

September 20, 2012

Action Required

To The Administrator Addressed:

Subject: 2012 Final FIRST Ratings

The purpose of this letter is to inform you that the *final* Financial Integrity Rating System of Texas (FIRST) ratings for 2012 are now publicly available. The ratings for both [school districts](#) and [open-enrollment charter schools](#) can be viewed on the Texas Education Agency (TEA) website.

A previous "To The Administrator Addressed" letter, dated June 28, 2012, instructed local educational agencies (LEAs), school districts and open-enrollment charter schools, to view their *preliminary* FIRST ratings, and provided details regarding the analysis of staff and student data used by TEA to create the ratings. The letter also described the appeals process available to LEAs. This appeals process is now complete and all FIRST ratings are final.

Required Reporting

In order to comply with the requirements given in [Title 19 of the Texas Administrative Code \(TAC\), §109.1005](#), all LEAs are required to report information and financial accountability ratings to parents and taxpayers by implementing specific reporting procedures, including the following:

1. Within two months after receipt of its final FIRST rating, each LEA must announce and hold a public meeting to distribute a financial management report that explains the LEA's rating and its performance under each of the indicators used in TEA's analysis for the current year and each of the indicators used in TEA's analysis for the prior year.
2. The LEA must inform taxpayers of this public meeting by publishing two newspaper notices, the first of which may not be published more than 30 days prior to or less than 14 days prior to the public meeting.

This public meeting may be combined with a scheduled regular meeting of the LEA's governing board.

The financial management report must include specific information described in 19 TAC §109.1005. To help LEAs prepare the report, TEA has created a template for the report that LEAs can follow. A [template for school districts](#) and a [template for charter schools](#) are both available online. In addition to the required information, LEAs are encouraged to provide additional information in the report that will be beneficial to taxpayers, especially information that can explain any special circumstances that may have affected the LEA's FIRST rating.

At the public meeting, the LEA should review the information that must be included in the financial management report.

LEAs should review [all of the requirements](#) given in 19 TAC §109.1005 for additional information.

Please note that as part of the financial management report, each LEA must provide a summary of the data that was previously submitted to TEA for purposes related to financial solvency. This data is required under the [financial solvency provisions](#) of Texas Education Code §39.0822.

Accreditation Status

In accordance with the [accreditation status rules](#) given in 19 TAC §97.1055, TEA will take into consideration an LEA's FIRST rating when assigning an accreditation status.

If you have questions about your LEA's FIRST rating, please contact the Division of Financial Audits at (512) 463-9095 or at schoolaudits@tea.state.tx.us.

Sincerely,

David McLaughlin
Interim Director, Division of Financial Audits

YEAR **2010-2011** SELECT AN OPTION

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Financial Integrity Rating System of Texas

2010-2011 DISTRICT STATUS DETAIL

Name: DRIPPING SPRINGS ISD(105904)	Publication Level 1: 6/28/2012 12:33:14 PM
Status: Passed	Publication Level 2: 9/20/2012 3:18:39 PM
Rating: Superior Achievement	Last Updated: 9/20/2012 3:18:39 PM
District Score: 70	Passing Score: 52

