.5 **Residence in District:** As a condition of employment with the Sweeny Independent School District, the Superintendent shall reside within the geographic boundaries of the District at all times while employed by the District. If not immediate, the Superintendent's initial relocation to residing within the District shall be within one hundred and eighty (180) days of the Superintendent's first day of employment with the District, or within another reasonable period of time as mutually agreed upon by the Superintendent and the Board.
- 5.6 **Relocation/Moving Expenses:** The District shall reimburse the Superintendent for reasonable and necessary expenses incurred in moving and relocating the Superintendent's family and personal possessions to Sweeny, Texas, up to a maximum of Ten Thousand AND NO/100 DOLLARS (\$10,000.00). The Superintendent shall document all such expenses with receipts, canceled checks or credit card statements.
- 5.7 **Vacation, Holiday and Personal Leave:** The Superintendent may take, at the Superintendent's choice, the greater of ten (10) days or 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. 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.
- 5.8 **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, which may include, but is not limited to, gasoline, hotels and accommodations, meals, rental car, mileage for travel outside of the District, 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.

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

7. **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 and other state and federal laws and Board policies.

7.1 **Resignation:** The Superintendent may resign at the end of a school year without penalty by filing a written resignation with the Board not later than the 45<sup>th</sup> day before the first day of instruction of the following school year. The Superintendent may resign with the consent of the Board at any other time.

8. **General Provisions.**

8.1 **Amendment:** This Contract may not be amended except by written agreement of the Parties.

8.2 **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.

8.3 **Entire Agreement:** All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract constitutes the entire agreement between the Parties.

8.4 **Applicable Law and Venue:** Texas law shall govern construction of this Contract. The Parties agree that 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 venue shall be the federal district and division in which the district's administration building is located.

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 **Legal Representation:** Both Parties have been represented by legal counsel of their choice, or have had the opportunity to consult with legal counsel, in the negotiation and execution of this Contract.

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



- 8.8 **Board Meetings:** The Superintendent shall attend all meetings of the Board, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, or the Superintendent's 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.
- 8.9 **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 review and/or appropriate action, and the Superintendent shall refer such matter(s) to the appropriate District employee or shall investigate such matter(s) and shall within a reasonable time inform the Board of the results of such efforts; or (b) to the appropriate complaint resolution procedure as established by District Board policies.
- 8.10 **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.

## 9. **Review of Performance.**

- 9.1 **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 Board agrees to work with and support the Superintendent in achieving the District Goals.
- 9.2 **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 on the District's progress towards accomplishing the District Goals. The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law. The evaluation shall include recommendations as to areas of improvement in instances where the Board deems performance to be unsatisfactory. A copy of the written evaluation shall be delivered to the Superintendent, and the Superintendent shall have the right to make a written response to the evaluation within thirty (30) days of receipt of the written evaluation, which shall become a permanent attachment to the evaluation in the Superintendent's personnel file. The Superintendent's evaluation shall be treated as

confidential, in accordance with applicable state law.

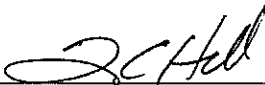
10. **Notices.**

10.1 **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 regarding this Contract or the Superintendent's employment by hand-delivery, or by certified mail, regular mail, and/or express delivery service to the Superintendent's address of record.


10.2 **To Board:** The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice regarding this Contract or the Superintendent's employment by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand delivery, or by certified mail, regular mail, and/or express delivery service, to the Board President and Vice President's addresses of record, as provided to the District.

SIGNATURE PAGE TO FOLLOW

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

  
\_\_\_\_\_  
Tory Hill, Ed.D., Superintendent

Date signed: 3-21-2017

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

Date signed: 3-21-2017

Witnessed by:   
Secretary, Board of Trustees

Date signed: 3-21-17

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