



Financial Integrity Rating System of Texas

2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017 DATA - DISTRICT STATUS DETAIL

Name: CROWLEY ISD (220912)	Publication Level 1: 8/6/2018 2:48:24 PM
Status: Passed	Publication Level 2: 8/8/2018 12:11:29 PM
Rating: B = Above Standard	Last Updated: 8/8/2018 12:11:29 PM
District Score: 88	Passing Score: 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>	4/20/2018 9:38:06 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>	4/20/2018 9:38:06 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>	4/20/2018 9:38:07 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 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>	4/20/2018 9:38:07 AM	Yes
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>	4/20/2018 9:38:07 AM	Yes
5	<u>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.)</u>	4/20/2018 9:38:07 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>	4/20/2018 9:38:07 AM	6
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>	4/20/2018 9:38:08 AM	10
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 7 percent or more, then the school district passes this indicator.) (See ranges below.)</u>	4/20/2018 9:38:08 AM	4
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>	4/20/2018 9:38:08 AM	10
10	<u>Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)</u>	4/20/2018 9:38:09 AM	10
11	<u>Was the school district's administrative cost ratio equal to or less than the threshold ratio? (See ranges below.)</u>	4/20/2018 9:38:09 AM	8
12	<u>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)</u>	6/19/2018 11:28:56 AM	10
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>	4/20/2018 9:38:09 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>	4/20/2018 9:38:10 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>	4/20/2018 9:38:10 AM	10
			88 Weighted Sum
			1 Multiplier Sum
			88 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
<p>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.</p>		

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THE **TEXAS EDUCATION AGENCY**

1701 NORTH CONGRESS AVENUE · AUSTIN, TEXAS, 78701 · (512) 463-9734

FIRST 5.4.1.0

School FIRST Annual Financial Management Report

CROWLEY INDEPENDENT SCHOOL DISTRICT

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(q). Effective 8/1/2018.

The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may chose 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.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended June 30, 2018

<u>Description of Reimbursements</u>	<u>Superintendent</u>	Board <u>Member 1</u>	Board <u>Member 2</u>	Board <u>Member 3</u>	Board <u>Member 4</u>	Board <u>Member 5</u>	Board <u>Member 6</u>	Board <u>Member 7</u>
Meals	\$	376.00	576.00	364.00	504.00	140.00	504.00	364.00
Lodging		821.88	1,195.36	938.97	1,307.46	404.28	1,409.21	929.66
Transportation	1,213.71	629.18	342.67	346.87	346.87	51.55	346.87	346.87
Motor Fuel								
Other		42.22	247.87		172.45		15.54	
Total	\$1,213.71	\$1,869.28	\$2,361.90	\$1,649.84	\$2,330.78	\$595.83	\$2,275.62	\$1,640.53

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:

Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).

Motor fuel – Gasoline.

Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

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

For the Twelve-Month Period
 Ended June 30, 2018

<u>Name(s) of Entity(ies)</u>	Amount Received \$
Total	<u><u>\$0.00</u></u>

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)
 (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period
 Ended June 30, 2018

	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

Business Transactions Between School District and Board Members

For the Twelve-Month Period
 Ended June 30, 2018

	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Amounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.

SUPERINTENDENT’S EMPLOYMENT CONTRACT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

THIS AGREEMENT is made and entered effective the ____ day of December 2018; by and between the Board of Trustees, hereinafter referred to as the “Board”, of the Crowley Independent School District, hereinafter referred to as the “District”, and Dr. Michael McFarland, hereinafter referred to as the “Superintendent”.

**I.
TERM OF EMPLOYMENT**

The Board, by and on behalf of the District, does hereby employ the Superintendent under Section 11.201(b) and Section 21.201 *et seq.* of the Texas Education Code as Superintendent of the District, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term commencing on November 29, 2018 and ending on November 29, 2023. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend or renegotiate the Contract to a term permitted by state law. This Contract creates no property interest of any kind beyond the period stated in the Contract, except as expressly provided herein.

**II.
EMPLOYMENT**

2.1. Duties. The Superintendent shall be the chief executive officer and educational leader of the District and shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed in the job description and as may be lawfully assigned by the Board, and shall administer the School District in accordance with all lawful Board directives, state and federal law, and District policy, rules and regulations, as they exist or may hereafter be amended, such laws, policies, rules, and regulations being expressly made a part of this Contract.

