

**Northside Independent School District
San Antonio, Texas**



**Annual Financial Management and Accountability Report
For the Year Ending August 31, 2017**



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

Table of Contents

	Page
Transmittal Letter	2
School FIRST Rating and Worksheet.....	3
Responses to Base Indicators.....	7
Other information relating to Base Indicators:	
Financial Strength.....	10
Tax Collections.....	11
Operating Cost Management	11
Administrative Cost Management	12
Debt Management.....	12
Cash Management	12
Budgetary Planning and Financial Allocations	13
Additional Disclosures:	
Superintendent's Employment Contract.....	14
Reimbursements Received by Superintendent and Board Members.....	20
Outside Compensation Received by Superintendent.....	20
Gifts Received by the Executive Officers and Superintendent	21
Business Transactions between School District and Board Members.....	21



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

October 23, 2018

M'lissa Chumbley, President
Members of the Board of Trustees
Northside Independent School District
San Antonio, Texas

Dear Mrs. Chumbley and Members:

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

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

The current School FIRST rating is based on student, staff, budgetary, and actual financial data reported through the Public Education Information System (PEIMS) for the fiscal year ended August 31, 2017. By its letter dated August 8, 2018, TEA notified the District of its 2018 preliminary School FIRST rating. The District did not appeal the preliminary rating. The District is pleased to announce a **"Superior"** rating for the Northside Independent School District based on the fifteen indicators established by the Texas Education Agency. This is the sixteenth year the District achieved the highest rating.

This report includes a copy of the worksheet TEA used to determine the rating along with the District's responses to the indicators, other relevant information that expands on the indicators, and additional disclosures as required.

Respectfully submitted,

Brian T. Woods, Ed. D.
Superintendent

David Rastellini
Deputy Superintendent, Business and Finance



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**



**Financial Integrity Rating System of Texas
2017-2018 RATINGS BASED ON SCHOOL YEAR 2016-2017
DATA - DISTRICT STATUS DETAIL**

Name: NORTHSIDE ISD(015915)	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: 96	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 8:07:58 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 8:07:58 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 8:07:58 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	4/20/2018 8:07:59 AM	Yes



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

	<p>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.)</p>		
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 8:07:59 AM	Yes
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 7 percent or more, then the school district passes this indicator.)	4/20/2018 8:07:59 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 8:07:59 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 8:08:00 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 8:08:00 AM	6
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 8:08:00 AM	10



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

10	Was the debt service coverage ratio sufficient to meet the required debt service? (See ranges below.)	4/20/2018 8:08:00 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 8:08:01 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 11:03:01 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 8:08:02 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 8:08:02 AM	10
15	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an overallocation of Foundation School Program (FSP) funds as a result of a financial hardship?	7/2/2018 1:26:23 PM	10
			96 Weighted Sum
			1 Multiplier Sum
			96 Score



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

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



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

RESPONSES TO BASE INDICATORS

The following are the responses to the questions used to assess the financial management system of the Northside Independent School District (the “District”).

1. Was The Complete Annual Financial Report (AFR) And Data Submitted To The TEA Within 30 Days Of The November 27 Or January 28 Deadline Depending On The School District’s Fiscal Year End Date Of June 30 Or August 31, Respectively?

Yes. The District prepares its Comprehensive Annual Financial Report (CAFR) for board approval in the regularly scheduled December or January meeting. The CAFR was received by the Texas Education Agency (TEA) on January 23, 2018 after approval from the Board of Trustees.

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.)

Yes. When the CAFR is audited by independent auditors, they issue an opinion stating that the financial statements are fairly presented and free of material misstatements. The affirmation of this process is indicated by issuance of an unmodified opinion by the auditors. A modified opinion from the independent auditors generally means that the District needs to take some type of corrective action on reporting of the District assets or its internal controls. The District has earned Unmodified Opinions from its independent auditors for many years.

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.)

Yes. When the CAFR is audited by independent auditors, they report on whether their testing of internal controls and compliance identified any instances of noncompliance or internal control deficiencies considered to be material weaknesses. The District’s independent auditors did not identify any such instances of noncompliance or internal control deficiencies for the fiscal year ended August 31, 2017.

