



LEGISLATIVE BUDGET BOARD

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April 21, 2004

Dr. Ryder Warren
Superintendent, Marble Falls Independent School District

Dear Dr. Warren:

The attached report reviews the management and performance of the Marble Falls Independent School District's (MFISD's) educational, financial, and operational functions.

The report's recommendations will help MFISD improve its overall performance as it provides services to students, staff, and community members. The report also highlights model practices and programs being provided by MFISD.

The staff of the Legislative Budget Board appreciates the cooperation and assistance that your staff and SoCo Consulting, Inc. provided during the preparation of this report.

The report is available on the LBB website at <http://www.lbb.state.tx.us>.

Respectfully submitted,

John Keel, CPA
Director
Legislative Budget Board

cc: Richie Giesecke
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Martin McLean

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MARBLE FALLS INDEPENDENT SCHOOL DISTRICT MANAGEMENT AND PERFORMANCE REVIEW

Marble Falls Independent School District's (MFISD's) school review report noted 39 commendable practices and made 68 recommendations for improvement. The following is an Executive Summary of the significant findings and concerns that resulted from the review. A copy of the full report can be found at www.lbb.state.tx.us.

GENERAL INFORMATION ABOUT MFISD

- Located in Burnet County, northwest of Austin in the Texas Hill Country.
- The county grew by 50 percent between 1990 and 2000.
- Student enrollment has not kept pace with Burnet County's growth rate. MFISD's enrollment grew by 103 students, or 2.9 percent between 1998–99 and 2002–03. Specifically, there were 3,632 students in 2002–03 compared to 3,529 in 1998–99. During this same timeframe, staff grew by 15.7 percent.
- The district was notified of its Chapter 41 status (property wealthy status), by the Texas Education Agency (TEA) in February 2004.
- Served by Regional Education Service Center XIII (Region 13).
- Rated *Academically Acceptable* by the Texas Education Agency.
- Based on the passing criteria identified by the Texas Education Agency for the 2002-03 statewide assessment, MFISD scored 50.7 percent, compared to the state average of 48.0 percent. (MFISD's 2003 scores are based on the first year of a three-year, progressive system to reach TEA's benchmark assessment.)
- Superintendent Dr. Ryder Warren was hired in July 2003.
- Senator Troy Fraser and Representative Suzanna Gratia Hupp represent Marble Falls Independent School District's area.

SCHOOLS

- Marble Falls Primary
- Marble Falls Elementary
- Highland Lakes Elementary
- Spicewood Elementary scheduled to open in fall 2004
- Marble Falls Middle School
- Marble Falls High School

TWO ALTERNATIVE EDUCATION PROGRAMS

- Educational Placement/Instruction Center (EPIC)— the district's disciplinary alternative education program that is able to accommodate as many as 30 students at one time.
- Falls Career High School—the district's dropout recovery and prevention high school accommodates up to 45 students at one time.

2002–03 STUDENT DATA

- 3,632 students enrolled
- 67.1 percent Anglo
- 30.1 percent Hispanic
- 1.9 percent African American
- 0.4 percent Asian/Pacific Islander
- 0.5 percent Native American
- 45.8 percent economically disadvantaged

2002–03 FINANCIAL DATA

- Operating total budgeted expenditures of \$28.3 million
- Fund balance of 12.7 percent of total expenditures (\$3.6 million)
- Out of the total of 549 full-time equivalents on staff, 261 are teachers
- 2002 Tax Rate: \$1.64 (\$1.47 Maintenance and Operations and \$0.17 Interest and Sinking)

2002–03 PERCENT SPENT ON INSTRUCTION

- Out of total expenditures of \$28.3 million, MFISD spent \$13.6 million or 48 percent on instruction, which is below the state average of 51 percent. Looking at operating expenditures only (excluding debt service and bond repayment) MFISD spent 54 percent on instruction, which is below the state average of 57 percent.

SIGNIFICANT FINDINGS

- MFISD's superintendent proactively planned for the district's transition into Chapter 41 status.
- MFISD uses a unique collaborative process involving teachers, principals, and administrators—The Teacher/Administrator Collaborative Teaming (TACT)—to improve instructional practices in the classroom and provide support services to enhance student achievement.

SIGNIFICANT CONCERNS

- Student graduation rates are below state and regional levels. MFISD does not have a board-approved evaluation system to ensure all programs are effective. In addition, the district's curriculum is in varying stages of alignment to state approved standards and testing measurements.
- Children in two elementary schools are exposed to risk due to school playgrounds not being completely enclosed by a fence.
- MFISD does not effectively develop, manage or monitor contracts.
- MFISD does not use staffing allocation formulas, resulting in over and understaffing in some departmental areas.
- MFISD has weaknesses in its internal controls for cash management and other financial areas.
- The district's lack of oversight on tax collections has contributed to a declining trend in collections since 2000–01.

SIGNIFICANT RECOMMENDATIONS

Recommendation: Develop and implement a board–approved program evaluation system and include program evaluation in annual District and Campus Improvement Plans.

MFISD has a declining graduation rate and does not formally assess its programs for effectiveness. The district's graduation rates have declined 8.3 percentage points from 90.1 percent for the class of 1998 to 81.8 percent for the class of 2002. The district's economically disadvantaged students and special education students' graduation rates, in particular, have significantly declined between 1998 and 2002 by 31.5 percentage points and 22.4 percentage points, respectively. In 2002, only 57.1 percent of economically disadvantaged students and only 63.3 percent of special education students graduated. While the district implemented a variety of new programs and strategies in 2002–03 and 2003–04, aggressively monitoring individual and class progress from ninth grade through graduation and ensuring graduation rates can be tracked back to program success should help the district better determine program effectiveness, make necessary adjustments, and increase overall graduation rates.

Recommendation: Update and revise curriculum guides.

MFISD's curriculum guides, developed in 1999–2000 before the implementation of the Texas Assessment of Knowledge and Skills (TAKS), are outdated and are not all complete. The district did not use a curriculum guide template in the development process to ensure consistency and adherence to development standards at all grade levels. Updating and aligning all curriculum guides for all courses will assist the district in focusing its efforts on further improving student performance.

Recommendation: Construct fences to reduce access to elementary school playgrounds.

Two elementary school playgrounds are not secure, placing elementary students at risk. The playground at Marble Falls Elementary School is fenced on three sides but still provides easy access to vehicles. The playground at the Highland Lakes Elementary School is fenced on two sides and permits vehicular access. Completely enclosing all school playgrounds and restricting vehicular access to playgrounds will improve child safety. The cost to both schools is estimated at \$12,200.

Recommendation: Ensure that district service or product agreements include valid contracts and develop written guidelines for creating, managing, and monitoring contracts.

The district has no written guidelines for developing, managing, and monitoring contracts. The review team identified agreements with vendors that lacked valid contracts, and contracts where performance measures were insufficient and not monitored for compliance. As an example, the district has entered into a 15–year exclusive beverage agreement without a contract. Developing guidelines for evaluating, managing, and monitoring all district contracts will ensure the vendors fulfill all legal obligations and deliver efficient services.

Recommendation: Use staffing allocation formulas to determine the appropriate number of positions within each campus and eliminate excess positions.

The district does not use a staffing allocation formula to determine staffing requirements for each school. As a result, the district is understaffed in some areas and overstaffed in others. District data shows that over a five–year period, student enrollment has only increased by 2.9 percent while total staff has increased by 15.7 percent. Marble Falls ISD is overstaffed by 11.5 positions compared to staffing industry standards applied by the Southern Association of Colleges and Schools' (SACS) which accredits more than 12,000 public and private institutions, from pre–kindergarten through the university level. By implementing industry–staffing standards, MFISD can redirect savings toward classroom instruction while ensuring adequate staffing occurs districtwide.

Recommendation: Implement sound internal controls for cash management.

MFISD's cash management processes do not have proper internal controls to reduce the opportunity for fraud, theft and unauthorized disbursements. The district's payroll clerk has the ability to establish new employees in the payroll system, enter or change salary amounts for employees, and print and distribute payroll checks. The district's accounting supervisor makes cash transfers between bank accounts, has access to the check stock and reconciles all bank statements. Implementing sound internal controls in the district's cash management functions will eliminate the possibility of improper actions going undetected and costing the district loss of funds.

Recommendation: Hire an internal auditor to report directly to the Board of Trustees.

The review team found several instances of concern including no written procedures and few internal controls for accounting, payroll, student activity accounts, investment activities, inventory balances, and budget monitoring. Despite adding new safeguards to the campus activity funds in December 2003, student activity funds and athletic event gate receipts lack formal written procedures. Written procedures are a measure that could help prevent future theft or fraud. An internal auditor reporting directly to the board will provide MFISD with independent monitoring of the district's operations as well as alerting the board of any internal control issues and assisting the board in making more informed decisions. The cost to the district for providing an internal auditor is estimated at nearly \$61,000 annually.

Recommendation: Improve district oversight and monitoring of the outsourced tax functions.

MFISD's non-delinquent tax collection rate fell from 98.3 percent in 2000-01 to 95.8 percent in 2002-03. MFISD has not reviewed the tax collection contract with Burnet County Central Appraisal District (CAD) since September 1991. MFISD has no written policies regarding the management and oversight of the district's tax functions nor does it regularly schedule meetings with the Burnet CAD to discuss the delinquency rates and other tax services being provided to the district. By increasing district oversight and monitoring of the outsourced tax function, MFISD can benefit from improved services. For example, if the district increases its non-delinquent tax collection rate to match its 1999-2000 rate of 97 percent, MFISD could receive an additional estimated \$272,000 annually.

OTHER RECOMMENDATIONS

Recommendation: Provide board members with adequate information that is organized and analyzed enabling them to make informed business decisions.

During interviews with the review team, the majority of board members agreed that the information provided them in preparation for monthly board meetings was insufficient, not appropriately organized and necessary data was often missing, compromising their ability to make informed business decisions for the district. Developing and using templates for monthly board packets that specify data requirements, legal guidelines and constrictions, timelines, choice options, responsible parties, district impacts and cost-benefit analyses should be developed and used in preparation for each board meeting. This measure should facilitate the board making prudent decisions regarding the more than \$28 million operating budget.

Recommendation: Develop and implement a comprehensive safety program to control workers' compensation claims and improve the safety of district employees.

The district does not have a comprehensive safety program to reduce the occurrence of worker's compensation claims and to control costs. Overall responsibility for the program is provided by the assistant superintendent of Business and Finance, however, the lack of focus in this area to control costs and ensure the safety of district staff has caused the district's workers' compensation premiums to

increase by almost 40 percent in the last five years. This is 20.4 percent higher than the average of member districts that comprise the Texas Public Workers' Compensation Program. MFISD is a member of the program. The district can reduce workers' compensation premiums by more than \$93,000 annually beginning in 2005–06 by developing an effective safety program that reduces employee accidents to member district averages.

Recommendation: Establish a process to track and ensure district compliance with procurement laws on aggregate purchases.

MFISD does not have a process to ensure that aggregate purchases are in compliance with state law and board policy governing competitive procurement. The review team identified \$226,369 in purchases that did not comply with the competitive procurement process. A process for tracking aggregate purchases will help MFISD stay in compliance with state requirements for bids and quotes.

Recommendation: Develop a plan to meet TEA's short-term goal of a 4 to 1 student-to-computer ratio.

The district does not meet and has not developed plans to meet with the Texas Education Agency's (TEA) recommended short-term student-to-computer ratio of four to one. While the district's high school has met the goal of four-to-one, the Marble Falls Primary School's ratio is still at an eight-to-one ratio. The district has not formally planned how they will meet TEA's short-term computer-to-student goal. The district can develop a plan to reach TEA's four-to-one student computer goal by annually evaluating progress in the student-to-computer ratio at each school and presenting a report to the superintendent and the board. The district can then develop a plan to reach TEA's four to one student-to-computer goal.

Recommendation: Adopt a technology equipment replacement policy, plan, and procedures to replace obsolete computers.

MFISD has not adopted a systematic policy for replacing or updating outdated or obsolete technology equipment. MFISD has 37 percent, or 424 computers, that operate at slower processing speeds and are not fast enough to run Windows, browse the Web, or read e-mail. An additional 226 computers, or 20 percent of the total in the schools, are nearing obsolescence. The district gets the best value when replacing computers by developing a plan that compares the cost of leasing as well as purchasing equipment.

Recommendation: Establish a process to monitor all existing and future performance measures in the Food Service contract and review all invoices for contract compliance.

MFISD does not monitor all existing performance measures in the food service contract. The vendor's Food Service director prepares weekly and monthly reports on the progress of the Food Service operation for the assistant superintendent of Business and Finance. However, there is not a process in place where the district evaluates the existing food service reports and compares them to performance measures specified in the contract. By aggressively monitoring its food service contract, the district can ensure that the Food Service operation is providing the maximum acceptable level of service to MFISD.

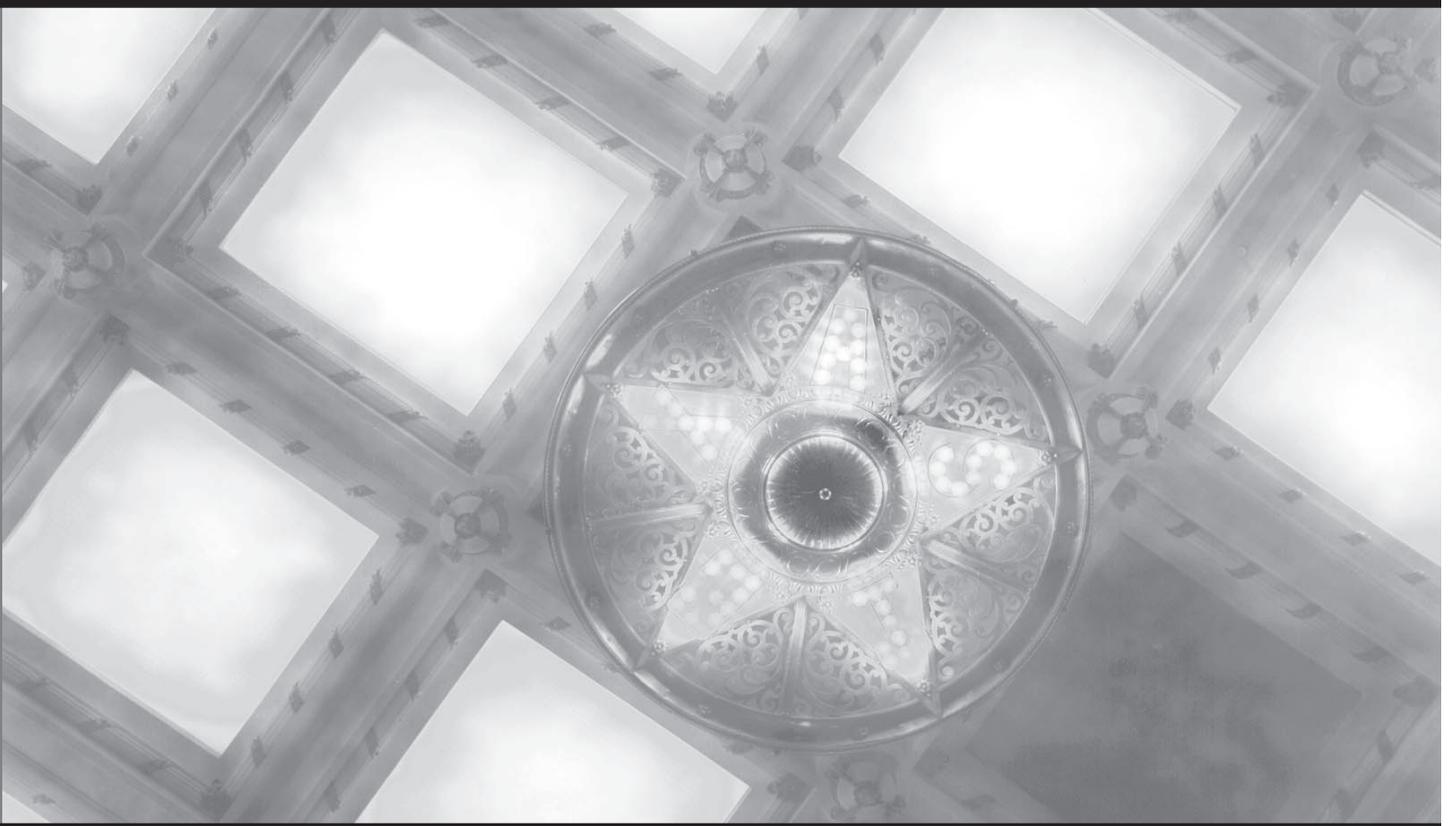
FISCAL IMPLICATIONS

The table below summarizes the fiscal implications of all 68 recommendations contained in the report.

| | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | Five-Year (Costs) or Savings | One Time (Costs) or Savings |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---|--|
| Gross Savings | \$656,217 | \$942,067 | \$1,051,225 | \$1,051,225 | \$1,051,225 | \$4,751,959 | \$0 |
| Gross Costs | (\$432,307) | (\$546,515) | (\$355,539) | (\$252,929) | (\$196,293) | (\$1,783,583) | (\$32,412) |
| Total | \$223,910 | \$395,552 | \$695,686 | \$798,296 | \$854,932 | \$2,968,376 | (\$32,412) |

Chapter 1

Educational Service Delivery and Community Support



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Chapter 1

EDUCATIONAL SERVICE DELIVERY AND COMMUNITY SUPPORT

This chapter reviews the educational service delivery and community support functions of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Student Performance and Graduation Rates
- B. Dropout Prevention/Alternative Education
- C. Compensatory Education/Title I
- D. Gifted/Talented Education and Advanced Placement
- E. Special Education
- F. Bilingual Education/English as a Second Language
- G. Career and Technology Education
- H. Library/Media Services
- I. Community Support

An effective educational service delivery system promotes successful student achievement and uses human and financial resources in a well-planned and coordinated manner.

BACKGROUND

Located an hour northwest of Austin, MFISD encompasses 264 square miles in Burnet and Travis counties. MFISD includes Marble Falls and seven satellite communities. According to the Chamber of Commerce, many of the 14,800 people living in and around Marble Falls are retired. In 2002–03, the district employed 548.9 persons of whom 260.6, or 47.5 percent, were teachers.

The district's student demographic composition has changed from 1998–99 to 2002–03. MFISD has an ethnically diverse student population as shown in **Exhibit 1–1**.

Exhibit 1–1
MFISD Student Demographics
1998–99 through 2002–03

| Student Ethnicity | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| African American | 2.1% | 2.2% | 2.5% | 2.1% | 1.9% |
| Hispanic | 22.3% | 24.8% | 26.3% | 27.9% | 30.1% |
| Anglo | 74.8% | 72.2% | 70.1% | 68.5% | 67.1% |
| Other* | 0.7% | 0.8% | 1.1% | 1.6% | 0.9% |
| Economically Disadvantaged | 41.7% | 40.8% | 41.1% | 42.0% | 45.8% |
| Limited English Proficient | 6.6% | 7.9% | 8.1% | 8.3% | 9.1% |
| Total Student Enrollment | 3,529 | 3,452 | 3,597 | 3,648 | 3,632 |

Source: Texas Education Agency (TEA), Academic Excellence Indicator System (AEIS), 1998–99 through 2002–03.

* Other includes Asian/Pacific Islander and Native American students.

From 1998–99 through 2002–03, the Hispanic student population grew from 788 to 1,095, an increase of 39 percent. Anglo student enrollment decreased 8 percent from 2,640 in 1998–99 to 2,436 in 2002–03. During the same period, the African American and other minority student populations remained below 4 percent. The district also had a 13.1 percent increase in the number of students classified as economically disadvantaged from 1,470 to 1,662 and a 42.7 percent increase in students with limited English proficiency (LEP) from 232 in 1998–99 to 331 students in 2002–03. All MFISD schools are Title I schools. The federal No Child Left Behind Act amended state law allowing a school to be designated as a Title I, Part A, schoolwide program if 40 percent or more of students at the school, or in the attendance zone, come from low-income families.

MFISD served 3,632 students in 2002–03 in five schools. The schools include Marble Falls Primary with 682 students, Marble Falls Elementary with 510 students, Highland Lakes Elementary with 561 students, Marble Falls Middle with 833 students, and Marble Falls High School with an enrollment of 1,046 students. MFISD also has two alternative education programs: the Educational Placement/Instruction Center (EPIC), which is the district's disciplinary alternative education program that can accommodate up to 30 students, and Falls Career High School, the district's dropout recovery and dropout prevention alternative high school that can accommodate up to 45 students. In August 2004, MFISD plans to open an additional elementary school, Spicewood Elementary.

MFISD selected five Texas school districts to serve as peer districts for comparative purposes: Aransas County, Hallsville, La Marque, Sheldon, and Tuloso–Midway. To make these comparisons, the review team relied on the Texas Education Agency's (TEA) Academic Excellence Indicator System (AEIS) and Public Education Information Management System (PEIMS). The AEIS reports provide demographic, staffing, and financial data for each school district and school. AEIS reports summarize the more comprehensive PEIMS data reported by school districts each year. Annually, TEA sends these reports to each school and district and posts the information on its Web site www.tea.state.tx.us. The latest AEIS data, published by TEA in October 2003, and PEIMS data, published in spring 2003, are for 2002–03.

Exhibit 1–2 compares demographic information for MFISD, selected peer districts, Regional Education Service Center XIII (Region 13) to which it belongs, and the state. In 2002–03, 67.1 percent of MFISD's students were Anglo, 30.1 percent were Hispanic, 1.9 percent were African American, and 45.8 percent were economically disadvantaged.

Exhibit 1–2
Demographic Characteristics
MFISD, Peer Districts, Region 13, and the State
1998–99 and 2002–03

| District | Student Enrollment | | | Ethnic Group (Percent) | | | | Economically Disadvantaged |
|---------------------|--------------------|------------------|---------------------------|------------------------|--------------|--------------|-------------|----------------------------|
| | 2002–03 | 1998–99 | *Five Year Percent Change | African–American | Hispanic | Anglo | Other | |
| Sheldon | 4,177 | 4,081 | 2.4% | 22.4% | 42.8% | 34.0% | 0.8% | 63.6% |
| La Marque | 3,883 | 4,255 | (8.7%) | 67.0% | 14.6% | 17.8% | 0.6% | 58.8% |
| Hallsville | 3,761 | 3,809 | (1.3%) | 7.0% | 4.3% | 88.0% | 0.6% | 31.1% |
| Marble Falls | 3,632 | 3,529 | 2.9% | 1.9% | 30.1% | 67.1% | 0.9% | 45.8% |
| Aransas County | 3,371 | 3,468 | (2.8%) | 2.5% | 32.5% | 60.4% | 4.5% | 52.7% |
| Tuloso–Midway | 3,220 | 3,068 | 5.0% | 1.8% | 57.5% | 40.1% | 0.6% | 47.1% |
| Region 13 | 288,335 | 258,660 | 11.5% | 9.6% | 36.3% | 51.0% | 3.1% | 39.2% |
| State | 4,239,911 | 3,945,367 | 7.5% | 14.3% | 42.7% | 39.8% | 3.2% | 51.9% |

Source: Texas Education Agency, AEIS, 1998–99 and 2002–03.

*Percent change is defined as 2002–03 values minus 1998–99 values divided by 1998–99 values.

Exhibit 1–3 shows the 2002–03 budgeted instructional expenditures for MFISD, selected peers, Region 13, and the state. MFISD ranked the second lowest among its peers in percentage of expenditures for regular education and special education. MFISD had the third highest percentage of expenditures compared to the peer districts for compensatory education and the second highest for the English as a Second Language (ESL) and gifted and talented (G/T) education programs. MFISD also held the third position among its peers in its Career and Technology Education (CATE) expenditures. MFISD allocated a higher percentage of its budgeted instructional expenditures than Region 13 and the state to CATE, G/T, and compensatory education programs. The district’s instructional expenditures per student were second highest among its peers. MFISD’s budgeted instructional expenditures per student of \$3,749 were higher than the Region 13 and state averages of \$3,604 and \$3,599, respectively.

Exhibit 1-3
Budgeted Instructional Expenditures
MFISD, Peer Districts, Region 13, and the State
2002-03

| District | Total Budgeted Instructional Expenditures* | Instructional Expenditures Per Student | Percent Regular Education | Percent G/T | Percent Special Education | Percent CATE | Percent Bilingual /ESL | Percent Compensatory Education |
|---------------------|--|--|---------------------------|-------------|---------------------------|--------------|------------------------|--------------------------------|
| Sheldon | \$17,711,358 | \$4,240 | 63.1% | 1.5% | 13.7% | 2.8% | 7.0% | 11.7% |
| Marble Falls | 13,617,512 | 3,749 | 69.6% | 3.3% | 9.4% | 5.0% | 5.0% | 7.6% |
| Hallsville | 12,639,819 | 3,361 | 79.0% | 0.6% | 8.7% | 7.1% | 0.5% | 3.9% |
| La Marque | 12,611,588 | 3,248 | 70.1% | 6.2% | 10.3% | 7.4% | 0.6% | 5.4% |
| Aransas County | 11,779,770 | 3,494 | 77.2% | 0.0% | 10.9% | 4.0% | 0.2% | 7.7% |
| Tuloso-Midway | 9,427,370 | 2,928 | 79.7% | 0.5% | 11.0% | 5.0% | 0.2% | 1.4% |
| Region 13 | 1,038,972,759 | 3,604 | 68.4% | 1.7% | 15.8% | 3.4% | 5.5% | 4.3% |
| State | 15,258,107,372 | 3,599 | 70.8% | 1.8% | 12.6% | 4.1% | 4.5% | 5.2% |

Source: Texas Education Agency, AEIS, 2002-03.

* Includes functions 11, 95.

As seen in **Exhibit 1-4**, MFISD ranked third highest among its peer districts in the percentage of students enrolled in the G/T and special education programs. MFISD ranked second highest in the enrollment of students in bilingual/ESL programs and CATE programs. MFISD had a higher percentage of students enrolled in CATE programs than the regional and state averages. However, the percentages of MFISD students enrolled in G/T programs, special education, and bilingual/ESL were lower than the regional and state averages.

Exhibit 1-4
Student Enrollment by Program
MFISD, Peer Districts, Region 13, and the State
2002-03

| District | Percent Gifted and Talented | Percent Special Education | Percent Career and Technology | Percent Bilingual/ESL |
|---------------------|-----------------------------|---------------------------|-------------------------------|-----------------------|
| Sheldon | 7.5% | 11.4% | 18.4% | 12.2% |
| Aransas County | 5.7% | 15.2% | 24.7% | 4.4% |
| Marble Falls | 5.3% | 11.5% | 25.4% | 8.5% |
| La Marque | 4.5% | 12.0% | 18.9% | 1.8% |
| Hallsville | 4.2% | 10.5% | 38.1% | 1.5% |
| Tuloso-Midway | 3.1% | 11.3% | 24.3% | 3.7% |
| Region 13 | 7.6% | 12.1% | 17.5% | 9.5% |
| State | 7.8% | 11.6% | 19.8% | 13.5% |

Source: Texas Education Agency, AEIS, 2002-03.

Exhibit 1-5 illustrates the percentage of expenditures by instructional function for MFISD, its peer districts, Region 13, and the state in 2002-03. MFISD ranked third highest in instruction and school leadership. MFISD's percentage of student support services expenditures and per student expenditure were the second highest. MFISD's budget allocated for instruction, instructional-related services and school leadership was lower than the state average. The percentages MFISD allocated to instructional leadership, student support services, co-curricular/extracurricular, central administration, and per student expenditure were higher than the regional and state averages.

Exhibit 1–5
Percent of Budgeted Expenditures by Instructional Function
MFISD, Peer Districts, Region 13, and the State
2002–03

| Expenditures by Function | Hallsville | Sheldon | Marble Falls | Aransas County | La Marque | Tuloso–Midway | Region 13 | State |
|--|-------------------|----------------|---------------------|-----------------------|------------------|----------------------|------------------|----------------|
| Instruction (11,95) | 49.1% | 48.8% | 48.0% | 47.1% | 45.5% | 43.3% | 48.6% | 50.8% |
| Instruction–Related Services (12,13) | 2.6% | 2.0% | 1.7% | 2.3% | 3.4% | 1.3% | 2.7% | 2.7% |
| Instructional Leadership (21) | 2.2% | 1.8% | 1.7% | 1.2% | 1.2% | 2.9% | 1.2% | 1.2% |
| School Leadership (23) | 4.5% | 4.6% | 5.0% | 5.1% | 5.9% | 5.2% | 5.0% | 5.3% |
| Support Services–Student (31,32,33) | 3.1% | 4.1% | 4.7% | 4.9% | 3.6% | 4.5% | 3.6% | 4.0% |
| Student Transportation (34) | 3.6% | 4.2% | 3.6% | 3.7% | 3.6% | 3.4% | 3.2% | 2.6% |
| Food Services (35) | 4.0% | 5.0% | 4.7% | 5.1% | 6.2% | 4.4% | 4.2% | 4.9% |
| Co curricular/ Extracurricular Activities (36) | 3.0% | 2.4% | 3.1% | 3.2% | 3.6% | 3.9% | 2.2% | 2.3% |
| Central Administration (41,92) | 4.8% | 4.4% | 4.8% | 4.4% | 5.4% | 4.4% | 3.9% | 3.6% |
| Plant Maintenance and Operations (51) | 11.2% | 11.6% | 10.0% | 12.7% | 12.7% | 12.4% | 9.7% | 10.0% |
| Security and Monitoring Services (52) | 0.3% | 1.1% | 0.0% | 0.7% | 1.2% | 0.0% | 0.4% | 0.6% |
| Data Processing Services (53) | 0.6% | 0.4% | 1.3% | 0.7% | 0.6% | 0.6% | 1.4% | 1.2% |
| Other* | 10.9% | 9.2% | 10.9% | 8.3% | 7.1% | 13.7% | 13.4% | 10.5% |
| Per Pupil Expenditures** | \$6,839 | \$8,697 | \$7,807 | \$7,413 | \$7,145 | \$6,766 | \$7,420 | \$7,088 |

Source: Texas Education Agency, AEIS, 2002–03.

* Includes any operating expenditures not listed above and all non–operating expenditures such as debt service, capital outlay and community and parental involvement services.

** Note: per pupil expenditures were calculated based on total expenditures and totals may not reflect 100 percent due to rounding.

Exhibit 1–6 shows the 2002–03 percentages of professional staff in various categories for MFISD, the peer districts, Region 13, and the state. MFISD had the fourth highest percentage of teachers and auxiliary staff among the peer districts. Its percentage of teachers, 47.5 percent, was lower than the regional and state averages of 52 and 50.5 percent, respectively. MFISD’s percentage of campus administrators and educational aides was higher than the regional and state averages and its peers. MFISD had the second lowest percentage of professional support staff and the lowest percentage of central administration, which was below the regional and state averages. Auxiliary staff includes clerks, secretaries, food service, maintenance, custodial, and transportation employees.

Exhibit 1-6
Professional Staff
MFISD, Peer Districts, Region 13, and the State
2002-03

| Professional Staff | La Marque | Tuloso-Midway | Aransas County | Marble Falls | Sheldon | Hallsville | Region 13 | State |
|------------------------|-----------|---------------|----------------|--------------|---------|------------|--------------|--------------|
| Teachers | 54.0% | 53.5% | 49.2% | 47.5% | 46.7% | 46.2% | 52.0% | 50.5% |
| Professional Support | 9.9% | 6.3% | 7.6% | 5.5% | 8.7% | 4.4% | 7.3% | 7.5% |
| Campus Administration | 2.7% | 2.7% | 2.0% | 3.4% | 3.1% | 2.8% | 2.8% | 2.7% |
| Central Administration | 1.5% | 1.3% | 1.4% | 0.5% | 2.0% | 0.9% | 0.9% | 1.0% |
| Educational Aides | 8.6% | 10.8% | 12.2% | 13.2% | 6.3% | 8.4% | 9.2% | 10.3% |
| Auxiliary Staff | 23.3% | 25.4% | 27.6% | 29.9% | 33.2% | 37.3% | 27.7% | 28.0% |

Source: Texas Education Agency, AEIS, 2002-03.

Of the six districts, MFISD had the fourth most experienced teacher group and the third highest teacher turnover rate in 2002-03 (**Exhibit 1-7**). MFISD had the highest percentage of teachers with six to 10 years of experience and the second highest percentage of teachers with 11 to 20 years of experience. More than one-half of its teachers had 11 or more years of experience and about three-quarters of its teachers had six or more years of experience. The percentage of MFISD teachers with six or more years of experience was higher than the Region 13 and state averages. On average, MFISD teachers had 13.2 years of experience compared with a regional average of 11.4 years and a state average of 11.8 years. MFISD's teacher turnover rate, 21.6 percent, was higher than the regional and state averages of 16.4 and 15.6 percent, respectively.

Exhibit 1-7
Teacher Experience
MFISD, Peer Districts, Region 13, and the State
2002-03

| Experience | La Marque | Tuloso-Midway | Aransas County | Marble Falls | Sheldon | Hallsville | Region 13 | State |
|-----------------------------|-----------|---------------|----------------|--------------|---------|------------|--------------|--------------|
| Percent of Teachers* | 54.0% | 53.5% | 49.2% | 47.5% | 46.7% | 46.2% | 52.0% | 50.5% |
| Beginning Teachers | 15.3% | 3.0% | 2.3% | 6.1% | 16.1% | 8.0% | 6.7% | 7.8% |
| 1-5 Years | 28.8% | 23.1% | 16.8% | 19.2% | 37.8% | 22.6% | 29.4% | 28.2% |
| 6-10 Years | 14.9% | 18.7% | 19.8% | 20.3% | 12.9% | 15.3% | 18.7% | 18.3% |
| 11-20 Years | 17.4% | 27.5% | 37.4% | 29.0% | 14.0% | 27.8% | 25.1% | 24.4% |
| More than 20 Years | 23.7% | 27.7% | 23.7% | 25.3% | 19.1% | 26.2% | 20.1% | 21.3% |
| Average Years of Experience | 12.2 | 13.8 | 13.6 | 13.2 | 9.5 | 13.3 | 11.4 | 11.8 |
| Teacher Turnover Rate | 24.6% | 16.9% | 14.7% | 21.6% | 26.8% | 14.5% | 16.4% | 15.6% |

Source: Texas Education Agency, AEIS, 2002-03.

** Percent of teachers relative to total staff.*

MFISD had the highest percentage of teachers with bachelor degrees and the second lowest percentage of teachers with master degrees in 2002-03. Its percentage of teachers with bachelor degrees, 79.1 percent, ranked higher than the regional and state averages of 77.2 and 76 percent,

respectively. Its percentage of teachers with master degrees, 20.9 percent, was lower than both the regional and state averages of 22 and 22.2 percent, respectively (**Exhibit 1–8**).

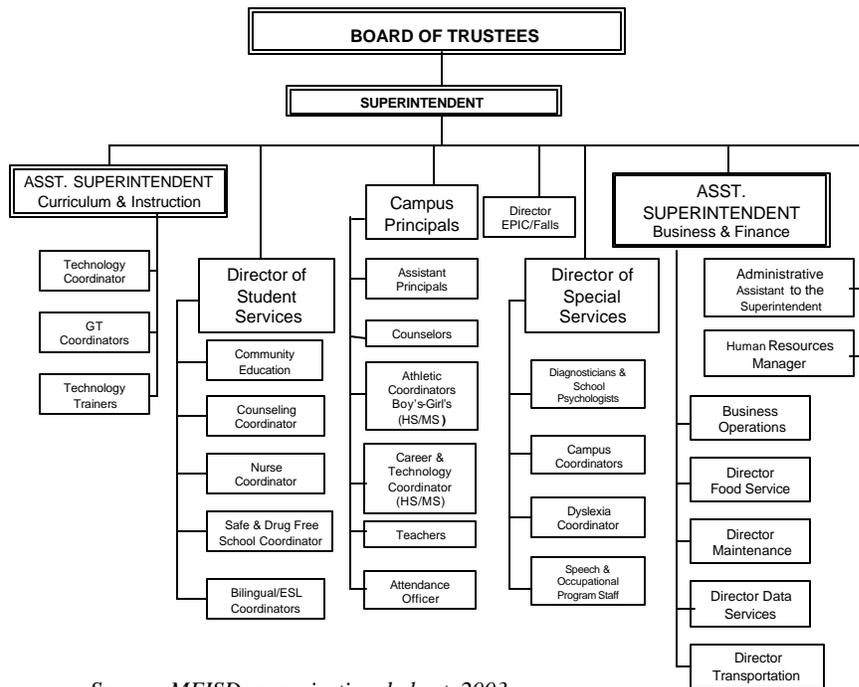
Exhibit 1–8
Teacher Degrees
MFISD, Peer Districts, Region 13, and the State
2002–03

| Education Level | La Marque | Sheldon | Tuloso–Midway | Hallsville | Aransas County | Marble Falls | Region 13 | State |
|-----------------|-----------|---------|---------------|------------|----------------|--------------|--------------|--------------|
| No Degree | 3.1% | 1.4% | 1.0% | 0.6% | 0.0% | 0.0% | 0.5% | 1.3% |
| Bachelor | 72.2% | 78.0% | 69.8% | 77.6% | 69.3% | 79.1% | 77.2% | 76.0% |
| Master | 23.5% | 19.8% | 28.7% | 21.8% | 30.7% | 20.9% | 22.0% | 22.2% |
| Doctorate | 1.2% | 0.7% | 0.5% | 0.0% | 0.0% | 0.0% | 0.4% | 0.5% |

Source: Texas Education Agency, AEIS, 2002–03.

Exhibit 1–9 presents the district’s organizational chart for educational service delivery. An assistant superintendent for Curriculum and Instruction leads MFISD’s Curriculum and Instruction Department.

Exhibit 1–9
MFISD Organizational Structure



Source: MFISD, organizational chart, 2003.

A. STUDENT PERFORMANCE AND GRADUATION RATES

Student performance on standardized tests and graduation rates demonstrate a district’s success in preparing students for the transition to the workforce or higher education. In 2002–03, a more rigorous statewide assessment administered in grades 3 through 11, the Texas Assessment of Knowledge and Skills (TAKS), replaced the Texas Assessment of Academic Skills (TAAS).

The state created a panel of 350 educators and citizens to complete extensive research and ensure the TAKS adhered to the federal No Child Left Behind (NCLB) mandates for student performance. This panel recommended the adoption of TAKS passing standards subsequently adopted by the State Board of Education (SBOE) in a three-year transition period. For 2002–03, the standard was set at two standard errors of measurements (SEM) below the panel recommendation. In 2003–04, the passing standard for grades 3 through 10 will be one SEM below the panel recommendation with full implementation of the passing standards in 2005. There is a one-year delayed phase-in for the grade 11 exit-level TAKS with full implementation of panel passing recommendations in 2005–06.

The TAKS addresses the following subjects in the identified grades:

- math in grades 3 through 11;
- reading in grades 3 through 9;
- English language arts in grades 10 and 11;
- writing in grades 4 and 7;
- social studies in grades 8, 10, and 11; and
- science in grades 5, 10, and 11.

The exit-level examination takes place at grade 11. In order to graduate from high school, students must pass the exit-level statewide assessment test.

Student performance on the statewide assessment test serves as one of the primary factors in determining a district's accountability ratings. In April 2004, the state announced provisions for a new accountability rating system that is designed as an improvement model or one that provides districts with a way to achieve a rating by meeting either an absolute performance standard or an improvement standard. The state developed the improvement criteria as a way for districts and campuses receiving an *Academically Unacceptable* rating to achieve a higher rating without increasing the number of indicators and measures in the accountability system itself. Higher absolute performance standards can also be established without penalizing large numbers of campuses and districts that realistically cannot be expected to reach these standards for several years. Conversely, lower performing campuses and districts are rewarded for making gains. Since gains are required on each measure for which the absolute standard is not met, no subject or student group is neglected. According to TEA, evaluation of student group performance, considered a strength of the former state accountability system, could be comprised under other designs such as weighted or proportional system. At the *Recognized* level, the improvement option allows campuses and districts that are close to meeting the *Recognized* standard and improving to be assigned the *Recognized* label.

While the previous accountability rating system used a combination of TAAS results and annual dropout rates, the new system is based upon a combination of TAKS results, dropout and longitudinal or class completion rates. Following a particular group or class of students longitudinally as they progress from grades 8 through 12 and using this information in accountability ratings gives parents, educators, and the community a more accurate view of the success of individual campuses and districts on a statewide level.

Because state statute requires annual district performance ratings of *Exemplary*, *Recognized*, *Academically Acceptable*, *Academically Unacceptable* and *Unacceptable: Data Quality*, and these were not available in 2002–03, the state carried district accountability ratings from 2001–02 forward to 2002–03 and 2003–04. To receive an *Exemplary* rating, at least 90 percent of all students, as well as 90 percent of each student group (African American, Hispanic, Anglo, and economically disadvantaged) had to pass the TAAS reading, writing, and mathematics tests. To achieve a *Recognized* rating, 80 percent of all students and each student group had to pass the TAAS reading, writing, and mathematics tests. To be rated *Academically Acceptable*, 50 percent of each student group had to pass TAAS. Scores for students with disabilities and from the TAAS Spanish version of reading and mathematics in grades 3 through 6 were included in the accountability calculations.