Specifically, it shall be the duty of the Superintendent to recommend employment of all professional personnel for the District subject to Board approval and consistent with the Board’s policies and state and federal law. It shall be the further duty of the Superintendent to employ all other personnel consistent with the Board’s policies. It shall be the further duty of the Superintendent to direct, assign, reassign, and evaluate all employees of the District consistent with Board policies and federal and state law. It shall further be the duty of the Superintendent to organize, reorganize and arrange the staff of the District subject to Board policies and state and federal law and to develop and establish administrative regulations, rules and procedures which the Superintendent deems necessary for the efficient and effective operation of the

District and which are consistent with the Board policies and state and federal law. It shall be the further duty of the Superintendent to accept all resignations of employees of the District, consistent with the Board's policies, except that the Superintendent's resignation must be accepted by the Board. The Superintendent shall perform his duties for the District to the best of his ability. All duties assigned to the Superintendent by the Board shall be appropriate to and consistent with the professional role and responsibility of the Superintendent.

2.2. Board Meetings. The Superintendent or the Superintendent's designee shall attend all meetings of the Board, both public and closed, and shall participate in the deliberations of the Board on all matters with the exception of those closed meetings devoted to the consideration of any action or lack of action on the Superintendent's Contract, the Superintendent's salary and benefits as set forth in the Contract and/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.

2.3. Board Committee Meetings. The Superintendent or the Superintendent's designee shall be an ex-officio member of all committees of the Board and shall attend all Board Committee Meetings and Board-authorized and approved citizen committee meetings. Further, the Superintendent shall provide recommendation(s) and/or information as to each of the items of business considered at each meeting as needed or requested by the Board.

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

2.5. Professional Certification. The Superintendent shall at all times during the term of this Contract, and any renewal or extension thereof, hold and maintain a valid certificate required of a superintendent by the State of Texas and issued by the Texas Education Agency.

2.6 Reassignment. The Superintendent cannot be reassigned from the position of Superintendent to another position or have his duties reassigned to others without the Superintendent's express written consent.

2.7 Indemnification. To the extent it may be permitted to do by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 102, the District does hereby agree to defend, hold harmless, and indemnify Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against Superintendent in the Superintendent's individual or official capacity as an employee and as Superintendent of the District, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys'

fees, arose or does arise in the future from an act or omission of Superintendent as an employee of the District, acting within the course and scope of Superintendent's employment with the District; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that Superintendent committed official misconduct, or committed a willful or wrongful act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the District or by Superintendent. The selection of Superintendent's legal counsel shall be with the mutual agreement of Superintendent and the District if such legal counsel is not also District's legal counsel. A legal defense may be provided through insurance coverage, in which case Superintendent's right to agree to legal counsel provided for him will depend on the terms of the applicable insurance contract. To the extent this Section 2.7 exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section 2.7 shall survive the termination of this Contract.

III. COMPENSATION

3.1. Salary. The District shall provide the Superintendent with an annual salary in the sum of THREE HUNDRED SIXTEEN THOUSAND EIGHT HUNDRED DOLLARS (\$316,800.00). This annual salary rate shall be paid to the Superintendent in equal installments consistent with the Board's policies. This salary provision shall replace and supersede immediately any salary provision in previous contracts between the parties.

3.2. Supplemental Retirement Plan. During the term of this Contract and any extensions hereof, and, in addition to the Superintendent's salary, the District shall contribute the amount of \$22,000 annually in equal monthly installments to a plan selected by the Superintendent under Section 403(b) or 457(b) of the Internal Revenue Code ("Code"), provided the contributions are within the limits allowed under Section 415(c) of the Code. The Superintendent shall at all times be 100% vested in his account(s) under the plan(s) selected.

3.3. Salary Adjustments. At any time during the term of this Contract, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth pursuant to Section 3.1 of this Contract. Such adjustments, if any, shall be in the form of a written addendum to this Contract or a new contract, and such adjustment shall be exclusive of any insurance policy or other benefits, unless specifically provided in the addendum or new contract.