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



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

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 The 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.)

Yes. The District had no disclosures in the Annual Financial Report concerning default on bonded indebtedness. The District has a relatively large debt portfolio due to the rapid growth it has experienced. The debt service requirement for 2016-2017 was \$154,843,503. The District has a longstanding commitment to maintain its credit worthiness and has never defaulted on any debt payments.

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?

Yes. Payments made to the Teachers Retirement System, Texas Workforce Commission, Internal Revenue Service, and other government agencies during the fiscal year ended August 31, 2017 were timely.

5. Was The Total Unrestricted Net Asset Balance 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 7 Percent Or More, Then The School District Passes This Indicator.)

Yes. The District's total unrestricted net assets at August 31, 2017 were \$257,802,517. The District's five-year percent change in students was an increase of 6.1%.

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)?

Yes. The District's cash and current investments in the general fund were sufficient to cover operating expenditures for approximately 6 months.

7. Was The Measure Of Current Assets To Current Liabilities Ratio For The School District Sufficient To Cover Short-Term Debt?

Yes. The District's current assets to current liabilities ratio was sufficient to cover short-term debt. Current assets were 4.1411 times greater than current liabilities as of August 31, 2017.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

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.)

The District received 6 out of a possible 10 points based on a ratio calculation of .7806. The last two bond authorizations have highlighted the District's commitment to renovate older facilities throughout the District to support current instructional programs and student support. The District is confident that the ratio is sufficient to support long term solvency.

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?

Yes. Incidentally, the District's Cash on Hand exceeds 194 days.

10. Was The Debt Service Coverage Ratio Sufficient To Meet The Required Debt Service?

Yes. The District's ratio of 1.6074 is sufficient to meet the required debt service.

11. Was The School District's Administrative Cost Ratio Equal To Or Less Than The Threshold Ratio?

Yes. The District's ratio of 0.537 was lower than the threshold ratio for districts with ADA higher than 10,000 of 0.855.

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.)

Yes. The District had a 0.8% increase in this ratio while experiencing an increase in almost 2,500 students.

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?

The comparison of data submitted to the Texas Agency Education through its Public Education Information Management System (PEIMS) resulted in a 0.0002% variance from the annual financial report.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

14. 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?

Yes. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. There were no such instances in the District's annual financial report.

15. Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an overallocation of Foundation School Program (FSP) funds as a result of a financial hardship?

Yes. The District had no need for an adjusted repayment schedule as a result of financial hardship.

OTHER INFORMATION RELATING TO BASE INDICATORS

To enhance understanding of School FIRST, the following section presents current financial management practices and a historical view of some of the quantifiable indicators. Achieving a superior rating reinforces Northside's commitment to improve student achievement through sound and prudent business practices. It is Northside's continuing goal to monitor and improve all aspects of the District's financial services in order to maximize and protect available resources.

Financial Strength

Over the last five years, the District has strengthened its financial position. Available reserves combined with the steady local economic growth are the primary contributors to Northside's financial position. Additionally, the District has put into place, strategies to mitigate funding reductions from the state that could impact the District's General Fund balance in future years. The General Fund Balance has grown as follows:

<u>Fiscal Year</u>	<u>General Fund Balance</u>	<u>Dollar Change</u>	<u>Percent Change</u>
2013	\$259,086,110	\$30,022,526	13.11%
2014	\$289,222,471	\$30,136,361	11.63%
2015	\$309,046,665	\$19,824,194	6.85%
2016	\$351,557,563	\$42,510,898	13.76%
2017	\$412,413,592	\$50,746,536	14.43%



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

Financial Strength - continued

The increase in 2017 was from the management of expenditures to create a savings to the budget in excess of \$101 million dollars. Not having to use any kind of short-term financing to cover the first four months of operations is a good indication of the District's strong liquidity. In addition, Northside anticipates ending the 2018 fiscal year with another significant budget savings contributing to an even stronger financial condition.