The State Developed Alternative Assessment (SDAA), introduced in 2001, assesses special education students in grades 3 through 8 who receive instruction in the Texas Essential Knowledge and Skills (TEKS) but for whom the statewide assessment test is not an appropriate measure of academic performance. The state curriculum, Texas Essential Knowledge and Skills (TEKS), specifies the courses that districts must offer and the knowledge and skills requirements for each grade level and subject area. The SDAA test assesses special education students in reading, writing, and math in their appropriate instructional levels as determined by their admission, review, and dismissal (ARD) committees. The ARD committee determines the individual education plan for every student in special education.

Exhibit 1–10 provides the accountability ratings for MFISD and selected peer districts from 1998–99 through 2002–03. MFISD has remained *Academically Acceptable* from 1998–99 through 2002–03.

Exhibit 1–10
TEA Accountability Ratings
MFISD and Peer Districts
1998–99 through 2002–03

| District | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|---------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Tuloso–Midway | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> |
| Aransas County | <i>Academically Acceptable</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> |
| Hallsville | <i>Academically Acceptable</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> |
| La Marque | <i>Academically Acceptable</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> | <i>Recognized</i> |
| Sheldon | <i>Academically Acceptable</i> | <i>Academically Acceptable</i> | <i>Recognized</i> | <i>Academically Acceptable</i> | <i>Academically Acceptable</i> |
| Marble Falls | <i>Academically Acceptable</i> |

Source: Texas Education Agency, Accountability Reports, 1998–99 through 2002–03.

Note: Accountability ratings for 2002–03 were carried over from previous year.

The Texas Education Agency (TEA) nominated 26 schools in 2003–04 for the US Department of Education’s No Child Left Behind (NCLB) Blue Ribbons Schools Program, including Highland Lakes Elementary School, which has held a *Recognized* campus accountability rating since 1999–2000. The Blue Ribbons Schools Program has been redesigned to reflect the goals of the NCLB Act. The program recognizes schools that have at least 40 percent economically disadvantaged students and have shown dramatic improvements in student achievement or have scored in the top 10 percent on state assessments.

As shown in **Exhibit 1–11**, MFISD increased the percentage of its students who passed TAAS from 81.8 percent in 1997–98 to 87.6 percent in 2001–02. MFISD’s TAAS improvement rate of 5.8 points during this period fell below the Region 13 and state improvement rates of 6.7 and 7.6 percentage points, respectively. Compared with selected peer districts, MFISD had the third highest percentage of students who passed TAAS in 2001–02 and the fourth highest improvement rate. Improvement rate refers to the change in the percentage of students who passed the statewide assessment.

Exhibit 1–11
Percent of Students Passing TAAS, All Tests Taken (Grades 3 through 8 and 10)
MFISD, Peer Districts, Region 13, and the State
1997–98 through 2001–02

| District | 1997–98* | 1998–99** | 1999–2000** | 2000–01** | 2001–02 | Percentage Point Change 1997–98 to 2001–02 |
|---------------------|--------------|--------------|--------------|--------------|--------------|--|
| Aransas County | 84.0% | 79.5% | 86.5% | 84.3% | 89.4% | 5.4 |
| Tuloso–Midway | 83.5% | 85.4% | 88.9% | 88.1% | 86.6% | 3.1 |
| Hallsville | 83.1% | 83.8% | 85.6% | 84.6% | 89.7% | 6.6 |
| Marble Falls | 81.8% | 80.6% | 83.0% | 87.0% | 87.6% | 5.8 |
| Sheldon | 70.9% | 68.7% | 71.7% | 75.9% | 77.6% | 6.7 |
| La Marque | 69.8% | 73.9% | 79.2% | 78.0% | 86.2% | 16.4 |
| Region 13 | 79.2% | 78.5% | 80.9% | 82.9% | 85.9% | 6.7 |
| State | 77.7% | 78.1% | 79.9% | 82.1% | 85.3% | 7.6 |

Source: Texas Education Agency, AEIS, 1997–98 through 2001–02.

*Recalculated from original posting to include special education and grades 3 and 4 Spanish TAAS.

** Recalculated from original posting to include special education and grades 3 through 6 Spanish TAAS.

Exhibit 1–12 shows MFISD’s student performance on TAKS in 2002–03 at two SEM below the panel recommendation. A larger percentage of MFISD students passed TAKS than the regional and state averages in reading, English/language arts, and writing. MFISD’s TAKS performance was below regional averages but above state averages in math, science and in all tests taken. MFISD TAKS performance in social studies fell below both regional and state averages. In comparison with selected peer districts, MFISD had the highest percentage of students who passed writing and the second highest percentage of students who passed reading and English/language arts. MFISD had the third highest percentage of students who passed science and the fourth highest percentage of students, among the six districts, who passed math, social studies, and all tests taken.

Exhibit 1–12
Percent of Students Passing TAKS, Grades 3 through 10
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Reading | English/ Language Arts | Math | Writing | Science | Social Studies | All Tests |
|---------------------|--------------|------------------------------|--------------|--------------|--------------|-------------------|--------------|
| Hallsville | 79.1% | 52.7% | 67.2% | 81.4% | 36.2% | 81.3% | 54.8% |
| Marble Falls | 77.6% | 75.3% | 61.7% | 83.6% | 43.1% | 74.8% | 50.7% |
| Tuloso–Midway | 76.7% | 77.2% | 64.0% | 73.8% | 48.3% | 85.3% | 51.7% |
| Aransas County | 75.1% | 64.0% | 63.6% | 78.3% | 59.1% | 80.9% | 52.1% |
| Sheldon | 63.6% | 62.6% | 45.3% | 65.8% | 21.1% | 70.8% | 34.5% |
| La Marque | 58.9% | 56.8% | 39.9% | 67.2% | 22.5% | 55.9% | 28.6% |
| Region 13 | 76.7% | 70.2% | 63.7% | 81.1% | 48.0% | 78.4% | 53.7% |
| State | 73.2% | 66.7% | 58.5% | 77.8% | 40.5% | 75.2% | 48.0% |

Source: Texas Education Agency, AEIS, 2002–03.

MFISD’s TAKS performance was above regional and state averages in grades 3, 4, 5, 7, 8, and 11 in all subjects and in all tests taken with the exception of grade 5 math and grade 8 social studies (**Exhibit 1–13**). MFISD TAKS performance on grade 5 math and grade 8 social studies ranked

above the state average, but below the regional average. MFISD's TAKS performance in grade 6 was below regional and state averages in all subject areas and all tests taken. MFISD's TAKS performance in grades 9 and 10 was mixed. Grade 9 student performance in math was above state average but below regional average; performance on all tests taken was the same as state average but below regional average. MFISD's TAKS performance in grade 10 was above regional and state averages in reading and social studies and was above state average but below the regional average in math, science and all tests taken.

Exhibit 1–13
Percent of Students Passing TAKS
MFISD, Region 13, and the State
2002–03

| | Reading | Mathematics | Writing | Science | Social Studies | All Tests Taken |
|---------------------|--------------|--------------|--------------|--------------|----------------|-----------------|
| Grade 3 | | | | | | |
| Marble Falls | 96.3% | 96.2% | | | | 93.7% |
| Region 13 | 92.5% | 92.0% | | | | 87.9% |
| State | 89.6% | 90.8% | | | | 84.9% |
| Grade 4 | | | | | | |
| Marble Falls | 91.0% | 93.2% | 90.0% | | | 81.6% |
| Region 13 | 89.0% | 89.6% | 89.4% | | | 79.6% |
| State | 85.9% | 88.0% | 86.8% | | | 75.8% |
| Grade 5 | | | | | | |
| Marble Falls | 87.4% | 88.0% | | 79.3% | | 72.0% |
| Region 13 | 83.1% | 89.5% | | 78.6% | | 71.2% |
| State | 80.0% | 86.3% | | 74.5% | | 65.9% |
| Grade 6 | | | | | | |
| Marble Falls | 83.6% | 77.8% | | | | 70.8% |
| Region 13 | 88.3% | 82.9% | | | | 79.1% |
| State | 86.2% | 79.3% | | | | 74.8% |
| Grade 7 | | | | | | |
| Marble Falls | 90.8% | 82.7% | 94.0% | | | 79.3% |
| Region 13 | 89.3% | 78.3% | 87.9% | | | 72.6% |
| State | 88.0% | 73.4% | 85.8% | | | 67.7% |
| Grade 8 | | | | | | |
| Marble Falls | 89.7% | 79.0% | | | 93.7% | 74.2% |
| Region 13 | 89.2% | 76.6% | | | 93.7% | 73.4% |
| State | 88.7% | 73.2% | | | 93.1% | 69.9% |
| Grade 9 | | | | | | |
| Marble Falls | 87.8% | 66.1% | | | | 61.7% |
| Region 13 | 84.5% | 69.0% | | | | 65.8% |
| State | 82.4% | 65.1% | | | | 61.7% |
| Grade 10 | | | | | | |
| Marble Falls | 80.5% | 77.3% | | 72.1% | 91.3% | 57.1% |
| Region 13 | 75.4% | 77.9% | | 75.3% | 89.1% | 58.9% |
| State | 72.8% | 74.2% | | 69.6% | 86.8% | 53.3% |
| Grade 11 | | | | | | |
| Marble Falls | 84.4% | 76.0% | | 83.2% | 96.5% | 65.9% |
| Region 13 | 68.8% | 72.1% | | 72.1% | 91.8% | 52.9% |
| State | 69.8% | 68.5% | | 67.9% | 90.2% | 49.8% |

Source: Texas Education Agency, AEIS, 2002–03.

* Shaded areas show that those particular tests are not administered at those grade levels.

MFISD had the third highest rate of student participation in 2002–03 on college entrance exams such as the Academic College Test (ACT) and the Scholastic Aptitude Test (SAT). Its participation rate was above the state average (**Exhibit 1–14**). The ACT includes questions concerning English, mathematics, reading and science reasoning, with scores ranging from 1 to 36 on each component. The ACT composite score is the average of the four component scores. The SAT includes a verbal and a mathematics component. Scores range from 200 to 800 for each test component. The combined total is the reported score and ranges up to a maximum of 1600. In 2002–03, MFISD students scored 25 points higher, on average, on the SAT than the state average. Their average ACT score was also higher than the state average. TEA has set the scores of 21 on the ACT and 1110 on the SAT as the minimum criterion for student scores to be acknowledged in the district’s accountability rating. MFISD had the highest percentage of students meeting the criterion on the college entrance exams among selected peers. However, the percentage of MFISD students meeting criterion was lower than both the regional and state averages.

Exhibit 1–14
College Entrance Examination Scores
MFISD, Peer Districts, Region 13, and the State
Class of 2002

| District | Percent of Students Taking Examinations | Percent of Students Meeting the Criterion | Average SAT Score | Average ACT Score |
|----------------------|---|---|-------------------|-------------------|
| Hallsville | 73.3% | 24.5% | 970 | 20.0 |
| Tuloso–Midway | 67.8% | 23.8% | 952 | 20.6 |
| Marble Falls | 66.7% | 25.0% | 1011 | 21.0 |
| La Marque | 60.5% | 6.5% | 833 | 16.2 |
| Aransas County | 56.0% | 17.6% | 966 | 18.4 |
| Sheldon | 55.9% | 13.0% | 871 | 19.1 |
| Region 13 | 68.0% | 36.0% | 1034 | 21.0 |
| State Average | 61.9% | 26.6% | 986 | 20.0 |

Source: Texas Education Agency, AEIS, 2002–03.

FINDING

To respond to staff training needs in a practical and cost effective way, MFISD provides mini–training sessions and uses an easily accessible online registration and evaluation system. MFISD initiated its staff development program in 2003–04. The district also links staff development to its goals, and conducts teacher and administrator surveys annually asking teachers and administrators to identify staff development needs. MFISD administrators review student performance data to identify areas needing improvement that would correspond to offered professional development. The assistant superintendent for Curriculum and Instruction, who coordinates the staff development program, seeks input for professional development opportunities from vertical teams and reviews comments and evaluations from previous staff development participants. Vertical teams consist of groups of teachers from different grade levels who teach the same subject area. MFISD uses Region 13 as its main staff development provider.

On a monthly basis, the assistant superintendent for Curriculum and Instruction meets with principals to identify and update staff development needs. Once staff development needs are identified through these sources, the assistant superintendent for Curriculum and Instruction meets with the elementary and secondary school principals to review the identified needs and prioritize them. District administrators organize and manage the staff development program with the exception of two staff development days that each campus can individually use to meet its special needs.

Prior to 2003–04 MFISD offered multi-hour sessions and had to hire substitutes to take over classes of teachers attending staff development. The district presents the new 90-minute mini in-service sessions during teachers' conference time, so teachers do not have to be absent from their classroom and the district does not have to hire substitutes. The primary and elementary campuses offer a total of 12 mini in-service sessions, which are held once or twice a month. The sessions address issues such as behavior management, reading, and writing.

The mini in-service sessions use practical, hands-on applications. Administered to small groups of teachers, the sessions provide optimal communication between the teachers and the presenter. The presenter also provides teachers with an e-mail address and telephone number for additional assistance after the training. This format gives teachers opportunities to interact with the presenter during any repeated visits to the campuses. During focus groups teachers said they recognized the improvement in staff development, liked the format, and appreciated the opportunity to interact with the presenter for a longer period of time.

MFISD has also implemented an online staff development registration system in 2003–04 at an initial cost of \$2,400 and subsequent annual costs of \$1,800. This electronic registrar system allows teachers to register for staff development courses, view and print a course catalog by curriculum or calendar format, view and print a schedule of classes, print a personal course transcript, print certificates for successfully completed courses, and track and maintain certifications. The system allows the administrator in charge of the staff development program to verify attendance, view and print course sign-in sheets, send e-mail messages to registrants, and determine who did not complete the training. Administrators can use the system to track training that each teacher received. Teachers also evaluate the staff development session he/she attended. The online registration and evaluation system is more convenient and speedy for teachers and simplifies the labor-intensive process involving registration. It also enables the assistant superintendent for Curriculum and Instruction and other district administrators to review evaluation results provided by all participants.

COMMENDATION

MFISD provides mini training sessions and an easily accessible online registration and evaluation system to cost-effectively identify and respond to staff training needs.

FINDING

MFISD uses a comprehensive online lesson plan template that increases lesson plan consistency and identifies the Texas Essential Knowledge and Skills (TEKS) that each lesson plan objective addresses. Teachers must complete the electronic lesson plans as a measure of accountability demonstrating consistent and appropriate preparation for student instruction. MFISD implemented the online lesson plan initiative districtwide in 2003–04, although Marble Falls Middle School has been using the online lesson plan template since 2001–02. The online lesson plan template covers a five-day period and is organized by day and subject. For each subject, the template asks for objectives, strategies, activities, corresponding TEKS, resources, and formative/summative evaluation methods. Each school can tailor the lesson plan template to meet its needs.

Exhibit 1–15 shows a sample high school science lesson plan using the online template.

Exhibit 1–15
Sample Lesson Plan – Infection Control
Marble Falls High School
September 1 through 5, 2003

| Monday | Tuesday | Wednesday | Thursday | Friday |
|---------------------------------|--|--|---------------------------------|--|
| 9.1.03 | 9.2.03 | 9.3.03 | 9.4.03 | 9.5.03 |
| Daily Objectives | Daily Objectives | Daily Objectives | Daily Objectives | Daily Objectives |
| Labor Day Holiday | Demonstrate safe use of chemicals and equipment Evaluate environmental management procedure Identify, demonstrate, practice principles of body mechanics Analyze forces and the effects of movement.... | Identify the cycle of the infectious process Identify guidelines of standard precautions Demonstrate skills related to infection control | | Identify the cycle of the infectious process Identify guidelines of standard precautions Demonstrate skills related to infection control |
| TEKS | TEKS | TEKS | TEKS | TEKS |
| | 11E, 13K, 1G, 1H 1G TAKS Reading 1 Writing 1,2 | 10 A, B, C 10A TAKS ELA 1, 4 Science 1, 2, 3 | | 10 A, B, C 10C TAKS ELA 1 Science 2, 3 |
| Instructional Strategy | Instructional Strategy | Instructional Strategy | Instructional Strategy | Instructional Strategy |
| | Class/group discussion Media presentation Lecture | Classroom discussion Questions/answer Cooperative learning | | Teacher modeling Tactile/kinesthetic application Cooperative learning |
| Activities and Materials | Activities and Materials | Activities and Materials | Activities and Materials | Activities and Materials |
| | <i>Body Mechanics</i> Bed and linens Wheelchair | <i>The Cycle of Infection</i> Create mobiles of various microorganisms | | <i>Hand washing</i> |
| Evidence of Learning | Evidence of Learning | Evidence of Learning | Evidence of Learning | Evidence of Learning |
| | <i>Body Mechanics</i> checklist Quiz over employment skills and safety | Participation in group project Quiz over employment skills and safety | | Student must repeat skill evaluation until 100 percent accuracy is obtained |
| Homework | Homework | Homework | Homework | Homework |
| | | | | |

Source: MFISD, Lesson Plan Template, September 2003.

Once a week, teachers submit lesson plans electronically to principals. Teachers can also submit a hard copy of the lesson plan. Each principal maintains a spreadsheet showing which of the teachers submitted the lesson plans. The principal or assistant principal who reviews the lesson plans checks to make sure that the lesson objectives correlate with the TEKS and TAKS objectives indicated in the plan. Teachers interviewed as part of the review process responded positively to the lesson plan template. Teachers like the template because it standardizes the lesson plan and defines the level of detail and specificity required. Teachers also said that using the template has helped substitute

teachers accurately cover necessary material during a class because of the detail provided in the comprehensive lesson plans.

COMMENDATION

MFISD promotes teacher accountability through consistent use of online lesson plan templates that incorporate the applicable Texas Essential Knowledge and Skills.

FINDING

Recognizing that MFISD's student participation in the Recommended High School Program was below state and regional averages and to proactively address 2002–03 requirements of the No Child Left Behind Act, MFISD included a variety of strategies in both the District and Campus Improvement Plans to address this deficiency. The district subsequently increased the student enrollment in the Recommended High School Program from zero percent in 1998–99 to 53.9 percent in 2002–03. In 2003–04, the state mandated that all students at or below grade 9 follow the Recommended High School Program. **Exhibit 1–16** shows that the percentage of MFISD students in the Recommended High School Program increased 25.5 percentage points in 2001–02 from the 2000–01 level.

Exhibit 1–16
Participation in Recommended High School Program
MFISD, Peer Districts, Region 13, and the State
1998–99 through 2002–03

| District | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|---------------------|-------------|--------------|--------------|--------------|--------------|
| Aransas County | 33.9% | 0.0% | 43.4% | 55.1% | 59.5% |
| Hallsville | 25.1% | 35.1% | 52.5% | 52.5% | 59.9% |
| Marble Falls | 0.0% | 0.0% | 33.9% | 59.4% | 53.9% |
| La Marque | 0.0% | 34.4% | 41.0% | 60.8% | 98.8% |
| Tuloso–Midway | 0.0% | 2.3% | 79.4% | 63.2% | 67.3% |
| Sheldon | 0.0% | 0.0% | 18.9% | 40.0% | 36.7% |
| Region 13 | 3.0% | 14.6% | 37.3% | 53.9% | 56.4% |
| State | 8.7% | 15.0% | 38.6% | 51.1% | 58.2% |

Source: Texas Education Agency, AEIS, 1999–2000 through 2002–03.

Note: Participation rates are reported for the year prior to the state reporting year.

MFISD administrators recognized that to participate successfully in the Recommended High School Program, students have to be prepared to take more rigorous courses. As a result, the district has identified additional Advanced Placement coursework for presentation in 2004–05.

The Recommended High School Program prepares students for post–secondary education. The Recommended High School Program requires students to graduate with 24 credits including four credits in English (English I–IV); three credits in math (algebra I and II and geometry); three credits in science (biology, chemistry, and physics); 3.5 credits in social studies; .5 credits in economics; two credits in a foreign language (level I and II); .5 credits in health or one credit in health science technology; one credit in fine arts; 1.5 credits in physical education; one credit in technology applications; and .5 credits in speech. The Texas Higher Education Coordinating Board's February 2003 report *Student Performance and the Recommended High School Program* shows that students who complete the Recommended or higher–level high school program enroll in higher education programs and subsequently graduate at a greater rate than students who completed the less demanding high school programs.

The 2003–04 Marble Falls High School Campus Improvement Plan (CIP) identifies the need to give students increased opportunities and incentives. The CIP lists the Texas Scholars Initiative as an

intervention strategy for increasing student success in high school, and accordingly the district became a member of the Texas Scholars Initiative at the beginning of 2003–04. Established by the Texas Business and Education Coalition, the Texas Scholars Initiative encourages secondary students to enroll in challenging courses and to graduate under the Recommended High School Program. Under the Texas Scholars Initiative, community and business representative make presentations to students in grade 8 about the importance of getting the best education that will lead them to graduate under the Recommended High School Program. The Texas Scholars Initiative also rewards students who stay in the program. During the senior year, students who are still on track to graduate under the Recommended or Distinguished High School program spend a day doing different recreational activities. During the graduation ceremony and the Who’s Who Academic Awards ceremony, students who are Texas Scholars are recognized with a special seal on their diploma and receive a medallion that they wear at graduation.

COMMENDATION

MFISD included strategies in both District Improvement and Campus Improvement Plans and implemented the Texas Scholars Initiative to proactively increase student participation in the Recommended High School Program.

FINDING

MFISD uses a unique collaborative coaching process involving teachers, principals, and district administrators—Teacher/Administrator Collaborative Teaming (TACT)—to improve instructional practices in the classroom and support services to enhance student achievement. MFISD implemented the TACT process in 1995 to evaluate teacher performance and monitor and coach teachers. Most principals and, sometimes, an instructional administrator are involved in teacher observations and mentoring practices. MFISD has uniquely increased its accountability structure and support system for teachers by including teachers, campus administrators, district administrators, and the superintendent in efforts to improve classroom instruction. TACT emphasizes collaboration between teacher and administrator including a collaborative/coaching atmosphere to facilitate improved instructional practices.

The TACT team visits each of the district’s schools twice a year, in the fall and spring grading periods. The TACT team consists of the assistant superintendent for Business and Finance, assistant superintendent for Curriculum and Instruction, director of Student Services, director of Special Services, director of Maintenance, and the director of Career and Technology Education. TACT team members visit each school, interview school administrators and staff, observe teachers, monitor instruction, and review data.

Prior to the TACT team visit, the principals submit a list of concerns or areas for the team to observe to the executive director of Student Services, who heads the process. TACT team members submit written reports to the superintendent. The superintendent meets with each principal and uses the TACT report and the superintendent’s observations “to grow the capacity of the campus administrator as an instructional leader.” The district has also used portions of the TACT process for informal program evaluation. Although MFISD plans to start using the Professional Development Assessment System (PDAS) used by other state school districts for teacher performance evaluation during 2004–05, the district also plans to continue with the TACT school visitations to support teacher and administrator growth

COMMENDATION

MFISD’s uses a collaborative coaching process to improve instructional practices in the classroom and enhance student support services.

FINDING

MFISD conducts faculty, parent, and student surveys to generate input and identify strengths and weaknesses of its educational programs according to stakeholders. MFISD also conducts surveys on specific programs such as special education, the Behavior Education Skills Training (BEST) programs, and the summer program. The special education survey asks staff and parents to agree or disagree with a series of statements and to provide comments and suggestions for program improvement. The Behavior Education Skills Training (BEST) program conducts a staff survey; analyzes staff responses by school that include staff comments on program strengths; addresses areas of concern or changes they would like to see implemented; discusses additional services they consider beneficial or additional training needed; and makes recommendations for program improvement. MFISD uses a similar format for the summer program.

MFISD's District Education Improvement Committee (DEIC) also conducts annual faculty, student, and parent surveys that include questions about educational programs. The faculty survey includes questions on whether the campus meets needs of G/T students, special education students, and ESL students; whether the teachers have adequate classroom supplies, materials, and equipment; whether they receive adequate data to determine the students' academic levels in a timely manner; and whether the amount of homework is appropriate for the subject or level of instruction. The student survey asks whether the teachers help all the students do their best; whether the student learned a lot in math classes and in art, music and/or theatre classes; whether the school helped the student to become a better reader and writer; whether the school has a good P.E./Athletics program; and whether homework helps the student better understand what the student studies in class. The parent survey addresses whether the teachers use a variety of teaching strategies in the classroom; whether the child receives a quality math, reading, and writing education; whether the parent is satisfied with the child's fine arts classes and P.E./Athletics program; and whether the child's homework is appropriate for the subject matter and level of instruction. MFISD analyzes survey data by campus and uses the results in developing the District Improvement Plan and Campus Improvement Plans.

COMMENDATION

MFISD generates input about its educational programs through diverse stakeholder surveys.

FINDING

MFISD has a declining graduation rate and does not formally assess its programs for effectiveness. The district's graduation rates have declined 8.3 percentage points from 90.1 percent for the class of 1998 to 81.8 percent for the class of 2002. TEA calculates graduation rates based on the number of students who started grade 9 four years before the year of graduation. During the same period, graduation rates both in Region 13 and the state increased. Region 13 graduation rates increased from 1998–99 to 2002–03 by 2.8 percentage points; state graduation rates increased 4.1 percentage points. The MFISD class of 2002 graduation rate was lower than all the selected peer districts, Region 13, and state averages.

In 2002–03 and 2003–04, the district implemented a variety of programs to address declining graduation rates. It conducts stakeholder surveys and reviews AEIS data to informally assess some of its programs, but does not have a board-approved evaluation system. In 2002, MFISD administrators attended program evaluation training and developed a program evaluation scheduled for 2003–04 through 2005–06; however, administrators never presented it to the board for approval nor officially implemented it.

In addition, the district does not have any formalized internal system to confirm or deny any ratings received through the state's evaluation process for federal- and state-funded programs. The state reviews and assigns risk-levels to each data element in programs such as special education, Career

and Technology Education, bilingual education, and the Gifted/Talented programs through its Program Analysis System (PAS). The district's instructional and support systems directly affect its graduating students.

MFISD had the highest graduation rate among its peers for the class of 1998 and exceeded Region 13 and state averages for the classes of 1998 through 2001 (**Exhibit 1-17**).

Exhibit 1-17
Graduation Rates
MFISD, Peer Districts, Region 13, and the State
Class of 1998 through 2002

| District | 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Marble Falls | 90.1% | 85.1% | 85.8% | 84.0% | 81.8% |
| Tuloso-Midway | 87.1% | 92.0% | 91.9% | 94.8% | 94.4% |
| Hallsville | 86.2% | 82.3% | 84.6% | 85.5% | 93.2% |
| Sheldon | 76.3% | 83.4% | 78.7% | 84.2% | 84.2% |
| Aransas County | 75.2% | 81.2% | 87.8% | 84.8% | 87.6% |
| La Marque | 78.4% | 78.7% | 84.8% | 82.0% | 88.0% |
| Region 13 | 80.0% | 80.3% | 79.8% | 81.4% | 82.8% |
| State | 78.7% | 79.5% | 80.7% | 81.1% | 82.8% |

Source: Texas Education Agency, AEIS, 1998-99 through 2002-03.

Note: Graduating class information is reported one year behind the calendar year.

MFISD's overall graduation rates and rates for student groups such as economically disadvantaged, special education, Hispanic, and Anglo students were lower for the class of 2002 than for the class of 1998 (**Exhibit 1-18**). Graduation rates of Hispanic students in the class of 2002 were 23.3 percentage points lower than in the class of 1998. The graduation rate of Hispanic students that was nearly identical to the graduation rate of Anglo students in the class of 1998 was 18 percentage points lower than the graduation rate of Anglo students in the class of 2002. Graduation rates for economically disadvantaged students decreased 31.5 percentage points and graduation rates for students in special education decreased 22.4 percentage points. Only 55.6 percent of the students with limited English proficiency (LEP) from the class of 2002 graduated. At the same time, Region 13 and state graduation rates increased overall and for each student group.

Exhibit 1-18
Graduation Rates by Student Population
MFISD, Region 13, and the State
Classes of 1998 through 2002

| District | 1998 | 1999 | 2000 | 2001 | 2002 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Marble Falls | 90.1% | 85.1% | 85.8% | 84.0% | 81.8% |
| LEP | * | * | * | * | 55.6% |
| Economically Disadvantaged | 88.6% | 74.4% | 74.4% | 58.8% | 57.1% |
| Special Education | 85.7% | 66.7% | 75.0% | 77.8% | 63.3% |
| Hispanic | 90.6% | 72.0% | 80.6% | 72.1% | 67.3% |
| Anglo | 89.8% | 87.6% | 86.6% | 87.5% | 85.3% |
| Region 13 | 80.0% | 80.3% | 79.8% | 81.4% | 82.8% |
| LEP | * | * | * | * | 50.6% |
| Economically Disadvantaged | 62.7% | 64.6% | 62.0% | 65.2% | 68.5% |
| Special Education | 69.7% | 68.3% | 69.4% | 71.1% | 71.4% |
| Hispanic | 66.6% | 66.0% | 67.2% | 69.7% | 71.4% |
| Anglo | 86.6% | 87.1% | 86.7% | 87.4% | 88.3% |

Exhibit 1–18 (continued)
Graduation Rates by Student Population
MFISD, Region 13, and the State
Classes of 1998 through 2002

| District | 1998 | 1999 | 2000 | 2001 | 2002 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| State | 76.7% | 79.5% | 80.7% | 81.1% | 82.8% |
| LEP | * | * | * | * | 53.4% |
| Economically Disadvantaged | 67.1% | 71.3% | 72.6% | 73.2% | 75.8% |
| Special Education | 66.0% | 69.6% | 71.1% | 70.9% | 72.7% |
| Hispanic | 68.1% | 70.6% | 72.8% | 73.5% | 75.7% |
| Anglo | 82.8% | 86.2% | 86.7% | 86.8% | 88.2% |

Source: Texas Education Agency, AEIS, 1999–2000 through 2002–03.

** AEIS did not provide data on LEP graduation rates until 2002–03.*

The No Child Left Behind (NCLB) Act of 2001 requires each state to develop a statewide accountability system that will ensure that all schools and districts make Adequate Yearly Progress (AYP). Districts, campuses, and the state are required to meet AYP criteria on three measures—reading/language arts, mathematics, and either graduation rate for high schools and districts or attendance rate for elementary and middle/junior high schools. If a campus, district, or state that is receiving Title I, Part A funds fails to meet AYP goals for two consecutive years, that campus, district or state is subject to certain requirements such as offering supplemental education services, offering school choice and/or taking corrective actions. The published Adequate Yearly Progress (AYP) Status Report for 2002–03 also showed a decrease in the overall graduation rate and the graduation rates of specific student populations in MFISD.

Exhibit 1–19 illustrates MFISD retention rates, often reviewed in connection to program evaluation, from 1998–99 through 2002–03. Compared with the state, MFISD had higher retention rates than the state in the lower elementary grades but lower retention rates than the state in grades 6 through 8, the middle school grades right before high school.

Exhibit 1–19
MFISD and State Retention Rates
1998–99 through 2002–03

| Grade | 1998–99 | | 1999–2000 | | 2000–01 | | 2001–02 | | 2002–03 | |
|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| | Marble Falls | State |
| K | 2.5% | 1.7% | 2.6% | 2.0% | 3.4% | 2.3% | 3.1% | 2.6% | 5.3% | 2.7% |
| 1 | 7.1% | 5.4% | 8.9% | 5.9% | 7.9% | 5.8% | 8.8% | 5.8% | 6.0% | 5.9% |
| 2 | 4.1% | 2.8% | 3.0% | 3.0% | 6.6% | 3.1% | 5.7% | 3.5% | 5.5% | 3.5% |
| 3 | 2.3% | 1.8% | 2.5% | 2.3% | 5.3% | 2.2% | 2.5% | 2.5% | 3.2% | 2.5% |
| 4 | 1.5% | 1.2% | 2.0% | 1.2% | 5.9% | 1.3% | 0.9% | 1.4% | 1.5% | 1.3% |
| 5 | 1.4% | 0.7% | 0.0% | 0.7% | 1.0% | 0.8% | 1.7% | 0.8% | 0.5% | 0.7% |
| 6 | 1.2% | 1.6% | 3.1% | 1.5% | 3.3% | 1.6% | 1.4% | 1.5% | 0.0% | 1.4% |
| 7 | 0.0% | 2.8% | 0.4% | 2.9% | 0.9% | 2.8% | 0.9% | 2.5% | 0.0% | 2.2% |
| 8 | 0.0% | 1.9% | 3.4% | 2.0% | 1.2% | 1.9% | 0.5% | 1.9% | 1.3% | 1.6% |

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03.

Following grade 8, the district does not retain students in a particular grade; they are promoted according to a set amount of earned high school credits. Exhibit 1–20 shows the number of students promoted from grade level to grade level for five of MFISD’s graduating classes from 1999 through 2003. The percentage of students graduating within four years declined by 10 percentage points from 68.2 percent for the class of 1999 to 58.2 percent for the class of 2003. Typically, academic failure in grade 9 prevents students from advancing to higher grades and accumulating enough credits to

graduate with their fellow students. The percentage of students in one class moving longitudinally or from grade to grade from grade 9 to grade 10 also declined between grades 9 and 10.

Exhibit 1–20
MFISD High School Promotion and Graduation
Class of 1999 through 2003

| Class | Grade 9 | Grade 10 | Grade 11 | Grade 12 | Percent Moving from Grade 9 to 10 | Percent Graduated in Four Years |
|-------|---------|----------|----------|----------|-----------------------------------|---------------------------------|
| 1999 | 280 | 226 | 203 | 191 | 80.7% | 68.2% |
| 2000 | 281 | 231 | 176 | 173 | 82.2% | 61.6% |
| 2001 | 301 | 256 | 226 | 200 | 85.0% | 66.4% |
| 2002 | 340 | 253 | 242 | 199 | 74.4% | 58.5% |
| 2003 | 337 | 255 | 227 | 196 | 75.7% | 58.2% |

Source: Texas Education Agency, AEIS, 1999–2000 through 2002–03.

Note: Graduating class information is reported one year behind the calendar year.

As shown in **Exhibit 1–21**, LEP, economically disadvantaged, special education, and Hispanic students had high longitudinal dropout rates, especially for the classes of 2001 and 2002. Both in 2001 and 2002, MFISD’s overall longitudinal dropout rates and dropout rates for economically disadvantaged, special education, and Hispanic students exceeded both the Region 13 and the state dropout rates.

Exhibit 1–21
Longitudinal Dropout Rates by Student Population
MFISD, Region 13, and the State
Classes of 1998 through 2002

| District | 1998 | 1999 | 2000 | 2001 | 2002 |
|----------------------------|--------------|-------------|-------------|-------------|-------------|
| Marble Falls | 4.5% | 6.7% | 5.2% | 8.9% | 5.2% |
| LEP | * | * | * | * | 11.1% |
| Economically Disadvantaged | 6.8% | 14.0% | 5.1% | 23.5% | 17.1% |
| Special Education | 7.1% | 19.0% | 8.3% | 11.1% | 16.7% |
| Hispanic | 6.3% | 12.0% | 2.8% | 18.6% | 10.2% |
| Anglo | 4.2% | 5.6% | 5.8% | 6.3% | 4.0% |
| Region 13 | 7.8% | 7.9% | 8.0% | 6.2% | 5.1% |
| LEP | * | * | * | * | 21.1% |
| Economically Disadvantaged | 17.9% | 18.1% | 17.7% | 13.4% | 10.2% |
| Special Education | 11.4% | 13.2% | 10.5% | 8.7% | 7.2% |
| Hispanic | 15.4% | 16.1% | 15.2% | 12.1% | 10.0% |
| Anglo | 4.1% | 3.8% | 4.2% | 3.1% | 2.6% |
| State | 8.9%* | 8.5% | 7.2% | 6.2% | 5.0% |
| LEP | * | * | * | * | 20.0% |
| Economically Disadvantaged | 13.8% | 13.1% | 11.6% | 9.9% | 7.7% |
| Special Education | 13.0% | 12.1% | 11.0% | 9.7% | 8.3% |
| Hispanic | 13.4% | 13.1% | 11.2% | 9.6% | 7.8% |
| Anglo | 5.5% | 4.9% | 4.0% | 3.5% | 2.7% |

Source: Texas Education Agency, AEIS, 1999–2000 through 2002–03.

** The Texas Education Agency did not report LEP student data in the AEIS reports until 2002–03.*

A formal evaluation system consists of defined goals for each program, key measures, a specified evaluation methodology, detailed evaluation, data analysis procedures, identified data sources, assigned evaluation responsibility, and an evaluation schedule. A formal evaluation system also consists of an evaluation report that includes a plan for implementing recommendations. The

implementation plan typically identifies who is responsible for implementation and sets an implementation schedule and milestones.

Many districts use high school promotion and graduation rates to reflect the success of the district in educating its students. Often administrators consider the extent to which the district has fulfilled its primary goal of educating students by globally reviewing the continuity of instruction, curriculum presentation, quality of student preparation, staff development, and effective instructional strategies to measure effectiveness and make continuous improvements. These districts specifically address graduation rates, high school promotion, dropout rates, and retention issues that indirectly affect graduation and dropout rates in both the DIP and appropriate CIPs. These districts detail proven success strategies for implementation of targeted goals and include specific professional development and ties to curriculum in these documents. These districts also annually review these goals and make necessary adjustments.

Many districts also annually review and consistently monitor the number of students transitioning from grade 9 to 10 to ensure students are successful in their first year of high school. Many of these districts also implement semester and mid-year program evaluations to recover immediate success levels of newly initiated or grant-funded high school programs targeted at students that do remain in the grade 9 beyond one year. Many high school students enrolled in supplemental programs, particularly those funded by grants, participate in benchmark and practice assessments providing teachers with immediate performance results. These districts use student performance results to implement new or revised strategies to the programs as identified through program evaluations.

Kerrville ISD (KISD) has a formal program evaluation system. KISD’s Program Evaluation Model, a comprehensive program evaluation, includes three evaluation phases: organization and design; information collection and analysis; and conclusion. The evaluation model consists of seven steps, as shown in **Exhibit 1–22**.

Exhibit 1–22
Kerrville ISD Program Evaluation Process

| Steps | Purpose | Activities |
|--------------|---|---|
| Step 1 | Select a steering committee and organize. | Evaluation leader selects a committee, identifies a resource person, schedules committee meetings, and establishes a deadline for the evaluation report. |
| Step 2 | Describe the program being evaluated. | Evaluators describe the program under evaluation and where and how it has been implemented, state the goal of the program, and articulate expected outcomes. |
| Step 3 | Select the focus of the evaluation. | Evaluators define the purpose of the evaluation and identify specific concerns about the program that should be investigated. |
| Step 4 | Select the evaluation method. | Evaluators select the methodology associated with expected outcomes, define quantitative and qualitative measures, develop a data collection schedule, and specify the population from whom data will be collected. |
| Step 5 | Collect data and document results. | Evaluators collect data from the target population using the specified data collection instruments. |
| Step 6 | Analyze and interpret the results. | Evaluators analyze the data and document results. Evaluators describe program implementation, whether and how it varies from the original plan, and document the data obtained by each evaluation methodology. |

Exhibit 1–22 (continued)
Kerrville ISD Program Evaluation Process

| Steps | Purpose | Activities |
|--------------|---|--|
| Step 7 | Prepare report including recommendations. | Evaluators prepare a report that shows the degree to which the program met each expected outcome and support their conclusions. The report includes a cost/benefit analysis and a recommendation of whether the program should be continued as is, modified, or discontinued. The report also includes suggestions on how the program’s weaknesses can be remedied and how its strengths can be perpetuated. |

Source: Kerrville Independent School District, Program Evaluation Model.

Recommendation 1:

Develop and implement a board–approved program evaluation system and include program evaluation in the annual District and Campus Improvement Plans.

To address concerns about the district’s graduation rates and dropout rates, as well as overall student performance, the district should immediately formalize program evaluation efforts including implementation of a scheduled of review for all instructional programs. The district should also include supplemental programs and operational programs in a master program evaluation schedule developed, approved by the board, and implemented in 2004–05. The district should include any individual program reviews already in place and, update the master schedule as new programs are added and ineffective ones are deleted. The district should also consider including the survey system already in place as a vital piece of the program evaluation system.

In addition, the district should include any current review of disaggregated data in regards to dropout rates, retention rates, graduation rates, and yearly grade–level progression in high school as key elements to assess program effectiveness.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD does not have a curriculum management plan for curriculum development, alignment, update, and evaluation. The district also does not have a system to evaluate curriculum and guide effectiveness or guidelines for identifying and substantiating the need for revisions. MFISD lists curriculum on its 2003–04 website as well as vertical teams for Gifted/Talented, Career/Tech, Fine Arts, Language Arts, Second Language, Math, Science, and Social Studies with varying meeting dates. The district’s website lists from two to five scheduled meetings for these teams. According to interviews, these teams independently revise some existing curriculum; however, these revisions occur without consistent district oversight or according to a districtwide schedule. For example, in the October 28, 2003 language arts vertical team meeting minutes reported that the high school and middle school have made corrections and updated the curriculum scope and sequence, but the elementary grades were still working on the task. In the November 11, 2003 science vertical team minutes, the high school reported that they were working on the program guides; grade 7 finished revamping and aligning scope and sequence; and the primary school reported that they were working on scope and sequence. A member of the math vertical team reported that vertical communication is difficult

between grade levels. In addition, although the district’s Web site listed that team meeting minutes were available by clicking on a listed date, only six were available as of March 2004 (**Exhibit 1–23**). Following is a listing of all district vertical teams and scheduled meetings for 2003–04.

