

GEORGE WEST ISD

ANNUAL SCHOOL MANAGEMENT REPORT

AS REQUIRED BY

CHAPTER 109 SUBCHAPTER AA COMMISSIONER OF EDUCATION RULES

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA

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Financial Integrity Rating System of Texas (FIRST)

Purpose, History and Description

The 76th Texas Legislature, within Senate Bill 875, instructed the Texas Education Agency to develop a system to analyze the financial management of Texas school districts. Within the framework authorized by SB 875 the concept of Schools FIRST was born. Initially FIRST was launched as a 21 indicator system that was in place through the 2005-2006 fiscal years. Changes in law added disclosures (beginning with the report of 2005-2006 FIRST) and expanded the analysis from 21 indicators to 24 indicators beginning with the 2006-2007 year. The new 24 indicator system also changed from the original yes/no measure for each indicator to a system that measures some indicators as yes/no while other indicators give points credit for the degree to which success on an indicator is achieved. HB 3 of the 81st Legislative Session, 2009 also amended TEC 39.082, stating that the rating system may not include an indicator that requires a school district to spend at least 65% or any other specified percentage for instructional purposes. As a result, two indicators were removed and a 22 indicator system was established. In 2010, two indicators were removed decreasing the number of indicators to 20. One indicator linked academic performance and fiscal management, and the other indicator addressed the percentage of total Fund Balance to be maintained by districts.

Major changes in the Commissioner's Rule were authorized by HB 5, Section 49, 83rd Texas Legislative, Regular Session, 2013. HB 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 future financial solvency of each school district and open-enrollment charter school. The changes to the School FIRST system implemented by the Texas Education Agency in August 2015 were phased-in over three years. During the phase-in period, the new School FIRST system had separate worksheets for rating years 2017-2018, 2018-2019, and 2019-2020 and subsequent years. The worksheet for the rating year 2014-2015 contained only 7 indicators. The worksheet for the rating year 2015-2016, 2016-2017 and 2017-2018 contain 15 indicators.

The primary goal of School FIRST is to achieve quality performance in the management of school district's financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

The School FIRST accountability rating system previously assigned one of two financial accountability ratings to Texas school districts, with the highest being "P" for "Passed" and the other rating being "F" for "Substandard Achievement". The current system assigns one of four financial accountability ratings: "A" for Superior Achievement; "B" for Above Standard Achievement; "C" for Standard Achievement; and "F" for Substandard Achievement.

The Financial Integrity Rating System of Texas requires each school district in Texas to prepare an annual financial management report that includes the following:

- The district's financial management performance rating provided by the Texas Education Agency (TEA) based on its comparison with indicators established by the Commissioner of Education for the state's new Financial Accountability System;
- The district's financial management performance under each indicator for the current and previous years' financial accountability ratings; and,
- Additional information required by the Commissioner of Education.

The Commissioner of Education, under Chapter 109, Subchapter AA of Commissioners Rules requires districts to disclose certain additional information within the annual financial management report. Those disclosures include the following:

- **A copy of the superintendent's current contract.** The district may publish the superintendent's employment contract on the district's Internet site in lieu of publication in the financial management report. This must disclose all compensation and benefits paid to the superintendent;
- **A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member,** including transactions resulting from use of the school district's credit card(s), debit card(s), store-value card(s) and any other instruments to cover expenses incurred by the superintendent and board members. The summary shall separately report reimbursements for meals, lodging, transportation, motor fuel and other items (the summary schedule of total reimbursements is not to include reimbursements for supplies and materials that were purchased for the operation of the district);
- **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 services and/or personal services.** Each entity is to be reported separately;
- **A summary schedule for the fiscal year of the total dollar amount received by executive officers and board members of gifts that had an economic value of \$250 or more in the aggregate for the fiscal year.** This reporting requirement only applies to gifts received by the school district's executive officers and board members (and their immediate family members as described by Government Code Chapter 573, Subchapter B, as a person related in the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or

explore matters directly related to the duties of the executive officer or board member, or matters related to attendance at education-related seminars and conferences whose primary purpose is to provide continuing education. This reporting requirement excludes an individual gift or a series of gifts from a single outside entity that had an aggregate economic value or less than \$250 per executive officer or board member;

- **A summary schedule for the fiscal year of the dollar amount by board member for aggregate amount of business transactions with the school district; and**
- **Additional information that the district's board of trustees deems useful.**

EXPLANATION OF FIRST INDICATORS

FIRST assesses the future financial solvency of each school district and open-enrollment charter school. The primary goal of School 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.