Tax Collections

The District continues to experience very positive tax collection rates. Historically, budgeted tax collections are based on a 99% collection rate. Although the District reduced the budgeted collection rate to 98.5% in 2011 and 2012 to allow for the slowing of collections at that time, the District experienced an actual collection rate closer to the historical collection rate. Because each percentage point represents approximately \$3.5 million, accuracy of our revenue estimates is critical. The following table reflects a history of the District's tax collection rates for current collections received and total current and delinquent collections received for each year as a percentage of the current year's levy:

<u>Fiscal Year</u>	<u>Current Collections Received in Year of Levy</u>	<u>Current & Delinquent Collections thru 8/31/17</u>
2013	98.91%	99.98%
2014	99.22%	99.31%
2015	99.27%	99.37%
2016	99.31%	99.31%
2017	99.34%	99.61%

Operating Cost Management

The District values its human resource assets. As expected, salaries and benefits comprise the largest portion of the General Fund expenditures. Growth, countywide economic conditions and health care costs are major contributing factors to the increase in overall expenditures. The rise in costs over the past several years has been offset by continual growth in the tax base. Through careful management oversight, the District's fund balance growth has been steady and amounts committed and assigned to mitigate anticipated state funding reductions have been put in place in order to prevent a significant reduction in services.



Northside Independent School District Financial Management and Accountability Report August 31, 2017

Administrative Cost Management

Total administrative costs are expected to grow as the District continues to grow. However, an indication of how effective a district manages its administrative cost is to measure whether or not administrative costs increase disproportionate to the overall growth of the District. The Texas Education Agency has established a formula that measures the administrative cost ratio by comparing total administrative costs and total instructional costs. Applicable standard ratios depend on the size of the district. The standard for the size of a Northside school district is 8.55%. Administrative cost ratios for the last five years were as follows:

<u>Fiscal Year</u>	<u>NISD Ratio</u>	<u>State Standard</u>
2013	5.47%	11.05%
2014	5.33%	8.55%
2015	5.38%	8.55%
2016	5.31%	8.55%
2017	5.37%	8.55%

Debt Management

The District maintains a very active debt management program whose primary objective is to minimize the overall cost of borrowing. District taxpayers have authorized \$2.5 billion since 1995. Bonds are sold to meet the cash flow needs of projects identified for construction and to take advantage of any available state assistance. Bonds sold generally have an average life of 14-16 years. In 2014 the public approved a bond package which contained several planned increases in the I&S tax rate. Due to steady tax base growth and careful debt management, the District has been able to avoid raising the tax rate since 2012. In addition, existing market conditions have allowed the District to refinance or issue debt at historically low interest rates.

Cash Management

The District invests all of its available cash on a daily basis. The cash management program is very active and seeks to maximize investment earnings within the limits imposed by Board policy. Liquidity is achieved by investing in government investment pools which operate like money market funds and maintain a \$1 net asset value on a daily basis. Investments include government-backed securities such as notes issued by the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac). Bank balances held in the District's depository are maintained at a level that maximizes the benefit of the available earnings credit rate (ECR) to help defray the cost of banking services. Quarterly, the Finance Committee of the Board reviews and approves portfolio activity, which is then presented to the Board for approval.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

Budgetary Planning and Financial Allocations

The budget process begins in January of each year. At that time, the District begins to develop the base budget. The budget reflects the funds necessary to provide the same services as in the last fiscal year without consideration to one-time costs and budgetary commitments carried over from the previous fiscal year. Available revenues are also reviewed accordingly. Projected revenues are determined based on the estimated student growth and estimated changes in taxable valuations. In the spring, compensation considerations are reviewed along with estimated growth costs associated with the opening of new campuses and additional students. The District has developed a five-year budget forecast model that reflects the impact on future resources of decisions made today. This tool has become very effective in managing the overall cost associated with the growth of the District.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

ADDITIONAL DISCLOSURES

1. Superintendent's Employment Contract

**SUPERINTENDENT EMPLOYMENT CONTRACT BETWEEN
NORTHSIDE INDEPENDENT SCHOOL DISTRICT AND
DR. BRIAN WOODS**

This Employment Contract (Contract) is made and entered into this 26th day of June, 2018 by and between the Board of Trustees (hereinafter referred to as Board) of the Northside Independent School District (hereinafter referred to as District) and Dr. Brian Woods (hereinafter referred to as Superintendent).