Exhibit 1–23
MFISD Vertical Teams and Meeting Schedules
2003–04

| Vertical Team Area | August/September 2003 | October 2003 | November 2003 | December 2003 | January 2004 | February 2004 | March 2004 | April 2004 |
|---------------------------|------------------------------|---------------------|----------------------|----------------------|---------------------|----------------------|-------------------|-------------------|
| Career/Tech | 9/30/03 | N/A | **11/24/03 | N/A | 1/27/04 | N/A | 3/16/04 | 4/20/04 |
| Fine Arts | N/A | 10/14/03 | N/A | N/A | N/A | N/A | 3/2/04 | N/A |
| Gifted/Talented | 8/25/03 | N/A | 11/3/03 | | | 2/9/04 | | 4/5/04 |
| Second Language | N/A | 10/7/03 | | | | 2/10/04 | | |
| *Language Arts | | **10/28/03 | | 12/2/03 | **1/13/04 | | 3/23/04 | |
| *Math | 9/23/03 | | **11/18/03 | | 1/6/04 | 2/17/04 | | 4/13/04 |
| *Science | 9/16/03 | | 11/11/03 | 12/16/03 | | 2/3/04 | | 4/6/04 |
| *Social Studies | 9/9/03 | | **11/04/03 | 12/9/03 | **1/20/04 | | 3/30/04 | |

Source: MFISD, website, Vertical Teams, 2003–04.

Note: N/A denotes not applicable, no meeting scheduled.

**Denotes core subject area.*

***Denotes minutes available on district Web site.*

MFISD electronically maintains its curriculum and scope and sequence through a software program. Vertical team members said during interviews that the software is not user–friendly and is difficult to use and change. MFISD’s scope and sequences vary in their degree of completeness and specificity and in the detail of strategies they contain. Several vertical teams reported that the district was investigating a new curriculum management software system after this review began.

Many districts use a five–year or long–range curriculum management plan that includes a development, review, and update schedule. In addition to curriculum development, alignment, revision, and evaluation, these plans often include a cross subject area calendar for each year, scheduled textbook adoptions, corresponding review and revisions of assessments, and related staff development for each content area and educational level.

Kerrville ISD (KISD) has a *Curriculum Planning 5–Year Schedule* to guide districtwide curriculum strategies, review, update, and development by master teachers assigned to vertical teams. The schedule identifies subject areas for review and ties review with state assessment alignment. The curriculum writers align instructional materials and activities, as well as identify strategies considered best practices to identified KISD curriculum objectives. These best practices are aligned to the state’s Professional Development Assessment System (PDAS)—the system that assess teachers’ performance—and have become part of KISD’s automated, Web–based program—the Kerrville Instructional Improvement Model—that administrators and teachers can access for instructional improvement ideas and resources. In addition, the district aligns curricular and associated professional development and training opportunities in conjunction with the established curriculum management calendar.

Recommendation 2:

Create and implement a management plan for curriculum development, alignment, review, and evaluation.

The district's assistant superintendent for Curriculum and Instruction could solicit assistance from Region 13 in creating a broad curriculum management plan that includes a schedule for curriculum review and update. Representatives from Region 13 provide samples of existing plans that the assistant superintendent for Curriculum and Instruction could use to individualize according to the district's current curriculum policy. The district's principals and instructional department leaders should also cooperate with the assistant superintendent for Curriculum and Instruction and all existing vertical teams when developing the overall curriculum plan. In addition, the assistant superintendent for Curriculum and Instruction should review existing vertical team schedules and meeting notes for applicable information to include in the overall management plan. Any plans that the district has made to review and/or purchase new scope and sequence or curriculum management software should also be included as a key element of this long-range plan.

FISCAL IMPACT

This fiscal impact is based on the assumption that the assistant superintendent for Curriculum and Instruction will solicit assistance from Region 13 in preparing a curriculum management plan at a cost of \$300 per day per Region 13 staff representative. This fiscal impact also assumes the district will consult with a representative at the beginning of the project for one day and at the end of the project for two additional days of review at an initial cost of \$900. The district should also schedule to review the plan in three years and project an additional day of consultation assistance from Region 13. Total five-year costs are estimated at \$1,200.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|---|---------|---------|---------|---------|---------|
| Create and implement a management plan for curriculum development, alignment, review, and evaluation. | (\$900) | \$0 | \$0 | (\$300) | \$0 |

FINDING

MFISD's curriculum guides, developed in 1999-2000 before the implementation of the Texas Assessment of Knowledge and Skills (TAKS), are outdated and are not all complete. Teams of teachers grouped by content area and grade level initially developed existing curriculum guides. The teachers, however, did not receive any training in curriculum guide development at that time. Instead of developing the guides around the Texas Essential Knowledge and Skills (TEKS), the development teams, especially those for the lower elementary grade levels, based the guides on the textbooks in use at that time. The district did not use a curriculum guide template in the development process to ensure consistency and adherence to development standards at all grade levels. According to district administrators, the curriculum guide development teams used different criteria in guide development. As a result, these curriculum guides vary in their level of completeness. The district currently has vertical teams, or teachers from the same content area, representing differing grade levels that meet on a varying basis to discuss relevant content-area information and developments.

Some of the district's existing guides or scope and sequences that are more fully developed identify the necessary instructional timeframe within each six-week grading period, topic, matching TEKS objectives, and instructional strategies. Some of the guides only identify the timeframe and the topic; they do not list corresponding TEKS objectives or applicable instructional strategies. In the math content area, the guide for grade 6 Advanced Math does not list any of the TEKS correlated with the

topics under study. The grade 8 pre-algebra guide lists neither strategies nor the matching TEKS objectives. In the English/language arts content area, the guide for grade 4 does not include TEKS beyond the first week, and the guides for grades 6 and 8 do not include any strategies.

A review of the social studies guides showed that the guide for grade 6 does not include any strategies, and the government guide does not list any of the appropriate TEKS. As a whole, the curriculum guides contain few strategies and no resources. Also, only a few of the guides incorporate the use of technology as an instructional strategy. The guides do not address areas of low student performance and do not contain assessment tools or an assortment of strategies, resources, and activities. The assistant superintendent for Curriculum and Instruction ranks those at the secondary level for secondary math classes especially weak.

Vertical team minutes stated that elementary teachers are concerned about horizontal curriculum presentation and would like to ensure that teachers present the same subject information by grade-level. This was stated as a particular concern since the district is opening an additional elementary school in 2004-05.

Galena Park ISD (GPISD) routinely updates its curriculum guides and provides staff development in curriculum writing. GPISD revises and updates the curriculum through horizontal and vertical teaming and horizontal and vertical articulation. The district gives release time to curriculum teams during the year and the teams work also in the summer for stipends based upon average annual salaries. Each content area and program including special education, bilingual/ESL, Gifted and Talented, and Career and Technology Education, incorporates the district mission, the Graduate Profile, and the content area purpose statement into relevant curriculum guides. Guides also specify relevant staff development, define effective or best practices, and list assessment tools used. The curriculum specifies the state and national standards on which it is based. The Graduate Profile outlines expected knowledge, skills, and conduct of GPISD graduates in the areas of personal qualities, work habits and attitudes; new basics; thinking and reasoning skills; interpersonal abilities; and technology.

Many districts also use representatives from their local region service centers to provide assistance in curriculum development, review, and update. Many of these districts have a core team of teachers by content area to review existing curriculum guides and/or develop missing ones. These core team members often solicit additional input from broader vertical alignment team members before finalizing updated curriculum guides. After update and development efforts, principals work cooperatively with vertical alignment teams to monitor and ensure consistent use of the curriculum.

Recommendation 3:

Update and revise curriculum guides.

The district's assistant superintendent for Curriculum and Instruction should contact Region 13 for assistance in curriculum guide development and review. The assistant superintendent for Curriculum and Instruction should also choose senior members of the district's existing vertical alignment teams to serve as core members of a curriculum management team to initially review and write curriculum guides. The assistant superintendent for Curriculum and Instruction should seek approval from the superintendent to review existing vertical teams and ensure adequate representation to include five members on four core content area teams: Language Arts, mathematics, science, and social studies. These teams should consist of one primary teacher, one upper elementary teacher, one middle school teacher, and two high school teachers.

FISCAL IMPACT

This fiscal impact is based on the assumption that MFISD will solicit assistance from Region 13 at a cost of \$300 per day per curriculum consultant. Conservatively, the district should hire five

consultants for a total of five days to assist four content specific vertical teams, each consisting of five teachers. This equates to a total of \$7,500 annually for consultation fees (5 consultants x 5 days x \$300 = \$7,500).

The district should also conservatively provide a \$2,500 stipend to teachers on the core curriculum management vertical teams during curriculum review and updates. With five teachers for each of the four content specific teams, this equates to \$50,000 in stipends annually (20 teachers x \$2,500 = \$50,000). Total annual costs are calculated at \$57,500 (\$7,500 + \$50,000). The district should conservatively reserve funding for this initiative for two years, including the assistance of curriculum specialists for a total cost of \$115,000.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Update and revise curriculum guides. | (\$57,500) | (\$57,500) | \$0 | \$0 | \$0 |

B. DROPOUT PREVENTION/ALTERNATIVE EDUCATION

Texas has set dropout prevention as one of its primary goals. TEA requires districts to report information on students who leave school, which is used to determine a district's dropout rate. Districts must use the guidelines in the TEA Leaver Codes and Definitions to report information on students who withdraw from school. School districts must also develop a comprehensive dropout prevention plan that addresses how schools will prevent students from dropping out of school.

MFISD reduced its dropout rates from 1.5 percent in 1999-2000 to 1 percent in 2001-02. MFISD had the lowest dropout rate in 1996-97 among selected peers. Its dropout rate increased to 1.5 in 1999-2000 and then began to drop. MFISD's dropout rates in 1999-2000, 2000-01, and 2000-02 ranked higher than the regional and state dropout averages (**Exhibit 1-24**). MFISD had the highest dropout rates among its peers in 1999-2000 and 2000-01 and the second highest in 2001-02.

Exhibit 1-24
Annual Dropout Rates
MFISD, Peer Districts, Region 13, and the State
1996-97 through 2001-02

| District | 1996-97 | 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 |
|----------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| La Marque | 1.9% | 1.5% | 0.2% | 0.4% | 0.2% | 0.1% |
| Aransas County | 1.7% | 1.4% | 0.7% | 0.4% | 1.4% | 0.7% |
| Hallsville | 1.5% | 0.8% | 1.3% | 0.4% | 0.5% | 0.5% |
| Sheldon | 1.3% | 1.4% | 1.2% | 1.4% | 1.3% | 1.6% |
| Tuloso-Midway | 1.2% | 0.5% | 0.4% | 0.6% | 0.3% | 0.1% |
| Marble Falls | 0.2% | 0.6% | 0.8% | 1.5% | 1.4% | 1.0% |
| Region 13 | 1.3% | 1.4% | 1.9% | 1.4% | 0.9% | 0.8% |
| State Average | 1.6% | 1.6% | 1.6% | 1.3% | 1.0% | 0.9% |

Source: Texas Education Agency, AEIS, 1997-98 through 2002-03.

Note: Dropout rates are reported for the year prior to the AEIS reported year.

The district has implemented several programs to decrease its dropout rate. The district received a Ninth Grade Success Initiative grant for an after-school tutorial program to help grade 9 students be academically successful. In 2002-03, the district established an alternative high school, Falls Career High School, for students at the greatest risk of dropping out. The district also has a Parent Education and Pregnancy (PEP) program for teen parents or pregnant teens to help students to resolve conditions that hamper their ability to attend school. The district has a Resource Office that checks on students with poor attendance and locates them. Once located, an MFISD counselor or assistant

principal contacts the students to get them back to school, into a GED program or into another training program.

TEA Leaver Codes describe reasons why a student may withdraw or leave school. TEA requires districts to report information on students who withdraw from school using TEA Leaver Codes and Definitions. TEA then uses this information in its accountability rating system. Exclusive of the 193 students who graduated, 83.8 percent of MFISD students who left the district did so to attend another school in Texas or outside of Texas (**Exhibit 1–25**).

Exhibit 1–25
Reasons for Students Leaving or Dropping Out of School
2002–03

| Leaver Codes | 2002–03 |
|--|------------|
| (01) Graduated | 193 |
| (80) Withdrew from/Left school to enroll in another Texas public school district | 147 |
| (82) Withdrew from/Left school to enroll in a private school in Texas | 42 |
| (81) Withdrew from/Left school to enroll in a public or private school outside Texas | 15 |
| (16) Returned to home country | 8 |
| (60) Withdrew for home schooling | 50 |
| (22) Enrolled in alternative program, in compliance, working toward a GED | 6 |
| (99) Other (reason unknown or not listed) | 18 |
| Other reasons with five or fewer students | 23 |
| Total | 502 |

Source: MFISD, School Leaver Summary, 2002–03.

MFISD established an academic alternative high school—Falls Career High School—in 2002–03 to recover former non-graduated students and for those students in danger of dropping out of high school. The district researched and modeled the program after alternative education programs in several neighboring districts. The program can accommodate up to 45 students at one time, and in 2002–03, Falls Career High School enrolled a total of 74 students. MFISD employs a half-time principal/director and 3.75 full-time equivalent teachers, a half-time counselor, a project coordinator, and a half-time secretary for Falls Career High School. Falls Career High School’s budget for 2003–04 is \$210,983 in payroll costs and \$20,500 in operating costs. Falls Career High School provides students with a self-paced instructional plan based on the American Preparatory Institute (API) curriculum that is also recognized by TEA as accredited. The Falls Career High School program further incorporates the Plato Learning System, a computer-assisted learning resource, as well as high school textbooks, audiotapes, and videotapes.

The district places students who apply for admission based on the Texas Assessment of Basic Essential Skills (TABES). Students must read at least on a grade 8 level to be accepted. Once admitted, students are permitted to remain in the program until they graduate. Each day, students attend classes from 8:00 AM to 11:45 AM and then work for three hours. Students admitted to the program have to work for a total of 15 hours a week. The Falls Career High School counselor helps students find jobs. Falls Career High School also assists students with TAKS practice and remediation, if they did not pass it before they were admitted to the program. In 2003–04, all Falls Career High School students will take the SAT which will also be funded by the school.

Falls Career High School is located in three portable buildings: one portable building for English and math; one portable building for social studies, testing, and a secretarial office; and one portable building for science, physical education, and speech classes. The third portable also serves as a lunchroom for EPIC students. Falls Career High School has 19 computers for student use.

MFISD also offers the Pregnancy, Education, and Parenting (PEP) program, another dropout prevention program. Located in a separate building at the Marble Falls High School, the PEP

program serves high school students who are pregnant or who are parents. From 2000–01 to 2003–04, the program provided services to 101 students. The daycare program serves teen parents as well as MFISD teachers and staff who are in need of daycare services. The program has a director who also functions as the teacher of the Parenting Education classes and a staff of seven daycare teacher aides. The program cares for children from six weeks to five years old, when they are ready to enter kindergarten. The daycare center is licensed to care for up to 39 children at one time.

PEP offers the following services:

- early pre-natal care;
- counseling;
- social services;
- parenting and child development classes;
- career exploration and coordination of school–work based programs;
- transportation to school and to medical care;
- pregnant teen health monitoring visits by the school nurse;
- assistance in class scheduling and tutoring;
- monitoring of course work grades;
- assistance in securing Medicaid and Women, Infants, Children (WIC) benefits; and
- homebound instruction.

In 2003–04, the center serves 30 children, 11 children of teen mothers and 19 children of school staff. Staff with children in the center pay \$70 a week for childcare and \$30 a year for enrichment materials and supplies. They also pay for their child’s food, snacks, and diapers. Teen parents have to supply their child’s formula, food, and diapers. The center also hires high school teachers on a case–by–case basis to serve as homebound instructors. The home instruction teacher goes to the student’s home to bring instructional assignments and materials and provide individual instruction for up to four hours a week. The student’s regular teachers send the lessons with the homebound instructor, and the instructor delivers the student’s work to the regular teacher for grading.

The district uses the daycare center for work–based training, a learning laboratory, a clinical rotation site, and a project site for students in other programs. For example, the daycare center serves as a work–based training station for students in the special education program and for the Mental Health Mental Retardation (MHMR) Functional Living class, using students to serve as childcare aides. It serves as a learning laboratory for the “Preparation for Parenthood” and “Child Development” classes in the Family and Consumer Science Department. The Family, Career, and Community Leaders of America (FCCLA) leadership group uses it as a community service project. The Health Science Technology program uses the daycare center as a clinical rotation site to learn about young children. The advanced building class in the Building Trades program in 2002–03 and 2003–04 has been building a playhouse and storage shed adjacent to the playground facility.

FINDING

Falls Career High School and Marble Falls High Schools have not coordinated their student referrals for admission or access to all student data. Although the Falls Career High School operates as a separate school and has its own principal, the Marble Falls High School principal is held accountable for attendance, performance on TAKS, dropout rates, and graduation rates of students attending Falls Career High School. Coordination between the two programs to implement admission criteria and the admission process is inconsistent.

The admission criteria specify that the program will serve students who have dropped out of school within the last year, those who did not show up for school between August and October, fifth–year seniors, and third–year freshmen. Because the schools have not established a mutually agreed upon priority ranking, not all students enrolled in the program meet these criteria. The admission process requires students to initially apply to the program and complete admission screening through staff at Marble Falls High School. This is to ensure high school administrators, who are accountable for the

students, can track them as they enter and exit the program. Students have not always followed this process, instead going directly to the Falls Career High School request for admission.

To prevent students from applying directly to Falls Career High School, Marble Falls High School strengthened the application process by requiring students and their parents to meet with the high school counselor first to discuss reasons for applying to the alternative education program, fill out an application for admission to Falls Career High School, and receive a determination from the high school counselor/administrator whether the student should be admitted to the program.

Falls Career High School can also only accommodate 45 students at a time and had a waiting list of 15 students in 2003–04. Falls Career High allows students to remain in the program until they graduate or withdraw as long as they complete 1.5 credits each nine–week grading period for a total of 3 credits each semester. Each time a student finishes a course and earns credit, the information is logged onto a transcript form at Falls Career High School. A copy of each credit is then forwarded to the counselor at Marble Falls High School when a student is ready to graduate. At that time, the counselor reviews the credits and creates a final transcript for signature by the Marble Falls High School principal. Students completing the program receive a diploma from Marble Falls High School.

Falls Career High School staff cooperate with the Technology director and Marble Falls High School staff to provide attendance and PEIMS information for students in attendance. Students enrolled in the Falls Career High School program must maintain a 90 percent attendance rate as a condition of participation. The principal at Falls Career High School provides daily attendance to the high school for official documentation; and since the review began, is calculating attendance rates to internally monitor attendance rates and for inclusion in reports to the superintendent.

In 2003–04, MFISD administrators recognized a need to improve the coordination between Marble Falls High School and Falls Career High School regarding student referral, admission, and daily attendance. MFISD established a district level committee in December 2003 to develop a policy and procedures manual for Falls Career High School. In addition, Falls Career High School started a graduate tracking program in 2003–04 using postcards with the intention to track graduates for three years after they complete the program.

Many districts operating an alternative school document and implement cooperative measures between administrators and teachers at regular and alternative schools to ensure administrative consistency and accurately address students' progress and needs on an on–going basis. Many of these districts ensure all schools have written procedures regarding students attending alternative schools. These procedures often detail student referral, admission, and access to student records, assessments, and continual monitoring of student progress.

Recommendation 4:

Develop and implement a collaborative operations plan between Marble Falls High School and Falls Career High School.

The principals from Falls Career High School and Marble Falls High School should immediately adhere to existing admissions criteria. The district should ensure that the policy and procedures development begun in December 2003 is completed as expeditiously as possible and includes details surrounding the admission and attendance processes, any updates to these processes, and a method to ensure strict adherence to identified rules.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. COMPENSATORY EDUCATION/TITLE I

In Texas, a student is at risk of dropping out of school if the student meets any of the following criteria:

- are pre-kindergarten through grade 3 students who did not perform satisfactorily on a readiness test or an assessment instrument administered during the current school year;
- is a student who did not perform satisfactorily on an assessment instrument (TAKS);
- is student with limited English proficiency;
- are students in grades 7 through 12 who did not maintain an average equivalent to 70 out of 100 in two or more subjects in the foundation curriculum during a semester in the current or preceding school year;
- was not advanced from one grade level to the next for two or more school years;
- has been placed in an alternative education program during the preceding or current school year;
- has been expelled during the preceding or current school year;
- is currently on parole, probation, deferred prosecution, or other conditional releases;
- was previously reported through the Public Education Information System (PEIMS) to have dropped out of school;
- is in the custody or care of the Department of Protective and Regulatory Services or has been referred, during the current school year, to the department by a school official, officer of the juvenile court, or a law enforcement official;
- is pregnant or is a parent;
- is homeless; or
- resided in the preceding school year or resides in the current school year in a residential placement facility in the district.

Districts use compensatory education funds to provide instructional services to students at risk of failure. Texas began to fund compensatory programs in 1975. In 1997, Section 42.152 of the Texas Education Code was amended to include reporting and auditing systems covering the appropriate use of compensatory education allotment funds. Senate Bill 1873 requires state compensatory education (SCE) funds, like federal Title I funds, to be supplemental in nature. In other words, a district must add these funds to the regular program; the funds cannot take the place or supplant regular funds. SCE fund rules allow a great deal of flexibility in identifying students and creating successful programs.

Senate Bill 702 changed the state criteria for identifying students at risk of dropping out of school and requires districts to use student performance for designing and implementing appropriate compensatory, intensive or accelerated instructional programs so these students will perform at grade level by the end of the following school year. This allows districts to use local criteria for identifying at-risk students, but requires the criteria to be board approved. Senate Bill 702 also requires each district to evaluate and document the effectiveness of the state compensatory education program in reducing any disparity in performance and restricts the amount of SCE funds that a district can use to fund basic services for disciplinary alternative education programs not to exceed 18 percent of the total amount of SCE funds allotted to the district. Senate Bill 702 requires that districts integrate SCE budgetary appropriations into the district and campus planning process, identify in their district and campus improvement plans the designated funding source, the amount of SCE funds budgeted and the number of full-time equivalent (FTE) staff funded by SCE appropriations. These changes became effective at the beginning of 2001–02.

TEA distributes Title I, Part A funds of the Elementary and Secondary Education Act (ESEA) to provide high-poverty school districts with extra resources to help improve instruction and ensure that poor and minority children have the same opportunity as other children to meet state academic standards. Funds are distributed based on the Census Bureau's school district estimates of

economically disadvantaged school-age children. Disadvantaged students are typically those who are eligible for free or reduced-priced lunch or breakfast. TEA distributes funds on the basis of the number of economically disadvantaged students, but students served do not need to be economically disadvantaged. The law allows a school to be designated as a Title I, Part A schoolwide program if 40 percent or more of students at the school, or in the attendance zone, are low income. MFISD is a designated schoolwide Title I, Part A program. The program mandates school districts use Title I funds for activities that scientifically-based research suggests will be most effective in helping all students meet state standards. Under Title I, Part A districts must coordinate and integrate Title I, Part A services with other educational services to increase program effectiveness, eliminate duplication, and reduce fragmentation of instructional programs.

In 2002–03, MFISD had 1,136 students, or 31.3 percent, classified as at-risk (**Exhibit 1–26**). MFISD had the third lowest percentage of at-risk students among selected peer districts. MFISD’s percentage of at-risk students ranked lower than the regional and state averages.

Exhibit 1–26
Number and Percentage of At-Risk Students
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Number of At-Risk Students | Percent of At-Risk Students |
|---------------------|----------------------------|-----------------------------|
| Sheldon | 1,697 | 40.6% |
| La Marque | 1,364 | 35.1% |
| Aransas County | 1,276 | 37.9% |
| Hallsville | 1,144 | 30.4% |
| Marble Falls | 1,136 | 31.3% |
| Tuloso–Midway | 965 | 30.0% |
| Region 13 | 97,126 | 33.7% |
| State | 1,708,637 | 40.3% |

Source: Texas Education Agency, Public Education Information Management System (PEIMS), 2002–03.

Exhibit 1–27 shows the distribution of economically disadvantaged and at-risk students in MFISD schools in 2002–03. Highland Lakes Elementary had the highest percentage of economically disadvantaged and at-risk students.

Exhibit 1–27
MFISD Economically Disadvantaged and At-Risk Students
2002–03

| School | Enrollment | Number of Economically Disadvantaged Students | Percent of Economically Disadvantaged Students | Number of At-Risk Students | Percent of At-Risk Students |
|--------------------------------|------------|---|--|----------------------------|-----------------------------|
| Marble Falls Primary School | 682 | 356 | 52.2% | 158 | 23.1% |
| Marble Falls Elementary School | 510 | 211 | 41.4% | 189 | 37.1% |
| Highland Lakes Elementary | 561 | 424 | 75.6% | 239 | 41.3% |
| Marble Falls Middle School | 833 | 360 | 43.2% | 256 | 30.7% |
| Marble Falls High School | 1,046 | 311 | 29.7% | 295 | 28.2% |

Source: Texas Education Agency, AEIS and PEIMS, 2002–03.

MFISD’s State Compensatory Education (SCE) budget for 2002–03 was \$1.04 million (**Exhibit 1–28**). MFISD had the third highest SCE expenditures as a percentage of total budget and the second highest per student expenditure. It ranked second highest among peer districts in percentage of SCE teachers. MFISD’s SCE budget as a percentage of total budget exceeded the state average. MFISD had a higher percentage of SCE teachers, 4.9 percent, than the regional and state averages of 2.7 and 3.1 percent, respectively.

Exhibit 1–28
State Compensatory Education Expenditures
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Budget Expenditures | Percent of Total Budget | Amount Per Student* | Compensatory Education Teachers (FTEs) | Percent of Total FTEs |
|---------------------|----------------------|-------------------------|---------------------|--|-----------------------|
| Sheldon | \$2,077,455 | 11.7% | \$1,224 | 0.3 | 0.1% |
| Marble Falls | \$1,037,262 | 7.6% | \$913 | 12.8 | 4.9% |
| La Marque | \$675,736 | 5.4% | \$495 | 4.0 | 1.6% |
| Hallsville | \$496,021 | 3.9% | \$434 | 19.0 | 7.3% |
| Aransas County | \$902,794 | 7.7% | \$707 | 7.0 | 2.9% |
| Tuloso–Midway | \$133,502 | 1.4% | \$138 | 7.5 | 3.7% |
| Region 13 | \$44,958,007 | 4.3% | \$465 | 544.3 | 2.7% |
| State | \$795,042,137 | 5.2% | \$464 | 8,946.2 | 3.1% |

Source: Texas Education Agency, AEIS, 2002–03.

* Amount per student was calculated by dividing the budgeted funds by total number of at-risk students.

** Region 13 has 96,749 at-risk students, PEIMS 2002–03.

In 2002–03, MFISD had the second lowest percentage of students classified as economically disadvantaged among its peers (**Exhibit 1–29**). MFISD’s percentage of economically disadvantaged students, 45.8 percent, was higher than the regional average of 39.2 percent but lower than the state average of 51.9 percent. MFISD received \$496,876 in Title I, Part A funds in 2002–03.

Exhibit 1–29
Economically Disadvantaged Enrollment
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Number | Percent |
|---------------------|------------------|--------------|
| Sheldon | 2,655 | 63.6% |
| La Marque | 2,282 | 58.8% |
| Aransas County | 1,776 | 52.7% |
| Marble Falls | 1,662 | 45.8% |
| Tuloso–Midway | 1,517 | 47.1% |
| Hallsville | 1,170 | 31.1% |
| Region 13 | 113,055 | 39.2% |
| State | 2,201,534 | 51.9% |

Source: Texas Education Agency, AEIS, 2002–03.

MFISD co-funds a variety of programs with SCE and Title I, Part A funds. These programs are listed in **Exhibit 1–30**.

Exhibit 1–30
MFISD SCE and Title I, Part A Funded Programs

| Program | Program Description |
|---|---|
| Early Literacy Intervention (ELI) | Teachers serving students one–on–one and in small groups in a Reading Recovery style program based on the Texas Primary Reading Inventory (TPRI) and <i>Concepts about Print</i> (CAP) screening. Teachers monitor progress through ongoing and post–assessment. Title I provide for one additional teacher at the Primary School and Highland Lakes Elementary to intern with master ELI teachers. |
| Accelerated Literacy Program (ALP) | ALP uses more than 20 aides trained by ELI teachers to work with small groups of students in grades 1 and 2 in directed reading instruction. Ten of the ALP aides, funded through SCE, target students with below level reading skills and work daily on pre–designed units of study. The additional 10 aides are funded through local funds and Title I. |
| Instructional Learning Lab | This lab is for students in grades 3 through 5. It is a multi–sensory research–based reading lab approved for students with dyslexia or reading–related disabilities. Students are served in a 1:4 ratio daily. SCE funds .5 of a teacher. Local funds, Title I, and Special Education fund the rest. |
| Accelerated Instruction | Provided to students in grades 3 through 5 who have failed TEKS–based benchmark assessments in reading or math. Teaching assistants work with small groups or proctor classes while teachers work with small intervention groups. Program is funded through Title I. |
| Content Mastery (CM) | Content mastery is offered on every campus to students identified as potentially failing subjects. These students are referred for support through CM. SCE funds .5 of a teacher on one campus. Title I and Special Education funding is also used. |
| Reading Remediation | Reading Remediation uses prescriptive/diagnostic skill development. Classes are offered for grades 6, 7 and 8 through hands–on learning styles intervention approach and in small groups for mathematics. Five teachers offer a study skills support class for one period each day for students identified at risk of failure. The Reading Remediation teacher and a teaching assistant are paid through ESC funds. |
| Math Foundations and Writing/Reading Lab | SCE funding supports the grade 9 Math Foundations semester course for students at risk of failing algebra and the TAKS exit test. The lab is supported with local funds and the Ninth Grade Initiative grant. |
| Falls Career High School | This is the optional alternative education program for students at risk of dropping out. It offers a comprehensive academic program and career placement through the Multi–Occupations Program grant. It prepares and monitors students for a minimum of 15 hours a week in Career Pathway positions in addition to a half–day academic program. |
| Parenting Education Program (PEP) | The program seeks to keep teen mothers in school and help them get a high school diploma. Teen parents attend daily classes in addition to serving as caretakers before school and at lunch. Their infants and toddlers are kept in an enriched learning environment to nurture pre–literacy and social skills. SCE supports one teacher. All additional staff is paid through PEP grant or local funds. |
| Educational Placement Instruction Center (EPIC) | EPIC is the district’s disciplinary alternative education program. The program focuses on academic acceleration and choice/problem–solving skill development. SCE funds the half–time counselor, two aides, and a teacher. |

Source: MFISD, State Compensatory Education Program, 2002–03.

MFISD funded 15.6 teachers and 22.8 aides through SCE and Title I, Part A, funds as demonstrated in **Exhibit 1–31**.

Exhibit 1–31
SCE and Title I, Part A Funded Teachers and Aides

| School | SCE | | Title I, Part A | |
|----------------------------------|------------|-------------|-----------------|------------|
| | Teachers | Aides | Teachers | Aides |
| Marble Falls Primary School | 1.0 | 6.0 | 2.0 | 2.0 |
| Marble Falls Elementary School | 0.0 | 2.5 | 1.0 | 1.0 |
| Highland Lakes Elementary School | 2.5 | 5.0 | 3.0 | 1.0 |
| Marble Falls Middle School | 1.0 | 1.0 | 0.0 | 2.0 |
| Marble Falls High School | 2.1 | 1.0 | 0.0 | 1.0 |
| Falls Career High School | 3.0 | 0.0 | 0.0 | 0.0 |
| EPIC | 0.0 | 0.3 | 0.0 | 0.0 |
| Total | 9.6 | 15.8 | 6.0 | 7.0 |

Source: MFISD, Special Programs, 2002–03.

FINDING

MFISD did not equitably distribute intervention strategies, programs, and staff training across all grade–levels for economically disadvantaged and at–risk students or include all relevant programs in formal program evaluation efforts. MFISD focused its efforts to enhance academic performance on students in kindergarten through grade 3 and not on students in higher grades. As a result, MFISD’s instructional and support strategies did not close the large performance gaps on TAKS for economically disadvantaged and at–risk students. MFISD did not have a plan for students in higher grades with set performance targets until 2003–04. Although the district started to identify and serve at–risk students in 1999–2000, it did not begin prioritizing at–risk students into several groups until 2003–04 subsequently tailoring interventions, support services, and personal graduation plans for high school at–risk students. The district also divided grades into smaller units/clusters and provided a common conference time for teachers associated with each unit/cluster to facilitate team planning. While the district provided many professional development opportunities, including training on differentiating instruction to meet the needs of all students, district administrators said that teachers need more training in working with at–risk and economically disadvantaged students.

Exhibit 1–32 compares the percentage of economically disadvantaged students and students not economically disadvantaged who passed TAKS in 2002–03 as well as the percentage of at–risk and not at–risk students who passed the TAKS by grade level and subject area. Three to 28 percent fewer economically disadvantaged students than students not economically disadvantaged passed the TAKS. Economically disadvantaged students did better than students not economically disadvantaged on the TAKS only in grade 11 social studies.

Five to 47 percent fewer at-risk students than students not at-risk passed the TAKS.

Exhibit 1–32
Comparison of Percentage of Economically Disadvantaged and Non-Economically Disadvantaged, At-Risk, and Not At-Risk Students Passing TAKS By Grade Level 2002–03

| Subject | Percent of Economically Disadvantaged Students Passing TAKS | Percent of Students Not Economically Disadvantaged Passing TAKS | Percentage Point Difference | Percent of At-Risk Students Passing TAKS | Percent of Students Not At Risk Passing TAKS | Percentage Point Difference |
|----------------|--|--|------------------------------------|---|---|------------------------------------|
| Grade 3 | | | | | | |
| Reading | 92% | 100% | (8) | 94% | 99% | (5) |
| Math | 94% | 98% | (4) | 93% | 100% | (7) |
| Grade 4 | | | | | | |
| Reading | 88% | 94% | (6) | 81% | 94% | (13) |
| Math | 89% | 98% | (9) | 83% | 97% | (14) |
| Writing | 88% | 93% | (5) | 76% | 95% | (19) |
| All Tests | 77% | 87% | (10) | 60% | 90% | (30) |
| Grade 5 | | | | | | |
| Reading | 77% | 97% | (20) | 56% | 93% | (37) |
| Math | 86% | 89% | (3) | 68% | 92% | (24) |
| Science | 70% | 86% | (16) | 55% | 85% | (30) |
| All Tests | 61% | 81% | (20) | 38% | 79% | (41) |
| Grade 6 | | | | | | |
| Reading | 79% | 86% | (7) | 63% | 92% | (31) |
| Math | 70% | 82% | (12) | 53% | 88% | (35) |
| All Tests | 61% | 78% | (17) | 38% | 85% | (47) |
| Grade 7 | | | | | | |
| Reading | 83% | 93% | (10) | 75% | 94% | (19) |
| Math | 69% | 89% | (20) | 58% | 91% | (33) |
| Writing | 90% | 95% | (5) | 82% | 97% | (15) |
| All Tests | 66% | 84% | (18) | 49% | 89% | (40) |
| Grade 8 | | | | | | |
| Reading | 83% | 94% | (11) | 68% | 96% | (28) |
| Math | 78% | 81% | (3) | 50% | 88% | (38) |
| Social Studies | 90% | 96% | (6) | 78% | 98% | (20) |
| All Tests | 70% | 78% | (8) | 39% | 85% | (46) |
| Grade 9 | | | | | | |
| Reading | 80% | 91% | (11) | 71% | 94% | (23) |
| Math | 48% | 72% | (24) | 33% | 77% | (44) |
| All Tests | 44% | 68% | (24) | 28% | 74% | (46) |

Exhibit 1–32 (continued)
Comparison of Percentage of Economically Disadvantaged and Non–Economically Disadvantaged, At–Risk, and Not At–Risk Students Passing TAKS By Grade Level 2002–03

| Subject | Percent of Economically Disadvantaged Students Passing TAKS | Percent of Students Not Economically Disadvantaged Passing TAKS | Percentage Point Difference | Percent of At–Risk Students Passing TAKS | Percent of Students Not At Risk Passing TAKS | Percentage Point Difference |
|-----------------|---|---|-----------------------------|--|--|-----------------------------|
| Grade 10 | | | | | | |
| ELA* | 66% | 85% | (19) | 58% | 85% | (27) |
| Math | 59% | 79% | (20) | 45% | 80% | (35) |
| Social Studies | 85% | 92% | (7) | 81% | 93% | (12) |
| Science | 56% | 76% | (20) | 49% | 76% | (27) |
| All Tests | 34% | 62% | (28) | 24% | 63% | (39) |
| Grade 11 | | | | | | |
| ELA* | 73% | 87% | (14) | 75% | 85% | (10) |
| Math | 53% | 80% | (27) | 42% | 80% | (38) |
| Social Studies | 97% | 96% | 1 | 90% | 97% | (7) |
| Science | 71% | 85% | (14) | 60% | 86% | (26) |
| All Tests | 44% | 69% | (25) | 40% | 69% | (29) |

Source: MFISD, TAKS Summary Reports, 2002–03.

*ELA refers to English Language Arts.

Three years ago in 2000, the district started a combined full–day pre–kindergarten/Head Start and Even Start/ Literacy Improving the Future for Everyone (L.I.F.E.) program. A family–centered program, Even Start/L.I.F.E., integrates early childhood education, parent education, and adult education while providing educational opportunities to low–income families. The program seeks to empower parents to become full partners in their children’s education, prepare pre–school children for school, and encourage parents to increase their education.

In 2003–04, MFISD serves 50 families in this program, up from 40 families in 2001–02. A state program evaluation conducted in 2002 showed that all children from Even Start families who participated in the program before 2002 and attended kindergarten, grade 1, and grade 2 were promoted to higher grades; 88 percent of grade 1 and 2 children from Even Start families read at or above grade level; 83 percent of the pre–school and kindergarten children from Even Start families showed progress on reading/reading readiness tests, and 80 percent of kindergarten children from Even Start families met the district’s assessment standards. District administrators associate the high performance of all groups of grade 3 students in 2002–03 on TAKS to its early intervention programs. More than 90 percent of grade 3 economically disadvantaged and at–risk students passed TAKS reading and math.

Districts that have been successful in improving the performance of all at–risk students implement intensive instructional and support programs involving the students and their families; closely monitor implementation; evaluate program effectiveness; and provide targeted staff development. Some districts partner together to offer staff development training on research–based and effective strategies for economically disadvantaged and at–risk students. Riviera ISD (RISD) formed intervention teams consisting of principals, teachers, staff counselors, community members, and students. Intervention teams met formally every two weeks to identify at–risk students and recommend ways to help them. Team members identified challenges that students were facing, both at home and in the classroom, and helped them resolve identified issues. Team members counseled

students and monitored their progress before and after students improved their performance on administered assessments and in their courses.

Recommendation 5:

Include at-risk programs in formal program evaluation efforts and provide additional staff development training.

The district should include expanded questions about services provided for students at-risk and those identified as economically disadvantaged on its annual stakeholder surveys to obtain additional input about offered programs for these students. The assistant superintendent for Curriculum and Instruction should also conduct research to provide additional training to professional staff and teachers about intervention strategies to improve the academic performance of identified students at risk of failure. The assistant superintendent for Curriculum and Instruction may also consider partnering with other districts in communication efforts about innovative strategies implemented and proven successful with students at risk of failure or identified as economically disadvantaged.

FISCAL IMPACT

This fiscal impact assumes the district will provide four additional districtwide training opportunities available privately or through Region 13 at a cost of \$2,000 each over the course of the next two years for a total cost of \$8,000.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Include at-risk programs in formal program evaluation efforts and provide additional staff development training. | (\$4,000) | (\$4,000) | \$0 | \$0 | \$0 |

D. GIFTED/ TALENTED EDUCATION AND ADVANCED PLACEMENT

Texas state law requires all school districts to identify and provide services for gifted and talented (G/T) students. In 1990, the State Board of Education (SBOE) adopted its *Texas State Plan for the Education of Gifted/Talented Students*, a guide for meeting the law’s requirements. In 1996, SBOE updated the plan to incorporate Texas Education Code Section 29.123 requirements, which ensures accountability for state-mandated services for gifted and talented students.

MFISD defines gifted and talented students as “those who excel consistently or who show the potential to excel in general intellectual ability, and/or specific subject matter achievement and/or creative productive thinking.” MFISD recognizes that those students require educational experiences beyond the experiences normally provided by the regular school programs.

The MFISD G/T program has a district G/T coordinator, an elementary coordinator, and a secondary coordinator. The district established the secondary coordinator position in 2002-03. The MFISD G/T program, which served 193 students, had a budget of \$448,498 (**Exhibit 1-33**). The G/T program includes kindergarten through grade 12, pre-Advanced Placement (pre-AP) in grades 7 and 8, and the pre-Advanced and Advanced Placement in grades 9 through 12. In 2002-03, grades 5, 11, and 12 had the largest number of students in the G/T program.

Exhibit 1–33
MFISD Gifted/Talented Students by Grade Level
2002–03

| Grade | Percent of Students |
|--------------|---------------------|
| Grade 1 | 2.1% |
| Grade 2 | 2.6% |
| Grade 3 | 9.3% |
| Grade 4 | 3.1% |
| Grade 5 | 14.0% |
| Grade 6 | 4.1% |
| Grade 7 | 7.8% |
| Grade 8 | 10.4% |
| Grade 9 | 9.8% |
| Grade 10 | 10.9% |
| Grade 11 | 13.5% |
| Grade 12 | 12.4% |
| Total | |

Source: MFISD, Gifted and Talented coordinator, 2002–03.