A Brief Explanation of Each Indicator

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?

Was your Annual Financial Report filed by the deadline?

Indicator #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.

Indicator #2.A:

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 the annual audit report means that district needs to correct some of the 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.

Indicator #2.B:

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.)

A clean audit of AFR would state that the district has no material weaknesses in internal controls. Any internal weaknesses create a risk of the district not being able to properly account for its use of public funds, and should be immediately addressed. This is a simple "Yes" or "No" indicator.

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 and their creditors, which includes a plan for paying back the debt.)

This indicator seeks to make certain that the 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 payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

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

Indicator #5:

Was the total unrestricted Net Position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Positions greater than zero? (If the school district's change of students in membership over 5 years was 7 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)?" Fortunately, this indicator recognizes that high-growth districts incur large amounts of debt to fund construction, and that total debt may exceed that total amounts of assets under certain scenarios.

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)?

This indicator measures how long in days after the end of the fiscal year the school district could have disbursed funds for operating expenditures without receiving any new revenues. Did the district meet or exceed the target amount in School FIRST?

Indicator #7:

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

This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did the district meet or exceed the target amount in School FIRST?

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 7 percent or more, then the school district passes this indicator.)

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

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?

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

Indicator #10:

Was the debt service coverage ratio sufficient to meet the required debt service?

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

Indicator #11:

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 the district exceed the cap in School FIRST for districts of its size?

Indicator #12:

Did the school district not have 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)

If the school district had a decline in students over 3 school years, this indicator asks if the school district decreased the number of the staff on the payroll in proportion to the decline in students.

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 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 3 percent or more, the district “fails” this measure.

Indicator #14: Did the external independent auditor indicate 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 noncompliance.)

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

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?

This indicator asks if the district had to ask for an easy payment plan to return monies to TEA after spending the overpayment from the Foundation School Program state aid.



Financial Integrity Rating System of Texas

2017-2018 Ratings based on School Year 2016-2017 Data - District Status Detail

Name: GEORGE WEST ISD(149901)		Publication Level 1: 8/6/2018 2:48:24 PM	
Status: Passed		Publication Level 2: 8/8/2018 12:11:29 PM	
Rating: A = Superior		Last Updated: 8/8/2018 12:11:29 PM	
District Score: 98		Passing Score: 60	
#	Indicator Description	Updated	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?	4/20/2018 9:10:47 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	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.)	4/20/2018 9:10:47 AM	Yes
2.B	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.)	4/20/2018 9:10:48 AM	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 includes a plan for paying back the debt.)	4/20/2018 9:10:48 AM	Yes
4	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	4/20/2018 9:10:48 AM	Yes
5	Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)	4/20/2018 9:10:48 AM	Yes
			1 Multiplier Sum
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)? (See ranges below.)	4/20/2018 9:10:49 AM	10

7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)	4/20/2018 9:10:49 AM	10
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 7 percent or more, then the school district passes this indicator.) (See ranges below.)	4/20/2018 9:10:49 AM	8
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?	4/20/2018 9:10:49 AM	10
10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	7/11/2018 9:23:05 AM	10
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	4/20/2018 9:10:50 AM	10
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.)	6/19/2018 11:21:21 AM	10
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?	4/20/2018 9:10:50 AM	10
14	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.)	4/20/2018 9:10:51 AM	10
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?	4/20/2018 9:10:51 AM	10
			98 Weighted Sum
			1 Multiplier Sum
			98 Score

Determination of Rating

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? 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. (Indicators 6-15)	
	A = Superior	90-100
	B = Above Standard	80-89
	C = Meets Standard	60-79
	F = Substandard Achievement	<60
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.		