Pursuant to the authority of Chapter 21 and Section 11.201 (b) of the Texas Education Code and the general laws of the State of Texas, for the consideration herein specified, the Board and Superintendent hereby agree as follows:

1. TERM

The Board, by and on behalf of the District, hereby employs and Superintendent hereby accepts employment as Superintendent of Schools for a term commencing July 1, 2018 and ending June 30, 2022. The Board may consider the extension of this Contract each year following its annual evaluation and assessment of the Superintendent's performance, or at any other time determined by the Board. However, there is no requirement or duty for the Board to extend this Contract.

2. PROFESSIONAL CERTIFICATION, REPRESENTATIONS AND RESPONSIBILITIES

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

B. **Representations.** The Superintendent makes the following representations:

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 or her national criminal history record information (NCHRI) if required by the Board, TEA, or SBEC. The Superintendent



Northside Independent School District Financial Management and Accountability Report August 31, 2017

1. Superintendent's Employment Contract (Continued)

understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.

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, other than routine traffic citations. The Superintendent agrees to provide such notification in writing within seven (7) calendar days of the event or any shorter period specified in Board policy.

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

C. Duties. The Superintendent shall faithfully perform the duties of Superintendent of Schools for the District as prescribed by law, Board policies, the job description and as may be assigned by the Board from time to time. The Superintendent shall comply with all Board directives, policies, rules and regulations, and state and federal laws, as they exist or may hereinafter be amended or adopted during the term of this Contract. Except as provided in this Contract, the Superintendent agrees to devote his full time, energy and skill to the performance of these duties in a faithful, diligent, conscientious, and efficient manner. The Superintendent shall have charge of the administration of the schools under the direction of the Board. He shall be the educational leader and chief executive officer of the District; shall direct and assign teachers and other employees of the schools under his supervision; shall organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the District; shall select personnel in accordance with Board policy; shall from time to time suggest regulations, rules and procedures deemed necessary for the efficient operation of the District; and in general perform all duties incident to the office of the Superintendent and such duties as may be assigned by the Board from time to time.

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

E. 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 with the exceptions noted above.

3. PROFESSIONAL ACTIVITIES AND ORGANIZATIONS

The District encourages the Superintendent to attend, actively participate in, and/or join appropriate professional meetings and organizations, including civic and service organizations, at



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

1. Superintendent's Employment Contract (Continued)

the local, state and national levels. The Superintendent shall give the Board prior notice of the professional meetings and organizations that the Superintendent desires to attend, actively participate in, and/or join. Unless the Board objects, the District shall pay reasonable expenses for such attendance, participation and/or joinder from funds budgeted for that purpose, including any membership dues and fees of the Superintendent. The Superintendent may hold offices or accept responsibilities in these professional and civic organizations, provided that such offices and/or responsibilities do not interfere with the performance of his duties as Superintendent. The Superintendent also may undertake writing, consulting, teaching and speaking engagements, subject to the Board's approval, and provided that these activities do not interfere with the performance of his duties as Superintendent. In addition to the Superintendent's attendance, participation and/or joinder in appropriate professional meetings and organizations, the Board shall pay the Superintendent membership dues in the various area Chambers of Commerce.

4. COMPENSATION

A. Salary. The Board shall pay the Superintendent an annual salary in the sum of THREE HUNDRED AND TWENTY ONE THOUSAND ONE HUNDRED AND TWENTY-EIGHT AND NO/100 DOLLARS (\$321,128.00). Such salary shall be paid to Superintendent in equal installments in accordance with Board policy governing payment of salary to other professional staff members in the District. The Board shall have the right to review and adjust the salary of the Superintendent at any time during the term of this Contract, provided that no such adjustment shall reduce the annual salary herein except by mutual written agreement of the parties. Any such adjustments in salary made during the term of this Contract shall be the form of a written addendum, which shall become part of this Contract, or a new contract.

