

2010 School FIRST

Financial Integrity Rating System
of Texas – District Status for
2008-2009

Indicator #1

Was total Fund Balance less Reserved Fund balance greater than zero in the General Fund?

08-09	YES	\$32,197,997
07-08	YES	\$32,510,659

School districts must legally have a fund balance to ensure adequate funding for operations. This indicator is designed to ensure that your district has a positive amount of fund balance cash (savings) that is not designated or "reserved" for a specific purpose. In other words, "Does your district have funds set aside for a rainy day?"

Indicator #2

Was 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?

08-09	YES	\$31,369,581
07-08	YES	\$38,153,894

The total assets of school districts should exceed the total amount of liabilities in the annual financial report.

Indicator #3

Were there NO disclosures in the Annual Report and/or other sources of information concerning default on bonded indebtedness obligations?

08-09 YES

07-08 YES

(there were no defaults on bonded debt)

This indicator seeks to make certain that your district has paid your bills/obligations on bonds issued to pay for school construction, etc.

Indicator #4

Was the Annual Financial Report filed within one month after the November 27 or January 28 deadline depending upon the district's Fiscal Year end date (June 30 or August 31)?

08-09 YES

07-08 YES

The report was filed with the TEA on January 22th.

Indicator #5

Was there an Unqualified Opinion in the Annual Financial Report?

08-09 YES

07-08 YES

A “qualification” on your financial report means that you need to correct some of your reporting or financial controls. A district’s goal, therefore, is to receive an “unqualified opinion” on its Annual Financial Report. This is a simple “Yes” or “No” indicator.

Indicator #6

Did the Annual Financial Report NOT disclose any instance(s) of material weakness in internal controls?

08-09 YES

07-08 YES

(there were no material weaknesses in internal controls)

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

Indicator #7

**Did the District's academic rating exceed
Academically Unacceptable?**

08-09 YES

07-08 YES

This indicator simply addresses whether the district's accreditation status is in good standing. Tyler ISD was rated Academically Acceptable for 08-09.

Indicator #8

Was the three-year average percent of total tax collections (including delinquent taxes) greater than 98 percent?

08-09 YES 99.86%

07-08 YES 99.81%

This indicator measures your district's success in collecting the taxes owed to you by your community's businesses and homeowners, setting a 98 percent minimum collections standard. The District must collect 98 percent or more of the current tax assessment, counting delinquent taxes owed from past years.

Indicator #9

Did the comparison of PEIMS data to like information in the Annual Financial Report result in an aggregate variance of less than 3 percent of expenditures per fund type (Data Quality Measure)?

08-09 YES

07-08 YES

Our data difference was less than 0.01%.

This indicator measures the quality of data reported to PEIMS and in your Annual Financial Report to make certain that the data reported in each case “matches up.” If the difference in numbers reported in any fund type is more than 3 percent, your district “fails” this measure.

Indicator #10

Were Debt-Related Expenditures (net of IFA and/or EDA allotment) less than \$350 per student? (If the district's five-year percent change in students was a 7 percent increase or more, or if property taxes collected per penny of tax effort were more than \$200,000, then answer this indicator YES.)

08-09	YES	\$830.59 per student	\$700,335 per penny
07-08	YES	\$701.18 per student	\$656,597 per penny

This indicator determines if the debt load per student is more than the District can afford. If the debt expense is above \$250 per student, the District must collect more than \$200,000 per penny of tax effort in order to cover the debt. Fortunately, the Legislature did allow for fast-growth schools to exceed this cap.

Indicator #11

Was there NO disclosure in the Annual Audit Report of Material Noncompliance?

08-09 YES

07-08 YES

(there was no disclosure of material noncompliance)

A disclosure of material noncompliance in the Annual Audit Report indicates that the school district failed to comply with laws, rules and regulations for a government entity. If there are NO disclosures, then the district complied.