For more than 11 years, MFISD has offered the Horizons program, a program that seeks to challenge students, working as a group, in creative problem-solving and higher learning activities. G/T students in kindergarten through grade 2 attend a weekly enrichment pullout program that emphasizes creative and productive thinking, problem solving, and critical thinking skills. In grades 3, 4, and 5, the district administers the program through grade level cluster-grouped classrooms. The G/T students also have access to an enrichment lab to foster creativity.

In addition, an itinerant G/T teacher serves identified G/T students in kindergarten through grade 6 in an additional weekly pullout program. The pullout program consists of groups not to exceed 10 students who meet for one hour a week. The pullout program uses a special curriculum with scope and sequence during the first semester and an independent study during the second semester. In 2002–03, MFISD began to offer a Destination Imagination program to grade 4 G/T students and expanded it to include students in grade 5 in 2003–04.

The district uses the Horizons program for G/T students in grades 6 and 7 in language arts classes with trained G/T teachers who emphasize verbal and linguistic skills as well as creative and critical thinking. G/T students in grade 6 also have access to weekly academic strategies/leadership curriculum through an enrichment lab with a G/T teacher. The G/T students in grade 8 may choose a problem-solving class in which students use higher-order thinking skills on a competitive level. G/T students in grades 6 through 8 also have specific advanced and integrated science and social studies classes. In grades 9 through 12 MFISD provides G/T services through pre-AP and AP courses, an interdisciplinary studies course exclusively for G/T students, and a professional internship option that results in a student project appropriate to the Distinguished Achievement Program (DAP). The district also offers advanced study options in art, music, theatre, and dance as well as enrichment courses and extracurricular activities including UIL academics and summer enrichment camps.

Parents, school personnel, and community members can nominate students to the G/T program. The district provides information to parents on G/T nomination, identification, and services during parent meetings each fall and spring. The district also posts information about the G/T nomination process in the local newspaper and distributes flyers for three weeks. MFISD identifies G/T students based on student performance on achievement; ability and creativity tests; teacher nomination scores; and students' work products. The nomination process takes place in January through March for grades 1 through 5. The district tests nominated students in February, March, and April. Students who meet the criteria are identified in May. The district sends a letter to parents notifying them whether or not their child qualifies for the program. Parents must grant permission for students to participate in the

program. The district’s G/T selection committee consists of 25 members including teachers, counselors, and parents. The committee meets quarterly; reviews services and needs; plans parent meetings and conferences; and performs community outreach.

The number of MFISD students participating in the G/T program decreased between 1998–99 and 2002–03, as shown in **Exhibit 1–34**. MFISD experienced the third highest rate of decrease in the number of students in G/T programs among peers during that period. District administrators attributed the decrease in the number of G/T students to the change in the identification process the district made in 2000–01. In 2000–01, the G/T coordinator and assistant superintendent decided to discontinue the primary level Talent Pool. The Talent Pool included 20 students from the top 10 to 15 percent of kindergarten through grade 2. Once the district recognized that this was in violation of the state mandate to identify G/T students in kindergarten through grade 12, MFISD reinstated procedures to identify students in kindergarten through grade 2. However, instead of identifying the top 10 to 15 percent, the district decided to identify 3 to 5 percent of students in these grades.

Exhibit 1–34
G/T Student Participation
MFISD and Peer Districts
1998–989through 2002–03

| District | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 | Percent Change 1998–99 to 2002–03 |
|---------------------|------------|------------|------------|------------|------------|-----------------------------------|
| La Marque | 286 | 258 | 237 | 215 | 176 | (38.5%) |
| Aransas County | 283 | 256 | 251 | 232 | 192 | (32.1%) |
| Sheldon | 275 | 294 | 270 | 309 | 312 | 13.4% |
| Marble Falls | 218 | 241 | 187 | 189 | 191 | (12.4%) |
| Hallsville | 114 | 143 | 139 | 142 | 157 | 37.7% |
| Tuloso–Midway | 88 | 84 | 84 | 93 | 99 | 12.5% |

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03.

** Percentage change is defined as 2002–03 values minus 1998–99 values divided by 1998–99 values*

All MFISD G/T teachers received the state–required training in 2002–03. All teachers in kindergarten through grade 2 have the minimum 30 hours of G/T professional development. In grades 3 through 6, the cluster teachers who work with G/T students also have the required 30 hours of training. All teachers serving G/T students in the Horizons program, the lead counselors, and principals completed a 30–hour academy that MFISD offers annually in–district or through Region 13. The district also offers a six–hour staff development update. Pre–AP and AP teachers attend College Board workshops. The College Board administers the SAT, PSAT, and the Advanced Placement programs and offers training to teachers. Each year two teachers from each campus also attend the Texas Association for the Gifted and Talented (TAGT) conference.

Exhibit 1–35 shows G/T students, teachers, and expenditures for MFISD, peer districts, Region 13, and the state in 2002–03. MFISD occupied the third highest position among six districts in percent total of G/T students and the second highest in percent of G/T teachers and percent of G/T instructional expenditures. MFISD’s percent of G/T students ranked below regional and state averages in 2002–03 but the percentage of G/T instructional expenditures and percentage of G/T teachers were higher than regional and state averages.

Exhibit 1–35
Number and Percent of Gifted/Talented Students and Teachers
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | G/T Student Enrollment | | G/T Teachers | | Budget Instructional Expenditures for G/T | |
|---------------------|------------------------|-------------|----------------|-------------|---|-------------|
| | Number | Percent | Number* | Percent | Amount Per Student | Percent** |
| Sheldon | 312 | 7.5% | 6.3 | 2.2% | \$860 | 1.5% |
| Aransas County | 192 | 5.7% | 2.4 | 1.0% | \$30 | 0.0% |
| Marble Falls | 191 | 5.3% | 9.0 | 3.4% | \$2,348 | 3.2% |
| La Marque | 176 | 4.5% | 33.9 | 13.2% | \$4,452 | 6.0% |
| Hallsville | 157 | 4.2% | 0.0 | 0.0% | \$469 | 0.6% |
| Tuloso–Midway | 99 | 3.1% | 0.5 | 0.2% | \$512 | 0.5% |
| Region 13 | 21,975 | 7.6% | 317.2 | 1.6% | \$826 | 1.7% |
| State | 332,551 | 7.8% | 6,662.0 | 2.3% | \$840 | 1.8% |

Source: Texas Education Agency, AEIS, 2002–03.

* Expressed in Full–Time Equivalents (FTEs).

** G/T expenditures as percent of total budgeted instructional program expenditures.

MFISD has a G/T vertical team divided into four sub–teams that address parent needs and involvement; enrichment opportunities; post–graduate preparation and scholarships; and community support for G/T students in the form of internships, mentorships, and scholarships.

The MFISD G/T program also uses multiple evaluation strategies. MFISD informally evaluates the program through the district needs assessment, student performance on the TAKS and AP tests, and TEA’s Program Analysis System (PAS). The program is also evaluated through the student product fair, professional intern project presentations, student self-review, G/T parent surveys, and indicators such as attendance, discipline, and dropout. The G/T committee reviews the data obtained from the state PAS reports and makes changes in the program based on the results. For example, when parents of G/T students expressed dissatisfaction with the G/T program at the secondary level because it only offered pre–AP and AP courses, the district expanded the program and added G/T activities. The program also added a PSAT/SAT preparation program based on student survey results.

FINDING

MFISD offers limited pre–AP courses to students and AP training to teachers at the middle school level. In 2003–04, the grade 8 courses for students indicates one pre–AP Language Arts class and algebra as higher–level coursework options. In addition, only three teachers and administrators at the middle school have attended AP training or an AP summer institute. In December 2003, the district expressed concern about the number of middle school teachers trained in AP course presentation and obtained information about training dates and costs. In addition, some of the district administrators were unaware of the state’s reimbursement of funds for students receiving a score of 3 or better on AP exams.

In 2002–03, 184 MFISD students participated in pre–AP and AP courses with 45 receiving scores of 3 or better on all 2002–03 exams taken. For these scores, the district will receive an award not to exceed \$4,500 through the Texas Advanced Placement Incentive program passed by the Texas Legislature in 1993. This program was designed to reward campuses, teachers, and students for high performance on AP exams. The state incentive program gives up to \$100 awards to each school for every student who scores a 3 or higher on an AP exam. The Texas Education Code specifically states that these are “school awards” and “a school shall give priority to academic enhancement purposes in using an award received under the program.” An October 2003 memo from the TEA associate commissioner of Curriculum, Assessment, and Technology informed school districts that AP campus awards might not be used for:

- student bonuses, awards, scholarships, or any payment that could be considered financial gain for the student;
- teacher bonuses, awards, scholarships, or any payment that could be considered financial gain for the teacher;
- administrator bonuses, scholarships, or any payment that could be considered financial gain for the administrator;
- payment of any portion of student examinations, including re-test fees;
- T-shirts or any other such novelty items; and
- other items or payments that could be considered inappropriate.

Subsequent to awards, TEA sends principals a survey that captures information regarding use of those funds to improve academic services. The state reimburses a district for up to \$450 for expenses incurred for the training of a certified AP teacher who teaches an AP class the following year. Cedar Hill ISD offers Honors Algebra I, Honors Geometry, Pre-AP English-7, Pre-AP English-8, Advanced History, Advanced Science, Spanish I, and Honors Band at the middle school level. The district also offers additional pre-AP and a variety of AP courses and tracks monies awarded to campuses as a result of students passing AP examinations.

The percentage of MFISD students participating in AP courses decreased between 1997-98 and 2001-02 (**Exhibit 1-36**). Student scores and participation rates are reported for the year prior to the reporting year.

Exhibit 1-36
Percent of Students Taking Advanced Placement Courses
MFISD, Peer Districts, Region 13, and the State
1997-98 through 2001-02

| | 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Marble Falls | 22.0% | 21.0% | 25.1% | 25.0% | 17.6% |
| Region 13 | 19.8% | 19.3% | 20.7% | 20.9% | 20.8% |
| State | 18.9% | 17.5% | 20.1% | 19.3% | 19.4% |

Source: Texas Education Agency, AEIS, 1998-99 through 2002-03.

MFISD offers 15 pre-AP and AP courses largely at the secondary level. These courses include history, government, macroeconomics, microeconomics, biology, chemistry, computer science, English III and IV, Spanish, German, calculus, probability and statistics, music theory, and physics. MFISD has added pre-AP pre calculus and pre-AP physics courses to the 2004-05 schedule of classes. MFISD currently offers only one pre-AP course in the middle school. The concept behind the AP program is to provide college-level courses to high school students to ease the transition to college. According to the College Board, the organization that manages the Scholastic Achievement Test, the number of advanced courses that students complete is one of the best predictors of success on the SAT and in college.

MFISD also offers dual credit courses in collaboration with Central Texas College (CTC) in English IV, US History, government, and economics at the secondary level. District administrators said student participation in dual-credit courses also competes with student participation in AP courses. In 2002-03, MFISD students earned 84 credits through the dual-credit program. Dual-credit courses are courses that students can take in high school for which they receive both high school credit and university credit.

Although the number of AP examinations taken by MFISD students increased from 1998-99 to 2001-02, MFISD ranked third highest among peer districts in percentage of students taking AP

examinations in 1997–98 through 2000–01 and fourth highest in 2001–02 (**Exhibit 1–37**). The percentage of MFISD students taking AP exams was below Region 13 averages from 1997–98 through 2001–02.

Exhibit 1–37
Percent of Students Taking Advanced Placement Examinations
MFISD, Peer Districts, Region 13, and the State
1997–98 through 2001–02

| | 1997–98 | 1998–99 | 1999–2000 | 2000–01 | 2001–02 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Hallsville | 14.6% | 10.2% | 12.1% | 14.3% | 13.8% |
| Aransas County | 11.5% | 17.4% | 22.8% | 29.4% | 30.2% |
| Marble Falls | 11.3% | 13.3% | 13.4% | 17.6% | 15.0% |
| La Marque | 2.4% | 4.0% | 2.6% | 1.3% | 1.0% |
| Tuloso–Midway | 0.0% | 12.5% | 16.3% | 19.0% | 15.2% |
| Sheldon | 0.0% | 0.0% | 7.3% | 10.3% | 24.8% |
| Region 13 | 18.0% | 17.3% | 19.5% | 20.2% | 21.2% |
| State | 9.7% | 11.0% | 12.7% | 14.3% | 15.0% |

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03.

Note: Student scores and participation rates are reported for the year prior to the reporting year.

The performance of MFISD students on AP examinations has been below regional and state averages from 1997–98 through 2001–02 (**Exhibit 1–38**) in the percentage of AP scores exceeding the criterion; that is, the percentage with scores of 3 or higher, and in the percentage of examinees with scores exceeding the criterion. The percentage of AP scores exceeding the criterion was lower in 2001–02 than in 1997–98 although it increased from 2000–01 to 2001–02. The percentage of MFISD examinees with scores exceeding the criterion increased in 2001–02 over 2000–01 but was still below the 1999–2000 level.

Exhibit 1–38
Performance on Advanced Courses Examinations
MFISD, Region 13, and the State
1997–98 through 2001–02

| | 1997–98 | 1998–99 | 1999–2000 | 2000–01 | 2001–02 |
|--|--------------|--------------|--------------|--------------|--------------|
| Percent of All AP Scores Exceeding Criterion | | | | | |
| Marble Falls | 45.2% | 42.3% | 38.5% | 31.5% | 37.0% |
| Region 13 | 57.2% | 62.7% | 60.8% | 56.9% | 60.4% |
| State | 57.4% | 55.7% | 53.9% | 50.1% | 52.9% |
| Percent of AP Examinees with Scores Exceeding Criterion | | | | | |
| Marble Falls | 48.7% | 40.9% | 51.1% | 48.5% | 49.1% |
| Region 13 | 60.8% | 66.2% | 64.5% | 61.8% | 65.2% |
| State | 59.6% | 58.6% | 57.9% | 54.0% | 56.8% |

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03.

Note: Student scores and participation rates are reported for the year prior to the reporting year.

Generally, colleges award credit for scores of 3, 4, or 5 on AP exams. As measured by the percentage of examinations on which students scored a 3 or higher, MFISD student performance on AP examinations between 1997–98 and 2001–02 decreased (**Exhibit 1–39**). Performance on AP exams was highest in 1997–98 at 44.6 percent and remained approximately unchanged from 2000–01 through 2001–02 at 34 percent. Of the 525 AP exams MFISD students took from 1997–98 through 2001–02 students received only 17 scores of “5” (3.2 percent). MFISD provides assistance with full or partial payment for AP exams.

Exhibit 1–39
Performance on Advanced Placement Examinations
1997–98 through 2001–02

| Year | Number of AP Examinations | Number with Grade 3 or Higher | Percent of Grades 3 or Higher |
|-----------|---------------------------|-------------------------------|-------------------------------|
| 1997–98 | 65 | 29 | 44.6% |
| 1998–99 | 80 | 34 | 42.5% |
| 1999–2000 | 96 | 39 | 40.6% |
| 2000–01 | 150 | 51 | 34.0% |
| 2001–02 | 134 | 46 | 34.3% |

Source: MFISD Summary of Advanced Placement Program, Candidate Assessment Rosters, 1997–98 through 2001–02; September 9, 2003.

MFISD has engaged in a number of activities to increase student and parental awareness of the AP program. Middle and high school counselors and principals highlight the benefits of the AP program to students. Grade 8 students meet pre-AP and AP teachers and students at the secondary level and see samples of pre-AP and AP student work as part of the Carrousel of Courses event, which introduces middle school students to the available course options in high school. Counselors meet individually with students in the spring as part of a freshmen transition meeting and discuss scheduling and pre-AP opportunities. During College Night, the high school principal and counselors meet with parents and students and discuss the benefits of pre-AP and AP courses to college admission. AP teachers visit upper class students and discuss AP offerings at the next level. AP teachers ask students to evaluate their courses so they can identify ways to improve the courses. While these activities might have increased student and parent awareness of AP courses, they have not led to increased participation in AP courses and exams or to better performance on AP exams.

Districts with high participation in AP courses and exams and high performance on AP exams integrate their AP program into their curriculum by preparing students academically to take advanced courses before they reach high school. These districts set participation goals and offer multiple pre-AP courses in middle school. They offer training to AP and regular education teachers in test-taking strategies. Districts also offer tutorials on test-taking strategies and provide access to computer labs supplied with applicable software. Districts like Dripping Springs ISD also encourage students to enroll in G/T activities such as debate, humanities, G/T independent study courses, dual-credit courses or the G/T summer academy because these activities increase students' performance on AP exams.

Recommendation 6:

Offer increased Advanced Placement courses at the middle school level.

The district should identify five teachers to attend Advanced Placement training and immediately complete registration for the Advanced Placement Summer Institute. In addition, the superintendent, middle and high school principals, and assistant superintendent for Curriculum and Instruction should collaboratively decide which courses at the middle school level could be elevated to the pre-AP or AP status. As a result, the assistant superintendent for Curriculum and Instruction should ensure that the course catalogs are amended and counselors, students, staff, and parents notified of any course changes.

FISCAL IMPACT

This fiscal impact of this recommendation is based upon sending five teachers to the Advanced Placement Summer Institute training at a cost of \$2,000 each for a total initial cost of \$10,000. The district should also extend the \$1,500 Advanced Placement stipend to these five teachers as already extended to existing AP teachers at an annual cost of \$7,500. Total five-year costs for this recommendation are estimated at \$47,500.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|------------------------------|-------------------|------------------|------------------|------------------|------------------|
| Advanced Placement training. | (\$10,000) | \$0 | \$0 | \$0 | \$0 |
| Stipends for five teachers. | (\$7,500) | (\$7,500) | (\$7,500) | (\$7,500) | (\$7,500) |
| Net (Costs)/Savings | (\$17,500) | (\$7,500) | (\$7,500) | (\$7,500) | (\$7,500) |

E. SPECIAL EDUCATION

Under the federal Individuals with Disabilities Education Act (IDEA), districts must provide appropriate public education for all children with disabilities regardless of their severity. The Act requires districts to provide educational services in the “least restrictive environment,” and to include students with disabilities in state and district assessment programs. Districts are also required to develop an Individual Education Plan (IEP) for each of these students with input from general education teachers. The IEP has to provide special education students with curricula related to those of students in general education classrooms.

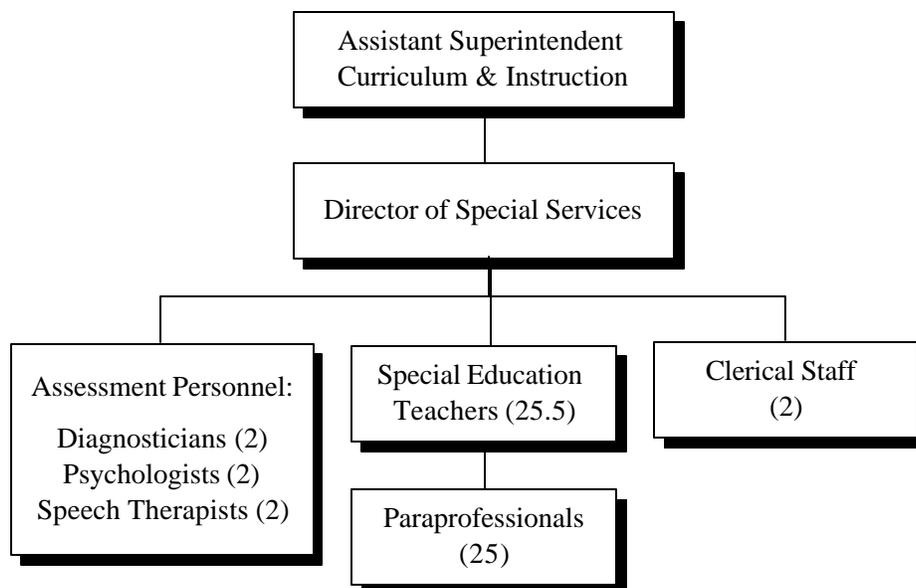
In 1997 amendments to the federal IDEA defined an effective special education program as having the following elements:

- *Pre-referral intervention in general education:* When a student has an academic problem in the general education program, the teacher should intervene to solve the problem. If steps taken to solve the problem by the general education teacher don’t produce results, the problem should be referred to special education staff;
- *Referral to special education for evaluation:* Referring a student to special education means writing an official request supported by documentation. The referral information must include an explanation of steps that have been taken in general education to solve the student’s problem before the referral;
- *Comprehensive nondiscriminatory evaluation:* Once a student has been referred, the district must provide a comprehensive nondiscriminatory evaluation, commonly referred to as a full and individual evaluation, within a prescribed amount of time;
- *Initial placement through an Admission, Review, and Dismissal (ARD) committee:* After the evaluation is completed, a committee consisting of general and special educators, administrators, and parents as well as other appropriate personnel meet to discuss the results, decide if the student qualifies for special education services in one of 13 federal special education categories, and, if so, write a plan for the student’s education;
- *Provision of educational services and supports according to a written Individualized Education Plan:* The Individual Education Plan developed by the ARD committee includes information about the classes, subject areas, developmental areas, and/or life skills courses in which the student will be instructed, how much time will be spent in general education, and related needs like speech therapy or counseling;
- *Annual program review:* Each year after a student’s initial qualification and placement, an ARD committee conducts a review to ensure the student’s program is appropriate;
- *Three-year re-evaluation:* Every three years, the student undergoes a comprehensive individual assessment. The ARD committee makes a determination of need regarding the re-evaluation process. The ARD committee will recommend the extent of the re-evaluation required to determine if the student continues to meet conditions of eligibility; and
- *Dismissal from the special education program:* If and when a student no longer meets the eligibility criteria, the student is dismissed from special education. The ARD committee must make this decision.

The MFISD Special Education Department has 59.5 full-time equivalents (FTEs). These include the executive director of Special Services, six assessment personnel, 25.5 FTE teachers, 25 paraprofessionals, and two secretaries. The assessment staff consists of two diagnosticians, two psychologists, and two speech therapists. MFISD contracts with a speech pathologist for 30 hours a week, with an occupational therapist for three days a week, with a physical therapist for two days a week, and with a bilingual assessment specialist on an as-needed basis. MFISD also contracts for visual impairment (VI) services for six hours a week. MFISD sends students to the Regional Day School for the Deaf in Round Rock and to the School for the Blind. All special education teachers are certified.

Exhibit 1–40 shows an organization chart of MFISD Special Education Department.

Exhibit 1–40
MFISD Special Education Department
Organizational Chart
2003–04



Source: MFISD, Organizational Chart, 2003–04.

MFISD offers the full continuum of instructional arrangements for students participating in special education programs at its schools. MFISD provides special education services through the following instructional arrangements.

Mainstream – To ensure the least restrictive environment appropriate for each student, district personnel first consider providing services in general education classrooms with supplementary aids or services. Students with disabilities who spend all of their classroom hours in a regular classroom are called “mainstreamed.” Content mastery services are available at all schools to all students with disabilities. Each secondary school has one content mastery teacher. Resource teachers at the elementary level provide content mastery tutoring as well as resource classes. These classes provide support and reinforcement to students in the special education program who are mainstreamed or are in resource or general education classes. In 2002–03, 23.7 percent of MFISD students in the special education program were mainstreamed.

Regular classroom with modifications or supplemental supports – Special education students are in regular classrooms but receive modifications in method of instruction, materials, and pacing or they receive supplemental services and supports such as consultation, training, or assistance to the regular

education teacher. MFISD has also implemented inclusion support in which special education personnel work directly with the regular classroom teacher in the general classroom setting to provide academic or behavioral support.

Resource – Resource classes are available for students in special education who need modified curriculum and instruction from a certified special education teacher. Students are assigned to the resource classroom based on the ARD committee’s recommendation. The district offers resource classes at all schools in reading improvement, applied math and communications. Based on their educational needs, students may be placed in one or more of these classes. Resource classes follow the student’s IEP, which is correlated to TEKS, and remains in sequence with the regular classes. These students have a combination of regular classes and resource classes. The class size is designed to handle approximately 12. The majority of students identified as learning disabled are served through this instructional setting.

Vocational adjustment class (VAC) – This setting provides educational and vocational services to eligible secondary students. Students are instructed in job readiness skills and are monitored in on-the-job placements. As students begin the four-year high school plan, they develop an Individual Transition Plan (ITP) designed to create an action plan for post secondary studies or employment. Some students receive direct instruction in vocational behaviors and employment skills through an occupational preparation class. At the junior or senior level students receive course credit for actual work experience applying the skills for successful employment.

Self-contained classes – Students with disabilities, who cannot be appropriately served in a regular classroom, are served in a separate “self-contained” classroom. The self-contained classrooms, called life skills rooms, assure that the needs of students with severe and profound disabilities are met and that life skills training takes place within a functionally based curriculum. The emphasis of the core coursework is on daily application leading toward independent living. Some of the high school students in the life skills program receive community-based vocational instruction to prepare them to enter the workforce upon graduation. Self-contained classes are available at Marble Falls Primary, Highland Lakes Elementary, Marble Falls Middle School, and Marble Falls High School. In 2002–03, 16.5 percent of MFISD special education students were served in self-contained classes.

Adaptive physical education – Students receive physical education instruction in the general education physical education program. The ARD committee addresses modifications for physical education and provides these as needed to ensure student success. Occupational and physical therapists provide adaptive physical education programs for students who would not benefit from a general education physical education program without modifications.

Homebound – This program provides at-home services for students at all grade levels who cannot attend school because of illness or injury. In 2002–03, the district provided services to less than five homebound students. In 2002–03 the district contracted with a certified teacher to provide academic services to the homebound students every other day. This teacher also worked as an instructional aide on the high school campus providing inclusion support in science classes. The district utilizes a similar arrangement in 2003–04.

Pre-school – MFISD provides a Pre-school Program for Children with Disabilities (PPCD) who are three to five years old. The district serves participating children in a variety of instructional arrangements ranging from self-contained to partial or full inclusion in the general pre-kindergarten/kindergarten programs. Some of the students also receive related services such as speech therapy, physical therapy or occupational therapy. The special education and general education teachers coordinate the program located at Marble Falls Primary School.

MFISD also provides the Behavior Education Skills Training (BEST) program for special education students with serious emotional or behavioral problems. An inclusion program, BEST uses a support teacher to provide immediate support for any necessary interventions and consults with teachers on

effective behavior management. The support teacher develops behavior intervention plans to assist the student in participating effectively in general academic instruction.

In each of these settings, the district provides appropriate curriculum modifications and services to all students. ARD committees, consisting of parents and professional staff, determine program eligibility and participation, individual educational plans (IEPs), and placement in and dismissal from the special education program. **Exhibit 1–41** shows the number of students enrolled in special education and special education expenditures in MFISD, peer districts, Region 13, and the state in 2002–03. Compared to the six districts, MFISD had the third highest percentage of special education students. However, MFISD’s percentage of special education students, 11.5 percent, was lower than the Region 13 and state averages of 12.1 and 11.6 percent, respectively. MFISD had the second lowest percentage of special education budgeted instructional expenditures, but the second highest per student expenditure among its peers. MFISD expenditure per student fell below the regional and state averages. MFISD’s budgeted instructional expenditures for special education were 59.5 percent of the regional average and 74.6 percent of the state average.

Exhibit 1–41
Special Education Enrollment and Expenditures
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Number of Special Education Students | Percent of Special Education Students | Budgeted Special Education Expenditures | Percent of Budgeted Instructional Expenditures | Per Student Expenditure |
|---------------------|--------------------------------------|---------------------------------------|---|--|-------------------------|
| Aransas County | 512 | 15.2% | \$1,281,117 | 10.9% | \$2,502 |
| Sheldon | 475 | 11.4% | \$2,426,595 | 13.7% | \$5,109 |
| La Marque | 467 | 12.0% | \$1,304,774 | 10.3% | \$2,794 |
| Marble Falls | 417 | 11.5% | \$1,281,198 | 9.4% | \$3,072 |
| Hallsville | 395 | 10.5% | \$1,103,353 | 8.7% | \$2,793 |
| Tuloso–Midway | 365 | 11.3% | \$1,039,517 | 11.0% | \$2,848 |
| Region 13 | 34,851 | 12.1% | \$163,921,120 | 15.8% | \$4,703 |
| State | 491,259 | 11.6% | \$1,924,085,228 | 12.6% | \$3,917 |

Source: Texas Education Agency, AEIS, 2002–03.

In 2002–03, MFISD had 417 special education students. **Exhibit 1–42** shows the number of special education students by grade level. The largest percentages of special education students were in grades 7, 8, and 9.

Exhibit 1–42
MFISD Students Enrolled in Special Education by Grade Level
2002–03

| Grade Level | Number of Students | Percent of Students |
|------------------|--------------------|---------------------|
| Early Education | 10 | 2.4% |
| Pre–Kindergarten | 9 | 2.2% |
| Kindergarten | 29 | 7.0% |
| Grade 1 | 26 | 6.2% |
| Grade 2 | 25 | 6.0% |
| Grade 3 | 23 | 5.5% |
| Grade 4 | 30 | 7.2% |
| Grade 5 | 28 | 6.7% |
| Grade 6 | 31 | 7.4% |

Exhibit 1-42 (continued)
MFISD Students Enrolled in Special Education by Grade Level
2002-03

| | | |
|--------------|------------|---------------|
| Grade 7 | 43 | 10.3% |
| Grade 8 | 37 | 8.9% |
| Grade 9 | 39 | 9.3% |
| Grade 10 | 29 | 7.0% |
| Grade 11 | 34 | 8.1% |
| Grade 12 | 24 | 5.8% |
| Total | 417 | 100.0% |

Source: MFISD, Special Education Enrollment 2002-03, October 2002.

Exhibit 1-43 describes the percentage of students by disability in 2002-03. Of the total MFISD students served in the special education program, 56.1 percent had learning disabilities, 18.9 percent had speech impairments, 9.3 percent were emotionally disturbed, and 4.8 percent had mental retardation.

Exhibit 1-43
MFISD Percent of Students Enrolled in Special Education by Primary Disability
2002-03

| Disability | Percent of Students |
|---------------------------------|---------------------|
| Auditory Impairment | 0.7% |
| Autism | 1.2% |
| Emotional Disturbance | 9.4% |
| Learning Disability | 56.1% |
| Mental Retardation | 4.8% |
| Non Categorical Early Childhood | 1.0% |
| Orthopedic Impairment | 1.0% |
| Other Health Impairment | 6.5% |
| Speech Impairment | 18.9% |
| Traumatic Brain Injury | 0.2% |
| Visual Impairment | 0.2% |
| Total | 99.9%* |

Source: MFISD, Special Education Enrollment 2002-03, October 2002.

**Total may not add to 100 percent due to rounding.*

Exhibit 1-44 describes the percentage of students by instructional setting. Of the special education students served in 2002-03, the district mainstreamed 23.7 percent, handled 36.2 percent in resource classrooms, and placed 16.5 percent in self-contained classrooms.

Exhibit 1-44
MFISD Percent of Students Enrolled in Special Education by Instructional Setting
2002-03

| Instructional Setting | Percent of Students |
|-----------------------------|---------------------|
| Speech only | 16.3% |
| Homebound | 1.0% |
| Vocational Adjustment Class | 4.6% |
| Mainstream | 23.7% |

Exhibit 1-44 (continued)
MFISD Percent of Students Enrolled in Special Education by Instructional Setting
2002-03

| | |
|---|---------------|
| Resource: less than 21 percent of instructional day | 11.3% |
| Resource at least 21 percent but less than 50 percent | 24.9% |
| Self-contained between 50 and 60 percent a day | 9.1% |
| Self-contained more than 60 percent a day | 7.4% |
| Full time early childhood special education setting | 1.4% |
| School for the Blind | 0.2% |
| Total | 99.9%* |

Source: MFISD, Special Education Enrollment 2002-03, October 2002.

**Total may not add to 100 percent due to rounding.*

Exhibit 1-45 shows performance of MFISD special education students on statewide assessments from 1998-99 through 2002-03.

Exhibit 1-45
Percent of Special Education Students Passing Statewide Assessments
All Grades
MFISD and the State
1998-99 through 2002-03

| | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|
| Reading | | | | | |
| Marble Falls | 78.6% | 76.3% | 75.6% | 70.1% | 48.3% |
| State | 66.6% | 71.0% | 75.8% | 82.1% | 52.1% |
| Writing | | | | | |
| Marble Falls | 40.0% | 58.3% | 90.9% | 69.2% | 48.3% |
| State | 62.7% | 65.6% | 67.2% | 70.8% | 57.0% |
| Math | | | | | |
| Marble Falls | 53.3% | 73.0% | 67.6% | 78.2% | 29.6% |
| State | 64.6% | 71.1% | 77.5% | 83.5% | 34.4% |
| Social Studies | | | | | |
| Marble Falls | * | * | 25.9% | 44.4% | 44.4% |
| State | * | * | 50.3% | 64.1% | 46.7% |
| All Tests | | | | | |
| Marble Falls | 35.3% | 57.7% | 57.8% | 61.1% | 18.2% |
| State | 52.7% | 58.8% | 64.8% | 72.1% | 24.4% |

Source: Texas Education Agency, AEIS, 1998-99 through 2002-03.

** Data not available.*

In 2001-02, MFISD established a Parent/Community Advisory Team (PCAT) to share ideas and concerns and to listen to invited speakers who are experts in special education services. The PCAT, which consists of parents of students in special education representing each of the district schools, meets twice a year.

FINDING

MFISD maximizes School Health and Related Services (SHARS) and Medicaid Administrative Claims (MAC) reimbursements by contracting with third party claims administrators and by continuously reviewing submitted claims and reviewing services eligible for reimbursement. The state's Medicaid program allows school districts to enroll as Medicaid providers and apply for Medicaid reimbursement for services determined to be medically necessary and reasonable to ensure students with disabilities under the age of 21 receive the benefits of a free and appropriate public education. MFISD contracts annually with AMG Services, LLC to provide assistance in processing and filing SHARS claims, to build a database of students and eligible reimbursements, and to provide all associated training to district personnel. MFISD applies for reimbursement of eligible services including assessment, audiology, counseling, medical services, school health services, occupational therapy, physical therapy, speech therapy, physiological services, and associated transportation. MFISD received SHARS reimbursements totaling \$132,837 between 2000–01 and 2002–03.

Medicaid Administrative Claims (MAC) is another reimbursement program available to school districts for health-related administrative services that cannot be billed through SHARS such as referral, outreach, and coordination efforts. MFISD contracts in two-year renewable terms for third party administrative MAC services with the La Porte ISD cooperative managed by Deloitte Touche Consulting Group. During 2000–01 through 2002–03, MFISD received \$115,870 in MAC reimbursements (**Exhibit 1–46**).

Exhibit 1–46
MFISD School Health and Related Services (SHARS)
and Medicaid Administrative Claims (MAC) Funds
2000–01 through 2002–03

| Year | SHARS Funds | MAC Funds |
|--------------|------------------|------------------|
| 2000–01 | \$47,978 | \$21,456 |
| 2001–02 | \$39,730 | \$46,908 |
| 2002–03 | \$45,129 | \$47,506 |
| Total | \$132,837 | \$115,870 |

Source: MFISD, Special Education Department, September 2003.

COMMENDATION

MFISD maximizes School Health and Related Services and Medicaid Administrative Claims through use of a third party administrator and continuous review of submitted claims and eligible services.

FINDING

MFISD's high school teachers and staff have not received adequate training in the district's pre-referral and special education evaluation process. In 2002–03, the district identified the high school and one elementary school for pre-referral training due to a high number of students who did not qualify (DNQ) or meet the eligibility criteria for special education services between 1999–2000 and fall 2002. The director of Special Services and the district's diagnostician offered and provided training for teachers, staff, and administrators at Marble Falls Elementary on the pre-referral and evaluation processes during 2002–03 and fall 2003 to address a high number of students referred for testing but who did not qualify. Although the training has been offered repeatedly and encouraged by central office staff, high school administrators have not scheduled similar training.

MFISD's pre-referral process includes assistance for classroom teachers in the developing alternative learning and/or behavior strategies for use with students prior to referring them to special education. Each school has a Campus Support Team (CST) charged with analyzing each student's situation and developing pre-referral intervention strategies. On a regular basis, the director of

Special Services trains counselors at each school and meets with the CST committees on the pre-referral process. The counselors, in turn, train teachers and other CST members and review and update the pre-referral process and procedures at each school.

Each school determines the membership of the CST. Typically, the team consists of the counselor, a general education teacher, and an administrator. Prior to referring a student to the CST, the teacher should have attempted all available resources and interventions to provide for student success in the least restrictive environment. The district expects the teacher to use these resources and strategies for a minimum of six weeks. If these strategies are not successful, the teacher may choose to submit the student's profile for review by the CST and be part of the team (**Exhibit 1-47**). The CST reviews the student information and resources and interventions used and makes one of three recommendations: use other in-class instructional options and interventions; refer the student to a program; or forward the student for more formal assessment through medical or special program services.

Exhibit 1-47
MFISD Campus Support Team Pre-Referral Review Form

| Description |
|--|
| Brief summary explaining specific areas of concern |
| Profile of intervention: <ul style="list-style-type: none"> - Parent conference date, purpose, outcome - Review of permanent records including testing data - Teacher team review - Observations of student behavior in class |
| Use of instructional strategies: <ul style="list-style-type: none"> - Classroom modifications: type, duration, results - Peer tutoring - Learning lab - Reading program - Organization "drag" sheets for assignments, journals - Tutorials before and after school - Adjustments to schedule - Students contacts for performance - Use of instructional support staff |
| Counseling sessions: provider, duration, results |
| Discipline record |
| Attendance record |
| Medical issues impacting education |
| Home "situations" impacting education: family, mobility, trauma |
| School counselor conference/student review |
| Outside agency involvement |
| Other interventions |
| CST review recommendations: <ul style="list-style-type: none"> - Attempt the following support/intervention for (timeframe) then review again - Refer to (program) for review - Consider initiation of Referral for Special Education services and contact parent |

Source: MFISD, Special Programs, Problem-Solving and Referral Process, September 2003.

If the CST recommends that the teacher try other in-class instructional or behavioral adaptations, the teacher may enroll the student in a remedial class or consider other remedial options such as Dyslexia screening and intervention, reading and math tutorials, or classroom modifications to accommodate the student's unique learning style. Accommodations may include extra time for assignments, use of word processors to expedite writing assignments or calculators for math computation, seating in the front row, or additional academic support. If the classroom interventions are ineffective in the next

four to six weeks, the teacher may meet again with the CST. The CST meeting will result in the recommendation of an intervention plan. The CST will reconvene after a minimum of four to six weeks to review progress and further refine the interventions. The CST may refer the student for special education assessment.

From 2000–01 to 2002–03, MFISD’s pre-referral process reduced the total number of referrals to special education by 37.4 percent (**Exhibit 1–48**). The number of qualifying and not qualifying results also decreased in differing proportions. The director of Special Programs said the district is monitoring referral, qualification, and do not qualify numbers and reported an increase in the percentage of qualified referrals in the fall 2003 semester as compared to those that did not qualify.

Exhibit 1–48
MFISD Special Education Referrals and Results
2000–01 through Fall 2003

| Year | Number of Referrals* | Qualified Referrals | | Do Not Qualify | |
|--|----------------------|---------------------|--------------|----------------|--------------|
| | | Number | Percent | Number | Percent |
| 2000–01 | 155 | 112 | 72.3% | 41 | 26.5% |
| 2001–02 | 141 | 75 | 53.2% | 61 | 43.3% |
| 2002–03 | 97 | 59 | 60.8% | 35 | 36.1% |
| 2003 fall | 38 | 30 | 78.9% | 8 | 21.1% |
| Total* | 431 | 276 | 64.0% | 137 | 31.8% |
| Percent Change 2000–01 through 2002–03 Only | (37.4%) | (47.3%) | N/A | (14.6%) | N/A |

Source: MFISD, director of Special Programs.

** Includes referrals withdrawn before testing or parent refusal of testing.*

The percentage of referrals that did not qualify (DNQs) for special education services between 2000–01 and 2002–03 varied across schools (**Exhibit 1–49**). Marble Falls Elementary had a high percentage of DNQ’s and, in 2002–03 and 2003–04 received assistance and training in the pre-referral process and the special education process to address the issue. Marble Falls High School has also had a high percentage of DNQs that has annually increased from 46.2 percent in 2000–01 to 69.6 percent in 2002–03.