3.4. Retention Supplement. As a reward for successful long-term service to the District and as an inducement to continue in that service, the District shall place fifty thousand dollars (\$50,000) per year into a deferred compensation plan selected by the Superintendent starting on November 29, 2019, for a period of five years (the length of this contract), and if the Superintendent is still employed by the District on November 29, 2023, the annuity and its ownership shall be transferred to the name of the Superintendent. The Superintendent shall become vested in the account at a rate of 20% per year so that at the end of five years the Superintendent will have full ownership of the account. The vesting period will begin on November 29, 2019, any unvested funds in the account will revert to the District if the Superintendent ceases to be employed

in the capacity of Superintendent before November 29, 2023.

3.5. Other Benefits

3.5.1. 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 the reasons of District-related travel to destinations outside of Tarrant County and Dallas County; such costs may include, but are not limited to, gasoline, mileage, hotels and accommodations, meals, rental car and other expenses incurred in the performance of the business of the District.

3.5.2. Medical Insurance. The District shall pay the Superintendent, as additional salary to be reported as "creditable compensation" by the District for purposes of the Teacher Retirement System of Texas, an amount equal to the then current premiums for health, dental and vision insurance coverage for the Superintendent under the health, dental and vision plans offered by the District and selected by the Superintendent.

3.5.3. Vacations, Holidays, Sick Leave. Exclusive of the "legal holidays" described below the Superintendent shall be privileged to take twenty (20) vacation days annually, 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 the Contract. Accrued but unused vacation days may be accumulated by the Superintendent from year to year up to a maximum of forty (40) days. Except as paid out in accordance with this section, any accrued but unused vacation days in excess of 40 days will be lost at the end of each school year. At the sole option of the Superintendent, either at the end of each year of the term of this Contract, at retirement, or when the Contract is terminated, either voluntarily or involuntarily, the District shall pay in a lump sum to the Superintendent any accrued but unused vacation days at the Superintendent's daily rate of pay, based on 226 work days per year, as of November 29 of the current school year. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The term "legal holiday(s)" includes days for which the District's central administration office is closed. 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.

3.5.4. TRS Salary Supplement. The District shall supplement the Superintendent's annual salary through the term of this Contract, by an amount equal to the Superintendent's portion of the monthly contribution to the Texas Teacher Retirement System required for the Superintendent, including the employee contribution and the TRS-care contribution. This additional salary supplement shall be paid to the Superintendent by regular monthly payroll installments and shall be reported as compensation by the District for the purposes of the Texas Teacher Retirement system.

3.5.5. Professional Growth. The Superintendent shall devote the Superintendent's time, attention and energy to the direction, administration and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through

the Superintendent's active attendance and participation in appropriate professional meetings at the local, regional, state and national levels. The Board shall also encourage the participation of the Superintendent in pertinent education seminars and courses by public or private institutions or by educational associations, as well as the participation in the 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 District shall permit a reasonable amount of release time for the Superintendent, as the Superintendent and Board deem appropriate, to attend such seminars, courses or meetings. The District shall pay the Superintendent's membership dues to the American Association of School Administrators and the Texas Association of School Administrators, as well as other memberships which the Superintendent and Board mutually agree are necessary to maintain and improve the Superintendent's professional skills. The District shall bear the reasonable costs and expenses for such attendance or membership.

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

3.5.7. Outside Employment and Consulting Activity. The duties and responsibilities of the Superintendent require full-time employment and frequently require that the Superintendent attend to his duties during the evenings, weekends and holidays. The Superintendent shall not accept any outside employment that in any manner interferes with the performance of his duties and responsibilities. The Board does recognize that certain outside employment may have a beneficial impact on the Superintendent's professional growth or may not interfere with the Superintendent's performance of his duties and responsibilities. The Superintendent may accept a limited amount of outside employment or consulting (including writing, lecturing, speaking engagements, or the opportunity to teach or serve as an adjunct professor at the college or university level on a part-time basis), provided that the Board has approved the outside employment and found that the outside employment in no manner interferes with the Superintendent's performance of his duties and responsibilities. The Superintendent will take vacation or other leave time as defined by Board policy while performing any private consulting during normal weekday work hours. In addition, the Superintendent may accept appointments to foundations, boards or commissions that do not interfere with the Superintendent's performance of his duties under this Contract, subject to the approval of the Board. The Superintendent agrees to comply with all laws and regulations regarding conflicts of interest. In no event will the District be required to reimburse any expenses incurred by the Superintendent in the performance of outside employment."