Indicator #12

Did the district have full accreditation status in relation to financial management practices? (e.g. no conservator or monitor assigned)

08-09 YES

07-08 YES

(the district had full accreditation status)

Did TEA take over control of your district due to financial issues such as fraud or having a negative fund balance? If not, you pass this indicator.

Indicator #13

Was the aggregate of Budgeted Expenditures and Other Uses LESS THAN the aggregate of Total Revenues, Other Resources and Fund Balance in General Fund?

08-09 YES

07-08 YES

Did you overspend your budget? Your district will receive a negative rating on this measure if your total expenditures and other uses for the fiscal year exceeded your total funds available.

Indicator #14

If the district's Aggregate Fund Balance in the General Fund and Capital Projects Fund was LESS THAN zero, were construction projects adequately financed? (Were construction projects adequately financed or adjusted by change orders or other legal means to avoid creating or adding to the fund balance deficit situation?)

08-09 YES

07-08 YES

(capital projects were adequately financed)

Did you over-spend on school buildings or other capital projects? This indicator measures your district's ability to construct facilities without damaging your Fund Balance.

Indicator #15

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 Delinquent Taxes Receivable, then answer this indicator YES.)

08-09 YES (Cash \$38,367,621:Deferred Revenue \$3,601,021)

07-08 YES (Cash \$26,718,127:Deferred Revenue \$25,357)

This indicator measures whether or not your district has sufficient cash and investments to balance Fund Balance monies such as TEA overpayments (deferred revenues). In other words, your District should have fund balance monies of its own that are at least equal to those dollars that were received due to overpayments from TEA, and you should not be spending "next year's" monies this year.

Indicator #16

Was the Administrative Cost Ratio less than the threshold ratio?

08-09	YES	TISD 4.96%	STANDARD 11.05%
07-08	YES	TISD 5.14%	STANDARD 11.05%

TEA and state law sets a cap on the percentage of their budget that Texas school districts can spend on administration.

Indicator #17

Was the Ratio of Students to Teachers within the ranges shown below according to district size?

08-09	YES	13.9317	Students:1 Teacher
07-08	YES	14.2363	Students:1 Teacher

Range for Districts with > 10,000 students: 13.5 - 22

This indicator measures your pupil-teacher ratio to ensure that it is within TEA recommended ranges for districts of your student population range. For example, districts with a student population greater than 10,000 should have no more than 22 students per teacher and no fewer than 13.5 students per teacher.

Indicator #18

Was the Ratio of Students to Total Staff within the ranges shown below according to district size?

08-09 YES 7.2329 students : 1 staff

07-08 YES 7.3018 students : 1 staff

Range for Districts with > 10,000 students: 7.0 – 14

This indicator measures your pupil-staff ratio to ensure that it is within TEA-recommended ranges for districts of your student population range. For example, districts with a student population greater than 10,000 should have not more than 14 students per staff member and no fewer than 7.0 students per district employee.

Indicator #19

Was the Total Fund Balance in the General Fund more than 50 percent and less than 150 percent of Optimum according to the Fund Balance and Cash Flow Calculation Worksheet in the Annual Financial Report?

**08-09 YES \$32,772,843
(Range \$16,386,422-\$49,159,265)
07-08 YES \$34,089,966
(Range \$17,044,983-\$51,134,949)**

Exhibit J-3 in your district's audit provides an optimum General Fund "Fund Balance" for your district. Your district should have no less than one-half and no more than one and one-half this amount in your Fund Balance, counting both reserved and unreserved fund balances.

Indicator #20

Was the decrease in Undesignated Fund Balance less than 20 percent over two Fiscal Years? (If 1.5 times Optimum Fund balance in General Fund or if Total Revenues exceeded Operating Expenditures in the General fund, then answer this indicator YES.)

08-09 YES

07-08 YES

Are you “feeding off of your Fund Balance” to pay for salaries or other district operating expenses? This indicator notes rapid decreases in your undesignated Fund Balance (those dollars not designated as a “land fund” or “construction fund”) or emergency fund.

