

SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into among the United States of America, acting through the United States Department of Justice, and Forney Independent School District (Forney ISD) (hereafter collectively referred to as “the Parties”), through their authorized representatives.

RECITALS

A. Forney ISD is a Texas public school district headquartered at 600 S. Bois d’Arc St., Forney, Texas 75126.

B. Forney ISD received federal special education funding in the amount of approximately \$2.8 million for the 2025–2026 school year under the Individuals with Disabilities Education Act (IDEA) grant program. As a condition of receipt of IDEA funds, Forney ISD certified compliance with all applicable federal and state laws, which include the mandatory reporting of child abuse and educator misconduct laws under Texas Education Code § 22A, Texas Family Code § 261, and related provisions.

C. The United States contends that it has certain civil claims against Forney ISD arising from false or misleading representations made in federal grant certifications during the period from August 2025 through April 2026, arising from non-compliance with mandatory reporting and educator misconduct laws in connection with Forney ISD’s hiring and employment of Michael Roell a/k/a Johnathan Michael. Specifically, the United States contends as follows (which is referred to below as the “Covered Conduct”):

1. On August 7, 2025, Roell met Dr. Shanita Alsbrooks, then serving as Coordinator of Recruitment and Retention at Forney ISD, at a job fair held at Globe Life Stadium in Arlington, Texas.

2. Later that day, Roell followed up with Alsbrooks through email regarding open special education positions in Forney ISD. In the following days, Alsbrooks and Roell exchanged further correspondence regarding open special education positions in Forney ISD.

3. On August 11, 2025, Alsbrooks forwarded Roell's information to Wendy Bailey, the then-Principal of Forney ISD's Crosby Elementary School, for consideration regarding special education vacancies.

4. Later that day, Bailey responded to Alsbrooks with a screenshot of an article that showed that Roell was arrested in 2016 while employed at Garland ISD, with commentary from Bailey that stated: "No thank you. LOLLOLOL! Let's (sic) try again. :)". Roell and Bailey had worked at Garland ISD in the special education department during overlapping periods between 2014 and 2016, and in 2016, Roell has been arrested for indecency with a minor based on conduct alleged to have occurred while he was employed by Garland ISD, involving a special needs child. Roell was subsequently acquitted criminally, but multiple civil lawsuits were filed against Garland ISD and Roell arising from the same underlying allegations, which civil actions were later resolved.

5. Despite Bailey's reaction, Forney ISD continued to process Roell's application.

6. On August 15, 2025, Bailey called Roell at 12:20 pm CT and had an approximately four-minute phone call. At 12:26 pm CT, Bailey sent Roell an invitation for a job interview on August 18, 2025.

7. On August 18, 2025, Bailey changed the interview date of Roell from August 18, 2025 to August 20, 2025. Alsbrooks and Human Resources Director Lloyd Ashcraft were included on this exchange.

8. One day later, on August 19, 2025, Bailey texted Roell, “Best of luck, Mike. I truly feel for you and the position you have been put in. Definitely explore the name-change route!” Roell responded, “I got the paperwork for the name change ready. I was going to file it as soon as you were willing to hire me.” Bailey then stated, “It’s only my opinion, but if you want to work in education, it’s going to have to be done before you apply anywhere else.”

9. On August 20, 2025, Roell telephoned Crosby Elementary. Around 1:30 p.m. CT, Bailey canceled the interview that had been scheduled for that day. At 4:31 p.m. CT that same day, Roell filed a petition in the Rockwall County District Court seeking to legally change his name to Johnathan Michael. On September 5, 2025, the 385th Judicial District Court of Rockwall County entered an order granting the petition and legally changed Roell’s name to Johnathan Michael.

10. On September 26, 2025, Roell applied to Forney ISD with the name Johnathan Michael. On October 6, 2025, Bailey texted Michael/Roell: “Jonathan... this is so unconventional, I usually don’t offer a teaching position via text. But i didn’t want the day to get away from me and leave you hanging. Keep in mind that i do not hire, I only recommend, but if you’re willing, I’d love to recommend you for the SLC position. So what do ya say?? Wanna be a Crosby Cougar?”

11. On October 7, 2025, Forney ISD hired Roell under the name Johnathan Michael for a special education position at Crosby Elementary School, but with an awareness that Johnathan Michael was the same person as Michael Roell. On October 9, 2025, the Forney ISD HR department requested that Michael/Roell present evidence of his name change, which he provided.