3.5.8. Car Allowance. Due to the nature of the responsibilities and duties of the Superintendent as the Chief Administrator and Executive Officer of the District and in lieu of mileage expense reimbursement for travel in Tarrant County and Dallas County, the District shall provide Superintendent with an automobile allowance in the sum of \$1,000.00 per month, to be paid each month in a lump sum payment.

3.5.9. Employee Benefit Plans. In addition to the terms of Section 3.2, the Superintendent shall be entitled to participate in 401(a) and 457 Employee Benefit Plans established by the District under the same terms and conditions set out in the plan document for such plans applicable to all employees of the District. The Superintendent may participate in a salary reduction agreement with the District as provided by Section 403(b) of the Internal Revenue Code and guidelines established by the Texas Teacher Retirement System. Superintendent may utilize any 'cafeteria benefits plan' approved by the District, as permitted under 26 U.S.C. §125 or any successor plan or statute, to the extent allowed by law or the plan, to receive any of the benefits provided in this Contract.

3.5.10. Communication Devices. The District shall provide the Superintendent with a laptop computer and/or iPad or similar device. All maintenance and other monthly or recurring charges for the electronic equipment provided by the District shall be at the expense of the District, and all such equipment shall remain the property of the District. The District shall also provide the Superintendent with an allowance of \$100.00 per month for a smartphone or other electronic devices selected and owned by the Superintendent. All maintenance and other monthly or recurring charges for these devices shall be the responsibility of the Superintendent.

3.5.11. Health and Disability Insurance. The District will pay the cost of the Superintendent's disability insurance to the same extent as is provided for all District administrative staff and, in addition, shall pay \$150.00 per month for the District's group short-term disability insurance or a short-term disability insurance policy selected by the Superintendent.

IV. PHYSICAL CONDITION AND DISABILITY

4.1 Annual Physical Examination. The Superintendent shall undergo an annual physical examination performed by a licensed physician of the Superintendent's choice. The physician shall submit a confidential statement to the Board President verifying the Superintendent's fitness to perform the essential functions of his job, and a copy of such statement shall be maintained separate from the Superintendent's personnel file. The District shall pay all costs of the annual physical examination.

4.2 Disability.

a. Disability Procedure. Should the Superintendent be unable to perform any or all of the essential functions of the material duties of his position by reason of illness, accident, etc., following complete exhaustion of all accrued vacation and sick leave, the Superintendent may be placed on unpaid leave from the District upon a determination of Long Term or Permanent Disability as hereinafter provided; provided , however , that the Board, in its

discretion, may continue to pay the Superintendent the compensation amount under this Contract for any period the Board deems appropriate. Long Term or Permanent Disability. Long Term or Permanent Disability means a disability which renders the Superintendent incapable of performing any or all of the essential functions of the Superintendent's material duties or obligations of employment for a period which exceeds one hundred and eighty (180) business days or such an incapacity that is irreparable.

b. Determination of Long Term or Permanent Disability. The determination of Long Term or Permanent Disability will be made by the Board based on a physical examination performed by a licensed physician selected by the Superintendent. The Board may obtain a second opinion from another licensed physician. The costs of the physical examinations provided for herein shall be paid by the District.

c. Action of the Board. In the event that the disability of the Superintendent is a Long Term or Permanent Disability, as defined in subparagraph (b) of Section 4.2, the Board, may, in its discretion, and upon a re-determination of disability under subparagraph (c), terminate this Contract by providing the Superintendent with written notice of such termination.

V.

ANNUAL PERFORMANCE GOALS

5.1. Annual Goals. The Superintendent shall on or before September 15 of each succeeding year of this Contract 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.

5.2. Performance Criteria. The goals developed by the Superintendent and 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. The Board agrees to work with and support the Superintendent in implementing these goals.

VI.

REVIEW OF PERFORMANCE

6.1. Time and Basis of Evaluation. The Board shall evaluate and assess in writing the performance of the Superintendent not later than December of each year of this Contract. The evaluation and assessment shall be reasonably related to the duties of the Superintendent as outlined in this Contract and consistent with Board Policy BJA (Local) and the goals and objectives approved by the Board for the year of evaluation. At the time of any such evaluation, the Board shall consider whether the Superintendent's performance merits an increase in salary, a bonus, or other compensation.

6.2. Confidentiality. The evaluation of the Superintendent shall at all times be conducted in executive session unless a public hearing is requested by the Superintendent, and

the evaluation and information concerning the evaluation, of whatever nature, shall be considered confidential information, as provided 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.