Financial Integrity Rating System of Texas

2016-2017 Ratings based on School Year 2015-2016 Data - District Status Detail

Name: GEORGE WEST ISD(149901)		Publication Level 1: 8/8/2017 2:29:29 PM	
Status: Passed		Publication Level 2: 8/8/2017 2:29:29 PM	
Rating: A = Superior		Last Updated: 8/8/2017 2:29:29 PM	
District Score: 100		Passing Score: 60	
#	Indicator Description	Updated	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?	3/28/2017 12:01:01 PM	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	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.)	3/28/2017 12:01:02 PM	Yes
2.B	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.)	3/28/2017 12:01:02 PM	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 includes a plan for paying back the debt.)	3/28/2017 12:01:02 PM	Yes
4	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	3/28/2017 12:01:02 PM	Yes
5	Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position 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.)	3/28/2017 12:01:02 PM	Yes
			1 Multiplier Sum
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)? (See ranges below.)	3/28/2017 12:01:03 PM	10

7	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? (See ranges below.)	3/28/2017 12:01:03 PM	10
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.) (See ranges below.)	3/28/2017 12:01:03 PM	10
9	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?	3/28/2017 12:01:04 PM	10
10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	5/18/2017 12:30:57 PM	10
11	Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)	3/28/2017 12:01:05 PM	10
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.)	6/21/2017 8:25:22 PM	10
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?	3/28/2017 12:01:05 PM	10
14	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.)	3/28/2017 12:01:05 PM	10
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?	3/28/2017 12:01:06 PM	10
			100 Weighted Sum
			1 Multiplier Sum
			100 Score

Determination of Rating

A.	Did the district answer 'No' to Indicators 1, 3, 4, 5, or 2.A? 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. (Indicators 6-15)		
	A = Superior		90-100
	B = Above Standard		80-89
	C = Meets Standard		60-79
	F = Substandard Achievement		<60
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.			

**GEORGE WEST ISD
ANNUAL FINANCIAL MANAGEMENT REPORT SUMMARY
FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS (FIRST)
2017-2018 Ratings Based on School Year 2016-2017 Data**

For the 16th year in a row, the District received the highest rating by the Texas Education Agency. This rating demonstrates the quality of George West ISD's financial management and reporting systems. The primary goal of School FIRST is to achieve quality performance in the management of school district's financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system. This rating shows that George West ISD schools are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

Disclosures required by Commissioners Rules 109, the Commissioner requires certain disclosures of the following:

1. A copy of the superintendent's current employment contract. (The school district may publish the superintendent's employment contract on the district's Internet site in lieu of publication in the annual financial management report.)
2. A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member for expenses related to meals, lodging, transportation, motor fuel and other items.
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 of gifts that had an economic value of \$250 or more in aggregate in the fiscal year.
5. A summary schedule for the fiscal year of the dollar amount by board members for the aggregate amount of business transactions with the district.
6. Additional information that the district's board of trustees deems useful.



DISCLOSURES

Reporting requirements for the financial management report for School FIRST public hearing are found in **Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System**. This rule describes requirements for the six (6) disclosures explained below that are to be presented as appendices in the School FIRST financial management report.

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 School FIRST hearing in calendar year 2018. In lieu of publication in the School 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.

A copy of the superintendent's employment contract is at the end of the disclosures.

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2017

For the Twelve-month Period Ended August 31, 2017								
Description of Reimbursements	Ty Sparks (Superintendent)	Cheri Dee Moore	Cosme Arciba	Kathy Likens	Jimmy Orr	Mackey Alvarez	Riley Rhodes	Scott Carroll
Meals	\$ 278.70	\$	\$	\$	\$ 16.78	\$	\$	\$
Lodging	968.44	691.09	475.12		691.09	475.12		475.12
Transportation	583.51		194.70		126.24	194.70		127.18
Motor Fuel	339.40							
Other	630.00	385.00	385.00		385.00	325.00		385.00
Total	\$ 2,800.05	\$ 1,076.09	\$ 1,054.82	\$ 0.00	\$ 1,219.11	\$994.82	\$ 0.00	\$ 987.30

Note – The spirit of the rule is to capture all “reimbursements” for fiscal year 2017, 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.