Indicator #21

**Was the Aggregate Total of Cash and Investments
in the General Fund more than \$0?**

08-09 YES (\$38,367,621 at year end)

07-08 YES (\$26,718,127 at year end)

Does your district have cash in the bank, and/or investments?

Indicator #22

Were Investment Earnings in all funds more than \$20 per student?

08-09 YES \$ 35.47 per student

07-08 YES \$ 95.60 per student

Are you using your cash or reserve fund (Fund Balance) monies wisely?

Tyler ISD RATING

- ▶ 08-09 Met 22 of the 22 indicators.
- ▶ 07-08 Met 24 of the 24 indicators.
- ▶ Rating: Superior Achievement

Superintendent's Contract

The current contract is posted on the TISD website as required under Texas Administrative Code, Title 19, Part 2, Chapter 109, Subchapter AA, Rule 109.1005(b)(2)(A).

Expense Reimbursements

- ▶ Under Texas Administrative Code, Title 19, Part 2, Chapter 109 AA, Rule 109.1005(b)(2)(B) a summary schedule must be provided for the fiscal year of total reimbursements received by the superintendent and each board member, including transactions resulting from the use of the school district's credit cards to cover expenses incurred by the superintendent and each board member. The required schedule is on the next slide.

Expense Reimbursements - 8/31/09

Member Name	Meals	Lodging	Transportation	Fuel	Other	Total
Michelle Carr	\$ 86.26	\$ 337.90	\$ 149.23		\$ 693.00	\$ 1,266.39
Shirley Jordan					408.00	408.00
Eleno Licea	111.79				335.00	446.79
Rev Orenthia Mason	149.75	506.85			570.00	1,226.60
Gene Shull		337.90			408.00	745.90
Brad Spradlin	117.26	337.90	138.21		770.00	1,363.37
Ron Vickery		430.55	137.27		693.00	1,260.82
Therelee Washington	354.79	1,350.74	715.48		1,045.00	3,466.01
Board Member total:	\$ 819.85	\$ 3,301.84	\$ 1,140.19	\$ -	\$ 4,922.00	\$ 10,183.88
Dr. Randy Reid	\$ 434.97	\$ 1,844.33	\$ 1,405.99	\$ 245.68	\$ 1,090.00	\$ 5,020.97
Board Members & Supt. Total	\$ 1,254.82	\$ 5,146.17	\$ 2,546.18	\$ 245.68	\$ 6,012.00	\$ 15,204.85

Other Compensation – Superintendent

- ▶ The superintendent received \$2,500 in additional fees or compensation from Texas A&M Commerce for professional or personal services for the fiscal year ending 8/31/09 (adjunct professor).

Gifts Over \$250

- ▶ Under Texas Administrative Code, Title 19, Part 2, Chapter 109 AA, Rule 109.1005(b)(2)(D) a summary schedule must be provided for the fiscal year of the total dollar amount by the executive officers and board members (and their immediate family) of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year from an outside entity that received any payments from the district or from a competing vendor who was not awarded a contract in the prior fiscal year.
- ▶ The superintendent and board members did not receive any gifts meeting this criteria for the fiscal year ending 8/31/09.

Business Transactions

- ▶ Under Texas Administrative Code, Title 19, Part 2, Chapter 109 AA, Rule 109.1005(b)(2)(E) a summary schedule must be provided for the fiscal year of the total dollar amount by board member for the aggregate amount of business transactions with the school district.
- ▶ None of the board members serving during the fiscal year ending 8/31/09 were the owner, partner, majority stockholder or an executive officer of a company who transacted business with the district nor did any board member receive any other business income from the district.