B. Leave Benefits. The Superintendent shall have the same leave benefits as authorized by Board policies for other 12-month administrative employees of the District. Further, the Superintendent shall be credited for accumulated sick leave and personal leave as provided in Board policies.

C. Vacation. The Superintendent will be entitled to and is encouraged to take advantage of all approved school holidays and eleven (11) days vacation in school year 2018-19. The Superintendent may accumulate up to sixty (60) unused vacation days. At the time of termination of this Contract, the Superintendent is entitled to be paid at his then daily rate of pay for any accumulated unused vacation days up to a maximum of sixty (60) days.

D. Health Insurance. The District shall pay for any and all health insurance for the Superintendent at the same rate as is paid for all other twelve-month administrative employees of the District.

5. RESIDENCE

The Superintendent agrees to maintain his principal residence within the District, and to maintain such residence within the District continuously throughout the term of his employment as Superintendent.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

1. Superintendent's Employment Contract (Continued)

6. CELL PHONE OR MOBILE COMMUNICATION DEVICE

The District shall provide the Superintendent with a cell phone or mobile communication device for the Superintendent's use in the continuing performance of his duties under this Contract. The Superintendent's personal use of the cell phone or mobile communication device shall be permitted as provided by School District policies and administrative regulations.

7. AUTOMOBILE

In light of the unique nature of the professional duties of the Superintendent of Schools, the Board shall provide the Superintendent with an automobile allowance of ONE THOUSAND AND NO/100 DOLLARS (\$1000.00) per month for the use of his automobile within the District. In addition, the District shall reimburse the Superintendent for the use of his automobile outside of the District on District business in accordance with Board policies.

8. PROFESSIONAL LIABILITY

A. Liability Insurance: The District's Professional Liability insurance policy provides coverage for the Superintendent as set forth in the policy, and this policy or one with similar coverage will be kept in full force and effect during the term of this Contract.

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

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

9. MEDICAL EXAMINATION

The Superintendent agrees to have a comprehensive medical examination at the District's expense, not to exceed TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00) per year, during the term of this Contract, including such tests and evaluations that the physician in charge of such examination determines are needed. The physician in charge of such an examination shall provide a written statement at the conclusion of each such annual examination in a form acceptable to the Board certifying that the Superintendent is physically able to perform his duties under the Agreement. This statement shall be filed with the President of the Board.

10. RETIREMENT BENEFITS

A. District Service Retirement Plan. The District shall supplement the Superintendent's annual salary by an amount equal to one-hundred percent (100%) of the Superintendent's portion of the monthly member contribution to the Texas Teacher Retirement



Northside Independent School District Financial Management and Accountability Report August 31, 2017

1. Superintendent's Employment Contract (Continued)

System ("TRS") beginning on July 1, 2018 and continuing for the term of this Contract, with any extensions made by the Board for performance of Superintendent duties. This supplement shall include both the retirement and TRS-Care parts of the TRS member contribution, as applicable. This additional salary supplement shall be paid to the Superintendent in regular monthly payroll installments and shall be reported as "creditable compensation" by the District for purposes of TRS, to the extent permitted by TRS.

II. PERFORMANCE GOALS/EVALUATION FORMAT AND PROCEDURES

A. 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.

B. Time and Basis of 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 shall be based on the District's progress towards accomplishing the District Goals.

C. Confidentiality. 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.

D. Evaluation Format and Procedures. The evaluation format and procedure shall be in accordance with the Board's policies and state and federal law. In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, it shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. The evaluation shall include recommendations as to areas of improvement in all instances where the Board deems performance to be unsatisfactory. 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 within thirty (30) days of receipt of the written evaluation from the board. That response shall become a permanent attachment to the evaluation in the Superintendent's personnel file. Within sixty (60) days of the delivery of the written evaluation



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

1. Superintendent's Employment Contract (Continued)

to the Superintendent, the Board shall meet with the Superintendent to discuss the evaluation. The Board shall devote a portion of, or all of, one executive session annually to a discussion of the working relationship between the Superintendent and the Board. 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.