12. On or about late January 2026, Principal Wendy Bailey became aware of allegations that Michael/Roell had abused a student at Crosby Elementary. On January 30, 2026, Bailey called Michael/Roell on his cellphone, but otherwise took no other action.

13. On April 14, 2026, Bailey was presented with additional allegations that Michael/Roell was abusing students. Bailey subsequently moved a student out of Michael/Roell's classroom, but took no other action.

14. On April 21, 2026, an aide at Crosby Elementary met with the abused student's parents at a public park and informed them that Michael/Roell had been touching the student at school for months. The parents of the abused student then contacted the Forney ISD Police Department, which notified Forney ISD.

15. Following the April 21, 2026 report, Forney ISD promptly requested investigative assistance from the Texas Rangers, a division of the Texas Department of Public Safety, and cooperated with that investigation. Forney ISD also made the required reports to the State Board for Educator Certification (SBEC) pursuant to Texas Education Code § 22A and to the Texas Education

Agency (TEA). Forney ISD thereafter ended the employment Michael/Roell as well as Bailey.

16. On April 29, 2026, Forney ISD issued a press release to families of Crosby Elementary students stating that, upon learning of the allegations, the district “immediately removed” Michael/Roell; that the district “immediately” notified law enforcement and CPS and reported the misconduct to TEA; and that the district had “no knowledge of prior issues” related to Michael/Roell.

17. The United States contends that Principal Bailey failed to report materially relevant information concerning Michael/Roell’s prior criminal history. The United States contends that Bailey was aware in August 2025 that Michael/Roell had a prior criminal history and sent a screenshot of an article documenting Roell’s 2016 arrest while employed at Garland ISD. Bailey did not report this information to the Superintendent’s office at Forney ISD, the TEA, or the SBEC, as required under Texas law and district policy. The United States further asserts that Bailey not only knew about Roell’s legal name change from Michael Roell to Johnathan Michael, but also helped initiate and facilitate it. Despite understanding that the name change was related to Michael/Roell’s criminal history and relevant to his suitability for employment in a special-education setting, Bailey did not report either the name change or the underlying criminal history to the appropriate authorities. This failure prevented required state-level vetting, background-verification procedures, and educator-misconduct checks from occurring as intended.

In addition, Texas law imposes strict, non-delegable reporting duties on school officials related to allegations of educator misconduct. Under Texas Education Code Chapter 22A, principals must notify the superintendent within 48 hours of becoming aware of alleged educator or employee misconduct, and the superintendent must, within 48 hours of receiving that notice or otherwise becoming aware, file a misconduct report with TEA/SBEC through the Educator Misconduct Reporting Dashboard and complete an investigation even if the employee resigns or is terminated. Separately, Texas Family Code § 261.101 requires professionals to report suspected child abuse to Texas Department of Family and Protective Services (DFPS) or law enforcement within 24-hours, and TEA guidance makes clear these duties cannot be delegated.

Against this legal framework, beginning in January 2026, Principal Wendy Bailey received multiple reports of suspected abuse involving Michael/Roell—including a paraprofessional’s allegations and additional allegations from staff on April 14, 2026—but made no legally required report to the superintendent, law enforcement, or DFPS.

The United States further contends that Forney ISD continued to submit or rely upon federal education-grant certifications requiring compliance with state educator-conduct and student-safety reporting requirements, and that the failures described above rendered those certifications inaccurate or misleading.

D. This Settlement Agreement is neither an admission of liability by Forney ISD nor a concession by the United States that its claims are not well founded.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Forney ISD shall pay to the United States \$14,308.00 (Settlement Amount), by electronic funds transfer, pursuant to written instructions to be provided by Office of the United States Attorney for the Northern District of Texas, no later than 14 days after the Effective Date of this Agreement.

2. Compliance Program Requirements. Forney ISD shall adhere to the following compliance requirements for a period of three (3) years from the Effective Date of the Agreement.

a. Within sixty (60) days of the Effective Date of this Agreement, Forney ISD will contact the local law-enforcement agency(ies) serving each campus (not Forney ISD police department), and the Texas Rangers (DPS) as appropriate, regarding a Memorandum of Understanding (MOU) to formalize roles, timelines, notification triggers, information-sharing, and joint response protocols for school-based allegations of child abuse or neglect, educator misconduct, and other student-safety concerns; the MOU shall align with Texas Family Code § 261.101 and Texas Education Code Ch. 22A (superintendent and principal reporting) and incorporate TEA's Misconduct Reporting Portal workflow and administrator reporting timelines (including action within 48 hours and no later than seven days after a resignation or termination), and it shall require notification to local law-enforcement in all mandatory-reporting events under Texas law. The United