Exhibit 1–49
MFISD Special Education Referrals by School
2000–01 through 2002–03

| School | Number of Referrals | Referrals | Qualified Referrals | | Do Not Qualify | |
|----------------------------|---------------------|------------------------|---------------------|--------------|----------------|--------------|
| | | Parent Refused Testing | Number | Percent | Number | Percent |
| 2000–01 | | | | | | |
| Marble Falls Primary | 58 | * | 46 | 79.3% | 11 | 19.0% |
| Marble Falls Elementary | 24 | 0 | 13 | 54.2% | 11 | 45.8% |
| Highland Lakes Elementary | 49 | 0 | 40 | 81.6% | 9 | 18.4% |
| Marble Falls Middle School | 10 | 0 | 6 | 60.0% | * | 40.0% |
| Marble Falls High School | 13 | * | 7 | 53.8% | 6 | 46.2% |
| Total | 155 | * | 112 | 72.3% | 41 | 26.5% |

Exhibit 1-49 (continued)
MFISD Special Education Referrals by School
2000-01 through 2002-03

| School | Number of Referrals | Referrals | Qualified Referrals | | Do Not Qualify | |
|----------------------------|---------------------|------------------------|---------------------|--------------|----------------|--------------|
| | | Parent Refused Testing | Number | Percent | Number | Percent |
| 2001-02 | | | | | | |
| Marble Falls Primary | 49 | * | 37 | 75.5% | 12 | 24.5% |
| Marble Falls Elementary | 27 | * | 9 | 33.3% | 18 | 66.7% |
| Highland Lakes Elementary | 43 | * | 19 | 44.2% | 24 | 55.8% |
| Marble Falls Middle School | 7 | * | * | 71.4% | * | 28.6% |
| Marble Falls High School | 10 | * | * | 50.0% | * | 50.0% |
| Total | 141 | * | 75 | 53.2% | 61 | 43.3% |
| 2002-03 | | | | | | |
| Marble Falls Primary | 25 | * | 20 | 80.0% | * | 20.0% |
| Marble Falls Elementary | 7 | * | * | 28.6% | * | 28.6% |
| Highland Lakes Elementary | 43 | * | 27 | 62.8% | 16 | 37.2% |
| Marble Falls Middle School | 9 | * | 6 | 66.7% | * | 33.3% |
| Marble Falls High School | 13 | * | * | 30.8% | 9 | 69.2% |
| Total | 97 | * | 59 | 60.8% | 35 | 36.1% |

Source: MFISD, Special Education Department, 2000-01 through 2002-03.

**Data not reported for privacy reasons.*

The director of Special Services discusses individual reasons why a particular student referred for testing did not qualify for special education services and also works with campus principals to review DNQ rates on an annual basis to identify trends and provide pre-referral, classroom intervention, and special education training to campuses with significant DNQ rates. Although the director of Special Services and the school psychologist have offered to provide assistance and additional training to staff regarding the pre-referral process, special education services, and classroom interventions, high school administrators have not scheduled any such training or cooperative services.

Many Special Education directors and campus administrators cooperatively ensure teachers are provided with lists of modifications for classroom implementation as well as a range of support options

when monitoring of DNQ rates is increasing and/or significantly high. Campus pre-referral committees ensure teachers are familiar with the modifications and support options after districtwide or campus training on the pre-referral process itself is provided to campus staff. Administrators in many campuses who have successfully reduced DNQ rates analyze referral and DNQ data and provide additional training on a continuous basis, if necessary, for teachers and staff.

Recommendation 7:

Review and modify implementation of the pre-referral process at the high school level and provide corresponding staff development.

The high school principal should work with the director of Special Services, the school psychologist, and members of the high school special education team and pre-referral team to schedule staff training on the pre-referral process, the special education program, support systems, and any related programs offered to students at the high school level. The director of Special Services should be able to coordinate these additional training efforts at no cost to the district. In addition, the director of Special Programs should collaboratively monitor the DNQ rate and implementation of the pre-referral process at the high school and provide reports to the high school principal on a semester basis.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

F. BILINGUAL EDUCATION/ENGLISH AS A SECOND LANGUAGE

Texas Education Code Chapter 29 requires that every Texas student identified as limited English proficient be provided a full opportunity to participate in a bilingual or English as a Second Language (ESL) program. Students with limited English proficiency (LEP) are defined as those whose primary language is something other than English and whose English language proficiency limits their participation in an English-language academic environment.

All school districts with 20 or more students with limited English proficiency in the same grade level are required to offer bilingual/ESL or an alternative language program. Schools must provide bilingual education in pre-kindergarten through the elementary grades. Districts must provide bilingual education, ESL instruction, or other transitional language instruction approved by TEA in the post-elementary grades through grade 8. For students in grades 9 through 12, schools are required only to provide instruction in ESL. Districts must also hire certified teaching personnel to ensure that these students have full educational opportunities.

The education of students is an important task for Texas public schools. Nearly 500,000 or 12.5 percent of Texas students were enrolled in bilingual or ESL programs in 1999–2000. In 2002–03, enrollment grew to 572,019 or 13.5 percent of Texas students. The State Board of Education's *Long-Range Plan for Public Education 2001–06* states "enrollment in the state's bilingual education program is projected to increase by 22 percent over the next five years."

MFISD offers a bilingual program in pre-kindergarten through grade 5, a pre-kindergarten through grade 5 ESL program for non-Spanish speaking students, and an ESL program in grades 6 through 12. MFISD's bilingual/ESL program seeks to enable Limited English Proficient (LEP) students to become competent in speaking, reading, writing, and understanding the English language. The bilingual program's goal is to achieve this objective through development of literacy and academic skills in the primary language and English. The goal of the ESL program is to accelerate the acquisition of English and equip students with the necessary skills to succeed in the regular English curriculum. MFISD's ESL program offers instruction in English language skills with a focus on grammar, vocabulary development, and communication. The program provides academic content support through subject content modifications, based on students' levels of English proficiency. ESL students attend regular

content subject classes with all students. Both the bilingual and ESL programs aim to emphasize the mastery of English language skills as well as mathematics, science, and social studies. By meeting the language needs of these students, the district seeks to facilitate their successful integration into the regular school curriculum.

MFISD identifies students with limited English proficiency based on the Home Language Survey that parents must complete for all newly enrolled district students. Parent responses on the survey identify the primary language spoken in the home, and the primary language the student speaks. If either of these indicators is other than English, the district administers the Oral Language Proficiency Test (OLPT) to the student. The district reports the results of the OLPT to the Language Performance Assessment Committee (LPAC).

The LPAC reviews pertinent information on LEP students, makes recommendations regarding students' placement, reviews student progress at the end of the year, oversees program exit, and monitors progress of students who exited the program for two consecutive years. The LPAC also determines the appropriateness of an extended year program for LEP students, makes determinations regarding placement in or exit from the bilingual or ESL program, and determines eligibility for all LEP students in grades 3 through 8 for administration of the TAKS.

MFISD has developed identification, screening, review, monitoring, and exit procedures. The LPAC committee for students in pre-kindergarten through grade 5 consists of a campus administrator, bilingual/ESL teacher, a transitional language teacher, and a parent of a bilingual/ESL child who is not a district employee. If any identified or referred student is in special education, the LPAC will also include a special education representative on the committee. MFISD also requires that an LPAC member, usually the bilingual or ESL campus coordinator, serve on the special education Admission, Review, Dismissal (ARD) committee for LEP students with identified special needs.

For students in grades 6 through 12, the LPAC consists of an ESL teacher, counselor and/or administrator, a regular education teacher, and a parent representative. All LPAC members receive training annually. The bilingual/ESL coordinators also receive annual training on the *LPAC Decision-Making Process on the Texas Assessment Program – Grades 3–12* manual. At minimum, the LPACs meet three times a year to determine entry into the program and TAKS exemptions and at the end of the year. Typically, the LPAC meets more than three times a year to assess new students, determine exemptions, and to reconsider interventions and placements for currently monitored students. The LPACs conduct an end-of-year review and cooperate with teachers to determine student placement for the following year. The LPAC also monitors students who exit the bilingual/ESL program for two years.

The director of Student Services coordinates the MFISD bilingual/ESL program. The MFISD bilingual/ESL program has 19 staff including one coordinator per school and 10 bilingual teachers. In addition, two of the elementary coordinators also serve as bilingual teachers. Marble Falls Primary School also has a bilingual aide. ESL program staff consists of middle school and high school coordinators who also serve as ESL teachers and two ESL aides, one of whom serves as a migrant coordinator. All bilingual/ESL teachers are certified in 2003–04.

In 2003–03, MFISD serves 345 LEP students with 25 identified students not receiving services due to parent denials (**Exhibit 1–50**).

Exhibit 1–50
MFISD LEP Students by School
2003–04

| School | LEP | |
|----------------------------|---------------|------------|
| | Number Served | Not Served |
| Marble Falls Primary | 72 | 11 |
| Marble Falls Elementary | 29 | * |
| Highland Lakes Elementary | 164 | 8 |
| Marble Falls Middle School | 30 | * |
| Marble Falls High School | 50 | * |
| Total | 345 | 25 |

Source: MFISD, LEP Report, 2003–04.
Note: Not reported for privacy reasons.

MFISD had the second highest percentage of bilingual/ESL students and the second highest percentage of bilingual/ESL expenditures among selected peers in 2002–03. In 2002–03, MFISD’s bilingual/ESL budget was \$376,575. MFISD’s percentage of bilingual/ESL students fell below the regional and state averages. Its percentage of bilingual/ESL budgeted expenditures ranked lower than the Region 13 average but higher than the state average. MFISD had the second highest bilingual/ESL per student instructional expenditure; MFISD’s per student instructional expenditure was higher than the Region 13 and state averages (**Exhibit 1–51**).

Exhibit 1–51
Bilingual/ESL Student Enrollment, Budget and Expenditure
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Students Enrolled in Bilingual/ESL | Percentage of Total Enrollment | Total Budgeted Expenditures | Percentage of Budgeted Expenditure | Per Student Instructional Expenditure |
|---------------------|------------------------------------|--------------------------------|-----------------------------|------------------------------------|---------------------------------------|
| Sheldon | 510 | 12.2% | \$1,240,713 | 7.0% | \$2,433 |
| Marble Falls | 309 | 8.5% | \$682,040 | 5.0% | \$2,207 |
| Aransas County | 150 | 4.4% | \$28,883 | 0.2% | \$193 |
| Tuloso–Midway | 118 | 3.7% | \$23,544 | 0.2% | \$200 |
| La Marque | 68 | 1.8% | \$72,596 | 0.6% | \$1,068 |
| Hallsville | 58 | 1.5% | \$69,133 | 0.5% | \$1,192 |
| Region 13 | 27,461 | 9.5% | \$56,963,128 | 5.5% | \$2,074 |
| State | 572,019 | 13.5% | \$683,976,391 | 4.5% | \$1,196 |

Source: Texas Education Agency, AEIS, 2002–03.

In 2002–03, MFISD had the second highest percentage of bilingual/ESL teachers among its peers (**Exhibit 1–52**). MFISD’s percentage of bilingual/ESL teachers, however, was lower than both the regional and state averages. MFISD’s bilingual/ESL teacher–student ratio was the second highest among its peers. MFISD’s bilingual/ESL teacher–student ratio was more than twice the state and regional levels.

Exhibit 1–52
Bilingual/ESL Teacher to Student Ratio
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Students Enrolled in Bilingual/ESL | Bilingual/ESL Faculty | Percent of Bilingual/ESL Staff to Total Staff | Teacher to Student Ratio |
|---------------------|------------------------------------|-----------------------|---|--------------------------|
| Sheldon | 510 | 22.6 | 8.0% | 23:1 |
| Marble Falls | 309 | 5.5 | 2.1% | 56:1 |
| Aransas County | 150 | 3.0 | 1.2% | 50:1 |
| Tuloso–Midway | 118 | 0.0 | 0.0% | N/A* |
| La Marque | 68 | 1.0 | 0.4% | 68:1 |
| Hallsville | 58 | 2.4 | 0.9% | 24:1 |
| Region 13 | 27,461 | 1,171.1 | 5.8% | 23:1 |
| State | 572,019 | 23,243.7 | 8.1% | 25:1 |

Source: Texas Education Agency, AEIS, 2002–03.

** N/A refers to Not Applicable.*

FINDING

MFISD restructured both its ESL and bilingual program in 2003–04 to address identified student performance weaknesses and inconsistent program delivery. In addition, the district established a Second Language vertical team in 2003–04 to ensure teachers from all grade levels coordinate efforts for students in the bilingual/ESL programs. After working with a consultant in 2002–03 to identify effective programs, the consultant and teachers visited several ESL and bilingual programs in other districts and further researched the Sheltered English program and the Transition Program. District teachers also updated elementary bilingual curriculum to further enhance consistency and coordination in the lower grades. In 2002–03, MFISD bilingual students in grade 4 performed better than non-bilingual students in TAKS writing; grade 3 bilingual students performed at the same level as non-bilingual students in math.

Sheltered English is an instructional approach used to make academic instruction in English understandable to LEP students. Students in these classes are "sheltered" in that they do not compete academically with native English speakers since the class includes only LEP students. In the regular classroom, English fluency is assumed. In contrast, in the sheltered English classroom, teachers use physical activities, visual aids, and the environment to teach important new words for concept development in mathematics, science, history, home economics, and other subjects.

MFISD plans to implement the Sheltered English Model as an inclusion model. Under this model, the district will mainstream students initially in music, art, and physical education – subjects that are least linguistically demanding. Students study English in a sheltered class and all core subjects in their first language. At the intermediate stage, math, and science as well as English are taught in sheltered classes, while social studies and language arts are taught in the student's first language. At the advanced level, language arts and social studies are sheltered, and the student is mainstreamed for all other classes.

MFISD has a small number of certified core content area teachers with an ESL endorsement at the secondary level. At the primary and elementary level, ESL students have an ESL–endorsed teacher who provides the English curriculum using ESL strategies. In middle school, ESL students are placed in an ESL language arts class based on their level of proficiency in English and receive instruction 90 minutes a day if placed in level I and every other day if placed in levels II and III. MFISD also provides additional help if needed through content mastery. In the high school, students attend an ESL language arts class and also receive preparation for the TAKS exit test through an ESL lab.

Recent immigrants are assigned to the ESL class for the majority of the day until they are ready to transition into regular classes.

MFISD implements a Transitional Bilingual Program Model at the elementary level (pre-kindergarten through grade 5) and an English as a second language (ESL) program at the secondary level (grades 6 through 12). In the Transitional Bilingual Program Model, the use of English is increased annually until the student can make the complete transition into an all-English curriculum. The students receive native language instruction for concept development with a focus on vocabulary. The Transitional Bilingual Model controls the amount of time of instruction in English to ensure the development of the student's native language as well as acquiring the English language. This model is based on research showing that if students learn concepts in their native language their transition to English will be easier. The Transitional Bilingual Program Model provides 90 percent instruction in Spanish in pre-kindergarten; in kindergarten students receive 80 percent instruction in Spanish; in grade 1 – 70 percent; in grade 2 – 60 percent; and in grade 3 – 50 percent. In grade 4, students receive instruction in Spanish 10 to 30 percent of the time. In grade 5, students receive 30 minutes instruction in Spanish to fill gaps, and, in grade 6, they receive instruction in Spanish only to fill gaps. Under this model, the earliest students exit the program is in grade 3.

With the implementation of the Transitional Bilingual Program Model, the district has also developed Spanish language arts curriculum for pre-kindergarten through grade 2. In summer of 2003, the district developed curriculum for grade 3. MFISD plans to develop curriculum for using the model for grades 4 and 5. As part of the model implementation, MFISD conducted a needs assessment of its bilingual teachers and offered a four-day summer institute in reading and writing for bilingual teachers in pre-kindergarten through grade 5. The MFISD bilingual teachers received training from Round Rock ISD bilingual teachers.

Data on percentage of ESL students who passed TAKS in 2002–03 were available for grades 7, 10, and 11. In all other grade levels, fewer than five LEP or ESL students took TAKS. **Exhibit 1–53** shows the percentage of students who passed TAKS in 2002–03 by comparing LEP students with non-LEP students, bilingual students with students who are not bilingual, and ESL students with students who are not ESL.

Exhibit 1–53
Percent of Students Passing TAKS: LEP and Non-LEP,
Bilingual and Non-Bilingual and ESL and Non-ESL
2002–03

| Subject | LEP | | Bilingual | | ESL | |
|----------------|-----|----|-----------|----|-----|----|
| | Yes | No | Yes | No | Yes | No |
| Grade 3 | | | | | | |
| Reading | 83 | 98 | 83 | 98 | — | 96 |
| Math | 96 | 96 | 96 | 96 | — | 96 |
| Grade 4 | | | | | | |
| Reading | 86 | 91 | 86 | 91 | — | 91 |
| Math | 79 | 94 | 79 | 94 | — | 94 |
| Writing | 100 | 90 | 100 | 90 | — | 90 |
| All Tests | 64 | 83 | 64 | 83 | — | 82 |
| Grade 5 | | | | | | |
| Reading | — | 89 | — | 88 | — | 88 |
| Math | 80 | 88 | — | 88 | — | 88 |
| Science | 29 | 80 | — | 80 | — | 79 |
| All Tests | 14 | 73 | — | 72 | — | 71 |

Exhibit 1–53 (continued)
Percent of Students Passing TAKS: LEP and Non-LEP,
Bilingual and Non-Bilingual and ESL and Non-ESL
2002–03

| Grade 6 | | | | | | |
|-----------------|-----|----|-----|----|-----|----|
| Reading | --- | 85 | --- | 83 | --- | 85 |
| Math | --- | 78 | --- | 77 | --- | 78 |
| All Tests | --- | 71 | --- | 70 | --- | 71 |
| Grade 7 | | | | | | |
| Reading | 67 | 90 | --- | 90 | 67 | 90 |
| Math | 43 | 83 | --- | 82 | 50 | 83 |
| Writing | 83 | 94 | --- | 94 | 83 | 94 |
| All Tests | 43 | 79 | --- | 78 | 50 | 79 |
| Grade 8 | | | | | | |
| Reading | --- | 90 | --- | 90 | --- | 90 |
| Math | --- | 80 | --- | 79 | --- | 80 |
| Social Studies | --- | 94 | --- | 94 | --- | 94 |
| All Tests | --- | 75 | --- | 75 | --- | 75 |
| Grade 9 | | | | | | |
| Reading | --- | 87 | --- | 87 | --- | 88 |
| Math | --- | 64 | --- | 64 | --- | 65 |
| All Tests | --- | 60 | --- | 60 | --- | 60 |
| Grade 10 | | | | | | |
| Reading | --- | 82 | --- | 80 | --- | 82 |
| Math | 29 | 75 | --- | 74 | 29 | 75 |
| Social Studies | 17 | 93 | --- | 91 | 17 | 93 |
| Science | 0 | 73 | --- | 71 | 0 | 73 |
| All Tests | 0 | 57 | --- | 55 | 0 | 57 |
| Grade 11 | | | | | | |
| Reading | --- | 85 | --- | 84 | --- | 85 |
| Math | 14 | 77 | --- | 75 | 14 | 77 |
| Social Studies | 100 | 96 | --- | 96 | 100 | 96 |
| Science | 50 | 83 | --- | 82 | 50 | 83 |
| All Tests | 14 | 66 | --- | 64 | 14 | 66 |

Source: TAKS Summary Report Group Performance, 2002–03.

COMMENDATION

To address a more diverse student population and effectively provide consistent services for all students in the bilingual education programs, the district used consultant services, pays for teacher endorsements, and reorganized to offer research-based programs.

G. CAREER AND TECHNOLOGY EDUCATION

Texas Education Code Section 29.181 states that “Each public school student shall master the basic skills and knowledge necessary for managing the dual roles of family member and wage earner; and gaining entry–level employment in a high–skill, high–wage job, or continuing the student’s education at the post–secondary level.” The Texas Administrative Code Chapter 74, Subchapter A requires school districts to offer “Programs of study for broad career concentrations in areas of agricultural science and technology, arts and communication, business education, family and consumer science, health occupations technology, trade and industry and technology education that will prepare students for continued learning and postsecondary education in employment settings.”

A coordinator manages the MFISD Career and Technology Education (CATE) program that has 15 high school teachers, two middle school teachers, and a secretary who devotes one–third of her time to the program. All but one of the teachers is certified; that teacher will complete her certification in 2003–04. MFISD’s CATE budget for 2002–03 was \$72,978. In addition, the district received sub grants from tech prep for \$5,000 for the hospitality program, \$3,500 for the health science technologies program, \$2,500 for the engineering program, and \$2,500 for the technology education program.

During 2002–03, MFISD served 924 students in its CATE programs (**Exhibit 1–54**). Compared with selected peer districts, MFISD had the second largest percentage of students enrolled in CATE, the second highest per student expenditure, and the third highest percentage of budgeted CATE expenditures. MFISD’s percentage of students enrolled in CATE was higher than the regional and state averages; its percentage of budgeted CATE expenditures was lower than the state average but higher than the regional average, and its per student expenditure was lower than the regional and state averages.

Exhibit 1–54
CATE Student Enrollment and Budgeted Expenditures
MFISD, Peer Districts, Region 13, and the State
2002–03

| District | Number of Students in CATE | Percent Enrolled in CATE | Budgeted CATE Expenditures | Percent Budgeted CATE Expenditures | Per Student Expenditures |
|---------------------|----------------------------|--------------------------|----------------------------|------------------------------------|--------------------------|
| Hallsville | 1,433 | 38.1% | \$894,178 | 7.1% | \$624 |
| Marble Falls | 924 | 25.4% | \$677,707 | 5.0% | \$733 |
| Aransas County | 834 | 24.7% | \$465,572 | 4.0% | \$558 |
| Tuloso–Midway | 781 | 24.3% | \$467,127 | 5.0% | \$598 |
| Sheldon | 767 | 18.4% | \$504,699 | 2.8% | \$658 |
| La Marque | 732 | 18.9% | \$929,951 | 7.4% | \$1,270 |
| Region 13 | 50,531 | 17.5% | \$44,958,007 | 4.3% | \$890 |
| State | 841,438 | 19.8% | \$795,042,137 | 5.2% | \$945 |

Source: Texas Education Agency, AEIS, 2002–03.

MFISD had the second highest percentage of CATE teachers among its peers, 5.4 percent; higher than the regional and state averages of 2.7 and 4.2 percent, respectively. MFISD’s student–teacher ratio of 66:1 was the second lowest among selected peer districts in 2002–03 (**Exhibit 1–55**). Its student–teacher ratio was lower than both the regional and state averages of 93:1 and 70:1, respectively.

**Exhibit 1–55
CATE Student Enrollment and CATE Teachers
MFISD, Peer Districts, Region 13, and the State
2002–03**

| District | Number of Students in CATE | Number of CATE Teachers (FTEs) | Percent of CATE Teachers | Student – Teacher Ratio |
|------------------|----------------------------|--------------------------------|--------------------------|-------------------------|
| Hallsville | 1,433 | 20.4 | 7.8% | 70:1 |
| MFISD | 924 | 14.1 | 5.4% | 66:1 |
| Aransas County | 834 | 11.9 | 4.9% | 70:1 |
| Tuloso–Midway | 781 | 7.1 | 3.5% | 110:1 |
| Sheldon | 767 | 8.5 | 3.0% | 90:1 |
| La Marque | 732 | 11.3 | 4.4% | 65:1 |
| Region 13 | 50,531 | 544.3 | 2.7% | 93:1 |
| State | 841,438 | 12,001.9 | 4.2% | 70:1 |

Source: Texas Education Agency, AEIS, 2002–03.

MFISD’s CATE program starts in grades 7 and 8 with courses such as Career Investigations, Introduction to Business Support Systems and Keyboarding. In middle school, students also participate in “Bridges,” an interest, aptitude, and career awareness inventory. In high school, students work on a coherent sequence of courses in six specific career pathways. The courses in the sequence assist students to master skills needed for entry–level jobs after graduation. MFISD offers 48 career and technology classes at the high school level representing six career clusters, as shown in **Exhibit 1–56**. The clusters include: agricultural science and technology, business education, family and consumer science education, technology education, health science technology, trade and industrial education.

**Exhibit 1–56
MFISD School to Career Program Offerings by Career Clusters
2002–03**

| Career and Technology Classes |
|--|
| Agricultural Science and Technology |
| Introduction to World Agriculture Science and Technology |
| Applied Agriculture Science and Technology |
| Introduction to Agricultural Mechanics |
| Agriculture Metal Fabrication Technology |
| Agriculture Structures Technology |
| Agriculture Power technology |
| Agricultural Mechanics I |
| Animal Science |
| Equine Science |
| Advanced Animal Science |
| Food Technology |
| Animal Production |
| Wildlife and Recreation Management |
| Range Management and Ecology |
| Personal Development in Agriculture |
| Agricultural Co–Op |

Exhibit 1–56 (continued)
MFISD School to Career Program Offerings by Career Clusters
2002–03

| Career and Technology Classes |
|---|
| Business Education |
| Introduction to Business Support Systems (Middle School) Keyboarding (Middle School) Career Investigations (Middle School) Business Computer Information Systems Accounting I Business Law Banking Business Ownership Business Management Keyboarding Business Education |
| Health Science Technology |
| Health Science Technology I Health Science Technology II – Clinical Practice Health Science Technology II – Clinical Rotation Health Science Technology II – EMT Training Health Science Technology II – Nurse Aide Training Health Science Technology III – Clinical Rotation Health Science Technology III – Clinical Technician Medical Terminology |
| Technology Education |
| Technology Education (middle school) Exploring Computer Application (middle school) Exploring manufacturing Systems (middle school) Exploring Communication Systems (middle school) Computer Applications Engineering Graphics Computer Multimedia and Animation |
| Trade and Industrial Education |
| Construction Systems Building Trades I Building Trades II Building Trades III |
| Family and Consumer Science |
| Personal and Family Development Housing Interior Design Nutrition and Food Science Food Science and Technology Preparation for Parenting Child Development Family Consumer Science Career Preparation Hospitality Academy |

Source: MFISD, Career and Technology Department, 2002–03.

Exhibit 1–57 lists participation of CATE students in each of the career clusters. The Family and Consumer Science and Business Education clusters attract the most participation. In middle school, MFISD has 90 students enrolled in Business Education and 65 students enrolled in Technology Education.

Exhibit 1–57
Participation of MFISD Students in CATE by Cluster
2003–04

| CATE Cluster | Number of Students* | Percent of Students* |
|--------------------------------|---------------------|----------------------|
| Agriculture Science Technology | 159 | 13.5% |
| Business Education | 315 | 26.7% |
| Family and Consumer Science | 318 | 26.8% |
| Health Sciences Technology | 172 | 14.6% |
| Technology Education | 147 | 12.5% |
| Trades and Industry | 68 | 5.8% |
| Total | 1,179 | |

Source: MFISD, CATE Department Student Enrollment Snapshot, September 8, 2003.

** Students may be enrolled in more than one cluster.*

MFISD CATE students participate in student leadership organizations. In 2003–04, 330 MFISD students participate in seven CATE student leadership organizations. The organizations include the Vocational Industrial Clubs of America (VICA), Health Occupations Students of America (HOSA), Family, Career and Community Leaders of America (FCCLA), Future Business Leaders of America (FBLA), Distributive Education Clubs of America (DECA), Future Farmers of America (FFA), and Teen Leadership.

FINDING

The MFISD CATE program prepares students for postsecondary employment through its career preparation programs and through its certification programs. The MFISD CATE program gives students opportunities to gain work experience through cooperative education. Through interest and aptitude tests and career exploration in grade 8, students decide on a career major and develop a four–year sequenced course plan. Students choose electives based on their projected career major interests.

MFISD has four career preparation programs allowing students to gain work–based experience.

- The Agricultural Career Preparation program involves 10 students. Participating businesses include private landscapers and a car dealership.
- The Family and Consumer Sciences Career preparation program involves eight female students and four male students. This program involves 10 businesses such as a resort, five restaurants, a day care center, a theatre, a health care organization, and the Boys and Girls Clubs of America.
- The Business and Marketing Career Preparation program involves six male and nine female students. Participating businesses include HEB, Wal–Mart, BFI, a real estate office, a title office, two retail firms, and a theatre.
- The Health Science Technology Career Preparation program consists of 24 nursing students seeking certificates in nursing. Nine of the students are certified nursing assistants. Seven students are enrolled in an emergency medical technician (EMT) program. Clinical site rotations include 13 facilities such as a veterinary clinic, wellness center, athletic club, imaging center, surgical center, and health care organizations.

MFISD is exploring certification programs in Agricultural Career Preparation, Family and Consumer Sciences Career Preparation, and Business and Marketing Career Preparation. MFISD has already established certification programs in the areas of nursing assistant and Emergency Medical Technician (EMT).

In 2002–03, MFISD started a Hospitality Academy, which currently serves fewer than five students. A two–year program for juniors and seniors, the academy seeks to prepare students who want to have a career in the culinary and hospitality area. The academy operates in partnership with Horseshoe Bay Member’s Club. Selected students take hospitality career preparation classes in high school and work at the club to gain experience in formal dining. The academy encourages students to

become members of the FCCLA student organization and participate in regional and state culinary arts events. Because the academy teacher is certified through the statewide articulation agreement, students who complete the academy courses are eligible for college credit.

MFISD has an articulation agreement with Central Texas College (CTC). A formal written contract between a district and a postsecondary institution, an articulation agreement coordinates occupational training to eliminate unnecessary duplication of course work. The classes are taught at the high school; however, upon course completion and meeting all required technical competencies, the student receives college credit. The credit hours are transferable to these colleges and any other college or university that accepts such courses. The articulation agreement with CTC covers courses in the areas of agricultural science, automotive mechanic/technician, diesel engine mechanic and repairer, maintenance technology, and early childhood professions. Courses included in the articulation agreement are listed in **Exhibit 1–58**.

In 2002–03, 11 MFISD CATE teachers completed the advanced technical credit (ATC) training program to teach classes included on the statewide Tech Prep articulation program list. This will enable the district to offer more Tech Prep courses. School districts develop articulation agreements with postsecondary institutions to provide non–duplicative, sequential programs of study for students that link high school and college instruction. Tech Prep articulation agreements grant college credit to students who have acquired occupational competencies from high school courses that are equivalent to those acquired in entry–level college technical courses.

Exhibit 1–58
MFISD and Central Texas College Articulation Agreement Courses

| Area | Course |
|------------------------------------|--|
| Agricultural Science | Introduction to Animal Science Animal Science Animal & Plant Production Agricultural Metal Fabrication Technology Wildlife and Recreation Management Introduction to Agricultural Mechanics Agricultural Mechanics II Introduction to Animal Science Wildlife Management |
| Automotive Mechanic/Technician | Introduction to Agricultural Mechanics Agricultural Power Technology Agricultural Mechanics Introduction to Automotive Technology Theory of Automotive Engines |
| Diesel Engine Mechanic & Repair | Introduction to Agricultural Mechanics Agricultural Power Technology Agricultural Mechanics Shop Safety and Procedures Diesel Engines I |
| Maintenance Technology | Introduction to Carpentry Introduction to Agricultural Mechanics Agricultural Mechanics Agricultural Metal Fabrication Technology Welding Safety, tools & Equipment Introduction to Oxy–Fuel Welding & Cutting Introduction to Shield Metal Arc Welding |

Exhibit 1–58 (continued)
MFISD and Central Texas College Articulation Agreement Courses

| Area | Course |
|-----------------------------|---|
| Early Childhood Professions | Introduction to Early Childhood Education Curriculum Resources for Early Childhood Professions Administrator of Programs for Children I |

Source: Central Texas College High School Partnerships, Tech Prep and 2+2 Articulation Agreements, March 2001.

COMMENDATION

The MFISD CATE program prepares students for employment and offers students opportunities to gain valuable work experience, specialized certification, and college credit.

FINDING

MFISD uses a CATE advisory council that combines advisory committees for each of the six CATE programs to ensure that its CATE program meets business and community needs. The program advisory committees advises teachers and program directors, provides direction and support to programs, provides business and community input, assists with community surveys, assists in finding job placements for students in career preparation courses, and assists with CATE student leadership organizations. The combined advisory council consists of students, parents, community business leaders, teachers, counselors, campus administrators, school board members, and central office staff. Each program advisory committee consists of at least two students who take CATE courses, a parent of a CATE student, a business representative or community member and a teacher.

The combined advisory council meets once a semester. Every CATE teacher brings a student, parent, and a business representative to the meeting. The advisory council then breaks into program areas, and each program advisory committee discusses program scope, courses, enrollment, and needs and plans projects and activities in each program for middle school and high school students. The advisory committees also discuss program goals for the year and review previous year program accomplishments.

The six advisory committees meet twice a year, separately from the combined advisory council. The agriculture advisory committee was instrumental in assisting in the design and construction of the district’s new agriculture barn completed in April 2003. The family and consumer science advisory committee played a key role in securing funding to purchase new stoves for the food labs and in replacing worn-out counter tops.

COMMENDATION

MFISD uses its program-specific and combined business advisory councils to ensure CATE programs are up to date and meet local community and business needs.

H. LIBRARY/MEDIA SERVICES

In May 1997, the Texas State Library and Archives Commission adopted a series of recommended standards published as *School Library Programs Standards and Guidelines for Texas*. The goal of school library programs, as outlined in the *Standards and Guidelines*, is to ensure that students and staff use ideas and information and become literate, life-long learners. To accomplish this task, the library program should provide instruction in research and the evaluation of resources, individual guidance, and access to materials in multiple formats. The guidelines offer criteria that identify

library programs as exemplary, recognized, acceptable or below standard in the areas of the library learning environment, curriculum integration, resources, library program management and facilities. The No Child Left Behind (NCLB) legislation, Subpart 4 – Improving Literacy Through School Libraries – emphasizes the importance of libraries. NCLB considers libraries as resources for improving literacy skills and academic achievement of students by providing students with increased access to up-to-date school library materials, a well-equipped, technologically advanced school library media center, and well trained, professionally certified school library media specialists.

MFISD has five libraries, one at each of its schools. The disciplinary alternative education center (EPIC) does not have a separate library; however students use the libraries at their respective schools. MFISD has a lead librarian who serves as the high school librarian. The lead librarian reports to the high school principal. MFISD librarians meet at the beginning of the school year to discuss budget, policies, district and school library needs and concerns, as well as ways to ensure the libraries contribute to student academic performance. Campus budgets and Title VI funds support the libraries. In 2002–03, two community members raised \$5,500 specifically for the district’s libraries.

As shown in **Exhibit 1–59**, library expenditures and dollars per student vary from school to school. Library expenditures per student for 2002–03 ranged from \$74.29 to \$182.10.

Exhibit 1–59
MFISD Library Expenditures
2001–02 and 2002–03

| School | 2001–02 | | 2002–03 | |
|-------------------------------|----------------------|----------------|----------------------|----------------|
| | Library Expenditures | \$ Per Student | Library Expenditures | \$ Per Student |
| Marble Falls Primary School | \$86,491 | \$134.72 | \$66,556 | \$97.59 |
| Marble Fall Elementary School | \$79,677 | \$144.87 | \$92,869 | \$182.10 |
| Highland Lakes Elementary | \$39,385 | \$68.85 | \$41,679 | \$74.29 |
| Marble Falls Middle School | \$85,497 | \$104.90 | \$79,683 | \$95.66 |
| Marble Falls High School | \$92,647 | \$86.67 | \$93,752 | \$89.63 |

Source: Texas Education Agency, AEIS 2001–02 through 2002–03 and MFISD Library Information, 2003.

MFISD belongs to the Texas Library Collection (TLC), a statewide resource sharing system administered by the TEA that facilitates libraries’ technical services and local collection development and provides access to electronic full-text resources.

FINDING

To provide students with increased media, technology, and reference materials, MFISD prioritized library resources, identified a lead librarian, and ensured a majority—four out of five—librarians were certified. MFISD’s librarians have collaborated to ensure that the district’s libraries meet or exceed the Acceptable level for collection size as specified in the *School Library Programs Standards and Guidelines for Texas*.

The *School Library Programs Standards and Guidelines for Texas* defines an “Acceptable” collection as a balanced collection of 9,000 books, software and electronic resources such as Internet access for schools with enrollments of 600 or below. For schools with enrollments exceeding 600, the “Acceptable” standard is defined as a minimum of 15 items per student. A “Recognized” collection is defined as a balanced collection of 10,800 items for schools with 600 or fewer students and for schools with enrollment exceeding 600 as a minimum of 18 items per student. An “Exemplary” collection is a balanced collection with at least 12,000 items for schools with 600 or fewer students and for schools with enrollments exceeding 600 as a minimum of 20 items per student.

The district ensures all libraries are open slightly before and after school. The district maintains board policy regarding controversial materials, Internet use, and weeding or regular purging of library collections. To further support individualized campus library needs, all librarians send e-mails to

teachers at the beginning of each year and at various intervals to solicit requests and identify specific needs to include in prioritized materials. In an effort to address areas of need, the high school includes questions regarding the library on an annual teacher questionnaire.

Exhibit 1–60 shows the library collection size at each school, the number of students, the number of items per student, and whether the collection meets or does not meet the “Acceptable” standard or exceeds it. Two of the MFISD libraries meet the “Acceptable” standard for collection size. Three of the schools meet the “Exemplary” standard.

Exhibit 1–60
MFISD Library Collection by School
2002–03

| School | Enrollment | Collection Size | Collection Per Student | Meets or Exceeds Standard |
|--------------------------------|------------|-----------------|------------------------|---------------------------|
| Marble Falls Primary School | 682 | 12,200 | 17.9 | Acceptable |
| Marble Falls Elementary School | 510 | 28,790 | 56.5 | Exemplary |
| Highland Lakes Elementary | 561 | 9,474 | 16.9 | Acceptable |
| Marble Falls Middle School | 833 | 24,730 | 29.7 | Exemplary |
| Marble Falls High School | 1,046 | 22,712 | 21.7 | Exemplary |

Source: Texas Education Agency, AEIS, 2002–03; MFISD, Librarians 2002–03.

COMMENDATION

MFISD enhances student research and literacy efforts through prioritized library collections, community funding, and certified librarians.

FINDING

One of the five MFISD libraries does not meet the “Acceptable” level guideline for staffing according to the *Texas School Library Programs Standards and Guidelines for Texas*. The state guidelines for “Acceptable” or higher rated libraries require at least one certified librarian and one half–time library aide in schools with 351 to 700 students. In schools with 701 to 1,050 students, “Acceptable” libraries need to have one certified librarian and one aide. In schools with 1,051 to 1,400 students “Acceptable” library staffing includes one certified librarian and two aides. The state guidelines for “Recognized” libraries require one certified librarian and one aide for schools with 351 to 700 students.

Exhibit 1–61 shows library staffing for each MFISD school, 2002–03 school enrollment and whether or not each school library met library staffing standards. All the libraries have certified librarians. One of the five MFISD libraries is below standard; three libraries are at the “Acceptable” level and one library is at the “Recognized” level.

Exhibit 1–61
State Library Staffing Standards and MFISD Library Staffing
2002–03

| School | Enrollment | Number of Staff | Meets or Exceeds Standard |
|--------------------------------|------------|-------------------------------------|---------------------------|
| Marble Falls Primary School | 682 | 1 certified librarian + 0.5 aide | Acceptable |
| Marble Falls Elementary School | 510 | 1 certified librarian + 1 aide | Recognized |
| Highland Lakes Elementary | 561 | 1 certified librarian* | Below Standard |
| Marble Falls Middle School | 833 | 1 certified librarian + 1 aide | Acceptable |
| Marble Falls High School | 1,046 | 1 certified librarian + 1 aide | Acceptable |

Source: Texas Education Agency, AEIS, 2002–03.

** Librarian certified as a public librarian.*

MFISD is short 0.5 aides to meet the “Acceptable” staffing standard (**Exhibit 1–62**).

Exhibit 1–62
Library Staffing Standards and MFISD Library Staffing
2002–03

| School | Enrollment | Number of Staff | Standard | Staffing Below Acceptable Standard |
|-------------------------------|------------|-------------------------------------|-------------------------------------|------------------------------------|
| Marble Falls Primary School | 682 | 1 certified librarian + 0.5 aide | 1 certified librarian + 0.5 aide | None |
| Marble Fall Elementary School | 510 | 1 certified librarian + 1 aide | 1 certified librarian + 0.5 aide | None |
| Highland Lakes Elementary | 561 | 1 certified librarian | 1 certified librarian + 0.5 aide | 0.5 aide |
| Marble Falls Middle School | 833 | 1 certified librarian + 1 aide | 1 certified librarian + 1 aide | None |
| Marble Falls High School | 1,046 | 1 certified librarian + 1 aide | 1 certified librarian + 1 aide | None |

Source: MFISD, Librarians, September 2003 and Texas Education Agency, AEIS, 2002–03.

MFISD library staff identified the need for an aide at Highland Lakes Elementary and raised concerns that some aides are assigned to other duties including substitute teaching.

Texas School Libraries: Standards, Resources, Services and Students’ Performance, an April 2001 Texas State Library and Archives Commission report, found that the absence of library aides significantly curtails the range and type of services that librarians can provide. In public school libraries staffed by both a librarian and aide, librarians are more likely to provide services that impact student academic performance. These services include collaborative planning and teaching with teachers, providing staff development to teachers, facilitating information skills instruction, and managing information technology.

Recommendation 8:

Increase library staffing to meet the state “Acceptable” staffing standard.

To meet the “Acceptable” staffing standard according to state guidelines, MFISD at minimum needs to hire a half–time aide for Highland Lakes Elementary School.

FISCAL IMPACT

This fiscal impact is based on the assumption that the salary for a library aide is \$15,689 plus benefits of 20.24 percent of salary. Therefore, salary and benefits for a 0.5 aide equal \$7,845 plus \$1,588 or an annual cost of \$9,433.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Increase library staffing to meet the state “Acceptable” staffing standard. | (\$9,433) | (\$9,433) | (\$9,433) | (\$9,433) | (\$9,433) |

I. COMMUNITY SUPPORT

Community involvement and support is an important part of a quality education system. It enables parents, taxpayers, civic and business leaders, community organizations, public officials, and others with a stake in public education to become involved in activities and partnerships that support and promote student learning and achievement.

Organization and Management

To engage community stakeholders, a district should establish and maintain open and timely communications. Effective communications enables parents, community members, and district employees to work collaboratively through partnerships and activities that contribute to student learning and success.