#	Indicator Description	Updated	Score
1	<u>Was The Total Fund Balance Less Nonspendable and Restricted Fund Balance Greater Than Zero In The General Fund?</u>	6/15/2012 3:32:32 PM	Yes
2	<u>Was the Total Unrestricted Net Asset Balance (Net of Accretion of Interest on Capital Appreciation Bonds) In the Governmental Activities Column in the Statement of Net Assets Greater than Zero? (If the District's 5 Year % Change in Students was 10% more)</u>	6/15/2012 3:32:32 PM	Yes
3	<u>Were There No Disclosures In The Annual Financial Report And/Or Other Sources Of Information Concerning Default On Bonded Indebtedness Obligations?</u>	6/15/2012 3:32:32 PM	Yes
4	<u>Was The Annual Financial Report Filed Within One Month After November 27th or January 28th Deadline Depending Upon The District's Fiscal Year End Date (June 30th or August 31st)?</u>	6/15/2012 3:32:33 PM	Yes
5	<u>Was There An Unqualified Opinion in Annual Financial Report?</u>	6/15/2012 3:32:33 PM	Yes
6	<u>Did The Annual Financial Report Not Disclose Any Instance(s) Of Material Weaknesses In Internal Controls?</u>	6/15/2012 3:32:33 PM	Yes
			1 Multiplier Sum
7	<u>Was The Three-Year Average Percent Of Total Tax Collections (Including Delinquent) Greater Than 98%?</u>	6/15/2012 3:32:33 PM	5
8	<u>Did The Comparison Of PEIMS Data To Like Information In Annual Financial Report Result In An Aggregate Variance Of Less Than 3 Percent Of Expenditures Per Fund Type (Data Quality Measure)?</u>	6/15/2012 3:32:34 PM	5
9	<u>Were Debt Related Expenditures (Net Of IFA And/Or EDA Allotment) < \$350.00 Per Student? (If The District's Five-Year Percent Change In Students = Or > 7%, Or If</u>	6/15/2012 3:32:34 PM	5

<u>Property Taxes Collected Per Penny Of Tax Effort > \$200,000 Per Student)</u>			
10	<u>Was There No Disclosure In The Annual Audit Report Of Material Noncompliance?</u>	6/15/2012 3:32:34 PM	5
11	<u>Did The District Have Full Accreditation Status In Relation To Financial Management Practices? (e.g. No Conservator Or Monitor Assigned)</u>	6/15/2012 3:32:35 PM	5
12	<u>Was The Aggregate Of Budgeted Expenditures And Other Uses Less Than The Aggregate Of Total Revenues, Other Resources and Fund Balance In General Fund?</u>	6/15/2012 3:32:35 PM	5
13	<u>If The District's Aggregate Fund Balance In The General Fund And Capital Projects Fund Was Less Than Zero, Were Construction Projects Adequately Financed? (To Avoid Creating Or Adding To The Fund Balance Deficit Situation)</u>	6/15/2012 3:32:35 PM	5
14	<u>Was The Ratio Of Cash And Investments To Deferred Revenues (Excluding Amount Equal To Net Delinquent Taxes Receivable) In The General Fund Greater Than Or Equal To 1:1? (If Deferred Revenues Are Less Than Net Delinquent Taxes Receivable)</u>	6/15/2012 3:32:36 PM	5
15	<u>Was The Administrative Cost Ratio Less Than The Threshold Ratio?</u>	6/15/2012 3:32:36 PM	5
16	<u>Was The Ratio Of Students To Teachers Within the Ranges Shown Below According To District Size?</u>	6/15/2012 3:32:36 PM	5
17	<u>Was The Ratio Of Students To Total Staff Within the Ranges Shown Below According To District Size?</u>	6/15/2012 3:32:36 PM	5
18	<u>Was The Decrease In Undesignated Unreserved Fund Balance < 20% Over Two Fiscal Years?(If Total Revenues > Operating Expenditures In The General Fund,Then District Receives 5 Points)</u>	6/15/2012 3:32:37 PM	5
19	<u>Was The Aggregate Total Of Cash And Investments In The General Fund More Than \$0?</u>	6/15/2012 3:32:37 PM	5
20	<u>Were Investment Earnings In All Funds (Excluding Debt Service Fund and Capital Projects Fund) Meet or Exceed the 3-Month Treasury Bill Rate?</u>	6/15/2012 3:32:37 PM	5
			70 Weighted Sum
			1 Multiplier Sum
			70 Score

DETERMINATION OF RATING

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

Superior Achievement	64-70
Above Standard Achievement	58-63
Standard Achievement	52-57
Substandard Achievement	<52

INDICATOR 17 & 18 RATIOS

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

OPTIONS

Suspension Reason.