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2017

For the Twelve-Month Period Ended August 31, 2017	
Name(s) of Entity(ies)	
	\$ 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

4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year 2017

For the Twelve-Month Period Ended								
August 31, 2017	Ty Sparks (Superintendent)	Cheri Dee Moore	Cosme Arciba	Kathy Likens	Jimmy Orr	Mackey Alvarez	Riley Rhodes	Scott Carroll
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.

5. Business Transactions Between School District and Board Members for Fiscal Year 2017

For the Twelve-Month Period Ended August 31, 2017	Cheri Dee Moore	Cosme Arciba	Kathy Likens	Jimmy Orr	Mackey Alvarez	Riley Rhodes	Scott Carroll
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.



DISCLOSURES

6. Any other information the board of trustees of the school district or open-enrollment charter school determines to be useful.

STATE OF TEXAS

COUNTY OF LIVE OAK

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SUPERINTENDENT'S EMPLOYMENT CONTRACT

THIS AGREEMENT is made and entered into by and between the Board of Trustees (the "Board") of the George West Independent School District (the "District") and **Ty Sparks** (the "Superintendent").

The Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201(b) and Chapter 21, Subchapter E, Texas Education Code, do hereby agree as follows:

1. The Board agrees to employ the Superintendent on a twelve-month basis for three years, beginning July 1, 2018, and ending June 30, 2021.
2. This Agreement is conditioned on the Superintendent providing the necessary certification and other records required for district personnel files or payroll purposes according to District policy, State Board for Educator Certification rules, and Texas Education Agency rules. Failure to provide or maintain necessary certification shall render this Agreement void. Any material misrepresentation may be grounds for dismissal.
3. The Superintendent shall perform the duties of Superintendent of Schools for the District as prescribed in state law, the job description, and as may be assigned by the Board. The Superintendent shall perform those duties with reasonable care, skill, and diligence. The Superintendent shall comply with all Board directives, state and federal law, and rules, District policy, and regulations as they exist or may hereafter be amended. Texas law shall govern construction of this Agreement.
4. The Superintendent agrees to devote his time, skill, labor, and attention to performing his duties, but may undertake consulting work, speaking engagements, writing, lecturing, and other professional duties and obligations that do not conflict or interfere with the Superintendent's professional responsibilities to the District.
5. The Board agrees to pay the Superintendent an annual salary and other compensation as follows:
 - (a) The Board shall provide the Superintendent with an annual salary in the amount of One Hundred Twenty-Eight Thousand Six Hundred Seventy (\$128,670.00) Dollars. This annual salary rate shall be paid to the Superintendent in installments consistent with Board policy.

- (b) At any time during the term of this Agreement, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in Paragraph 5(a) of this Agreement.
- (c) The Board encourages the continued professional growth of the Superintendent through the Superintendent's active attendance at and participation in appropriate professional meetings at the local, regional, and state levels. The Board shall encourage the use of data and information sources, and shall encourage the participation of the Superintendent in pertinent education seminars and courses offered by public or private institutions or by educational associations, as well as the participation in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of the Superintendent to perform the Superintendent's professional responsibilities for the District. In its encouragement of the Superintendent to grow professionally, the Board shall permit a reasonable amount of release time for the Superintendent, as the Superintendent and the Board deem appropriate, to attend such seminars, courses or meetings. The District shall pay the Superintendent's membership dues to memberships necessary to maintain and improve the Superintendent's professional skills.
- (d) The Superintendent is encouraged to participate in community and civic affairs including but not limited to the Chamber of Commerce and any service clubs selected by the Superintendent in his reasonable discretion. The expense of such activities, and any others hereafter specifically approved by the resolution of the Board, shall be borne by the District.
- (e) The District shall, at its expense, provide the Superintendent such personal protection as the Board may deem necessary. In the event the life or safety of the Superintendent or the Superintendent's family is threatened or otherwise appears in danger due to the performance of the Superintendent's professional duties, the District shall pay the reasonable and necessary costs incident to the protection of the Superintendent and the Superintendent's family, provided, however, that such protection will initially be sought from the police/sheriff's department of the appropriate governmental authority having jurisdiction in the District.
- (f) The District shall obtain, if available, and pay premiums for a Professional Legal Liability Insurance policy with the Superintendent as the named insured with annual premiums not to exceed the sum of one hundred dollars.
- (g) The District shall reimburse the Superintendent, at the same per-mile rate for reimbursement of other District employees, for in- and out-of-District travel incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract.