RECEIVED

AUG 25 2008

T. I. S. D.
Personnel Records

SUPERINTENDENT EMPLOYMENT CONTRACT
BETWEEN
TYLER INDEPENDENT SCHOOL DISTRICT
AND
RANDY REID

This Employment Contract (Contract) is made and entered into this 17th day of June, 2008 by and between the Board of Trustees (hereinafter referred to as Board) of the Tyler Independent School District (hereinafter referred to as District) and Randy Reid (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 continued employment, as Superintendent of Schools for a term beginning July 1, 2008 and ending June 30, 2011. The contract will be a three (3) year contract between the Employer and Employee. 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 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 of Schools 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. 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 lawfully assigned by the Board from time to time. The Superintendent shall comply with all lawful Board directives, policies, rules and regulations, and state and federal laws, as they exist or may hereafter 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 oversight and supervision of the Board. He shall be the 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 lawfully assigned by the Board from time to time. Moreover, all duties assigned to the Superintendent by the Board should be appropriate to and consistent with the professional role and responsibility of the Superintendent.

C. Board/Superintendent Relationship. The members of the Board, individually and collectively, shall promptly refer all criticisms, complaints and suggestions called to their attention to the Superintendent for study and recommendation. The Superintendent shall investigate and respond to the Board concerning all such matters referred to him in a reasonable and timely manner. The Superintendent shall have the right to attend all Board meetings and all Board and citizen committee meetings, except closed meetings of the Board involving the evaluation of the Superintendent, the Superintendent's salary and benefits as set forth in this Contract, consideration of any action or lack of action on this Contract, duties of the members of the Board, the Board's role as a tribunal to hear and resolve any complaint, or in accordance with the Board's request.

D. Reassignment. The Superintendent is employed specifically and solely to perform the duties of Superintendent of Schools for the District, and may not be reassigned from the position of Superintendent to any other position in the District except by mutual written agreement of the parties.

3. PROFESSIONAL ACTIVITIES AND ORGANIZATIONS

The District encourages the Superintendent to attend, actively participate in, and/or join appropriate professional meetings and organizations at the local, state and national levels. The Superintendent shall give the Board prior reasonable 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 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, provided that these activities do not interfere with the performance of his duties as Superintendent and the Superintendent obtains prior approval of the Board.

4. COMPENSATION

Salary. The Board shall pay the Superintendent on an annualized salary basis the sum of one hundred seventy five thousand and no/100 dollars (\$175,000.00) each year of this Contract. 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. Such adjustments, if any, shall be made by lawful Board action and shall be effective on July 1, 2008, following approval of the adjustment by the Board, unless the Board and the Superintendent mutually agree on another effective date. Any such adjustments in salary made during the term of this Contract shall be in the form of a written addendum, which shall become part of this Contract, or a new Contract.

5. WORK DAYS AND LEAVE BENEFITS

The Superintendent shall work not less than two hundred twenty-six (226) days during each year for which this Contract is in effect, in accordance with the professional employment calendar adopted by the Board for each such year. The Superintendent may take, at his choice and subject to the Board President's approval, which shall not be unreasonably withheld, the same number of vacation days during each year for which this Contract is in effect as are authorized by the District for other twelve-month professional employees of the District. The Superintendent's accrued and unused vacation days may be accumulated from year to year and carried over into any subsequent year or years for which this Contract is in effect, up to a total limit of thirty (30) days. Vacation days shall be taken by the Superintendent at a time or times that will least interfere with the performance of the Superintendent's duties as set forth in this Contract. The Superintendent shall observe the same legal holidays and non-duty days as are observed by other twelve-month professional employees of the District. The Superintendent shall be credited for accumulated sick leave and personal leave as provided in Board policies.

6. ALLOWANCE, MOBILE PHONE AND COMPUTER

A. Vehicle Allowance. In consideration of the Superintendent's use of the Superintendent's personal vehicle for business purposes for travel within the District and the normal wear and tear associated with same, the District shall pay the Superintendent the sum of eight hundred and no/100 dollars (\$800.00) monthly as a vehicle allowance. The Superintendent may use the vehicle allowance to cover the cost of a vehicle, insurance, repair, maintenance, fuel and other expenses associated with the vehicle. The Superintendent may select the vehicle of his choice. The Superintendent shall purchase District-approved liability insurance coverage for the vehicle. A copy of the insurance policy shall remain on file at the District. The Superintendent shall immediately notify the Board President if the insurance is canceled or lapses for any reason. The vehicle shall be maintained in satisfactory appearance and working condition. The Superintendent may use the vehicle for business and personal purposes.