12. 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 under and pursuant to applicable Texas law.

13. 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.

14. SAVINGS CLAUSE

If, during the term of this Contract, it is found that a specific provision of the Contract violates or is unenforceable under federal or state law, the remainder of the Contract shall not be affected by such a ruling and shall remain in full force and effect.

15. CONTROLLING LAW.

This Contract shall be governed by the laws of the state of Texas and it shall be performable in Bexar, Bandera and Medina Counties, Texas unless otherwise provided by law. Venue for any dispute concerning the interpretation and/or enforcement of this Contract shall be in Bexar County, Texas.

16. COMPLETE AGREEMENT AND AMENDMENT.

This Contract embodies the entire understanding and agreement of the parties, and supersedes all other agreements and understandings, both written and oral. Any additions, deletions, or modifications to the terms and conditions of this Contract, including but not limited to changes in the term of the Contract or the annual base salary of the Superintendent, shall be made only by written amendment signed by both parties, or by the execution of a new contract.

17. MULTIPLE ORIGINALS

This Contract is executed in two (2) originals, one for the Board and one for the Superintendent, each of which shall constitute but one and the same instrument.



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

IN WITNESS WHEREOF, the Board has caused this Employment Contract to be approved on its behalf by its duly authorized President and the Superintendent has approved this Employment Contract, effective on the day and year specified in section 1 above.

Northside Independent School District

Superintendent

By: M'lissa M. Chumbley

Brian T. Woods

President, Board of Trustees

Dr. Brian Woods

Date: 7/17/18

Date: 7/16/18

ATTEST:

Gerald B. Lopez

Secretary, Board of Trustees



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

2. Reimbursements Received by the Superintendent and Board Members for Fiscal Year ended August 31, 2017

For the Fiscal Year Ended August 31, 2017	Superintendent Dr. Brian T. Woods
Meals	\$129
Lodging	2,119
Transportation	2,983
Motor Fuel	0
Other (Registrations)	750
Total	\$ 5,981

For the Fiscal Year Ended August 31, 2017	Trustee Katie N. Reed	Trustee M'Lissa M. Chumbley	Trustee Carol Harle	Trustee Joseph H. Medina	Trustee Gerald B. Lopez	Trustee Robert Blount, Jr.	Trustee Karen Freeman
Meals	\$ 27	\$ 65	\$ 38	\$ 27	\$ 73	\$ 102	\$ 102
Lodging	900	663	442	221	530	785	838
Transportation	1,012	346	850	352	400	395	367
Motor Fuel	0	0	0	0	0	0	0
Other (Registrations)	2,165	0	510	385	385	535	745
Total	\$ 4,104	\$ 1,074	\$ 1,840	\$ 985	\$ 1,388	\$ 1,817	\$ 2,052

3. Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year ended August 31, 2017

For the Twelve-Month Period Ended August 31, 2016	
Name(s) of Entity(ies)	
N/A	\$ 0
Total	\$ 0



**Northside Independent School District
Financial Management and Accountability Report
August 31, 2017**

4. Gifts Received by the Executive Officer(s) and Board Members (and First Degree Relatives, if any) in Fiscal Year ended August 31, 2017

For the Fiscal Year Ended August 31, 2016	Superintendent Dr. Brian T. Woods
Total	\$0

For the Fiscal Year Ended August 31, 2016	Trustee Katie N. Reed	Trustee M'Lissa M. Chumbley	Trustee Carol Harle	Trustee Joseph H. Medina	Trustee Gerald B. Lopez	Trustee Robert Blount, Jr.	Trustee Karen Freeman
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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 ended August 31, 2017

For the Fiscal Year Ended August 31, 2016	Superintendent Dr. Brian T. Woods
Total	\$0

For the Fiscal Year Ended August 31, 2016	Trustee Katie N. Reed	Trustee M'Lissa M. Chumbley	Trustee Carol Harle	Trustee Joseph H. Medina	Trustee Gerald B. Lopez	Trustee Robert Blount, Jr.	Trustee Karen Freeman
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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.