States understands that Forney ISD cannot bind a third party under this Agreement and, as such, expressly agrees that Forney ISD's only obligation under this section (2.a.) is to contact the local law-enforcement agency(ies) serving each campus, and with the Texas Rangers (DPS) as appropriate, and to take all necessary good-faith steps to formalize the MOU(s).

b. Within sixty (60) days of the Effective Date, Forney ISD shall adopt and enforce a single, district-wide "Civil Liability Disclosure Form" that must be fully completed before any applicant, employee, contractor, substitute, volunteer, or service provider is permitted to begin work involving student contact; the Form shall require the applicant to disclose whether the individual has ever been found civilly liable by judgment, arbitration award, administrative finding, or Title IX determination for sexual misconduct, sexual abuse, or an improper relationship with a minor or student, or whether any other entity has been found so liable based on the applicant's conduct.

c. Within sixty (60) days of the Effective Date, Forney ISD shall design, produce, and post mandatory signage on each District campus and facility communicating the non delegable duty of "professionals" to report suspected child abuse or neglect no later than twenty four (24) hours after forming reasonable cause, consistent with Texas Family Code § 261.101.

d. Within sixty (60) days of the Effective Date, Forney ISD shall implement a "Child Abuse Reporting Requirements" checklist which will detail all of the steps administrators must take when child abuse is reported to them, including the reporting requirements in Texas Family Code § 261.101.

3. Subject to the exceptions in Paragraph 4 (concerning reserved claims) below, and conditioned upon the United States' receipt of the Settlement Amount, the United States releases Forney ISD from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of breach of contract, payment by mistake, unjust enrichment, and fraud.

4. Notwithstanding the release given in Paragraph 3 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);
- b. Any criminal liability;
- c. Except as explicitly stated in this Agreement, any administrative liability or enforcement right, or any administrative remedy, including the suspension and debarment rights of any federal agency;
- d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;
- e. Any liability based upon obligations created by this Agreement;
and
- f. Any liability of individuals.

5. Forney ISD waives and shall not assert any defenses Forney ISD may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

6. Forney ISD fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Forney ISD has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

7. a. Unallowable Costs Defined: All costs (as defined in 2 C.F.R. § 200.435 and § 200.441) incurred by or on behalf of Forney ISD, and its present or former officers, directors, employees, board members, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;
- (3) Forney ISD's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);

- (4) the negotiation and performance of this Agreement;
- (5) the payment Forney ISD makes to the United States pursuant to this Agreement,

are unallowable costs under the Uniform Guidance for Federal awards (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by Forney ISD, and Forney ISD shall not charge such Unallowable Costs directly or indirectly to any awards with the United States.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 days of the Effective Date of this Agreement, Forney ISD shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Forney ISD or any of its subsidiaries or affiliates from the United States. Forney ISD agrees that the United States, at a minimum, shall be entitled to recoup from Forney ISD any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted requests for payment. The United States, including the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine Forney ISD's books and records and to disagree with any calculations submitted by Forney ISD or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Forney ISD, or the effect of any such Unallowable Costs on the amount of such payments.

8. Forney ISD agrees to cooperate fully and truthfully with the United States' investigation of individuals and entities not released in this Agreement. Upon reasonable notice, Forney ISD shall encourage, and agrees not to impair, the cooperation of its directors, officers, and employees, and shall use its best efforts to make available, and encourage, the cooperation of former directors, officers, and employees for interviews and testimony, consistent with the rights and privileges of such individuals. Forney ISD further agrees to furnish to the United States, upon request, complete and unredacted copies of all non-privileged documents, reports, memoranda of interviews, and records in its possession, custody, or control concerning any investigation of the Covered Conduct that it has undertaken, or that has been performed by another on its behalf.

9. This Agreement is intended to be for the benefit of the Parties only.

10. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

11. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

12. This Agreement is governed by the laws of the United States. The exclusive venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Texas. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

13. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

14. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

15. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

16. This Agreement is binding on Forney ISD's successors, transferees, heirs, and assigns.

17. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

18. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date of this Agreement). Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

THE UNITED STATES OF AMERICA

DATED: 08/17/26

RYAN RAYBOULD
UNITED STATES ATTORNEY

BY: Jara Bon
Javan Porter
Assistant United States Attorney
Northern District of Texas

FORNEY ISD

DATED: 8/17/26 BY: [Signature]
Dr. Justin Terry
Superintendent