B. Mobile Phone. The District shall pay the Superintendent \$100.00 per month for the Superintendent to purchase mobile phone services.

C. Personal Computer. The District shall provide the Superintendent with a personal computer for use at his residence for both professional and personal use.

7. PROFESSIONAL LIABILITY

A. The District shall indemnify, defend, and hold the Superintendent harmless regarding any claims, demands, duties, actions or other legal proceedings against the Superintendent, or damages incurred by the Superintendent, including court costs and attorney's fees, 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, to the extent and to the limits permitted by law. This paragraph does not apply if the Superintendent is found to have materially breached this Contract, to have acted with gross negligence or with intent to violate a person's clearly established legal rights, or to have engaged in official misconduct or criminal conduct, nor does it apply to criminal investigations or proceedings. The District may, at its discretion, fulfill its obligation under this paragraph by purchasing appropriate insurance coverage for the benefit of the Superintendent or by including 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. The Board may retain attorneys to represent the Superintendent in any proceeding for which he could seek indemnification under this paragraph, to the extent that damages are recoverable or a defense is provided, under any such contract of insurance. No individual member of the Board shall be personally liable for indemnifying and defending the Superintendent under this paragraph. This 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.

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.

8. MEDICAL EXAMINATION

The Superintendent agrees to have a comprehensive medical examination at the District's expense, not to exceed the sum of One Thousand and No/100 (\$1,000.00) Dollars per year, performed by a physician acceptable to both the Board and the Superintendent no later than November 1st of each year during the term of this Contract, including such tests and evaluations as are reasonably selected and specified by the Board, or that the physician in charge of such examination determines are needed. The physician in charge of such examination shall provide a written statement at the conclusion of each such annual examination in a form reasonably acceptable to the Board certifying that the Superintendent is physically able to perform his duties under the Agreement. This statement and the result of the examination shall be filed with the President of the Board and shall be available to the Board of Trustees. Any such report and any written documents containing the result of the examination shall be confidential to the extent permitted by law.

9. RETIREMENT BENEFITS

On behalf of the District, the Board shall establish for the Superintendent one or more retirement plans established under Internal Revenue Code Sections 401(a), 403(b) and/or 457 ("Additional Plan[s]"). The terms of the Additional Plan(s) are set forth in a separate document or documents and are incorporated herein by reference. The Additional Plans are to be mutually acceptable to the Superintendent and the Board. Contributions shall be made by the District to the Additional Plans prior to July 1 or as soon as possible during each year for which this Contract is in effect, provided that the District has accomplished the Superintendent performance goals (as described below) in accordance with this Section. The total maximum amount of the contribution(s) to the Additional Plans for which the Superintendent is eligible each year under this Section is Twelve Thousand and no/100 Dollars (\$12,000.00) ("Maximum Contribution Amount"), subject to limits established by law on such contributions.

10. PERFORMANCE INCENTIVE

The Superintendent and Board of Trustees shall set performance goals each year. The Superintendent performance goals shall be developed by the Superintendent and the Board of Trustees for adoption by the Board of Trustees, at the Regular Meeting of the District's Board of Trustees no later than August of each year, according to the following guidelines ("Goal Guidelines"):

- a. The Superintendent performance goals adopted by the Board shall be defined or described in writing to the reasonable satisfaction of the Board and the Superintendent; and,
- b. The Superintendent performance goals may be modified following their adoption, but only with the mutual written consent of the Board and the Superintendent.