MFISD communicates with parents and community members through brochures, newsletters, press releases, and surveys. For example, the district produced an informational brochure describing the new statewide assessment, the Texas Assessment of Knowledge and Skills (TAKS). The brochure, available in English and Spanish, explains the reason for the TAKS test; lists the subject areas on which each grade level will be tested; describes the new graduation requirements; and describes how the district is preparing students for the test. The district makes most of its major publications and correspondence available both in English and Spanish.

The district informs parents and the community about student performance through its Annual Report Card. The report card includes TAKS results, an analysis of the district’s performance relative to the goals in the District Education Improvement Plan (DEIC), campus performance objectives, statistics on violent and criminal incidents, and performance of district graduates in post-secondary educational institutions. The district distributes copies of the Annual Report Card to the board and the Marble Falls Chamber of Commerce. Report copies also are available in all school libraries and at the Marble Falls Public Library. The district also informs the general community of this report through a public notice on its Web site, in local newspapers, and through local radio stations.

The superintendent also prepares an annual State of the Schools Report for the board. The report includes information on all MFISD schools, operations, departments, and special programs. MFISD publishes a public notice in local newspapers inviting the public to the superintendent’s board presentation. Copies of the report are available in district and school offices, the Marble Falls Public Library, and the Marble Falls Chamber of Commerce.

In addition, MFISD conducts an annual survey to help assess parental satisfaction with the district’s educational program. The district also seeks community input on the district’s community education program. The district asks for community ideas on potential classes through newspapers, bulletins, and its Web site. The district’s Web site also offers information on how community members can become involved in the district and has links to board members, so that community members may contact them and provide input.

The schools use newsletters to communicate with parents as shown in **Exhibit 1–63**. The principals write the newsletters at the primary, elementary, and middle schools. Some of these newsletters are posted on the district’s Web site. At the high school, students write and publish a newspaper.

**Exhibit 1–63
MFISD Newsletters**

| School | Publication | Description |
|----------------------------|---|--|
| Marble Falls Primary | <i>Primary School Newsletter</i> | Weekly newsletter. |
| Marble Falls Elementary | <i>News for Parents from the Principal</i> <i>Parent Teacher Organization (PTO) Newsletter</i> | <i>News for Parents from the Principal</i> is published weekly. <i>PTO Newsletter</i> is published monthly and covers different PTO events and activities |
| Highland Lakes Elementary | <i>Pony Parent Express – Parent and Community Newsletter</i> | A four–color double–sided newsletter. Newsletter has information about different school activities and upcoming events. The newsletter’s most common columns are the Counselor’s Corner and the Nurse’s Nook |
| Marble Falls Middle School | <i>Pony Pride Newsletter</i> | Monthly newsletter |
| Marble Falls High School | <i>The Hoofprint</i> | Student publication |

Source: MFISD, principals, 2003–04.

In a school review survey, more than 62 percent of the parents strongly agreed or agreed that the district and schools communicates regularly with parents (**Exhibit 1–64**).

**Exhibit 1–64
MFISD Communication with Parents**

| The district regularly communicates with parents. | | | | | | |
|---|-----------------------|----------------|--------|------------|----------|-------------------|
| Group | Number of Respondents | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
| Teachers | 144 | 15.30% | 68.80% | 5.60% | 10.40% | 0.00% |
| Administrators | 104 | 16.00% | 51.10% | 16.00% | 11.70% | 5.30% |
| Parents | 77 | 10.40% | 52.00% | 13.00% | 20.80% | 3.90% |

Source: MFISD, School Review Surveys, 2003.

MFISD strives to ensure that its telephone system is customer–friendly, routes callers efficiently, and that community members and parents who contact the central office or the schools obtain requested information. The district invited representatives from the Texas Educational Support Staff Association (TESSA) to provide a workshop to all office staff on office courtesy. TESSA is a professional association of educational support personnel in public schools.

The MFISD superintendent and central office administrators handle internal communications with employees and external communications with community stakeholders. Principals coordinate communications with parents and for volunteer and parental involvement at their respective schools.

FINDING

MFISD does not have one position with primary responsibility to coordinate the district’s community involvement efforts. The district provides a community education program, schoolwide community

efforts such as the Donuts with Dads offered during the Community Involvement Week, and many additional volunteer activities. As shown in **Exhibit 1–65**, the district’s senior central office administrators and principals have similar and overlapping community involvement responsibilities. No one person is responsible for coordinating, planning, or overseeing the districtwide community relations program. In addition, no one position evaluates the district’s parental and community involvement programs.

Exhibit 1–65
Community Relations Responsibilities
2002–03

| Position | Community Relation Job Responsibilities |
|---|---|
| Assistant superintendent for Curriculum and Instruction | <ul style="list-style-type: none"> • Articulate the district’s mission, instructional philosophy, and curriculum implementation strategies to the community and solicit its support in realizing mission. • Demonstrate awareness of district–community needs and initiate activities to meet those needs. • Demonstrate use of appropriate and effective techniques to encourage community and parent involvement. |
| Director of Student Services | <ul style="list-style-type: none"> • Articulate the district’s mission, instructional philosophy, and curriculum implementation strategies to the community and solicit its support in realizing mission. • Demonstrate awareness of district–community needs and initiate activities to meet those needs. • Demonstrate use of appropriate and effective techniques to encourage community and parent involvement. |
| Director of Special Services | <ul style="list-style-type: none"> • Serve as district liaison to community agencies providing services to students and notify parents and students of available services. • Participate in professional organizations and serve on community boards. • Articulate the district’s mission and goals in the area of special education to the community and solicit its support in realizing the mission. • Demonstrate awareness of district–community needs and initiate activities to meet those needs. • Use appropriate and effective techniques to encourage community and parent involvement. |
| Principal | <ul style="list-style-type: none"> • Articulate the school’s mission to the community and solicit its support in realizing mission. • Demonstrate an awareness of school and community needs and initiate activities to meet those needs. • Use appropriate and effective techniques to encourage community and parent involvement. |

Source: MFISD, September 2003.

Many districts assign primary responsibilities for overseeing and coordinating districtwide community relations’ program activities to one person to avoid duplication of efforts, ensure consistency of direction, and enhance the effectiveness of the different activities. Under such organizational structures, while multiple administrators may be tasked with parent and community involvement responsibilities, all strategies and activities are coordinated through the primary community relations’ coordinator.

Recommendation 9:

Assign districtwide community involvement coordination to one position.

The district should ensure that this position coordinates and reviews all existing and future community efforts and programs in conjunction with the affected principals and districtwide administrators. Assigning this responsibility to one position should help the district identify any duplicative functions

and streamline community relations. The district already has a community education coordinator and should consider revising this job description to include these additional coordination duties.

FISCAL IMPACT

This fiscal impact assumes the district will provide an annual stipend of \$2,000 to an existing staff member for coordination efforts. This equates to a five–year cost of \$10,000.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Assign districtwide community involvement coordination to one position. | (\$2,000) | (\$2,000) | (\$2,000) | (\$2,000) | (\$2,000) |

Communications and Public Relations

The MFISD superintendent serves as the district’s spokesperson and may refer media calls to other district administrators and principals. The central office has an annual publicity budget of \$6,900 that covers press releases, public notices, and supplies for public forums and committee meetings. Twice monthly, the superintendent prepares the *Marble Falls ISD News*, a column discussing issues such as new board members, traffic issues at the schools, the parenting education program (PEP), the tax rate, and the district’s financial stability. The superintendent’s news column also is published in all local newspapers, e–mailed to area radio stations for broadcast, and posted on the community forum Web site at www.marblefalls.info.

FINDING

In addition to its external communication strategies, MFISD uses various methods for keeping its employees informed of district developments. With each paycheck, the district includes a bulletin that provides employees with updated information on district and school events, as well as other relevant business issues. The Business Office and the Human Resources Department jointly prepare this bulletin. The central office also e–mails board highlights to all district employees after each board meeting. The district also uses its Web site to provide employees with relevant information such as the *Employee Handbook*. MFISD sends written notification to all employees notifying them that the *Employee Handbook* is available online. MFISD administrators also distribute a “Friday Communication” to central office staff, principals, and directors summarizing district activities for the week.

MFISD also seeks employee input on an ongoing basis. The central office conducts annual faculty, staff, and administrator surveys, asking questions on a wide range of education–related issues. The district and campus education improvement committees (DEIC/CEIC) use the survey results in the development of the annual district and campus improvement plans.

COMMENDATION

MFISD uses various methods to keep open lines of communication with its employees.

FINDING

MFISD’s open records procedures do not provide adequate guidance to school administrators to ensure that staff appropriately address public requests for information. The district has board policies and procedures addressing access to student records, student and parent rights, and open records requests. MFISD also describes access to student records in the student handbooks and defines what student information is considered “discretionary information” that will be released to anyone who

follows procedures for requesting it, but the procedures do not adequately guide campus administrators in the release of open records.

All open record requests are initially referred to the MFISD assistant superintendent for Business and Finance. The assistant superintendent for Business and Finance tracks and maintains a list of all requests by date of request, information requested, name of the requestor, date filled, and charge, if applicable. Prior to responding to open records requests, MFISD staff may consult with legal counsel regarding whether certain information can be released.

If the request concerns records located at any school, the assistant superintendent for Business and Finance asks school administrators to respond to the request; however, the district does not have any specific procedures to guide school administrators on what data can, or should be, provided in response to such requests, or on the required timeliness of filling such requests. The district also does not ensure that school administrators understand the open records process or the legal obligations of all districts to comply with state and federal regulations governing this issue. The district has let school administrators use their discretion to decide which information to provide. The district has received at least one complaint that information provided in response to an open records request was incomplete.

Many districts have detailed procedures designating staff to perform sequentially identified steps for all open records requests. By following outlined steps for these requests and specifically identifying staff for each stage of the open records request process, these districts ensure that requests are completed accurately and in a timely manner.

Recommendation 10:

Amend the district's open records procedures to ensure that school administrators have clear instructions for responding to open records requests.

The district should add details outlining the open records request process after initial requests are forwarded to the assistant superintendent for Business and Finance. The district should identify staff at each campus and the central office that are responsible for completing detailed steps for this process. The steps should further include the amount of time required for completion of any data retrieval, signature, or other pertinent task.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Community and Business Partnerships

Partnerships between districts, community and business organizations benefit students and help keep community stakeholders engaged in district affairs. MFISD has a wide network of organizations and businesses that provide financial and volunteer support to district schools and students. **Exhibit 1-66** offers some examples of MFISD partnerships with community organizations and businesses.

Exhibit 1–66
MFISD, Community and Business Collaboration and Partnerships
2003–04

| Organization | Program | Description |
|---|--|---|
| The Sheriff Foundation, the Hill Country Economic Development Council, and Texas Tech University–Hill Country | Service Learning Grant to the Educational Placement/ Instruction Center (EPIC) | The Service Learning grant involves EPIC students in community service. Students spend one day a week doing community service at different locations. |
| Marble Falls ISD and Burnet County Literacy Council | Even Start Literacy Improving the Future for Everyone (L.I.F.E.) Program | The program provides educational services to families involved with the Even Start program, such as parenting and adult education classes, English as a second language (ESL) classes and General Education Diploma (GED) classes. |
| City of Marble Falls Housing Authority | Facility Use, Referral and Recruitment | The housing authority allows the Even Start L.I.F.E. program to use the T.Q. Brown Community Center; the housing authority assists with recruitment and referrals of families. A housing authority representative serves on the project’s advisory council. |
| Boys and Girls Club | After School Program. | MFISD students go to the club for after school activities. MFISD provides transportation. |
| Lions Club | Eyeglasses | Provides eyeglasses for low–income students. |
| Marble Falls Police Department | Grant | The three–year grant funded a resource officer for the district. |
| City of Granite Shoals, Lower Colorado River Authority (LCRA), and Pedernales Electric Company | Grant for Nature Trail | Provided a \$4,000 Learn and Serve grant to Highland Lakes Elementary School students to assist in building a nature trail. The nature trail project received an award from the Texas Forestry Association. |

Source: MFISD, memorandums of understanding, agreements, and contracts for community and business partnerships, 2003.

MFISD opens its facilities to community organizations for meetings and sports activities. The high school remains open until 9:00 PM for community, parenting, and adult education classes. Groups such as Little Dribblers, Pop Warner Football, Youths Baseball Leagues, Future Farmers of America (FFA), the Summer Recreation program sponsored by the City of Marble Falls, American Cancer Society, and Community Education, all use the district facilities. The district rented its facilities for the Marble Falls Beauty Pageant, Rotary Club Fish Fry, and for a Sheriff Foundation concert. Although MFISD waives facility use fees for organizations that directly benefit the students, in 2002–03, MFISD generated \$2,942 in facility use fees.

FINDING

MFISD has established a number of innovative programs to strengthen its relationship with the business community. For example, the district engages the business community in student career exploration through a Mock Job Fair and a follow–up Job Shadowing Day activity. Local businesses interview interested middle school students at the Mock Job Fair and decide whether or not to “hire” them for a day after evaluating their interviewing skills, resume, application completeness, experience, and personality. Students spend the day on the job site and shadow the business representative at his or her job duties. A school representative visits the student at the business to ensure that the student performs well and to take pictures. The Mock Job Fair and the Job Shadowing Day give middle school students an opportunity to observe people in their work environment.

In 2002–03, Marble Falls Middle School successfully recruited 14 businesses to participate in the Mock Job Fair, including the Sheriff’s Office, Children’s Health Center, district clerk, Flip–n–Swim, and HEB, as well as nurse practitioner assistants, teachers, and principals. The event exposed MFISD students to a wide variety of careers, employers, and industries.

The district also engages businesses by inviting them to participate in an orientation for new teachers. MFISD provides a breakfast or luncheon for new teachers to meet with business leaders. The district assigns each teacher to a business leader who answers any questions the teacher may have about the Marble Falls community.

COMMENDATION

MFISD strengthens its relationship with the business community through innovative partnership programs.

FINDING

MFISD does not have an education foundation. Districts or individual schools typically initiate education foundations to help raise funds for school district needs and to promote positive community relations. While district administrators have discussed the idea of establishing an education foundation, the district has not taken any further steps. Districts establish education foundations as 501(c)3 non–profit and tax exempt organizations to raise funds from the community, local businesses, and corporations so the foundations can award small grants to teachers and other staff to promote innovative educational programs.

Aransas County ISD (ACISD), a peer district with 3,371 students, has an education foundation with a volunteer board including business, community, and educational leaders. The superintendent and assistant superintendent of Curriculum and Administration serve as secretary and vice president of the foundation. The foundation supports educational programs outside of the typical curriculum, encourages staff excellence and fosters creativity and innovative approaches. The foundation also works to increase citizen involvement in district educational activities.

Although districts are not required to establish an education foundation, many districts find the effort involved in establishing an education foundation worthwhile.

Recommendation 11:

Establish an education foundation.

The district should assign this responsibility to the director of Student Services.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Parental and Volunteer Involvement

MFISD encourages parental involvement and responsibility in education and promotes parent/teacher partnerships. The student handbooks devote one section to information for parents, including information on parental access to student records, the process for handling student and parent complaints, and strategies for parental involvement. The student handbook encourages parents to get involved through a number of activities, as shown in **Exhibit 1–67**.

Exhibit 1–67
MFISD Parental Involvement and Responsibility

| Working Together – Parental Involvement and Responsibility |
|--|
| Encourage your child to put a high priority on education and work with your child on a daily basis to make the most of the educational opportunities the school provides. Be sure your child comes to school each day, prepared, rested, and ready to learn. |
| Become familiar with all of your child’s school activities and with the academic programs, including special programs offered in the district. Discuss with the counselor or principal any questions you may have about the options and opportunities available to your child. Monitor your child’s academic progress and contact teachers, as needed. |
| Attend scheduled conferences and request additional conferences, as needed. |
| Become a school volunteer. |
| Participate in campus parent organizations such as our Parent Teacher Organization (PTO). |
| Offer to serve as a parent representative on the district– or campus–level planning committees, assist in the development of educational goals and plans to improve student achievement. |
| Attend board meetings to learn more about district operations. |
| Exercise the right to review teaching materials, textbooks and other aids and to examine tests that have been administered to your child. |
| Review the child’s student records when needed. |

Source: MFISD, Middle School and High School Student handbooks, 2003–04.

The district receives federal Title I funds which are awarded to schools based on the number of economically disadvantaged students it serves. The federal guidelines for Title I funds require schools to implement comprehensive parental involvement programs targeting low–income families. Title I schools must provide opportunities for parents to become involved in their children’s education. Many Title I schools and districts encourage parental involvement by providing training and literacy classes for parents and other community members, and by keeping parents informed of district and school activities and events. MFISD’s Title I parental involvement policy identifies 11 areas of involvement, as shown in **Exhibit 1–68**.

Exhibit 1–68
MFISD Title I Parental Involvement Policy

| Title I – Parental Involvement Policy |
|---|
| 1. The campus will foster an open door policy by encouraging parents to visit classrooms, eat lunch with their children, visit the library, volunteer, and become a mentor. |
| 2. Campuses will encourage parent participation on committees. |
| 3. Campuses will provide opportunities for parents to become full partners in the academic progress of their children. |
| 4. Campuses will encourage parent participation through notification of special event activities. |
| 5. Campuses will provide opportunities for parents to participate in parent–teacher organizations. |

Exhibit 1–68 (continued)
MFISD Title I Parental Involvement Policy

| Title I – Parent Involvement Policy (continued) |
|--|
| 6. Campuses/district will provide meaningful communication between the home and school through newsletters, brochures, course selection guides, and parent/student handbook. |
| 7. Parents will be encouraged to participate in transition/orientation activities such as college night, pre-kindergarten, and kindergarten orientation, course selection fair, middle school orientation, and grade 9 orientation. |
| 8. Opportunities will be provided for parents to receive assistance with scholarship, financial aid, and Texas Tomorrow Fund applications. |
| 9. Self-enhancement opportunities for parents will be offered such as general education diploma (GED) classes, adult basic education classes, English as a Second Language (ESL) classes, community education classes, parenting classes, and career development assessment. |
| 10. Each campus will utilize a parent volunteer coordinator to oversee parent involvement activities. |
| 11. Each campus will sponsor two parent meetings (one per semester) to review Title I services and coordination with other special programs. |

Source: MFISD, Title I Parental Involvement Policy, September 2003.

Although MFISD was not required to allocate 1 percent of its Title I funding to parental involvement because it received less than \$500,000 in 2002–03, the district used \$5,804 in Title I funds for parent workshops, translations, computer literacy classes for Spanish speakers, and parental involvement training for staff. Highland Lakes Elementary hired a part-time parent volunteer coordinator to manage the school's parental involvement program. The parent volunteer coordinator also serves as an educational aide and organizes after-school and Saturday family literacy activities, computer literacy classes, and parenting classes.

Each school manages its own parental involvement in MFISD. The schools organize different events to which they invite parents and other community members. **Exhibit 1–69** lists some of the programs and activities that the schools offer to parents and community members.

Exhibit 1–69
Parental and Community Involvement Programs
2002–03

| School | Program/Activity | Description |
|-----------------------------|---|--|
| Marble Falls Primary School | Kindergarten Question and Answer Sessions | Parents of incoming kindergarten students are invited to an information session in April. |
| | PTO/Family Math Night | Parents are invited in March to an open house and demonstration of math games that parents can play with their children. |
| | Spring Fling | A spring party for students and their families and a fund-raiser. |
| | Pigs–n–Blanket Breakfast with Principal; Donuts with Dads; Biscuits & Gravy Breakfast with Grandparents; Muffins with Moms; Breakfast Tacos with Teachers | Parents and grandparents are invited in March during Texas Public School Week to have breakfast with the principal, teachers and their children and grandchildren. |
| | Multicultural Night | Families are invited in February to a display of different cultures, each presented in a booth. Each booth has information and presentations about the culture including ethnic foods. |

Exhibit 1-69 (continued)
Parental and Community Involvement Programs
2002-03

| School | Program/Activity | Description |
|----------------------------|---|---|
| | Volunteer Appreciation Week | During this week, volunteers visit their child's classroom and go to lunch with their child's class and teacher. Marble Falls Elementary School organizes a reception in the library. |
| Marble Falls Elementary | Open House | Parents are invited at the beginning of the year to come and meet with their child's teacher and hear teacher presentations on what their child will learn during the year in different subject areas. |
| | UIL District Meet Awards Ceremony | Parents are invited to participate in a University Interscholastic League (UIL) award ceremony in areas such as art production, art, ready writing, spelling, storytelling, number sense, music memory, oral reading, listening skills, dictionary skills, maps, graphs and charts. |
| | Spring Open House – Title I Programs Open House | Elementary schools invite parents in March during the Texas Public School Week to visit their child's classroom and teacher; parents and grandparents are also invited for lunch. |
| | Parents Math Class | Parents of grade 3 students are invited to a math class to learn about the Grace Stasny method of problem solving so that they will be able to help their children, if needed. |
| Highland Lakes Elementary | Meet the Teacher | Parents are invited at the beginning of the year to meet their child's teacher. |
| | Parent Fair | The fair has booths set up by Early Literacy Intervention, 504 –Dyslexia, Title I, Community Parenting Class, Parent Teacher Organization, and Boy Scouts of America. The purpose of the fair is to make parents familiar with school programs and school and community resources. |
| | Family Night at the Library | A weekly evening (Thursday) program at the library for parents and students. |
| Marble Falls Middle School | Open House | Parents are invited to meet their child's teachers and hear about the programs in which their child will participate. |
| | Career Day | Community members present different career opportunities to grade 8 students. |
| | Mock Job Fair | Business representatives present information to students, review student applications, and interview students for specific jobs. |
| | Honor Society Celebration | Parents are invited to see students recognized for being selected to honor society. |
| Marble Falls High School | Open House | Parents are invited at the beginning of the year to an open house discussing each of the programs. The school serves refreshments. |
| | Mustang Band Members and Families Party | Members and families are invited to an ice cream party to welcome freshmen and new Mustang band members. |
| | Senior Who's Who and Academic Awards Night | The end of year program gives academic awards, honors graduates and presents local scholarships. |

Source: MFISD, principal interviews, September 2003.

Parent teacher organizations (PTOs) in the primary and elementary schools and booster clubs in the secondary schools provide the main parental involvement force in the district. PTO activities vary by school. Typically, PTOs organize monthly activities and the schools include PTO links on their Web pages.

The Wranglers, the Marble Falls High School PTO, is involved in activities such as fund raising, tutoring, mentoring, scholarships, teacher appreciation events, the school store, homecoming parade, student directory, and the Save One Student program, a drug and alcohol prevention program. For three consecutive years, the Wranglers awarded a \$1,000 scholarship to a graduating student; and provided \$25 book stipends to each student taking a U.S. Government and U.S. History dual credit college course to offset the price of the textbooks. The Wranglers also applied for and received a \$500 mini grant from the Texas Higher Education Coordinating Board to supplement the college information resources in the college counselor's office. The organization also completed a brick walkway and landscaping to beautify the high school.

The band and athletic booster clubs are active at the middle school and high school. The athletic booster club supports athletics, cheerleaders, and the drill team at both schools. The band booster club raises funds for the band and assists with performance activities. The Wranglers president and treasurer oversee the funds.

Region 13 provides parental involvement training to a representative from each MFISD school. The district also distributes the *Parent Learning Network* newsletter to all district schools.

The district encourages parents to participate in the DEIC, CEIC, and the health advisory committee. The district encourages parents of bilingual/ESL students to participate in language proficiency assessment committees (LPAC); parents of special education students to be part of admission, review, and dismissal (ARD) committees; and parents of gifted and talented (G/T) students to participate on the G/T committee.

The district works with the Active Retired Teachers Association to recruit retired teachers as volunteers and individual schools recruit volunteers from among the retired residents of the county through service clubs such as the Lions and Rotary Club. To encourage participation of senior citizens, the district provides them with a Gold Pass, a free ticket and free parking for all sports events. The district also invites senior citizens to theatre productions and events such as the Christmas concert. Both the schools and the board recognize volunteers with appreciation certificates at special award ceremonies.

FINDING

MFISD conducts an annual survey to obtain input from parents on a wide range of education issues. The district's survey asks parents their opinions about issues such as the adequacy of academic and administrative information the school provides, their satisfaction with school-home communications, parent attendance of school events, the academic program, discipline, extracurricular activities, school facilities and the extent to which the school meets different student needs.

Exhibit 1–70 shows parent responses to questions about parental involvement from the 2002–03 surveys.

**Exhibit 1–70
MFISD Survey
Parental Involvement in School Activities**

| <i>Survey Item</i> | Agree | Does Not Apply | Disagree |
|--|--------------|-----------------------|-----------------|
| I attend non–athletic school activities (Open House, PTO meetings, award assemblies) | 75.4% | 11.2% | 13.4% |
| I have volunteered at my child’s school | 57.7% | 17.3% | 25.0% |

Source: MFISD Parent Survey, February 2003.

The schools send the parent surveys home with the students. The district also notifies parents about the upcoming survey through its school newsletters and Web site. MFISD uses the results of the survey in developing its DEIC. The district has set the goal of increasing parental involvement as one of the four major goals in its 2003–04 DEIC and CEICs. The district seeks to increase parental attendance of non–athletic meetings (as measured by the parent survey) by 10 percent from 75.4 percent to 85 percent, and to increase parent volunteering by more than 20 percent from 57.7 percent to 80 percent.

COMMENDATION

MFISD uses annual surveys to identify parental concerns and school involvement and to include parent input into the development of its annual district and campus improvement plans.

FINDING

MFISD incorporated diverse stakeholder input into the reconfiguration of its elementary schools through the use of public forums and community participation in a campus reconfiguration committee. Its three elementary schools have different configurations: Highland Lakes Elementary is a pre–kindergarten through grade 5 school, Marble Falls Primary School serves children in pre–kindergarten through grade 2, and Marble Falls Elementary includes students from grade 3 through grade 5. With the planned opening of Spicewood Elementary in August 2004, the district decided to evaluate the current structure of its elementary schools and make necessary adjustments.

MFISD established a campus reconfiguration committee (CRC) consisting of more than 80 diverse community, business, and district members. The district divided the committee into six subcommittees: research, facilities, boundaries, financial impact, educational programs, and staffing/personnel. The subcommittees began meeting in November 2003 to study potential reconfigurations and report their findings to the board.

As a critical part of the decision process, MFISD also involved parents, teachers, and community members in the process through public forums. During the public forums, which included opening and closing remarks by the superintendent, each of the subcommittee chairpersons made a presentation about his/her subcommittee’s findings and received input from the public, answered questions, and discussed campus reconfiguration and boundary issues. The board made a final decision on reconfiguration and boundaries based on CRC subcommittee recommendations at its March 22 meeting.

COMMENDATION

MFISD involved parents, teachers, and community members in its campus reconfiguration committee and sought community input through a series of public forums.

FINDING

In collaboration with community organizations, MFISD provides literacy and parenting education to low-income families. The district established an Even Start Family Literacy Improving the Future for Everyone (L.I.F.E.) program three years ago in collaboration with the Burnet County Literacy Council and more than 10 other community partners. Even Start is a federally-funded early childhood initiative that falls under Title I of the Elementary and Secondary Education Act.

The Family/L.I.F.E. project, a family-centered program, integrates early childhood, parent, and adult education to provide educational opportunities to entire families. The program seeks to empower parents to become full partners in their children's education, prepare pre-school children for school, provide literacy training to parents, and assist families with child development. The project provides GED and ESL classes, early childhood development, effective parenting; life skills, career planning and workplace skills, and computer laboratories. It also offers childcare, transportation, and meals. Project staff trained as family facilitators visit participants' homes to monitor and model activities that parents can do with their children.

In 2001–02, the project served 39 families and 40 adults; 64 percent of the families fell below the federal poverty level at enrollment; and none of the adults had a high school diploma or GED at enrollment. A program evaluation conducted in 2002 demonstrated that parents increased their language, reading and writing skills; increased the amount of time they spent helping their children; became more involved in their children's education and in the community; and, that 40 percent planned to seek employment after they completed the program. In 2003–04, MFISD serves 50 families in this program.

COMMENDATION

MFISD partners with education and community organizations to increase early childhood learning, adult literacy, and parenting education in the community.

FINDING

MFISD expanded its community education program, which serves both the general community and district employees. The program seeks to meet the continuing education needs of adult and school age community members. Through program efforts, the district doubled the number of courses and increased the number of participants by 73 percent from 2000–01 through 2002–03. The program plans to increase the number of participants by 20 percent a year, develop new courses to reach different segments of the community, develop career skills training programs in response to local demand, and increase partnerships with local employers and workforce development agencies.

The district implements the program in collaboration with citizen groups, community agencies, service providers and higher education providers. It obtains ideas for courses from the community, and recruits community members as instructors. While instructors do not have to be certified teachers or hold credentials in their areas of interest, they must have relevant expertise. The community education program offers courses in self-improvement, job preparation, computer skills, hobbies, a general education diploma (GED), and English as a Second Language (ESL). The community education program partners with the Burnet County Literacy Council to provide the GED program and ESL classes. This partnership enables the program to offer adult classes and childcare services to enrolled parents. The program also partners with Central Texas College to provide lower level credit and non-credit college courses.

MFISD publicizes the community education program on its Web site, where it posts the course catalog, news about the program, an invitation for community input on course offerings, a call for volunteer instructors, and an online course registration form.

In 2002–03, the MFISD community education program staff included a coordinator and two part–time assistants, one for daytime clerical duties and one as a site–monitor/technical assistant. MFISD budgeted \$78,363 for community education in 2002–03. Its community services budget per student was equal to the state average but lower than Region 13 (**Exhibit 1–71**).

Exhibit 1–71
Budgeted Community Services Expenditures
MFISD, Peer Districts, Region 13, and the State
2002–03

| | Community Services Budget | Enrollment | Budget per Student |
|---------------------|------------------------------|------------------|--------------------|
| Marble Falls | \$78,363 | 3,632 | \$22 |
| Aransas County | \$7,500 | 3,371 | \$23 |
| Hallsville | \$31,505 | 3,761 | \$8 |
| Sheldon | \$2,940 | 4,177 | \$1 |
| La Marque | \$0 | 3,883 | N/A |
| Tuloso–Midway | \$0 | 3,220 | N/A |
| Region 13 | \$9,977,300 | 288,335 | 35 |
| State | \$94,562,354 | 4,239,911 | 22 |

Source: Texas Education Agency, AEIS, 2002–03.
Note: N/A denotes amount not budgeted.

MFISD, in partnership with the Burnet County Literacy Council, currently funds the community education program. Although the district wants to make the program self–sufficient through participant fees, revenues have not increased in proportion to the increase in participation as shown in **Exhibit 1–72**. School administrators said the 2002–03 fee drop resulted from a 42 percent enrollment decrease in the driver’s education course and a change in payment for the certified medical aides course. The decrease in the driver’s education course resulted in a \$9,600 revenue loss. The \$5,555 in student fees that would have been paid for the certified medical aides course was paid directly by the students to the instructor.

Exhibit 1–72
Community Education Program
2000–01 through 2002–03

| | 2000–01 | 2001–02 | 2002–03 |
|------------------------|----------|----------|----------|
| Participants | 467 | 699 | 808 |
| Marble Falls Employees | * | 116 | 83 |
| Courses | 40 | 75 | 80 |
| Revenues | \$27,846 | \$42,325 | \$35,459 |

Source: MFISD, State of School Report, Community Education/Dual Credit, October 2002; Where Learning Never Ends, 2002–03.

** Information not available.*

MFISD reorganized the community education program in 2002–03 to accommodate the program’s planned growth. The program restructured its accounting and financial systems to ensure that class expenses are covered, classes not financially viable are discontinued, set–up a chart for tracking all costs, and required students to pay in one or two installments.

COMMENDATION

MFISD partners with the community to strengthen its community education program.

FINDING

MFISD does not adequately track volunteer information. While the district has a process for recruiting and tracking volunteer hours, all schools do not consistently enforce the process. At the beginning of each school year, school staff sends each parent an invitation to volunteer in classrooms, the school as a whole, or at special events. Parents who choose to volunteer complete a district volunteer or mentor form that the district uses for a criminal background check. By tracking volunteer hours and activities, districts can more effectively manage volunteer efforts.

The schools use sign-in sheets for tracking volunteer hours and activities. Volunteers are supposed to sign-in when they arrive at the schools. The sign-in sheets ask for name, date, telephone number, teacher or work area, in-and-out time, and hours spent volunteering.

A review of the volunteer sign-in sheets showed that the requested information, including time spent in the school is frequently incomplete. In addition, only two MFISD schools, Marble Falls Primary and Highland Lakes Elementary, use this information to track volunteer hours.

Only a few MFISD schools make use of the information available to them through the volunteer sign-in sheets to manage their volunteer programs. The Marble Falls Primary and the Marble Falls Elementary PTO's started building a volunteer database in 2003-04. The database, which includes names, addresses, e-mail addresses, special skills or interests, and availability, helps volunteer coordinators track volunteers in their respective schools. This information can also be shared with other schools within the district as children progress from one school to another; however, MFISD PTO presidents said that they did not share parent information with PTOs in other schools

In 2002-03, Marble Falls Primary School volunteers contributed 4,982 hours and Highland Lakes Elementary school volunteers contributed 897 hours. Districts that track volunteer hours and trends are better able to manage volunteer programs, serve students, support teaching staff, and evaluate the effectiveness of districtwide volunteer recruitment strategies. Tracking individual volunteer information also allows districts to recognize volunteers and schools with the best participation rates, which in turn becomes a motivator and reward for the volunteers.

El Paso ISD developed an automated volunteer tracking system that monitors participation levels. The volunteer coordinator records each volunteer's total hours for the month and the information is entered into a volunteer database. The district includes the information in its annual campus profile reports and recognizes the schools with the highest volunteer participation levels.

Recommendation 12:

Develop a database to track volunteers and share information among schools.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

While the district partners with the community to strengthen its community education program, the district does not have a formal or consistent evaluation system for the program. Program staff conducts a brief participant survey as shown in **Exhibit 1-73**.

Exhibit 1-73
Community Education Program Survey

| How Are We Doing? |
|---|
| Name of class and instructor How did you learn about this class? <i>Saw catalog; Read newspaper; Heard radio; Friend told me</i> Why are you taking this class? <i>For fun; Get a better job; To go to college</i> What is the biggest challenge to attending class? <i>No time; No transportation; Costs too much; Bad location; Need childcare;</i> Tell us the good things you liked most... Tell us what would be even better next time |
| (Optional): Name Address Phone |

Source: MFISD, Community Education evaluation form, September 2003.

Community education program administrators said that they review survey responses and have made changes in the program to address specific concerns. For example, the program has set up a cooperative calendar system with the district to ensure classroom availability, coordinated computer availability, and now provides childcare to help students with young children. Since survey responses are not tabulated or analyzed for each individual course, type of course, or throughout the entire community education program, it is unclear whether program administrators use any uniformly applied criteria to decide what changes or improvements to make in the program.

Recommendation 13:

Develop and implement a formal community education program evaluation.

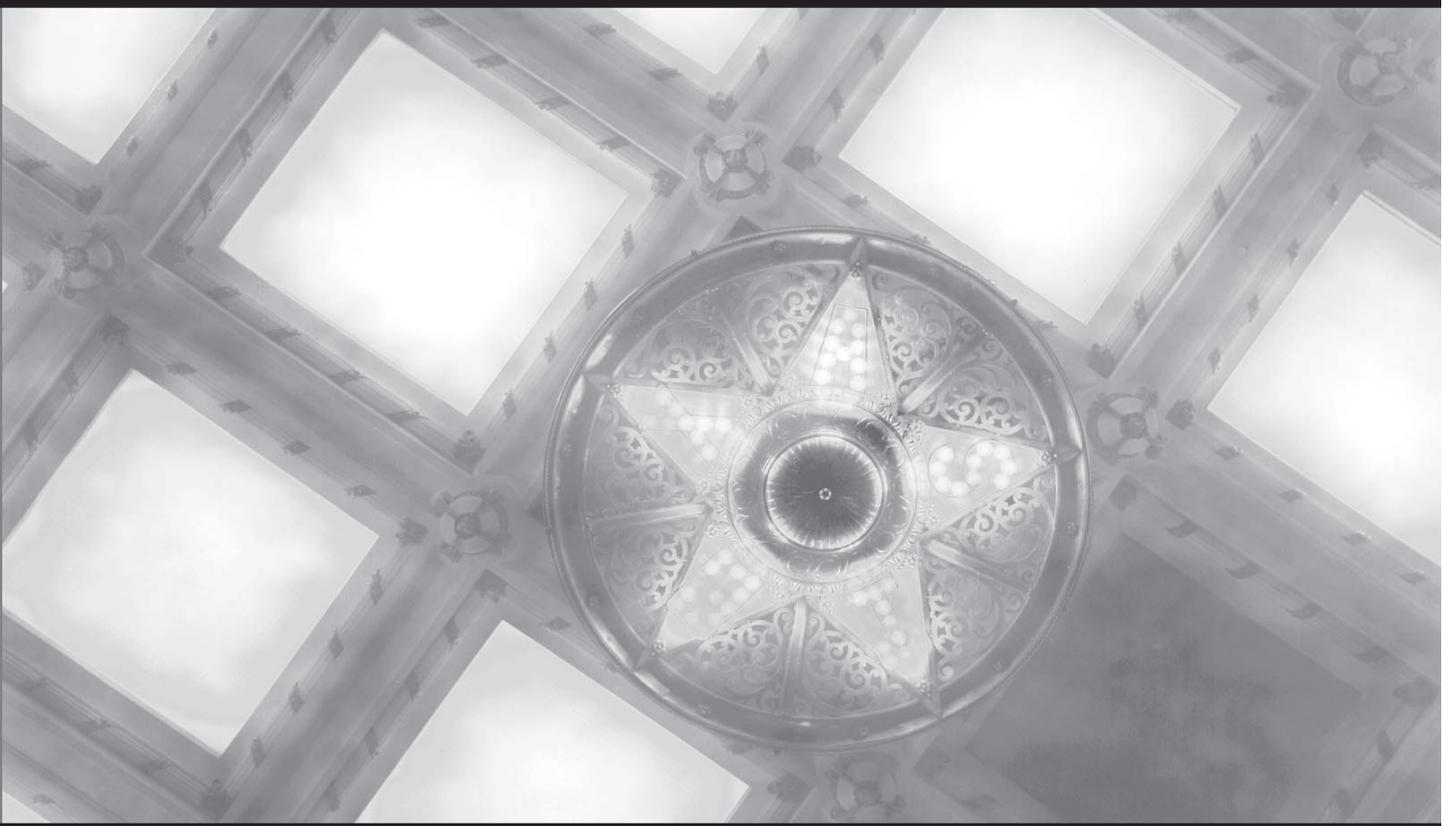
A formal evaluation system has defined program goals, key measures, a specified evaluation methodology, evaluation and data analysis procedures, identified data sources, assigned evaluation responsibility, and an evaluation schedule. Such systems also include an evaluation report and a plan for implementing recommendations. Implementation plans usually identify the position responsible for implementation and includes pre-identified program milestones.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 2

Financial Management



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Chapter 2

FINANCIAL MANAGEMENT

This chapter reviews the effectiveness and efficiency of Marble Falls Independent School District's (MFISD's) financial management in the following sections:

- A. Organization, Management, and Staffing
- B. Chapter 41 Status
- C. Financial Performance
- D. External Auditing
- E. Planning and Budgeting
- F. Student and Faculty Daycare Services
- G. Tax Collections

School districts must practice sound financial management to maximize the effectiveness of their limited resources and plan for future needs. Effective financial management ensures internal controls operating as intended, maximized technology to increase productivity, and timely, accurate reports to help management reach its goals.

Successful financial management operations ensure that the district receives all available revenues from the state and federal government; maintains a track record of sound financial decisions and adequate and equitable budget allocations; issues timely, accurate, and informative reports on the district's financial position; and maintains a consistent record of unqualified opinions by its external auditors.

Public schools generate funding from local funds, primarily local property tax revenues; state funds, from a variety of sources, and federal funds. Because school districts rely on property taxes as their local revenue source, property tax revenues at similar tax rates vary widely across the state as property values or wealth varies. To offset this local variation, the state provides funding to districts in inverse relation to district wealth. School districts with higher property wealth receive less state funding than low wealth school districts to equalize overall school funding. The financial management section of this chapter addresses how the district is funded and how well the district manages the dollars received to the benefit of the children's education.

BACKGROUND

School district financial operations must comply with federal, state, and local laws, and regulations. TEA requires districts' financial operations to comply with the requirement of its *Financial Accountability System Resource Guide* (FASRG). The FASRG combines requirements for financial management from a variety of sources into one guide for Texas school districts. Generally accepted accounting principles (GAAP) and the Governmental Accounting Standards Board (GASB) guidelines also affect a school district's financial management activities. Districts must report their data to the TEA Public Education Information Management System (PEIMS).

Historically, as a result of the property wealth in the district, MFISD has received the majority of its funding from local property taxes as shown in **Exhibit 2-1**.

Exhibit 2-1
MFISD Percentage of Revenues by Source
1998–99 through 2002–03

| Revenues | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| Local | 64.3% | 60.0% | 66.1% | 70.9% | 80.4% |
| Other Local & Intermediate | 4.4 | 4.1 | 4.2 | 4.4 | 3.0% |
| State | 28.5 | 33.1 | 27.1 | 22.2 | 13.1 |
| Federal | 2.7 | 2.7 | 2.6 | 2.5 | 2.6 |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Source: Texas Education Agency, Academic Excellence Indicator System (AEIS), 1998–99 through 2002–03.