Audit Home Page: [School Financial Audits](#) | Send comments or suggestions to schoolaudits@tea.state.tx.us

THE TEXAS EDUCATION AGENCY
 1701 NORTH CONGRESS AVENUE • AUSTIN, TEXAS, 78701 • (512) 463-9734

Dripping Springs ISD School FIRST Annual Financial Management Report

Superintendent's Current Employment Contract (See Attached)

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period
Ended June 30, 2011

Description of Reimbursements	Superintendent	Tim Kurpiewski	John Adams	Alan Atwood	Liz Ing	Caroline Pekarek	Shelly Reeves	Barbara Stroud
Meals	\$120.13	\$59.50	\$106.49	\$59.50	\$112.31	\$165.99	\$96.15	\$129.41
Lodging	\$1,498.34	\$0.00	\$992.34	\$496.17	\$496.17	\$1,513.14	\$940.89	\$944.70
Transportation	\$494.65	\$0.00	\$181.00	\$0.00	\$0.00	\$182.23	\$412.42	\$0.00
Motor Fuel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$288.00	\$1,227.02	\$1,242.98	\$1,522.02	\$1,522.02	\$1,350.71	\$2,071.98	\$1,570.68
Total	\$3,320.21	\$1,286.52	\$2,522.81	\$2,077.69	\$2,130.50	\$3,212.07	\$3,521.44	\$2,644.79

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, 2011

<u>Name(s) of Entity(ies)</u>	<u>Amount Received</u>
None	\$ \$0.00
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.

Dripping Springs ISD School FIRST Annual Financial Management Report

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, 2011

	Superintendent	Tim Kurpiewski	John Adams	Alan Atwood	Liz Ing	Caroline Pekarek	Shelly Reeves	Barbara Stroud	
Total	\$0	\$0	\$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 for local officials.

Business Transactions Between School District and Board Members

For the Twelve-Month Period
Ended June 30, 2011

	Tim Kurpiewski	John Adams	Alan Atwood	Liz Ing	Caroline Pekarek	Shelly Reeves	Barbara Stroud
Amounts	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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.

Summary Schedule of Data Submitted under the Financial Solvency Provisions of TEC §39.0822

General Fund - First-Quarter Expenditures By Object Code

Report 2011-2012 first-quarter (first three months of fiscal year 2011-2012) GENERAL FUND expenditures by object code using whole number

Payroll- Expenditures for payroll costs	object codes 6110-6149
Contract Costs- Expenditures for services rendered by firms, individuals, and other organizations	object code series 6200
Supplies and Materials- Expenditures for supplies and materials necessary to maintain and/or operate furniture, computers, equipment, vehicles, grounds, and facilities	object code series 6300
Other Operating- Expenditures for items other than payroll, professional and contracted services, supplies and materials, debt service, and capital outlay	object code series 6400
Debt Service- Expenditures for debt service	object code series 6500
Capital Outlay- Expenditures for land, buildings, and equipment	object code series 6600

Dripping Springs ISD

School FIRST Annual Financial Management Report

Additional Financial Solvency Questions

- | | | |
|--|-------|-----|
| 1) Districts with a September 1- August 31 fiscal year: | | |
| Within the last two years, did the school district | Yes | No |
| 1) draw funds from a short-term financing note (term less than 12 months) between the months of September and December, inclusive, and | N/A | N/A |
| 2) for the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61? | N/A | N/A |
|
Districts with a July 1- June 30 fiscal year: | | |
| Within the last two years, did the school district | | |
| 1) draw funds from a short-term financing note (term less than 12 months) between the months of July and October, inclusive, and | _____ | X |
| 2) for the prior fiscal year, have a total General Fund balance of less than 2 percent of total expenditures for General Fund function codes 11-61? | _____ | X |
|
2) Has the school district declared financial exigency within the past two years? | _____ | X |
|
3) DSISD does not have student-to-staff ratios significantly below the norm, rapid depletion of General Fund balances, or any significant discrepancies between actual budget figures and projected revenues and expenditures. | | |
|
4) How many superintendents has your school district had in the last five years? | _____ | 2 |
|
5) How many business managers has your school district had in the last five years? | _____ | 2 |