The District shall pay to the Superintendent each year up to \$12,000 or a percentage of the \$12,000 each year corresponding to the percentage of the Superintendent performance goals that are met or exceeded for the prior year. Following adoption of the Superintendent performance goals as herein provided, the Superintendent shall provide oral or written reports to the Board periodically, but at least quarterly, at its regular monthly meetings, concerning the District's progress towards the Superintendent performance goals. At the Regular Meeting of the Board in June of each year during the term of this Contract, the Board shall review the District's progress towards the Superintendent performance goals, and in the event the Superintendent has accomplished the Superintendent performance goals in whole or in part, the District shall pay to the Superintendent an amount up to \$12,000.00 per annum. All payments shall vest in and become the property of the Superintendent at the time they are made. Each payment requires Board approval for each year any payment is made. These funds shall be a portion of the Superintendent's salary and TRS contributions and withholding shall be applied to these funds.

11. LONGEVITY INCENTIVE

The Board recognizes that stability and continuity in the position of Superintendent is beneficial to the educational and financial interests of the District. Therefore, the District shall contribute the sum of twelve thousand and no/100 dollars (\$12,000.00) prior to July 1, 2008, in an interest bearing account established and maintained by the District. On or before July 1, 2009 the District shall contribute the sum of twelve thousand and no/100 dollars (\$12,000.00) in an interest bearing account established and maintained by the District. If the Superintendent is still employed in the position of Superintendent on August 31, 2010, the District shall transfer the sum of twenty four thousand and no/100 dollars (\$24,000.00) plus earned interest to the Superintendent and such amount shall

vest in and become the property of the Superintendent.

No payment is due to the Superintendent unless he is still employed as Superintendent of TISD on August 31, 2010, at which time the sum of twenty four thousand dollars (\$24,000.00) plus accrued interest will be paid.

12. HEALTH AND DENTAL INSURANCE

The District shall pay the premiums for the Superintendent for group health, hospitalization and dental insurance for himself through the group health and dental plan provided by the District. In addition, the District shall pay the Superintendent a monthly amount equal to the amount of the premiums for group health, hospitalization and dental insurance coverage for the Superintendent's immediate family under the group health and dental plan provided under plan 2 of the TRS program. The District shall pay for disability and life insurance premiums in the amount of \$5,200.00 annually.

13. BUSINESS EXPENSES

The District shall pay or reimburse the Superintendent for reasonable reimbursable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract and §3.16(a) of State of Texas Travel Allowance and in accordance with Board policies or Board approval from funds budgeted for that purpose. The District agrees to pay the actual and incidental costs incurred by the Superintendent for travel, including but not limited to such costs for, airplane tickets, hotel rooms or other accommodations, meals, rental car, mileage expense reimbursement for travel outside of the District and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all Board policies and procedures and shall provide documentation required by the Board related to such expenses. The Superintendent's expenses shall be subject to review by the District's independent auditors. The Board shall retain the authority to refuse any reimbursement request that it determines is excessive or that it reasonably believes falls outside the scope of the Superintendent's duties.

14. GOALS AND OBJECTIVES

Within ninety (90) days of the first day of this Contract as specified in Section 1 above, the Board and the Superintendent shall meet to establish Board goals and objectives for the District for the ensuing school year. Said goals and objectives shall be reduced to writing and adopted by the Board, and shall be among the criteria by which the Superintendent is evaluated as hereinafter provided. On or prior to August 1 of each succeeding school year, the parties will meet to establish Board goals and objectives for

the District for the next succeeding school year, in the same manner and with the same effect as heretofore described.

15. EVALUATION

The Board shall evaluate and assess the performance of the Superintendent in writing in January of each year during the term of this Contract, and at such other times as deemed necessary and appropriate by the Board. The evaluation shall be confidential to the extent permitted by law and the meetings at which the Board evaluates and assesses the performance of the Superintendent will be held in closed session unless the Board and the Superintendent mutually agree in writing that they should be held in open session. The evaluation and assessment of performance shall be in accordance with the Board's policies and state and federal law, shall be related to the duties of the Superintendent as prescribed by law, Board policies and in the Superintendent's job description, and shall be based on the Board goals and objectives for the District as established for the evaluation period.