- (h) The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel; such costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies.
 - (i) The District shall pay the same premiums for the hospitalization, major medical and dental insurance coverage for the Superintendent pursuant to the group health care plan(s) provided by the District for its employees.
 - (j) The Superintendent may take, at the Superintendent's choice, the same number of days of vacation authorized by policies adopted by the Board for administrative employees 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 Agreement. 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 number of illness benefits and leave as authorized by Board policies for administrative employees on twelve-month contracts.
6. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent's written consent.
7. (a) The Board shall evaluate and assess in writing the Superintendent's performance at least once each year during the term of this Agreement. The evaluation format and procedure shall comply with Board policy and state and federal law. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in the Superintendent's job description. In the event the Board deems that the evaluation instrument, format, and/or procedure is to be modified by the Board, and such modifications would require new or different performance expectations, the Superintendent shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated. Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in executive session and shall be considered confidential to the extent permitted by law. Nothing herein shall prohibit the Board or the Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

- (b) The Superintendent shall submit to the Board each year, for the Board's consideration and adoption, a preliminary list of goals for the District. The goals approved by the Board shall at all times be reduced to writing and shall be among the criteria on which the Superintendent's performance is reviewed and evaluated.
8. 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. The Board may dismiss the Superintendent at any time for good cause in accordance with Texas Education Code Sections 21.211, 21.212(d), and Board policy.
 10. This Agreement shall be terminated upon the death of the Superintendent or upon the Superintendent's retirement under the Teacher Retirement System of Texas.
 11. The Superintendent shall attend, and shall be permitted to 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 salary and benefits as set forth in this 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 President approved absence, the Superintendent's designee shall attend such meetings.

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 action.
 12. The Superintendent and the Board may agree in writing to terminate this Agreement pursuant to any mutually agreed upon terms and conditions.
 13. Renewal or nonrenewal of this Agreement shall be in accordance with Texas Education Code Chapter 21, Subchapter E, and Board policy.
 14. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Contract as permitted by state law. Failure to reissue the Contract for an extended term shall not constitute nonrenewal under Board policy.
 15. The Superintendent may leave the employment of the District at the end of a school year without penalty by filing a written resignation with the Board. The resignation must be addressed to the Board and filed not later than the 45th day

before the first day of instruction of the following school year. The Superintendent may resign, with the consent of the Board, at any other time.

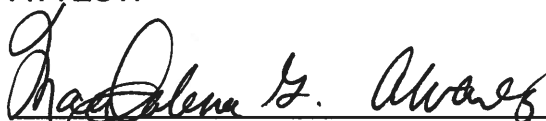
16. The Board has not adopted any policy, rule, regulation, law or practice providing for tenure. No right of tenure is created by this Agreement. No property interest, expressed or intended, is created in continued employment beyond the contract term.
17. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Agreement and this contract constitutes the entire agreement between the parties. This Agreement may not be amended except by written agreement of the parties.
18. This offer will expire unless signed and returned to the Board or its authorized representative by 5:00 p.m. the 8th day of February 2018.

Signed this 24th day of January 2018.



Cheri Dee Moore, President - Board of Trustees

ATTEST:



Magdalena G. Alvarez, Secretary - Board of Trustees

Signed this 25th day of January 2018.



Ty Sparks, Superintendent