Superintendent Term Contract

THIS AGREEMENT is made and entered into by and between the Board of Trustees (the "Board") of the Dripping Springs Independent School District (the "District") and Dr. Bruce Gearing, (the "Superintendent")

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

1. **Term.** The Board agrees to employ the Superintendent on a twelve-month basis per school year for three years and five months, beginning January 30, 2012 and ending June 30, 2015. The Superintendent will be eligible for a contract extension on June 30, 2013 and on each of the subsequent anniversary dates thereafter.
2. **Certification.** The Superintendent agrees to maintain the required certification throughout the term of employment with the District. If the Superintendent's certification expires, is canceled, or is revoked, this Contract is void.
3. **Representations.** The Superintendent makes the following representations:
 - 3.1 **Beginning of Contract.** The Superintendent represents that he or she has disclosed to the Board, in writing, any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent, other than minor traffic violations. The Superintendent understands that a criminal history record acceptable to the Board, at its sole discretion, is a condition precedent to this Contract.
 - 3.2 **During Contract.** The Superintendent also agrees that, during the term of this Contract, the Superintendent will notify the Board, in writing, of any arrest, indictment, conviction, no contest or guilty plea, or other adjudication of the Superintendent, other than for minor Class C misdemeanors such as speeding tickets, etc. The Superintendent agrees to provide such notification in writing within seven calendar days of the event or any shorter period specified in Board policy.
 - 3.3 **False Statements and Misrepresentations.** The Superintendent represents that any records or information provided in connection with his or 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.
4. **Duties.** The Superintendent shall be the educational leader and chief executive officer of the District. The Superintendent agrees to perform his or her duties as follows:
 - 4.1 **Authority.** The Superintendent shall perform the duties and have the powers prescribed by the law and the Board. The Board may assign additional duties to the Superintendent and change the Superintendent's responsibilities or work at any time during this Contract, but the duties shall be appropriate to and consistent with the professional role of the Superintendent.

- 4.2 **Standard.** Except as otherwise permitted by this Contract or Board action, the Superintendent agrees to devote his or her full time and energy to the performance of his duties. The Superintendent shall perform his duties with reasonable care, skill, and diligence. The Superintendent shall comply with all lawful Board directives, state and federal laws and rules, Board policy, and regulations as they exist or may hereafter be amended.
5. **Compensation.** The District shall pay the Superintendent an annual salary as follows:
- 5.1 **Salary.** The District shall provide the Superintendent with an annual salary in the sum of \$167,000.00 for a standard 226 days of service. This annual salary rate shall be effective January 30, 2012, and paid to the Superintendent in equal monthly installments consistent with the Board's policies. The Board will review the Superintendent's compensation for a possible salary increase no later than June 30, 2013. The Board may also, in its discretion, review the compensation of the Superintendent for a possible salary increase at any other time during the term of this Contract. In no event shall the Superintendent be paid less than the salary set forth in this Section 5.1 except by mutual agreement of the Superintendent and the Board and except as law allows. The board agrees not to unilaterally reduce the Superintendent's salary in cases of financial exigency.
- 5.2 **Benefits.** The District shall provide benefits to the Superintendent as provided by this Contract, state law, and Board policies. The Board reserves the right to amend its policies at any time during the term of this Contract to reduce or increase these benefits, at the Board's sole discretion. However, any reduction in benefits occasioned by an amendment of the Board's policies will take effect only in the next contract year (July 1 – June 30) unless otherwise mutually agreed to by the Superintendent and the Board. In addition, the District shall provide to the Superintendent the employment benefits set forth on Exhibit A attached hereto and incorporated herein for all purposes. Notwithstanding any provision in this Contract to the contrary, the employment benefits set forth on Exhibit A may not be reduced except by mutual agreement of the Superintendent and the Board.
6. **Suspension.** In accordance with Texas Education Code chapter 21, the Board may suspend the Superintendent without pay during the term of this Contract for good cause as determined by the Board. In the event that the Board proposes to suspend the Superintendent without pay for good cause, the Superintendent shall be afforded all the rights set forth in the Board's policies and state law.
7. **Termination, Renewal, and Nonrenewal of Contract and Resignation.**
- 7.1 *Renewal/Nonrenewal.* Renewal or nonrenewal of this Contract shall be in accordance with Board policy and applicable law.
- 7.2 *Mutual Agreement.* This Contract may 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.
- 7.3 *Death/Retirement.* This Contract shall be terminated upon the death of the Superintendent or upon the Superintendent's retirement under the Teacher Retirement System of Texas.