16. TERMINATION OF EMPLOYMENT Contract

This Employment Contract may be terminated by:

- A. Mutual Agreement of the Parties.**
- B. Retirement of Superintendent.**
- C. Death of Superintendent.**
- D. Disability of Superintendent.** Should the Superintendent become unable to perform any or all of the duties of his position by reason of illness, accident or other cause, and said disability exists after all accrued leave has been exhausted, the District may make appropriate deduction from the Superintendent's annual base salary for any additional days in which the Superintendent is unable to perform the duties of his position. If such disability continues for a continuous period of one hundred eighty (180) days, or if such disability is permanent or irrevocable as determined by a physician mutually acceptable to the Board and the Superintendent's representative, the Board may, at its option, terminate this Contract, whereupon the respective rights, duties and obligations herein stated shall terminate, unless specifically provided to the contrary.

If a question arises concerning the capacity of the Superintendent to return to his duties, the Board may require the Superintendent to submit to a medical examination to be performed by a doctor licensed to practice medicine in the State of Texas and who is mutually acceptable to the Board and the Superintendent. The examination shall be done at the expense of the Board. The physician shall limit the report to the issue of whether the Superintendent has a continuing disability that prohibits him from performing any or all of his duties.

E. Discharge for Good Cause. The Board may dismiss the Superintendent during the term of the Contract for good cause as determined by state law. Reasons for a proposed termination for good cause shall be given in writing and the Superintendent shall be entitled to all procedural and substantive rights as set forth in the Board's policies and applicable state and federal law. If the Superintendent chooses to be represented by legal counsel in any such proceedings, he shall bear any costs therein involved.

F. Renewal/Non-Renewal. Renewal or non-renewal of this Contract shall be in accordance with Board policy and applicable law.

17. 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.

18. CONTROLLING LAW.

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

19. 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.

20. MULTIPLE ORIGINALS

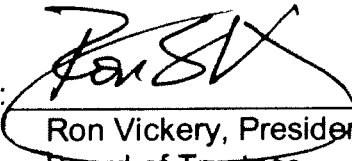
This Contract is executed in two (2) originals, one for the Board and one for the Superintendent, each of which shall constitute but one and the same instrument.

21. 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.

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


Tyler Independent School District

By: 

Ron Vickery, President
Board of Trustees
Date: Aug. 19, 2008

By: 

Randy Reid, Superintendent
Date: 8/15/08, 2008

ATTEST:


Gina Orr, Secretary
Board of Trustees


ADDENDUM TO SUPERINTENDENT'S CONTRACT

The Board of Trustees of the Tyler Independent School District met at a duly and lawfully called special board meeting on Friday, June 5, 2009, to perform the Superintendent's evaluation and as a result of that conference and meeting the Board and the Superintendent have agreed as follows:

1. The term of the contract shall end on June 30, 2012. This represents a change in the contract to allow for an additional one year to the Superintendent's contract.
2. Paragraph 4 regarding compensation is changed to provide for a salary of \$185,000 per year beginning on July 1, 2009.
3. Pursuant to paragraph 10 of the contract the performance incentive is to be paid for the 2008-2009 school year in the amount of \$8,000.
4. The Board and the Superintendent agree there have been no oral modifications to the Superintendent's contract. All other terms and conditions of the contract, as amended, shall remain in full force and effect.

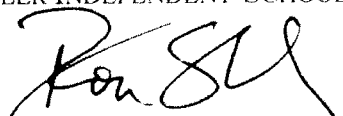
I have read this addendum and agree to abide by its terms and conditions.

6/11/09
Date


Dr. Randy Reid, Superintendent

TYLER INDEPENDENT SCHOOL DISTRICT

6-18-09
Date

By 
Ron Vickery, President
Board of Trustees