Note: Totals may not add to 100 percent due to rounding.

One way to determine the effectiveness of a district’s financial management is to compare its operations with peer districts. MFISD selected Hallsville, Sheldon, Tulo-Midway, Aransas County, and La Marque ISDs as peer districts for comparison purposes. **Exhibit 2-2** presents a comparison of revenue budgets by source for MFISD, peer districts, and the state. All of the peer districts have similar student counts and receive the majority of their funding from local funds. Only Sheldon ISD budgets more revenue per student than MFISD at \$8,619; and all peer districts except Hallsville and Tulo-Midway ISDs budget more than the state average student revenue.

Exhibit 2-2
Budgeted Revenues by Source
MFISD, Peer Districts, and the State
2002–03

| Description | Aransas County | Marble Falls | La Marque | Hallsville | Tulo-Midway | Sheldon | State |
|----------------------------------|----------------|---------------------|--------------|--------------|--------------|--------------|------------------|
| Student Count | 3,371 | 3,632 | 3,883 | 3,761 | 3,220 | 4,177 | 4,239,911 |
| Local Revenue | \$20,114,439 | \$23,560,807 | \$21,443,155 | \$24,270,964 | \$17,817,342 | \$30,084,767 | \$16,446,660,078 |
| State Revenue | \$3,968,092 | \$3,647,477 | \$4,992,909 | \$384,967 | \$3,241,803 | \$3,403,196 | \$11,874,718,623 |
| Federal Revenue | \$905,533 | \$720,886 | \$1,139,953 | \$387,047 | \$617,073 | \$2,514,900 | \$1,013,068,998 |
| Total Revenue | \$24,988,064 | \$27,929,170 | \$27,576,017 | \$25,042,978 | \$21,676,218 | \$36,002,863 | \$29,334,447,699 |
| Total Revenue per Student | \$7,413 | \$7,690 | \$7,102 | \$6,659 | \$6,732 | \$8,619 | \$6,919 |

Source: Texas Education Agency, AEIS, 2002–03.

Exhibit 2-3 presents the proportionate contributions of different local property types for MFISD, peer districts, and the state. Marble Falls, Aransas County, and La Marque ISD generate local revenue mostly from taxes on residential properties owned in the districts. The other peers receive the majority of their local funding from taxes on business properties owned in the districts.

Exhibit 2-3
Local Revenue by Property Types
MFISD, Peer Districts, and the State
2002–03

| Property Type | Aransas County | Marble Falls | La Marque | Hallsville | Tuloso-Midway | Sheldon | State |
|---------------|----------------|--------------|-----------|------------|---------------|---------|--------------|
| Business | 14.5% | 15.8% | 47.2% | 69.2% | 75.1% | 81.6% | 36.3% |
| Residential | 73.4% | 64.1% | 49.5% | 21.7% | 17.8% | 12.3% | 52.2% |
| Land | 9.5% | 19.2% | 2.9% | 4.3% | 6.3% | 1.9% | 6.7% |
| Oil and Gas | 1.2% | 0.0% | 0.1% | 3.2% | 0.3% | 0.2% | 3.5% |
| Other | 1.3% | 0.9% | 0.3% | 1.7% | 0.6% | 4.0% | 1.2% |

Source: Texas Education Agency, AEIS, 2002–03

Note: Percentages are based on aggregate values from the Annual Property Tax Report for Tax Year 2002 before exemptions are applied.

MFISD has 1,840 residential taxpayers who are over 65 years of age and pay property taxes on homes. The district will receive more than \$2 million of its revenue during 2003–04 from this group of citizens. According to Section 11.26 of the Texas Property Tax Code, homeowners claiming the homestead exemption who are over the age of 65 have a ceiling on their school district property taxes. For these property owners, school district property taxes cannot increase above the amount they owed in the first year of their exemption, unless they make property improvements. **Exhibit 2-4** illustrates the impact of the over age 65 homestead exemption school property tax ceiling.

Exhibit 2-4
School Property Tax Ceiling Example

Ten years ago, a 65-year-old individual purchased a home in Travis County, Texas, qualifying for the over-65 homestead exemption. The individual paid \$100 in total school district property taxes that year. Based on Section 11.26 “Limitation of School Tax on Homesteads of Elderly,” that total amount becomes the individual’s ceiling for school district property taxes. The amount will only change if the rate or appraised values decrease, or if the homeowner makes improvements to the property. If improvements are made, the taxes are recalculated in the year of the improvement. The recalculated amount then becomes the new ceiling.

If the homeowner subsequently sold his house in Travis County, Texas, and moved to Marble Falls in Burnet County, Texas, he can transfer this “ceiling” on school district taxes. For example, the amount of taxes due in Travis County would be recalculated in the year the individual moved. If the new taxes would have been \$1,000 and the ceiling was \$100, the taxpayer would carry with him a 10 percent tax rate ($\$100 / \$1,000$). When he purchased his new Marble Falls home, his taxes would be calculated for the first year. If the calculated taxes were \$2,000, the new ceiling would be \$200 ($\$2,000 \times 10$ percent). As long as the taxpayer lives in this new residence and does not make any improvements to the house, the maximum school taxes he would owe would be \$200.

Source: SoCo Consulting, Inc.

Since Marble Falls has a large number of homeowners over 65 whose primary residence is in Marble Falls, their school property taxes will not increase from the amount they received in the first year of their exemption. The only way their taxes would increase is if they make home or property improvements. This issue significantly impacts MFISD, because even if the district raises the rates, or if property values increase, the district will not obtain any more revenues from this group. If more businesses were located in the area, raising property taxes would allow the collection of more tax dollars. However, businesses only accounted for 15.8 percent of the local revenue tax base in 2002–03.

Exhibit 2-5 presents student enrollment, percentage of economically disadvantaged students, property value, property value per student and total tax rate for MFISD, its peer districts, Regional Education Service Center XIII (Region 13) districts and the state. Region 13 is the service center for MFISD.

**Exhibit 2-5
District Demographic Data
MFISD, Peer Districts, Region 13, and the State
2002–03**

| District | Number of Students Enrolled | Percent of Economically Disadvantaged Students | Certified Taxable Property Value after Exemptions | Property Value per Student* | Total Tax Rate (calendar year 2003) |
|---------------------|------------------------------------|---|--|------------------------------------|--|
| Aransas County | 3,371 | 52.7% | \$1,183,370,131 | \$351,044 | \$1.607 |
| LaMarque | 3,883 | 58.8% | \$1,195,878,411 | \$307,978 | \$1.650 |
| Marble Falls | 3,632 | 45.8% | \$1,375,469,176 | \$378,709 | \$1.642 |
| Hallsville | 3,761 | 31.1% | \$1,404,741,028 | \$373,502 | \$1.654 |
| Tuloso-Midway | 3,220 | 47.1% | \$983,497,641 | \$305,434 | \$1.730 |
| Sheldon | 4,177 | 63.6% | \$1,982,650,003 | \$474,659 | \$1.633 |
| Region 13 | 288,335 | 39.2% | | | |
| State | 4,239,911 | 51.9% | | | |

Source: Texas Education Agency, AEIS 2002–03 and Annual Tax Report 2002 School District Local Self Report Data, Tax Year 2002.

Shading in blank spaces indicates data not available.

**Not comparable to \$305,000 benchmark defining property-rich or-poor districts.*

Since MFISD receives a majority of funding from property taxes on local property, its state funding is greatly reduced. In 2002–03, the district generated about 13 percent (\$3.6 million) of budgeted revenues from the state.

Federal funds represent the smallest portion of the three major revenue sources for the state’s public schools. Most federal funds are appropriated for specific programs or to provide service to a specific group of students such as low income or special education students. The district receives revenue directly from the federal government or distributed by TEA or other state entities for programs such as career and technology education, programs for educationally disadvantaged children (Education Consolidation and Improvement Act, and Elementary and Secondary Education Act), special education, food service programs, and other federal programs.

The FASRG requires school districts to account for expenditures by the type or object of the expenditure. **Exhibit 2-6** presents budgeted expenditure information as a percent of total for MFISD,

selected peer districts, and the state by object code description for 2002–03. The district budgets similar percentages for the object code categories as its peers and the state.

Exhibit 2-6
Budgeted Expenditures for All Budgeted Funds
by Object Code Description
MFISD, Peer Districts, and the State
2002–03

| Object Code | Aransas County | Marble Falls | La Marque | Hallsville | Tuloso-Midway | Sheldon | State |
|---------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Payroll | 74.5% | 70.5% | 70.0% | 74.0% | 65.8% | 69.8% | 73.0% |
| Contracted Services | 7.2 | 12.0 | 17.9 | 7.5 | 11.0 | 12.5 | 8.2 |
| Supplies | 7.5 | 4.5 | 2.3 | 5.4 | 5.9 | 5.9 | 6.3 |
| Other Operating | 2.4 | 2.0 | 2.7 | 2.3 | 3.5 | 2.6 | 2.0 |
| Debt Service | 5.6 | 9.8 | 7.1 | 8.5 | 13.0 | 7.8 | 9.0 |
| Capital Outlay | 2.8 | 1.1 | 0.0 | 2.4 | 0.7 | 1.4 | 1.5 |
| Totals | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Source: Texas Education Agency, AEIS, 2002–03

Note: Totals may not add to 100 percent due to rounding.

The district’s total budgeted expenditures increased 28.6 percent, from \$22 million in 1998–99 to \$28.3 million in 2002–03. **Exhibit 2-7** compares MFISD and state budgeted expenditures for instruction for 1998–99 to 2002–03. Budgeted instruction expenditures are presented compared to total operating expenditures, and operating expenditures. Operating expenditures are less than total expenditures because debt service and capital outlay expenses are excluded. The district budgeted \$13.6 million, or 54.1 percent of its 2002–03 operating expenditures for instruction, which represents 48 percent of its total budgeted expenditures for 2002–03. In contrast, the state averaged 57 percent of 2002–03 operating expenditures for instruction or \$15.2 billion, which represents 50.8 percent of the state’s total budgeting expenditures for 2002–03. MFISD consistently lagged behind the state budgeted percentages for instruction by 3 to 4 percentage points during the five-year period.

Exhibit 2-7
Percent Budgeted Expenditures for Instruction
MFISD and the State
1998–99 through 2002–03

| Budgeted Instruction Expenditures as a Percent of | | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|---|--------------|---------|-----------|---------|---------|---------|
| Operating Expenditures* | MFISD | 54.8% | 56.0% | 54.5% | 54.4% | 54.1% |
| | State | 57.5% | 58.2% | 57.8% | 57.2% | 57.0% |

Exhibit 2-7 (continued)
Percent Budgeted Expenditures for Instruction
MFISD and the State
1998-99 through 2002-03

| Budgeted Instruction Expenditures as a Percent of | | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|---|--------------|---------|-----------|---------|---------|---------|
| Total Expenditures | MFISD | 47.4% | 48.5% | 47.5% | 47.0% | 48.0% |
| | State | 51.2% | 51.9% | 51.5% | 51.0% | 50.8% |

Source: Texas Education Agency, AEIS, 1998-99 through 2002-03

**Operating expenditures are total expenditures less debt service and capital outlay expenses.*

Chapter 1 of the FASRG mandates the use of function codes by school districts to track expenditures for different school district operations. **Exhibit 2-8** presents actual MFISD general fund functional expenditures per student from 1998-99 to 2002-03. Student enrollment has grown slightly every year since 2000-01 with an overall increase of 2.9 percent for the five-year period. Total per student expenditures have grown by 28.4 percent since 1998-99 with major spending increases in curriculum and staff development, instructional/school leadership, transportation, and general administration. Debt service and capital outlay amounts have both varied greatly during the five-year period, mostly because they are driven by voter and board approval of specific projects rather than ongoing tasks or performance measures.

Exhibit 2-8
MFISD Actual Functional Expenditures per Student
General Fund Only
1998-99 through 2002-03

| Function | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | Percent Change from 1998-99 to 2002-03 |
|----------------------------------|---------|-----------|---------|---------|---------|--|
| Students Enrolled | 3,529 | 3,452 | 3,597 | 3,648 | 3,632 | 2.9% |
| Instruction | \$2,977 | \$3,171 | \$3,008 | \$3,283 | \$3,700 | 24.3 |
| Instructional Resources | 93 | 94 | 108 | 110 | 105 | 13.4 |
| Curriculum and Staff Development | 9 | 20 | 21 | 20 | 19 | 119.2 |
| Instructional/School Leadership | 330 | 387 | 453 | 472 | 512 | 55.0 |
| Guidance and Counseling | 214 | 244 | 212 | 218 | 226 | 5.4 |
| Social Work Services | 21 | 25 | 15 | 25 | 23 | 12.4 |
| Health Services | 72 | 70 | 69 | 69 | 77 | 8.1 |
| Transportation | 233 | 270 | 302 | 332 | 384 | 64.7 |
| Co-/Extracurricular Activities | 174 | 205 | 222 | 235 | 231 | 33.1 |
| General Administration | 264 | 296 | 305 | 342 | 387 | 46.5 |

Exhibit 2-8 (continued)
MFISD Actual Functional Expenditures per Student
General Fund Only
1998-99 through 2002-03

| Function | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | Percent Change from 1998-99 to 2002-03 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|--|
| Plant Maintenance/ Operations | 701 | 706 | 1,140 | 805 | 807 | 15.1 |
| Debt Service | 9 | 1 | 54 | 53 | 51 | N/A |
| Capital Outlay | 0 | 0 | 72 | 498 | 20 | N/A |
| Total Expenditures per Student | \$5,097 | \$5,491 | \$5,981 | \$6,462 | \$6,544 | 28.4% |

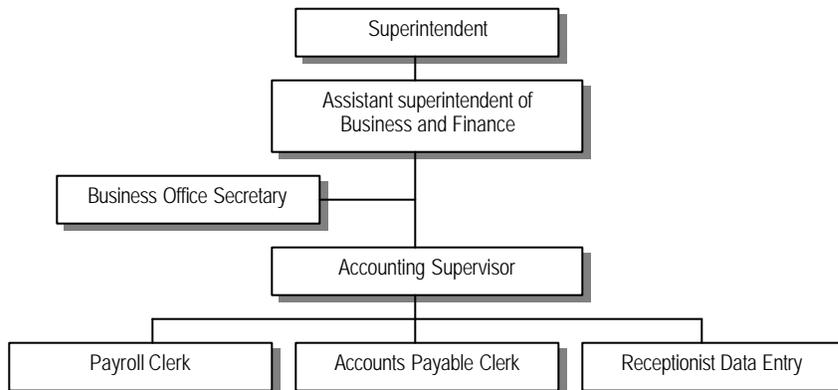
Source: MFISD Audited Financial Statements, 1998-99 through 2002-03.

A. ORGANIZATION, MANAGEMENT, AND STAFFING

Financial management is most effective when a district properly aligns its business functions, operates with sound policies and procedures, establishes strong systems of internal controls, and properly allocates staff resources.

The assistant superintendent of Business and Finance, who reports to the superintendent, oversees MFISD's financial management, including the daily activities in accounting and budget monitoring. **Exhibit 2-9** shows the organization of the district's Business Office.

Exhibit 2-9
MFISD Business Office Chart
2003-04



Source: MFISD, Business Office Organization Chart, September 2003.

Note: The benefits secretary is included in the Human Resources Department Chart since the position was moved from the Business Office in 2003-04.

Exhibits 2-10 through 2-13 detail the key Business Office staff job descriptions and most recent date of revisions.

Exhibit 2-10
Assistant Superintendent of Business and Finance
Roles and Responsibilities
Revised August 1999

Assistant Superintendent of Business and Finance: Direct and manage the operation of all financial and business affairs of the district including accounting, payroll, purchasing, risk management, and tax collection. Serve as the chief financial adviser to the superintendent and board of trustees.

Major Responsibilities and Duties:

Fiscal Management

- Keep the superintendent informed on the business affairs of the district.
- Evaluate accounting procedures, systems, and controls in all district departments and recommend improvements in their design, implementation, and maintenance.
- Maintain a continuous auditing program for all funds and assist the district's independent and internal auditors in conducting the annual or periodic audit.
- Ensure that accounting systems comply with applicable laws and regulations including Texas Education Agency Bulletin 679 and Financial Accounting Manual.*
- Develop period cash flow analysis to aid in determining cash available for investment and payment of bills.
- Maintain the district investment portfolio.
- Oversee preparation of the monthly bank reconciliations for the operating, special revenue, debt services, construction, tax, cafeteria, and athletic accounts; review reconciliations of vendor and payroll clearing accounts.
- Oversee all budget adjustments, additions, and deletions.
- Review and approve all purchase orders and check requests and maintain control of budget.
- Assist in the preparation of the budget and development of long- and short-range objectives for the business operations of the district.
- Plan and conduct needs assessments for improvement of district business operations.
- Work with district personnel to project student enrollments, staffing needs, building and facilities needs, energy needs, capital equipment needs, and other cost items for district and individual school improvement.
- Administer the business office budget and ensure that programs are cost-effective and funds are managed prudently.
- Provide leadership to achieve cost-effective practices throughout the district.

Ensure that business operations support the district's goals and objectives.

Source: MFISD, job descriptions, September 2003.

**The references in Exhibit 2-10 to Texas Education Agency Bulletin 679 and Financial Accounting Manual are obsolete.*

Exhibit 2-11
Business Office Secretary
Roles and Responsibilities
Revised June 2002

Business Office Secretary: Organize and manage the routine work activities of the business office and provide clerical services to the department. Provide support for district's Records Retention Plan.

Major Responsibilities and Duties:

- Prepare correspondence, forms, reports, etc., for department using personal computer and typewriter.
- Compile pertinent data as needed when preparing various state and local reports.
- Maintain physical and computerized departmental files including Vendor Files for accounting system.
- Work with Records Custodian and campuses to maintain records room and follow the district's Records Retention Plan.
- Process transcript requests.
- Perform routine bookkeeping tasks, including simple arithmetic operations, for the department.
- Assist with the preparation of purchase orders and payment authorizations.
- Process budget revisions and transfers, Requests to Attend, Travel Reimbursement Requests, Purchase Orders, and Teachers' Classroom Supplies Reimbursement Requests.

Source: MFISD, job descriptions, September 2003.

Exhibit 2-12
Payroll Clerk
Roles and Responsibilities
Revised February 2003

Payroll Clerk: Assist the business manager in the administration of the district's business affairs. Perform general bookkeeping and maintain district financial records. Prepare payroll for the district, including related reports and deposits. Work under close supervision to ensure accurate and timely preparation of payroll records by following prescribed procedures and regulations.

- Prepare all payrolls including semi-monthly, monthly, and special reports.
- Prepare payroll checks for all employees and distribute to campuses and departments.
- Balance payroll earnings and deductions; make related transfers of funds and deposits.
- Balance and audit time sheets for all district employees.
- Record details of financial transactions in appropriate manner.
- Compute and record cash receipt summaries.
- Work with bank officials to make inquiries and resolve discrepancies in account records.
- Prepare and submit payroll reports and forms including those required by Internal Revenue Service, Texas Workforce Commission, Texas Retirement System, Federal Insurance Contributors' Act (FICA) Medicare, and Workers' Compensation Commission.
- Prepare and post all payroll changes including payroll deductions, salary changes, benefits, termination, and payoffs.
- Maintain physical and computerized files including payroll records, absent-from-duty reports, and service record information.

Source: MFISD, job descriptions, September 2003

Exhibit 2-13
Accounts Payable Clerk
Roles and Responsibilities
Revised July 2003

| |
|--|
| <p>Accounts Payable Clerk: Assist in the prompt and accurate payment of all expenses incurred by the district. Work under close supervision and follow established procedures to process purchase orders and invoices and maintain accounting records.</p> <ul style="list-style-type: none"> • Receive and process for payment all accounts payable invoices, requisitions, and purchase orders. • Match invoices with proper purchase order; ensure completeness and accuracy of invoices and shipments. • Detect and resolve problems with incorrect orders, invoices, and shipments. • Contact district personnel and vendors to correct or obtain information needed. • Confirm balances in accounts for all requisitions. • Prepare and distribute paid invoices at designated times. • Conduct periodic checks of travel reports and food service orders. • Input accounting data using personal computer. • File office copies of checks, requisitions, invoices, and purchase orders. • Keep records up to date. • Maintain vendor files and set up new accounts when changes occur. • Communicate current status of invoices to campus staff. • Prepare correspondence using personal computer or typewriter. • Receive incoming calls, answer questions, and direct calls to the proper party. • Keep informed and comply with states and district policies and regulations concerning primary job functions. |
|--|

Source: MFISD, job descriptions, September 2003.

The Business Secretary mainly handles routine functions such as clerical support, records retention, and processing travel requests and vouchers while the receptionist handles the central administration main telephones and assists with data entry. The retiring assistant superintendent of Business and Finance is a Registered Texas School Business Administrator, a certification offered through the Texas Association of School Business Officials (TASBO). The accounting supervisor, who supervises the accounts payable and payroll clerks, and receptionist, is a Certified Texas School Business Specialist and a Certified Management Accountant. Both certifications are offered through TASBO.

The budget for the Business Office for the last three years is shown in **Exhibit 2-14**.

Exhibit 2-14
Business Office Budget
2001-02 through 2003-04

| Category | 2001-02 | 2002-03 | Percent Increase 2001-02 to 2002-03 | 2003-04 | Percent Increase 2001-02 to 2003-04 |
|------------------------|------------------|------------------|--|-------------------|--|
| Payroll | \$232,161 | \$261,315 | 12.6% | \$258,115 | 11.2% |
| Contracted Services | 30,600 | 55,700 | 82.0% | 43,500 | 42.2% |
| Supplies and Materials | 15,200 | 53,150 | 249.7% | 18,000 | 18.4% |
| Other Operating | 10,200 | 10,200 | 0.0% | 14,500 | 42.2% |
| Total | \$288,161 | \$380,365 | 32.0% | \$334,1125 | 15.9% |

Source: MFISD, budget printout, October 9, 2003.

From 2001–02 to 2002–03, the Business Office’s budget increased by 32 percent. Increases in contracted services and supplies and materials for new accounting software contributed to a majority of the increase. The assistant superintendent of Business and Finance said the creation of a new position, the benefits secretary, also contributed to the budget increase. For 2003–04, the district moved this position from the Business Office budget to the Human Resources budget. As a result of standard salary increases, payroll expenses increased by 11 percent from 2001–02 to 2003–04. Contracted services and supplies and materials are higher in 2003–04 than 2001–02 due to the related software training and maintenance costs associated with the new software. In 2003–04, updates to the software and office supplies are included in the supplies and material expense line item.

The district purchased a new accounting system in September 2002 for approximately \$84,000. The system is used by 681 districts, or 2,300 schools, throughout the United States. An integrated Windows-based system, the accounting package includes modules for processing the budget, fixed assets, PEIMS finance information, payroll, substitute tracking, and employee management. The new system helps streamline and simplify the accounting and payroll processing functions, which are among the most important business functions regularly performed by a school district. Although regulations such as the FASRG and other accounting standards exist, actual practices vary between school districts in the state. Accounting and payroll policies, procedures, and operations are evaluated on an ongoing basis. Key areas include segregation of duties, efficient use of hardware and software systems, and staff training programs to keep employees informed of constantly changing requirements.

One payroll clerk performs payroll processing for all MFISD employees. The clerk has more than 20 years of district service and has worked in the Business Office since 1984; first processing accounts payable and then handling payroll when the former payroll clerk retired. The district pays all professional staff, paraprofessionals, and administrators (who are all considered salaried) once a month on the 25th. Maintenance, Transportation, and a Technology staff are paid hourly on the 1st and the 15th of the month. Hourly workers must submit timesheets, which are not required for salaried employees.

School administration and department managers submit hourly timesheets, overtime, and absences to the payroll clerk. The payroll clerk calculates pay for new and terminated employees and insurance deductions. The benefits secretary tracks leave balances and substitute paychecks. During payroll processing, substitute paychecks are issued. The benefits secretary receives the signed paychecks and gives them to the substitutes working on campus on payday. Otherwise, the secretary mails the paychecks to the substitutes. Although the district offers direct deposit to employees, only 59 percent utilize this service. Payroll must be completed by 2:00 PM the day before the pay date so the bank has time to record the direct deposits and transfer money to the district’s payroll account.

The payroll clerk submits all payroll tax reports, deposits taxes in a timely manner, and determines the amounts withheld from employees’ checks for additional insurance coverage, and submits retirement savings to the proper vendor.

The accounts payable clerk has been with the district since 1997 and moved into accounts payable processing in 2000. The clerk works closely with the accounting supervisor and the assistant superintendent of Business and Finance to ensure employees do not experience delays in receiving goods and services purchased. All vendor invoices must have a purchase order notated on the invoice for proper processing through the district’s accounts payable system. The accounts payable clerk opens the mail and separates all vendor invoices received from the rest of the mail. The purchase order number on the invoice is keyed into the accounting system where the accounts payable clerk can note whether the district has received the item. If the items are received, the clerk can create an invoice from the purchase order and process it for payment. If the items have not been received, the clerk places the invoice in a holding file, which is rechecked until the items are received. Checks are printed on the 15th

and the last day of the month. After printing the checks, the clerk separates the top stub of the check and affixes it to the invoice, which is filed in vendor order.

FINDING

The assistant superintendent of Business and Finance job description and required qualifications are inadequate for managing the scope of operations handled in practice by this position. The job description and required qualifications are also inadequate for managing the functions presented as directly responsible to this position on the organization chart. **Exhibit 2-15** presents the primary purpose and qualifications for the assistant superintendent of Business and Finance from the most recent job description on file, dated August 1999. According to the description, the position’s primary purpose is directing and managing all of the district’s financial and business affairs, including accounting, payroll, purchasing, risk management, and tax collection, with required work experience in school business management.

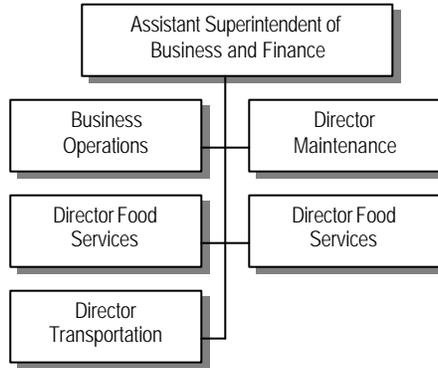
Exhibit 2-15
Assistant Superintendent of Business and Finance
Primary Purpose and Qualifications

| Assistant Superintendent of Business and Finance |
|---|
| Primary Purpose: |
| <ul style="list-style-type: none"> • Direct and manage the operation of all financial and business affairs of the district including accounting, payroll, purchasing, risk management, and tax collection. • Serve as the chief financial advisor to the superintendent and Board of Trustees. |
| Qualifications: |
| <u>Education/Certification</u> |
| <ul style="list-style-type: none"> • Bachelor’s degree in a business-related field or educational administration • Texas Association of Business Officials Business Manager certification |
| <u>Special Knowledge/Skills</u> |
| <ul style="list-style-type: none"> • Advanced technical knowledge of school finance, budgeting, accounting systems, and economics • Working knowledge of financial applications and accounting • Strong communication, public relations, and interpersonal skills • Ability to use personal computer and software to develop spreadsheets, perform data analysis, and do word processing • Ability to interpret policy, procedures, and data • Ability to manage budget and personnel • Ability to coordinate district functions |
| <u>Experience</u> |
| <ul style="list-style-type: none"> • Five years experience in school business management |

Source: MFISD, Business Office, job description revised, August 1999.

Exhibit 2-16 presents a segment of the most recent district organization chart dated December 13, 2003, which shows Business Operations (the Business Office) and the directors of Food Services, Maintenance, Data Services, and Transportation as directly reporting to the assistant superintendent of Business and Finance.

Exhibit 2-16
MFISD Organization Chart Segment Showing
Assistant Superintendent of Business and Finance
with Direct Reports



Not only are the areas of food service, transportation, maintenance, and data services not mentioned in the existing job description, they are also not required qualifications in the job vacancy currently posted on MFISD’s website. **Exhibit 2-17** presents the assistant superintendent of Business and Finance position job vacancy notice. According to the assistant superintendent of Curriculum and Instruction, the job has been posted since late January 2004. The requirements for the successful candidate remain unchanged from the district’s current job description except for the preference for a master’s degree or CPA certification. The job vacancy title differs slightly from the job description and organization chart. The job vacancy listing does not include a salary range posted; the assistant superintendent of Curriculum and Instruction said the salary will be determined based on the successful candidate’s experience and credentials.

Exhibit 2-17
Assistant Superintendent of Business and Finance Position
Job Vacancy Note

| |
|--|
| <p>Marble Falls ISD invites all qualified individuals to apply for the Assistant Superintendent of Finance position. All inquiries for this position should be directed to Dr. Ryder Warren, Superintendent, by telephone or email.</p> |
| <p>The following procedures should be followed:</p> <ol style="list-style-type: none"> 1. Submit an application on-line at www.mfisd.txed.net. 2. Submit an updated resume to Betty Montgomery, Human Resources Manager, at her email address or by U.S. mail. 3. Submit a formal letter of introduction to Betty Montgomery that correlates the candidate’s professional and personal attributes with the position profile listed below. |

Exhibit 2-17 (continued)
Assistant Superintendent of Business and Finance Position
Job Vacancy Note

The successful MFISD Assistant Superintendent of Finance will...

- ✓ Have a bachelor's degree in an appropriate area of business (master's degree and/or CPA certification is preferred).
- ✓ Have obtained a TASBO Business Manager certification (or be in the process).
- ✓ Have successful experience in a school business office.
- ✓ Show evidence of professional and personal integrity that is needed to manage a school system the size of MFISD.
- ✓ Be a team-builder who fosters trust and respect between administrators and faculty/staff members.
- ✓ Show an advanced knowledge of school finance, budgeting, accounting systems, and economics.
- ✓ Have strong communication, public relations, and interpersonal skills.

Source: MFISD, website, February 24, 2003.

In addition, overseeing facilities construction and being solely responsible for related contracts and work orders is also not listed in the job vacancy posting.

Assigning top management job responsibilities for five functional areas to a position that requires qualifications or management experience in few areas appears to be an inappropriate management practice. In recent years, the district has experienced mismanagement or lack of management in the following areas:

- inadequate oversight of school activity funds, which were embezzled during 2001;
- inconsistent contract management, including lack of vendor's contracts, long-term contracts without performance standards, and contracts without district monitoring and management oversight; and
- misdirected planning for facility spending evidenced by an undesignated \$1.0 million in surplus taxpayer bond funds from building the elementary school that may be spent to build a new sports stadium, while facilities deferred maintenance lags behind and lacks funding.

Effective districts have highly qualified financial and operational management with experience and expertise in all functional areas that the position manages, along with current job description defining those functions.

Recommendation 14:

Immediately revise and repost the job vacancy notice for the assistant superintendent of Business and Finance position to include a current and complete job description for all assigned functional areas.

The assistant superintendent of Business and Finance job vacancy posting should be pulled, revised, and expanded to include education and experience requirements with an appropriate level of expertise for all of the functional areas governed by this position. As it exists now, this position is responsible for all of the non-education operations departments: Transportation, Food Services, Technology, Facilities Management, and Maintenance, as well as the business/finance operations. It would also be helpful to rename the position so that it more clearly reflects the district operations included in the position, like assistant superintendent of Business and Operations.

FISCAL IMPACT

This recommendation can be implemented with the existing resources. The district has already included the position in their budget.

FINDING

MFISD has not developed detailed written procedures on how to perform district business operations. The only procedures document the district provided the review team was a document titled "Purchasing Procedures." The document is not a procedure manual to document the detailed tasks necessary to process purchases or accounts payable processes, but rather a high-level process flow for users to understand district purchasing policies. A similar document also exists for travel procedures. However, the district does not have detailed procedures on how to process payroll, accounts payable, perform bank reconciliations, or transfer of funds. Business Office staff are not cross-trained in performing each other's duties. As a result, the Business Office staff cannot perform business office tasks if a key person has planned or unplanned time away from the district. Districts that do not have written procedures may encounter delays in completing important activities like payroll and accounts payable checks if one of the Business Office staff becomes incapable of coming to work for an extended period of time. Written procedures help ensure proper documented controls that are communicated to staff in an effort to safeguard district assets.

Good procedures are written in easy-to-understand steps to document processes. Writing and revising a procedure manual provides a good opportunity to determine whether adequate controls exist. In addition, a manual can facilitate a smoother turnover in staff since written procedures can facilitate training and job knowledge.

Exhibit 2-18 provides a list of areas and objectives to be considered when writing and documenting business processes.

Exhibit 2-18
Procedures Checklist for Business Operations

| Area | Objectives |
|-------------------------|--|
| Cash receipts | To ensure that cash intended for the organization is received, promptly deposited, properly recorded, reconciled, and kept under adequate security. |
| Cash disbursements | To ensure the district disburses cash only upon proper authorization of management, for valid business purposes, and that all disbursements are properly recorded. |
| Petty cash | To ensure that petty cash and other working funds are disbursed only for proper purposes, are adequately safeguarded, and properly recorded. |
| Payroll | To ensure that payroll disbursements are made only upon proper authorization to bona fide employees, that payroll disbursements are properly recorded, and that related legal requirements (such as payroll tax deposits) are met. |
| Grants, gifts, bequests | To ensure that all grants, gifts, and bequests are received and properly recorded, and that compliance with the terms of any related restrictions is adequately monitored. |
| Fixed assets | To ensure that fixed assets are acquired and disposed of only upon proper authorization, are adequately safeguarded, and properly recorded. |

Source: SoCo Consulting, Inc.

Proper accounting procedures in business operations reduce training time, improve productivity, satisfy regulatory requirements, speed up decision-making, improve communication, eliminate confusion, develop management consensus, convey management expectations, and define employee tasks and responsibilities.

Recommendation 15:

Draft detailed written business procedures, and review and update annually.

The Business Office should develop a detailed accounting and financial procedures manual that describes in detail the process steps for each critical function.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. CHAPTER 41 STATUS

The Texas Legislature created Chapter 41 in 1993 to equalize educational funding among school districts across the state. At the time, great disparity existed in the educational resources available for students who lived in districts without much property value and those living in wealthy districts. After the courts ruled that this was not fair, legislators created a plan to take money from so-called wealthy districts and distribute it to poorer school districts. A school district is classified as property wealthy and subject to Chapter 41 status when the Comptroller of Public Accounts determines district property value in its Annual Property Value Study (as published in the Annual Property Tax Report) divided by the number of students in the district using the “weighted average daily attendance” (WADA) formula, exceeds a state set threshold, currently at \$305,000. WADA is an adjusted student count that compensates for student and district characteristics as defined by statute. Students with special education needs, for example, are “weighted” by a factor ranging from 1.1 to 5.0 times the “regular” program weight in order to fund their special needs.

When a district’s property value per student WADA exceeds \$305,000, local tax values above that amount become subject to equalization through “recapture” payments. The recapture payments submitted by Chapter 41 school districts become part of the revenue flow used to fund education in Texas. TEA notifies districts twice a year, in February when the preliminary certified property values are reported and in July when the final certified property values are reported for a given tax year.

According to TEA, a district above the equalized wealth level has the following five options available to reduce its wealth per resident student:

- (1) consolidate with another district;
- (2) detach property;
- (3) purchase attendance credits from the state;
- (4) contract to educate nonresident students; and/or
- (5) consolidate tax bases with district.

Because virtually all districts above the equalized wealth level have chosen Option 3 or 4 in the past, it is assumed that new Chapter 41 districts will select one or both of these options. Both of these options require voter approval. With receipt of the notification letter from TEA, the district may proceed with the election process.

School districts receive state funding—or submit funding to the state through Chapter 41—based on the weighted average student attendance counts and their certified property value. County tax offices have the responsibility for property appraisal and the Comptroller’s Property Value Study evaluates the accuracy of the appraisals and as part of the certification process makes adjustments to those districts’ appraisals that fall outside of the required accuracy range. As values per student increase, state funding decreases.

FINDING

MFISD’s superintendent has proactively planned for the district’s transition into Chapter 41 status. The district is required to reduce property wealth starting in 2004–05. Early in 2003–04 the superintendent contracted with an expert on public school finance and Chapter 41 status from Texas Tech University. The expert met with MFISD’s board in fall 2003 to provide information on Chapter 41 and trend analysis data for MFISD to help predict the impact of becoming classified as Chapter 41. The superintendent also called TEA in fall 2003 and requested the earliest possible official notification on the district’s Chapter 41 status.

On February 11, 2004, TEA’s deputy associate commissioner of School Finance and Fiscal Analysis sent MFISD a letter notifying the district that its wealth per WADA will be above the \$305,000 equalized wealth level for 2004–05. The letter serves as official notification that the district will be required to reduce its wealth per WADA for 2004–05 using one of more of the statutory options available. TEA’s wealth per WADA official notification letter is required before the district can call for an election to consider statutory options requiring voter approval. The superintendent immediately called for a special board meeting that was held on March 1, to request a special election to obtain voter approval regarding Chapter 41 options. The special election was approved by unanimous approval.

Based on the most current preliminary data, TEA predicts MFISD’s wealth per WADA at \$326,154 and estimates the district will be obligated to send more than \$1.6 million in recapture payments in 2004–05, based on the *Preliminary Cost of Options Report, 2004–05 School Year, Option 3* generated in late February 2004.

For 2003–04, MFISD has a preliminary certified taxable value of \$1,490,272,495 based on its \$1.473 per \$100 tax rate. Based on the most current available information, if the tax rate is increased to \$1.50 cap, only \$402,374 in additional revenue is generated by raising taxes if all are collected.

The tax rate and tax revenue generated have no effect on a district’s Chapter 41 status. Only the certified property value and number of students attending school presented as WADA counts are considered in the Chapter 41 formula. Chapter 41 often causes districts to raise their tax rates because more revenue must be generated to offset the Chapter 41 payment. That payment must come from the district’s operating budget, which also funds salaries, academic, extracurricular and co-curricular programs, and other daily operations.

At the regularly scheduled March 2004 board meeting, the superintendent presented a Chapter 41 Plan of Action, which concisely covered all of the key topics and decisions necessary for the district to proceed with its planning activities.

By developing a plan of action, MFISD’s superintendent was able to efficiently prepare for Chapter 41 status, maximizing planning and decision-making time, and minimizing costs by holding the special Chapter 41 options election in conjunction with the regularly scheduled May 2004 election.

COMMENDATION

MFISD proactively prepared in advance for Chapter 41 status.

C. FINANCIAL PERFORMANCE

School district financial management involves the effective use of limited resources to support student achievement. The Seventy-seventh Legislature, 2001, enacted Senate Bill 218, which requires the implementation of a financial accountability rating system. To comply with this mandate, TEA established the School Financial Integrity Rating System of Texas (School FIRST). The School FIRST begins a transitional implementation in 2002–03 with preliminary and final paper reports to each district and corresponding regional education service center. Upon full implementation of the rating system in 2003–04, each board of trustees will publish an annual report describing its district’s financial management performance. School FIRST seeks to improve the management of school districts’ financial resources.

On August 25, 2003, MFISD received a superior achievement rating in an official notice of its 2003 preliminary School FIRST rating. This rating is based upon an analysis of staff and student data reports for 2001–02 and budgetary and actual financial data for the period ending August 31, 2002. TEA awards the evaluation based on the yes or no answers provided to 21 questions covering topics such as the district’s fund balance, annual financial report, tax collections, debt expenditures, and operating expenditures.

Exhibit 2-19 presents MFISD and peer districts undesignated/unreserved general fund balance as a percent of budgeted expenditures. At 12.7 percent undesignated/unreserved funds, the district falls mid-range in the peer districts’ percentages.

Exhibit 2-19
Undesignated/Unreserved General Fund Balance
As a Percent of Total Budgeted Expenditures
MFISD and Peer Districts
2002–03

| Description | Aransas County | Marble Falls | La Marque | Hallsville | Tuloso-Midway | Sheldon |
|---|-----------------------|---------------------|------------------|-------------------|----------------------|----------------|
| Undesignated/ Unreserved General Fund balance (end of year 2002–03 audited) | \$1.3* | \$3.6 | \$2.2 | \$6.2 | \$4.1 | \$6.9 |
| Total 2002–03 Budgeted Expenditures | \$24.9* | \$28.3 | \$27.7 | \$25.7 | \$21.7 | \$36.3 |

Exhibit 2-19 (continued)
Undesignated/Unreserved General Fund Balance
As a Percent of Total Budgeted Expenditures
MFISD and Peer Districts
2002-03

| Description | Aransas County | Marble Falls | La Marque | Hallsville | Tuloso-Midway | Sheldon |
|---|----------------|--------------|-----------|------------|---------------|---------|
| 2002-03 Undesignated/Unreserved Fund balance as a percentage of Budgeted Expenditures | 5.2% | 12.7% | 7.9% | 24.1% | 18.9% | 32.2% |

Source: Texas Education Agency, AEIS 2002-03 and 2002-03 Audited Financial Statements for all districts listed above.

**Dollars are represented in millions.*

The district has rebuilt its general fund balance in recent years. School systems establish fund balances, or reserve balances, to function similar to a savings account. Fund balances serve as a source of funds in case of an emergency, a source of cash to pay bills in case the outflow of cash for expenditures temporarily occurs faster than the inflow of revenue, or as a place to build up savings to make large purchases not affordable within a single year (for example, facility improvements). **Exhibit 2-20** shows the history of MFISD's general fund balance since 1997-98.