7.4 *Dismissal for Good Cause.* The Board may terminate this Contract and dismiss the Superintendent during the term of this Contract for good cause as determined by the Board. In the event the Board proposes to terminate this Contract for good cause, the Superintendent shall be afforded all the rights set forth in the Board's policies and state law.

7.5 *Resignation.* 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 no 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.

8. REVIEW OF PERFORMANCE

8.1 *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.

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

8.3 Unless the Superintendent expressly requests otherwise in writing, the evaluation of the Superintendent shall at all times be conducted in closed 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.

9. PROFESSIONAL LIABILITY

9.1 The District shall, to the extent it is permitted to do so by applicable law, including, but not limited to, Texas Civil Practice & Remedies Code Chapter 102, indemnify, defend, and hold the Superintendent harmless regarding any claims, demands, duties, actions or other legal proceedings against the Superintendent, or damages, including court costs and attorney's fees, incurred by the Superintendent in his individual or official capacity for any act or failure to act involving the exercise of judgment and discretion within the normal course and scope of his duties as Superintendent of the District, 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. This paragraph does not apply to criminal investigations or proceedings. The District may, at its discretion, purchase appropriate insurance coverage for the benefit of the Superintendent or include the Superintendent as a covered party under any insurance contract providing errors and omissions insurance coverage purchased for the protection of the Board and the professional employees of the District in order to meet its obligations under this paragraph. However, the purchase of such insurance or the inclusion of the Superintendent as a covered party shall not relieve the District of its obligation under this paragraph if the relevant insurance company refuses to afford coverage or if the insurance coverage is not sufficient to fully indemnify, defend, and hold the Superintendent harmless. The Board may retain attorneys to represent the Superintendent in any proceeding for which he could seek indemnification under this paragraph. No individual member of the Board shall be personally liable for indemnifying and defending the Superintendent under this paragraph. The District's obligation under this paragraph shall

continue after the termination of this Contract for qualifying acts or failures to act occurring during the term of this Contract or any extension thereof.

- 9.2 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.

10. General Provisions.

- 10.1 **Amendment.** This Contract may not be amended except by written agreement of the Board and the Superintendent (the "Parties").
- 10.2 **Severability.** If any provision in this Contract is, for any reason, held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of the Contract. This Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been a part of the Contract.
- 10.3 **Entire Agreement.** All existing agreements and contracts, both verbal and written, between the Parties regarding the employment of the Superintendent are superseded by this Contract. This Contract and any addenda constitute the entire agreement between the Parties.
- 10.4 **Applicable Law and Venue.** Texas law shall govern this Contract. The Parties agree that venue for any litigation relating to the Superintendent's employment with the District, including this Contract, shall be the county in which the District's administration building is located. If litigation is brought in federal court, the Parties agree that venue shall be the federal district and division in which the district's administration building is located.
- 10.5 **Paragraph Headings.** The headings used at the beginning of each numbered paragraph in this Contract are not intended to have any legal effect; the headings do not limit or expand the meaning of the paragraphs that follow them.

11. Notices.

- 11.1 **To Superintendent.** The Superintendent agrees to keep a current address on file with the District's human resources office and the Board President. The Superintendent agrees that the Board may meet any legal obligation it has to give the Superintendent written notice by delivering the notice through hand-delivery, certified mail, regular mail, and/or express delivery service to the Superintendent's address of record.
- 11.2 **To Board.** The Board agrees that the Superintendent may meet any legal obligation to give the Board written notice by providing one copy of the notice to the President of the Board and one copy to the Vice President of the Board. The Superintendent may provide such notices by hand delivery, or by certified mail, regular mail, and/or express delivery service to the Board President and Vice President's addresses of record, as provided to the District.