6.3. Evaluation Format and Procedure. The evaluation format and procedure shall be in accordance with the Board's policies, state and federal law, and in consultation with the Superintendent. A copy of the written evaluation shall be delivered to the Superintendent. The Superintendent shall have the right to make a written response to the evaluation. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. 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.

6.4. Other Interim Evaluations. Nothing in this Contract prohibits or limits the Board's ability to conduct formal or informal interim evaluations, between annual performance evaluations, regarding the performance of the Superintendent, as deemed by the Board in its sole discretion to be necessary or helpful.

VII.

EXTENSION/NONRENEWAL OF EMPLOYMENT CONTRACT

7.1. Extension. Following the annual evaluation of the Superintendent, the Board may consider extension of the Superintendent's contract. It is the intent of the parties that the contract be a continuing five-year rolling period which provides that one year be added to the contract after the completion of a favorable annual evaluation.

7.2. Non-renewal. Non-renewal shall be in accordance with Board policy and applicable state and federal law, and the Superintendent shall be afforded all applicable rights as set forth in Board policies and state and federal law.

7.3. Nonrenewal Procedure. In the event the Board proposes to non-renew this Contract, the Superintendent shall be afforded all applicable rights as set forth in the Board's policies and state and federal law. Notwithstanding anything to the contrary in Section 21.212(a) of the Texas Education Code, the Superintendent shall be entitled to written notice, containing reasonable notice of the reason for the proposed nonrenewal, not later than 45 days before the last day of the contract term.

VIII.

TERMINATION OF EMPLOYMENT CONTRACT

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

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

8.3. Resignation. The Superintendent may relinquish the position and duties of the Superintendent and leave the employment of the District at the end of any school year without penalty, provided the Superintendent submits a resignation in writing to the Board forty-five (45) days prior to the first day of instruction of the following school year.

8.4. Dismissal for Good Cause. The Board may dismiss the Superintendent at any time for good cause. Good cause as set forth in Board policy BJCF (LOCAL) and the following:

(a) Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;

(b) Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; provided, however, the terms and conditions of this paragraph shall not justify good cause unless the Board has provided the Superintendent a reasonable opportunity to remediate any incompetency or inefficiency;

(c) Insubordination or failure to comply with lawful written Board directives;

(d) Failure to comply with the Board's policies or the District's administrative regulations;

(e) Neglect of duties;

(f) Drunkenness or excessive use of alcoholic beverages;

(g) Illegal use of drugs, hallucinogens, or other substances regulated by the Texas Controlled Substances Act;

(h) Conviction of a felony or crime involving moral turpitude;

(i) Failure to meet the District's standards of professional conduct;

(j) Failure to comply with reasonable District professional development requirements regarding advanced course work or professional development;

(k) Immorality, which is conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the District. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;

(l) Assault on an employee or student;

(m) Knowingly falsifying records or documents related to the District's activities;

(n) Conscious misrepresentation of facts to the Board or other District officials in the conduct of the District's business;

(o) Failure to fulfill requirements for superintendent certification; or,

(p) Any other reason constituting “good cause” under Texas law.

8.5. Termination Procedure. In the event that the Board terminates this Contract, the Superintendent shall be afforded all the rights as set forth in the Board’s policies and state and federal law.

IX.
MISCELLANEOUS

9.1. Controlling Law. The Contract shall be governed by the laws of the State of Texas and shall be performable in Tarrant County, Texas. Venue for any legal action arising under this Agreement shall be in a state court of competent jurisdiction in Tarrant County, Texas, unless state or federal law require a different venue.

9.2. Complete Agreement. This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties.

9.3. Conflicts. In the event of any conflict between the terms, conditions, and provisions of this Contract and the provisions of the Board’s policies, or any permissive state or federal law, then, unless otherwise prohibited by law, the terms of this Contract shall take precedence over the contrary provisions of the Board’s policies or any such permissive law during the term of the Contract.

X.
RESIDENCE

10.1 Residence. The Superintendent shall maintain his residence within the District.

EXECUTED on this ____ day of _____, 2018.

Crowley Independent School District:

June Davis, President of The Board
512 Peach Street Crowley, TX 76036

Superintendent

Dr. Michael McFarland
512 Peach Street Crowley, TX 76036