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

Superintendent: BG

Date signed: 1/20/2012

Dripping Springs Independent School District

By: [Signature]
President, Board of Trustees

Date signed: 1-20-12

ATTACHMENT A
OTHER BENEFITS

1. **Insurance.** The District shall pay the same premiums for hospitalization, major medical, and dental insurance coverage for the Superintendent pursuant to the group health care plan(s) provided by the District for its administrative employees.
2. **Automobile.** The District shall provide the Superintendent with an automobile allowance in the sum of five hundred dollars (\$500.00) per month. This allowance is for all mileage inside the District, Region XIII Education Service Center, and the District's UIL area. Such amounts shall be subject to payroll tax withholding by the District.
3. **Supplemental Compensation – Retention Incentive.** As an incentive to encourage the Superintendent to remain employed as Superintendent with District, District agrees to open a savings account in the name of the District for contributions as provided herein ("Account"). Beginning on June 30, 2013, and on or before June 30 of each year thereafter during the term of this Contract, the District shall contribute two thousand five hundred and no dollars (\$2,500.00) annually to the Account. In the event that on June 30, 2017 ("Vesting Date") the Superintendent remains employed by the District, the Superintendent shall be vested one hundred percent (100%) in the Account, and all amounts therein, including both the District's contributions and any interest or other earnings thereon shall be paid to the Superintendent. The Superintendent shall not have any rights in or to the Account prior to the Vesting Date and in the event the Superintendent's employment with the District terminates for any reason prior to the Vesting Date, the Account, all amounts in the Account and those amounts remaining unpaid to the Account shall be forfeited and the District shall have no further liability with respect to the Account.
4. **Electronic Devices.** The District will provide the Superintendent with a laptop computer at District expense for District business use and for a reasonable amount of personal use. The Superintendent is further authorized to use District equipment such as computers and telephones for a reasonable amount of personal use.
5. **Relocation Expenses.** The District shall pay the reasonable costs charged by a selected moving company for the approved moving expenses incurred in relocating the Superintendent and the Superintendent's immediate family's possessions, furniture, and household goods to the District. The Superintendent shall submit two (2) moving company bids for the Board's consideration. The Board shall select the moving company from those submitted by the Superintendent and shall remit payment directly to said Company.
6. **Transition Allowance.** The district shall pay a one-time transition allowance of \$3,000.00, to be included in the Superintendent's first paycheck, to cover the costs associated with the Superintendent's transition to the district.

7. **Holidays, Sick Leave.** 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 and vacation days as authorized by Board policies for administrative employees on twelve-month contracts.

8. **Professional Organizations.** The Superintendent is encouraged to participate in various professional educational organizations. The reasonable cost of membership in two such organizations shall be borne by the District each District fiscal year.

9. **Civic Organizations.** The Superintendent is encouraged to participate in community and civic affairs such as chamber of commerce, civic clubs, etc. The reasonable expenses of such local activities, including any membership fees and dues, shall be borne by the District.

10. **Professional Growth.** The Superintendent shall devote the Superintendent's time, attention, and energy to the direction, administration, and supervision of the District. However, 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, state and national 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 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 to attend such seminars, courses or meetings. The District shall bear the reasonable costs and expenses for such attendance or membership with prior board approval.

11. **Expenses.** The District shall reimburse the Superintendent for reasonable expenses directly incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Agreement. The District shall reimburse the Superintendent for District use of the Superintendent's personal automobile for miles traveled outside of the District by the Superintendent in the continuing performance of the Superintendent's duties under this Contract at the per mile reimbursement rate approved by the Texas Comptroller that is in effect at the time of the out-of-district travel. The District shall reimburse the Superintendent for all other out-of-district travel expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract to the extent allowed by law and Board policy. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policy.