Exhibit 2-20
MFISD General Fund Balances
1997-98 through 2002-03

| | 1997-98 | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | Percent Change over the Period |
|-----------------------------------|-----------|-----------|-------------|-------------|-------------|-------------|--------------------------------|
| Total General Fund Balance | \$548,362 | \$806,683 | \$3,613,526 | \$4,013,564 | \$3,011,921 | \$3,642,459 | 564.2% |

Source: MFISD, Audited Financial Statements, 1997-98 through 2002-03.

Under the direction of the superintendent employed from 1998 through the beginning of 2003, the district rebuilt its fund balance by following a conservative approach to budgeting while enjoying increased property value and a stable enrollment. In 2002-03, the district's fund balance rose, as expected, from an insurance reimbursement. In 2001-02, mold remediation at the primary school cost the district \$850,000 in unanticipated expenditures. The money for the project came from the general fund balance and explains the decrease in the fund balance between 2000-01 and 2001-02.

TEA's FASRG provides a computation of the optimum fund balance for the general fund. TEA has set a rule of thumb to compute the optimum fund balance in the general fund. The rule of thumb calls for the computation of the optimum unreserved/undesignated fund balance to be equal to the estimated amount to cover cash flow deficits in the general fund for the fall period in the following fiscal year plus estimated average monthly cash disbursements of the general fund for the nine months following

the fiscal year. Appendix 3 in the Financial Accounting and Reporting module contains the “Optimum Fund Balance Calculation Schedule” and the “Instructions for Completion of Optimum Fund Balance Schedule for the General Fund.” The external auditors created the fund balance and cash flow calculation worksheet as a schedule in the district’s audited financial reports and is shown in **Exhibit 2-21**.

Exhibit 2-21
MFISD’s General and Optimum Fund Balances
1997–98 through 2002–03

| | 1997–98 | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 | Percent Change over the Period |
|--|----------------|----------------|------------------|----------------|----------------|----------------|---------------------------------------|
| Total General Fund Balance | \$548,362 | \$806,683 | \$3,613,526 | \$4,013,564 | \$3,011,921 | \$3,642,459 | 564.2% |
| Total Reserved Fund Balance | \$44,227 | \$33,131 | \$1,510,223 | \$0 | \$0 | \$0 | |
| Total Designated Fund Balance | \$0 | \$0 | \$0 | \$400,000 | \$676,499 | \$0 | |
| Estimated Amount Needed to Cover Fall Cash Flow Deficits in the General Fund | \$966,000 | \$1,000,000 | \$0 | \$0 | \$0 | \$2,100,000 | |
| Estimate of One Month’s Average Cash Disbursements during the Regular School Session | \$1,450,000 | \$1,450,000 | \$1,925,139 | \$2,200,000 | \$2,400,000 | \$2,030,680 | 40.0% |
| Optimum Fund Balance and Cash Flow | \$2,460,227 | \$2,483,131 | \$3,435,362 | \$2,600,000 | \$3,076,499 | \$4,130,380 | 67.9% |
| Excess (Deficit) Undesignated/ Unreserved General Fund Balance | (\$1,911,865) | (\$1,676,448) | \$178,164 | \$1,413,564 | (\$64,578) | (\$487,921) | (74.5%) |

Source: MFISD, Audited Financial Statements, 1997–98 through 2002–03.

FINDING

MFISD has developed an innovative grant program to fund district programs. The district’s grant department employs a full-time grant writer who reports to the Student Services director with input from the assistant superintendent of Curriculum and Instruction. The grant writer, who formerly worked as a grant writer at Austin Community College, has a master’s of education and experience developing new initiatives for adult and community education and community developments. The grant writer, the

Student Services director, and the assistant superintendent of Curriculum and Instruction all locate, write, and administer grants.

The department seeks to secure new competitive grants and other voluntary contributions that advance the district’s mission and priorities. The department provides information, guidance, and services to MFISD faculty and staff, administrators, and partners as follows:

- identifies funding sources in keeping with district, campus, and department funding priorities;
- provides information on identified funding opportunities to MFISD faculty and staff;
- guides MFISD faculty and administrative staff on preparing grant and contract applications;
- completes the final preparation, delivery, and revision of funding proposals,
- maintains an archive of proposals and awards; and
- maintains information resources concerning MFISD grant development activities.

The grant writer divided her time between community education and grant writing from 2000 until 2002. At the start of 2002–03, the district hired a full-time community education employee creating a full-time grant writing position at the same time. The grant writer, who is paid \$39,000 annually, focuses on building on the existing successful grant outcomes and gathering support from the community and other outside sources to join with the grant resources. She attends all the campus education improvement committee (CEIC) meetings to help identify the needs. She works to find grants to help meet the needs. In April 2004, staff will be able to access a website that explains the grant writing process from the district’s main website. The website will help teachers and community members write simple grants that can fulfill the district’s isolated needs. Since the full-time position has been created, the department in conjunction with teachers, campus administrators, and central office staff has been successful in locating and receiving numerous grants as shown in **Exhibit 2-22**.

Exhibit 2-22
MFISD Actual and Budgeted Grant Funds Received through Grants Development Office
2000–01 through 2002–03

| Grant Title | 2000–01 | 2001–02 | 2002–03 | 2003–04 Budgeted |
|--|----------------|----------------|----------------|-----------------------------|
| Academics 2000 | \$196,000 | \$221,500 | | |
| Advanced Placement Incentives | | \$3,000 | | |
| Capital Area Planning Council (CAPCO) | | | \$17,244 | \$37,000 |
| ESC SDFS Mini Grant | | \$7,500 | | |
| Even Start | | \$178,441 | \$185,441 | \$225,254 |
| Kindergarten & Pre-Kindergarten Grants | \$359,129 | \$258,860 | \$286,525 | |
| MS Drug Prevention and School Safety Coordinator | | \$99,575 | \$54,293 | |
| Ninth Grade Success Initiative – Basic Skills Program for High School Students | \$100,000 | \$67,570 | \$37,500 | |
| Optional Extended Year Program (Retention Reduction Program) | | | \$42,849 | |
| Pregnancy, Education & Parenting Program | | \$20,930 | \$27,109 | \$17,254 |
| School Repair and Renovation – Technology | | | \$232,961 | |
| Service Learning – Alternative School | | | \$40,000 | \$60,000 |
| Technology Infrastructure Fund | | \$300,000 | \$175,000 | |

Exhibit 2-22 (continued)
MFISD Actual and Budgeted Grant Funds Received through Grants Development Office
2000-01 through 2002-03

| Grant Title | 2000-01 | 2001-02 | 2002-03 | 2003-04 Budgeted |
|---|------------------|--------------------|--------------------|---------------------|
| Total Grant Funding Received | \$655,129 | \$1,157,376 | \$1,098,922 | \$339,508 |
| Total Grant Funding Received since Program Inception | | | | \$3,250,935 |

Source: MFISD, Grants Development Office, November 20, 2003

In addition to the grants listed in **Exhibit 2-22**, the following grant submissions have been prepared but not yet funded: Beaumont Foundation (Foundation/National); Barbara Bush Family Literacy (Foundation/National); 21st Century After School Program (Federal); Community Technology Centers (Federal); Marble Falls High School Service Learning (Region 13); Elementary Counseling (Federal); Safe School Health Students/Dropout Prevention (Federal); and the School Repair and Renovation/Facilities (TEA).

COMMENDATION

The district uses a grant writer and an innovative and successful grant-writing program to obtain federal and private funding.

D. EXTERNAL AUDITING

The Texas Education Code 44.008 requires school districts to undergo an annual external audit of its financial statements. The code specifies that external audits must be prepared by a certified public accountant, and that the audit must comply with generally accepted accounting principles (GAAP). External audits provide a review of the district's compliance with established accounting standards and practices. External audits provide the following information:

- an annual financial and compliance report;
- an examination of the expenditure of federal funds (as applicable); and
- a report to management on internal accounting controls (as applicable).

The district does not have an internal audit function but relies entirely upon the external auditor to provide independent assessments of its financial condition and related activities.

FINDING

The district exhibits weaknesses in its financial controls and reporting system. With only five employees in the Business Office including the assistant superintendent of Business and Finance, the staff is stretched to accomplish many important district accounting functions. The review team found several issues as follows:

- Even though the district's investment policies require a written internal control manual in the investment area, one does not exist.
- The 2001-02 financial statements were issued with a negative \$12,526 inventory amount, which means that more inventory was used than existed, an impossibility. When the review team inquired about how this could happen, the district discovered that an adjustment was made to accounts payable at the end of 2002 that incorrectly impacted inventory.

- The district overspent its 2001–02 budget because collection fees for delinquent taxes and the final food service invoice from Aramark were not included in the budget amendment approved by the board.
- The district does not have written procedures to safekeep student activity funds. An employee at the primary school, who embezzled money from the school, was caught by another employee at the school.
- Football gate receipts exceeding \$30,000 per year are not properly counted and secured. When the review team inquired into how the receipts are monitored, no one in the Business Office could explain how money is provided at the gates, how the money is safeguarded, or the controls that should be in place to properly account for the money.

At the December 15, 2003 board meeting, the assistant superintendent of Business and Finance reported on the handling of the campus activity funds since the embezzlement incident that occurred in May 2001. **Exhibit 2-23** presents the board minutes covering this segment.

Exhibit 2-23
Excerpt from Board Minutes
Handling of Campus Activity Funds
Before and After Embezzlement Incident

The assistant superintendent of Business and Finance reported the following safeguards are currently in place:

1. Uniform software (Quicken) is used at each campus, along with staff training.
2. Bank statements are reconciled to the register each month and a copy is provided to the central office for review.
3. Cash transactions are maintained by the sponsor and the campus secretary. Both parties are to confirm the count of cash and checks.
4. Regular reports of account activity are given to each sponsor.
5. Cash is deposited immediately. All payments are made by check only.
6. Principals review the payments and deposits from the activity funds.
7. More samples of account activity are provided for the auditor review.

Source: MFISD, Board of Trustees, Minutes from December 15, 2003 meeting.

However, district staff told the review team that they were behind schedule on reconciling bank statements during its September 2003 site visit.

An internal audit function supplements the work of the external auditor and can add an extra layer of district internal controls. The work performed by an internal auditor can often reduce fees paid to complete external audits by ensuring sound processes and procedures. The Texas State Auditor's Office recommends districts with more than 5,000 students or a \$20 million annual budget have an internal audit function. The internal audit function examines specific areas to determine the adequacy of internal controls; compliance with procedures, regulations, policies, and applicable law; efficiency and effectiveness of operations; and assisting districts put necessary controls and reporting structures in place. Most internal auditors are Certified Public Accountants and provide a direct communication link to the board.

Corpus Christi ISD hired an internal auditor to eliminate contracted auditing service costs and reduce auditing costs. Previously the district contracted routine internal audit procedures. However, it is not cost effective to do so. The district has hired an internal auditor and is eliminating contracted internal audit services except for specific technical expertise not available from district staff. Hiring an internal auditor and developing a transition plan to significantly reduce outside audit assistance is in effect.

Administrators say this recommendation is the key to directing more resources to improving district operations. The district expected estimated savings of \$534,000 over five years.

Recommendation 16:

Hire an internal auditor to report directly to the board.

FISCAL IMPACT

The district’s average administrator salary is \$56,547. Annual benefits for this administrator salary would be \$820 (Medicare) plus \$600 (worker’s compensation) plus \$2,700 (health insurance) plus \$69 (unemployment compensation) plus \$226 (Teacher Retirement System) for a total of \$4,415. The total cost to the district for salary and benefits would be \$56,547 plus \$4,415 or \$60,962.

Given the importance of the position’s responsibilities, the review team estimates that the district could post and fill this position by October 2004. The total cost for 2004–05 is calculated by dividing the annual salary of \$60,962 by 12 months and then multiplying by 11 months, to equal an annual salary of \$55,882 for 2004–05.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Hire an internal auditor to report directly to the board. | (\$55,882) | (\$60,962) | (\$60,962) | (\$60,962) | (\$60,962) |

FINDING

The district has used the same external auditing firm since at least 1997. The district has not solicited bids from other area external auditors because the firm it has been using merged with other firms and has undergone a series of partner-in-charge changes. Therefore, the district felt that “fresh eyes” were auditing their district. The engagement letter shows that the auditors will provide the auditing services for three years, August 31, 2002 through 2004. The district will be charged \$22,500 for the year ending August 31, 2002 and 2003, and \$23,000 for the year ending August 31, 2004.

Changing the partner in charge of an annual audit performed by the same firm does not ensure that the working relationship between the district and audit firm will remain objective. Maintaining an objective working relationship between a district and audit firm is critical to the integrity of the product.

MFISD has received an unqualified opinion on the district’s 1999–2000, 2000–01, and 2001–02 annual financial reports. An unqualified audit report is one in which the auditor found no significant problems that would impact the integrity of the financial statements. In other words, the district’s annual financial report could be relied upon as being materially accurate.

According to FASRG, a request for a proposal (RFP) from independent audit firms can enhance the effectiveness of the audit procurement process. However, neither state nor federal law requires this type of request. A request for qualifications, if used, would only be appropriate when an auditor change is being contemplated and would not be appropriate annually.

FASRG includes a sample request for qualifications for school districts to use in modeling their requests. A request for qualifications specifies the terms, conditions, evaluation criteria, and scope of the work required. It also requests information from potential bidders concerning estimated fees, qualifications of the audit staff, and proposed approaches to conducting the audit. The exact content of

a particular school district's request for qualifications may vary according to local needs and conditions; however, the general content should be similar to the sample request for qualifications.

Whenever a district uses an RFP as part of evaluating and engaging auditors, the proposal generally should be included as an attachment to and be referenced in the engagement letter. The proposal and the engagement letter should be referenced in the school district's board minutes regarding auditor selection. These documents should also be a component of the auditor's working paper file.

Other school districts have found that changing auditors enhances the audit process by ensuring that the working relationship between the external audit firm and district remains objective and offering a different perspective and opinion on how to enhance the district's financial operations.

Recommendation 17:

Develop an external auditor request for proposal policy to ensure that new external auditors are hired at least every five years.

The Government Finance Officers Association has issued an *Audit Management Handbook*, which identifies and discusses issues to be considered when soliciting audit proposals. In addition, the *Audit Management Handbook* includes a 24-step process for designing a request for qualifications to meet the needs of individual government entities, including school districts.

The district should issue an RFP for auditing services at least every five years to widen its choices and allow other firms the opportunity to propose for the contract. By restricting its audit contract award to a single firm, the district may be denying itself the fresh perspective of other firms as well as the opportunity to obtain the same or better services at a reduced cost.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

E. PLANNING AND BUDGETING

Budgeting is the process of allocating resources to a district's prioritized needs. Although budget formats and policies are by no means uniform in school districts, formal budgets play a far more important role in the planning, control, and evaluation of school district operations than in those of privately owned organizations. In school districts, the adoption of a budget implies decisions have been made by school board members and school district administrators which culminate in matching a school district's resources with its needs. As such, the budget serves as a product of the planning process. The budget also provides an important tool to control and evaluate a school district's sources and uses of resources. With the assistance of the accounting system, administrators can execute and control the activities that have been authorized by the budget and evaluate performance based upon comparisons between budgeted and actual operations.

The budgeting process has three major phases: planning, preparation, and evaluation. The process begins with sound planning during which the district defines goals and objectives of campuses and the school district and develops programs to attain those goals and objectives. Once these programs and plans have been established, budgetary resource allocations are made to support them. Budgetary

resource allocations occur in the preparation phase of budgeting. The allocations cannot be made, however, until plans and programs have been established.

Finally, the budget is evaluated for its effectiveness in attaining goals and objectives. Evaluation typically involves an examination of: how funds were expended, what outcomes resulted from the expenditure of funds, and to what degree these outcomes achieved the objectives determined during the planning phase. This evaluation phase is important in determining the following year's budgetary allocations.

Budget preparation cannot be a one-time exercise to determine how a school district will allocate funds. Rather, school district budget preparation must be part of a continuous cycle of planning and evaluation to achieve district goals.

TEA, as well as state and local governments, impose legal requirements on school district budgets. In addition to these requirements, individual school districts also may have their own legal requirements for budget preparation.

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in school districts. The following items summarize the legal requirements from the code:

- The superintendent serves as the budget officer for the district and prepares or causes the budget to be prepared. TEA recommends that the board and the superintendent take an interactive approach: the board of trustees and the superintendent to establish the budget process and define related roles and responsibilities.
- The district budget must be prepared by a date set by the State Board of Education, currently August 20.
- The president of the board of trustees must call a public meeting of the board of trustees, giving 10 days public notice in a newspaper, to adopt the district budget. Any taxpayer in the district may be present and participate in the meeting.
- No funds may be expended in any manner other than as provided for in the adopted budget. The board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.
- The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and state guidelines.
- The budget must be legally adopted before the adoption of the tax rate.

TEA has developed additional requirements for school district budget preparation as follows:

- The budget must be adopted by the board of trustees, inclusive of amendments, no later than August 31.
- TEA will use minutes from district board meetings to record adoption of and amendments to the budget.
- Budgets for the General Fund, the Food Services Fund (whether accounted for in the General Fund, a Special Revenue Fund, or Enterprise Fund), and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.
- The officially adopted district budget, as amended, must be filed with TEA through PEIMS by the date prescribed in the annual system guidelines.
- A school district must amend the official budget *before* exceeding a *functional expenditure* category, i.e., instruction, administration, etc., in the total district budget. The annual financial and compliance report should reflect the amended budget amounts on the schedule comparing

budgeted and actual amounts. The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.

Responsibility for preparation of district budget guidelines and the budget calendar lies primarily with the assistant superintendent of Business and Finance who is supported by the accounting supervisor. The Campus Education Improvement Committee (CEIC) through the creation of the district improvement plan and the campus improvement plans create budget considerations. Careful design, communication, and planning are critical to an efficient and effective budget process.

FINDING

The district's budget process does not encourage and facilitate input and communication from the community, the board, or campus improvement committees. The assistant superintendent of Business and Finance begins the budget process in January. All personnel and student headcount issues are analyzed and compiled by the assistant superintendent of Business and Finance. A packet of information is provided by the Leadership Team in February that contains: a budget calendar, seven pages of financial charts displaying information about student data, staff data, funding allocations, actual enrollment, projected enrollment, and budget allocations per student. The Leadership Team or the A-team (as it has been renamed for 2003–04) has the same staff as previous years. It includes the superintendent, principals, assistant superintendent of Curriculum and Instruction, assistant superintendent of Business and Finance, the Special Services director, the Transportation director, the Maintenance director, the Director of Special Programs, Safe and Drug Free Schools coordinator, Human Resources manager, and the director of Technology.

The budget preparation calendar is shown in **Exhibit 2-24**.

Exhibit 2-24
Budget Preparation Calendar
2003–04

| Date | Topic |
|------------------------|--|
| February 24, 2003 | Distribution of budget preparation packets to campus principals |
| February 24 – March 24 | Principals: Hold budget meetings, hold training meetings, instruct department heads, and distribute worksheets with allocations. |
| February 24 | First budget workshop on salary schedule for teachers |
| March 24 | All budget preparation worksheets returned to principals for compilation. |
| March 24 – April 17 | CEIC Meetings: Distribution of campus allocations |
| April 21 | Second budget workshop – school board, set salaries |
| April 28 | Submission date for campus budgets and department budgets to Central Office |
| May 5 | Business Manager to submit first budget run to superintendent |
| May 19–31 | Revisions and meetings for consolidation into a district budget |
| May 19 | Third budget workshop – school board |
| June 3 | Final preparation prior to Board workshops |
| June 3 – July 11 | Board budget workshops – final budget |
| July 15 | Receipt of certified tax roll, collection rate and calculation of effective tax rate |
| July 21 | Open meeting to discuss budget |
| July 22 | Submission of required publications |

Exhibit 2-24 (continued)
Budget Preparation Calendar
2003–04

| Date | Topic |
|---------------------|--|
| July 31 – August 19 | Post meeting notices; adopt budget. |
| August 19 | Adopt budget after any necessary hearings. |

Source: MFISD, Board packet, 2003–04

Charts on staffing patterns are also included. There are two written statements in the packet that are titled “Important Budget Considerations.” They are:

1. Allow for a Technology Maintenance Budget: The computers on your campus are one year older, therefore the chances for repair, memory expansion, and new software are increasing. This item is not the responsibility of the District’s Technology Department. It is your responsibility. The Technology Department can assist you in forecasting a budget.
2. Pay attention to what you are spending on your mandated programs: Make sure your CEIC is aware of these programs. Mandated programs are Special Education, Accelerated Education, Gifted/Talented, Career Technology, and Bilingual Education. Please make sure your staffing coincides with the number of students in these programs. Rely on your Program Directors to assist in these areas.

The final item in the packet is an eight-page listing of the district account codes by fund, function, and object.

Beginning in March, the board conducted budget “workshops.” On March 24, 2003, staff presented a two-page document to the board that stated: “We will be discussing current legislative updates and will look at a proposed pay plan. However, we cannot bring any recommendations to you at this time because of all the legislative issues still on the table.” Attached is a chart that shows the proposed pay increase for each category of employee with a total cost of \$305,780 displayed at the bottom of the chart.

On April 29, 2003, the staff provided another two-page document, which stated, “The Legislature is still in session and we can only speculate, however, I will be able to give you an update on the net taxable value of the district. Also, the campus committees and principals are finalizing their budget worksheets.” Attached is another chart that shows a calculation of property tax revenue for 2003–04 showing a state aid reduction of \$1,056,000 and a deficit of \$401,522 as of March 17 and \$8,394 as of April 17.

On June 16, 2003, another packet was provided to the board. It follows a similar format of a one-page cover sheet requesting an increase in the budget of 3.0 percent or \$764,384. Another paragraph follows this statement, which discusses insurance premiums increasing, Texas Retirement System employee contributions increasing, and a two-statement summary of the increase in salaries paid to staff. Attached are four pages of charts and seven pages of TEC Chapter 11.162 discussing the required budget mandates. Two pages of budget information supporting the district improvement plans are also included showing the goals and bullets underneath the goals stating the impact in summary on the budget.

Similar packets were provided to the board again on July 24, August 14, and August 25, 2003.

The review team heard numerous complaints from the board members about the quantity and quality of analysis provided for approval of the annual budget. The information provided lacked in-depth analysis.

No articulation exists in writing about the district’s goals, the tasks needed to accomplish the goals, how the district will be measured in accomplishing the goals, or the money needed to accomplish the goals effectively and efficiently. The assistant superintendent of Business and Finance is a member of the middle school CEIC but does not regularly attend the CEICs at the other schools. It is not realistic to expect principals and department leaders to understand how to budget properly for technology requirements in the areas.

The results of the School Review Team survey of teachers, parents, and administrative and support staff are shown in **Exhibit 2-25**. The most common response of the three questions is no opinion.

**Exhibit 2-25
Financial Management Survey Results**

| Campus administrators are well-trained in fiscal management techniques. | | | | |
|--|--------------|-------------------|-----------------|--------------------------|
| Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
| Teachers | | | | |
| 5.6% | 52.8% | 33.3% | 6.9% | 1.4% |
| Administrators and Support Staff | | | | |
| 8.5% | 40.4% | 39.4% | 10.6% | 1.1% |
| Parents | | | | |
| 6.5% | 23.4% | 58.4% | 9.1% | 2.6% |
| The district’s financial reports are easy to understand and read. | | | | |
| Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
| Administrators | | | | |
| 6.4% | 28.7% | 44.7% | 18.1% | 2.1% |
| Parents | | | | |
| 3.9% | 18.2% | 53.3% | 18.2% | 6.5% |
| Financial reports are made available to community members when asked. | | | | |
| Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
| Administrators and Support Staff | | | | |
| 8.5% | 37.2% | 44.7% | 8.5% | 1.1% |
| Parents | | | | |
| 3.9% | 24.7% | 61.0% | 10.4% | 0.0% |

Source: School Review Team Survey Results.

Global presentations to the community, staff, and board about the district’s goals, needs, and issues are necessary components of preparing a meaningful budget. Verbal communication, training, and hands-on assistance from the Business Office to the board, CEICs, departments, and campuses are a critical requirement of the budget process. None of this is performed in MFISD.

Districts with effective budget preparation processes use guidelines typically prepared by the assistant superintendent of Business and Finance with input from the school board, the superintendent, and other district and campus representatives. Presentations and/or approval of the final budget process, guidelines, and calendar by the school board help to ensure that the stakeholders understand how the district will prepare the budget. The schools and department leaders also receive preparation guidelines that include the following elements:

- A budget transmittal letter from the superintendent that provides the overall context for budget development at the district/campus levels.
- A budget memorandum/overview that explains the district budgeting philosophy and approach, outlines the budget development process, and references major assumptions and changes in the budgetary process from the previous year.

- Fiscal limitations to be observed districtwide such as maintenance of service levels, specific percentage increases/decreases in resource allocations, and personnel hiring guidance.
- A budget calendar of critical dates for budget development, submission, and review.
- Instructions concerning which expenditure items are to be budgeted at the campus level and what level of detail are required for submission.
- A copy of standard budget preparation worksheets, submission forms, and/or diskettes.
- A list of the account codes necessary for the preparation of campus budgets. This list normally will include function, object, sub-object, and program intent codes.
- A list of districtwide budget assumptions.
- Guidelines for estimation of standard campus resource allocations from district funds. These guidelines are determined by the budgetary approach taken and are discussed in the Development of Campus Budgets section.
- Guidelines for estimating the costs of specific expenditure categories such as salaries and benefits, supplies, or fixed charges.
- Instructions for the submission of campus budgets to the district budget office including the number of copies required, due dates, and personnel to contact for assistance.

The budget calendar listing critical dates for the preparation, submission, and review of campus budgets for the school district is prepared during the budget planning process at the district level. A variety of simple techniques may be utilized to build the district calendar. The easiest technique is to begin with the previous year's calendar and modify it for use in the current year. Timing problems from the previous year's process should be reviewed and appropriate changes made in the current year's calendar. At a minimum, the budget calendar should be reviewed to ensure that it is appropriate for the current year's budget development process.

San Angelo ISD's (SAISD) budget office prepared a detailed budget preparation manual distributed to all district personnel responsible for preparing the 2001–02 budget. The manual provides a general background of the goals and objectives of the budget process to assist each responsible party in understanding their role in the process and gives a summary of the district's budget requirements and general instructions. SAISD formats budget worksheets for each department and school to complete for its specific needs. The district also includes previous year's budget data as a guideline and includes basic departmental and school allocations to provide numbers the district staff can use as examples.

Dripping Springs ISD (DSISD) has a comprehensive and inclusive budget process. The budget process begins in October with the planning and evaluation cycle. The planning process reviews the district mission and produces goals to support this mission statement. The board, which meets regularly on the budget starting in October, adopts the goals in December, and the district and school improvement plans are submitted to the board for approval in April. This planning process goes hand-in-hand with the budget process. The board holds four budget workshops beginning in April. Budget adoption occurs in June to coincide with the district's new fiscal year and tax rates are adopted in September.

DSISD has a districtwide budget review committee composed of two teachers from each school, teachers from each specialty area, and the administrative team. The administrative team includes all principals, assistant principals, directors, assistant superintendents, and the superintendent. This committee recommends the budget priorities for the year and reviews the budget to make sure it reflects the priorities set in the planning process. Also, the committee reviews above-allocation requests and the related justification for those requests. After the budget is compiled and before the board adopts the budget, the committee reviews the budget to finalize its recommendations.

DSISD presents the budget to community leaders at a breakfast. A slide presentation reviews state funding; provides information on tax revenues; provides information on state revenues; provides

information on budget reductions from the prior year; provides information on budget increases for the current year; and summarizes the budget-supported mission, beliefs, and district goals. The presentation also includes a calendar of events related to the budget adoption process. The district uses community leader input to refine the budget presentation. After the presentation to community leaders, the district conducts a public forum on the budget.

DSISD presents the proposed budget at the forum and invites the public for comment.

The budget process includes comparative information from peer districts to benchmark DSISD expenditures. The assistant superintendent of Business Operations uses the Financial Excellence Indicator System of Texas Information about Educational Resources (FEISTIER) database from the Texas Association of School Business Officials (TASBO) to make these comparisons. TASBO and TEA joined forces to produce a database that allows school districts to compare their financial operations with other districts. This initiative was designed to establish a financial excellence indicator system for the business operations of school districts, similar to the Academic Excellence Indicator System (AEIS), which school districts use to compare their educational performance to other districts.

Based on the recommendations from the budget review committee, the community leaders, and the public, district administrators prepare the proposed budget for presentation to the board for adoption. DSISD then holds the required public hearing and the board adopts the budget.

Recommendation 18:

Establish budget preparation guidelines in accordance with legal requirements to better solicit staff and community input.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD does not produce a formal budget document. The budget document does not have an executive summary or overview, such as a discussion of district goals, priorities, or objectives. The budget numbers are not summarized to show total revenues, total expenditures, or where grant money will be received to fund specific purchases and programs. Planned purchases are not highlighted anywhere in the document. The document prints out from the accounting system of the detailed amounts for each budgeted line item.

The Texas Association of School Business Officials (TASBO) and the Government Finance Officers Association (GFOA) are two national organizations that promote excellence in the form, content, and presentation of budget documents. The following is a list of sample criteria for TASBO-certified budget documents:

- table of contents that identifies major budget sections;
- executive summary that presents an overview of key initiatives and financial priorities;
- background and current information about the district, its mission, and its goals;
- organization chart;
- overview of the budget process; and
- graphs and charts to facilitate understanding and illustrate key financial information.

Dallas ISD prepared its 2000–01 budget using Association of School Business Officials (ASBO) and Government Finance Officers Association (GFOA) guidelines and plans to seek GFOA and ASBO certification. ASBO and GFOA are two national organizations that promote excellence in the form, content, and presentation of budget documents through budget award programs. The primary difference between ASBO and the GFOA programs is that ASBO’s program is specifically designed for school districts, while GFOA’s program is designed for any governmental entity. These programs establish a number of criteria for exemplary budget documents and provide certification awards to governmental entities whose budget documents meet the criteria. Many school districts across the county use the criteria to apply for the award, but some use it merely to improve their budget document’s content, format, and presentation.

Recommendation 19:

Prepare a formal budget document including executive summary and other narrative information to support and explain the district’s budget.

MFISD should use the standards of TASBO and GFOA to gradually enhance its budget document. Each year, the district should add a new feature to its budget document to enhance the document’s usefulness.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

F. STUDENT AND FACULTY DAYCARE SERVICES

In 1990, the Seventy-first Texas Legislature made funds available to districts to fund programs to keep teen mothers in school and help them graduate in a timely manner. MFISD submitted a proposal to TEA to be one of 26 pilot programs in Texas. Grant money was available to start the programs and construct facilities.

The district built a high school in 1988 but did not complete one of the school’s wings during the initial construction. The district pursued the grant monies to assist it in completing the unfinished wing and to start the teen mothers program. After the grant monies were awarded, the district completed the wing construction with an additional \$180,000 in local monies and began the program. The second program began approximately five years ago. The former superintendent began offering daycare services to staff in the same setting as the Pregnancy Education and Parenting program (PEP). The daycare was limited to “first come; first serve” until maximum capacity was reached. The district intended for the program to break even, so the fees were set accordingly.

Licensed by the Texas Department of Protective and Regulatory Services, the center is inspected annually. The daycare is a Plan 3 daycare and is inspected every 10–12 months. The last inspection was held in August 2003. The only deficiencies found were a lack of proper shot records held on two different children, which were quickly remedied. The daycare is also monitored by the Child Care Management Services (CCMS) of the Rural Capital Area Workforce and has received a 4-star quality rating from this agency. The last inspection from CCMS was November 2003.

FINDING

MFISD charges faculty parents a flat weekly rate for daycare below market value. MFISD must offer daycare to teen parents who have not yet graduated high school for the care of their children while they finish school as part of its PEP program.

Offering daycare to faculty in this setting at a reduced rate is an employee benefit that provides an excellent incentive for retaining qualified staff with young children. However, under the current scenario, based on revenue and expense information provided by the assistant superintendent of Business and Finance, state taxpayer funds pay for the difference between the daycare fee revenues and the actual cost of providing the daycare service for both programs. Using state funds to make up the difference for the faculty children's care does not constitute breaking even on the balance sheet and seems to violate the intent set at the staff daycare program's inception to break even. **Exhibit 2-26** presents the staff daycare and PEP program revenues and expenditures as supplied by the district.

Exhibit 2-26
MFISD Actual Revenues and Expenditures
Staff Daycare and PEP Program
2002-03

| | Faculty/Staff Daycare | PEP |
|--|----------------------------------|-------------------|
| Category | Fund 711 | Fund 199 |
| Revenues | | |
| PEP Grant | \$0 | \$27,109 |
| Staff daycare fees | 40,376 | 0 |
| TRS on-behalf | 720 | 0 |
| Total revenues | \$41,096 | \$27,109 |
| Expenses | | |
| Payroll | \$51,873 | \$82,411 |
| Professional services | 0 | 0 |
| General supplies | 4,153 | 1,195 |
| Other | 0 | 816 |
| Total expenses | \$56,026 | \$84,422 |
| Contribution needed to break even | (\$14,930) | (\$57,313) |

*Source: MFISD, assistant superintendent of Business and Finance, and MFISD,
Ledger Sheets, November 20, 2003.*

From **Exhibit 2-26**, the total actual combined cost in 2002-03 for both programs was \$140,448. The assistant superintendent of Business and Finance, who handles the budget for these programs, said that he does not include the cost of required liability insurance for the daycare or utilities in the expense tally. For 2002-03, the district spent about \$500 on liability insurance for the daycare and about \$5,000 on utilities. In addition, there are several dedicated activity funds held at the high school for both programs that are also not included in the budgeted or actual revenues and expenditures. These funds mainly consist of community donations and activity fees paid for the faculty daycare children. The

district information for these excluded costs was not available in a form that allowed integration with budgeted and actual PEP/daycare and faculty daycare program funds.

Faculty children pay a flat rate of \$70 per week and a \$30 annual activity fee. The daycare, which operates according to the school calendar, charges faculty parents on a weekly basis for childcare. In a typical year the daycare operates for 40 weeks; 38 of the 40 weeks both faculty and teen parents' children receive childcare and two of the 40 weeks only faculty parents' children receive childcare. This creates an unfair financial burden on the PEP/daycare program because the daycare is open only to serve faculty children.

Exhibit 2-27 presents a survey of market rates for daycare services in Marble Falls. MFISD's \$70 per week flat rate falls about 20 percent lower than the average weekly rate charged for any age category.

Exhibit 2-27
Survey of Market Rates for Daycare Services
Marble Falls

| Category | Daycare A | Daycare B | Daycare C | Average cost per week |
|---------------------------------|-----------|-----------|-----------|-----------------------|
| Infant | \$75.00 | \$91.00 | \$112.50 | \$92.83 |
| One Year Olds | \$75.00 | \$86.00 | \$112.50 | \$91.17 |
| Two Year Olds | \$70.00 | \$86.00 | \$112.50 | \$89.50 |
| Three, Four, and Five Year Olds | \$70.00 | \$86.00 | \$100.00 | \$85.33 |
| Average | | | | \$89.71 |

Source: MFISD, Parent Education Program Handout and MFISD, board presentation, July 2003.

As compared with MFISD's faculty daycare offering, private sector daycare services require an up-front registration fee and contract, and operate and charge weekly for 50 to 52 weeks a year instead of 40. Patrons pay for school holiday weeks as well as summer vacation time, whether or not their children attend, in order to reserve the child's class space. The faculty daycare requires no up front, out of pocket expenses, as the entire 40-week school year cost is computed up front by the assistant superintendent of Business and Finance or designee, and deducted directly from faculty paychecks in equal payments. Both the private sector and faculty daycares charge a small annual activity fee per child, which supplements toys and supplies for the children.

Under the district and PEP program conditions of the faculty daycare offering, faculty patrons experience a very slight risk—having their children bumped out of the daycare by a PEP program child. However, the risk is very slight because the daycare has never operated at capacity (39 total children), and the district knows in advance how many teen parents' children are registered. To date, no faculty parent has been denied daycare. Unless several pregnant or teen parents transfer to MFISD once school has started and have children of an age that causes class counts to exceed state guidelines, the risk is negligible. The worst case is that the faculty child would have to be moved to a private daycare provider.

For 2003–04, the center is staffed with one director and seven full-time teacher aides. With 30 children enrolled, 19 of the enrollees are children of MFISD faculty while 11 are the children of MFISD teen parents. **Exhibit 2-28** presents the 2003–04 MFISD daycare staff and child counts.

Exhibit 2-28
MFISD Daycare Staff and Child Counts
2003-04

| Category | Definition | Teen Parent Child Counts | % | Faculty Child Counts | % | Total |
|---------------------------------|---------------------|---------------------------------|--------------|-----------------------------|--------------|--------------|
| Infants | 0-12 months | 8 | 80.0% | * | 20.0% | 10 |
| One Year Olds | 12-24 months | * | 33.3% | * | 66.7% | 6 |
| Two Year Olds | 24-36 months | * | 16.7% | 5 | 83.3% | 6 |
| Three, Four, and Five Year Olds | 37 months - 5 years | * | 0.0% | 8 | 100.0% | 8 |
| Total | | 13 | 36.7% | 19 | 63.3% | 30 |

Source: MFISD, Parent Education Program Daycare Director, February 2004.
**Counts are not shown due to privacy laws.*

The PEP/Daycare director estimates she divides her time between three functions as follows: PEP director-40 percent, daycare director-40 percent, and PEP teacher-20 percent. This translates into an 80 percent PEP/daycare and 20 percent faculty daycare allocation, assuming the daycare director's time is assigned equally between the two programs. Director and aide time allocations for 2001-02 through 2003-04 are presented in **Exhibit 2-29**. For 2003-04, the assistant superintendent of Business and Finance assigned 100 percent of the director's time to the PEP/daycare program, with no director cost to the faculty daycare program. This has resulted in a greater cost burden to the PEP/daycare program and less cost allocated to the faculty daycare. The assistant superintendent of Business and Finance indicated that the staffing allocations were not primarily determined based on time spent by program or function.

Exhibit 2-29
PEP/Daycare Programs
Director and Aide Position Allocations
2001-02 through 2003-04

| Description | Director and Aide Position Allocations | | | | | |
|-------------------------|---|--------------|-----------------|--------------|-----------------|--------------|
| | 2001-02 | | 2002-03 | | 2003-04 | |
| | Position | Count | Position | Count | Position | Count |
| PEP program | Director | 1.0 | Director | 0.5 | Director | 1.0 |
| | Aides | 4.0 | Aides | 4.0 | Aides | 4.0 |
| Faculty Daycare program | Director | 0.0 | Director | 0.5 | Director | 0.0 |
| | Aides | 2.0 | Aides | 2.0 | Aides | 3.0 |

Source: MFISD, Parent Education Program document and MFISD, Board meeting, July 2003.

On April 2, 2004, the district learned it qualifies for local match daycare funds through the Rural Capital Area Workforce Development Board. The local match agreement would be effective back to September 1, 2003 and through November 30, 2004, with additional funds in place to enter another agreement covering the rest of 2004-05. However, according to the assistant superintendent of Business and Finance, there is a provision in the agreement that the district would offer daycare services to the general public for any vacant slots, which represents a significant change from the current district policy.

Recommendation 20:

Charge the market rate for faculty daycare services.

The district should also compute the full cost of the PEP and Faculty Daycare programs, and allocate the full cost of operating the daycare for the two weeks each year open only to serve faculty children to Fund 711, the Faculty daycare budget fund. Faculty daycare patrons would still receive a large benefit as compared with the private sector daycare patrons after rates are raised to market level. Not being obligated or paying for 10–12 weeks of daycare, including school holidays and summer vacation time is an out-of-pocket savings of more than \$900 per child annually for faculty parents (\$90 per week market rate times 10 to 12 weeks plus no activity fee covering these weeks).

The district should conduct market surveys annually to determine the market rate for daycare services and revise the rate it is charging for faculty daycare accordingly. MFISD should revise its allocation formula to assign costs to the various funds based on how time is actually spent and use the full cost of the operations. The district may have to adjust the way some costs are collected so that the information is readily available for budgeting and tracking program costs.

MFISD should specifically compute the cost of the two weeks of faculty daycare only and the other 38 weeks of shared daycare programs so that the cost of the employee benefit is known. The district should monitor and evaluate the cost benefit of serving the faculty children and charge accordingly so that taxpayers are not shouldering an unfair part of the burden in offering this benefit.

FISCAL IMPACT

The district will gain \$15,200 annually by charging the market rate for faculty children. Charging the market rate should more than offset the current deficit and may cover the costs for the two weeks of faculty—only daycare services. Using 2003–04 faculty daycare counts, the district would collect an additional \$15,200: \$20 per faculty child multiplied by 19 children multiplied by 40 weeks. The additional collections would eliminate the \$14,930 deficit in Fund 711 for 2002–03, shown in **Exhibit 2-26** and help to cover the costs not included in the 2002–03 actual expenditures. The district should be able to quantify the cost of offering the faculty daycare employee benefit and monitor costs with the original intent of breaking even.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Charge the market rate for faculty daycare services. | \$15,200 | \$15,200 | \$15,200 | \$15,200 | \$15,200 |

G. TAX COLLECTIONS

Assessing and collecting school district property taxes is an important function involving different entities with distinct responsibilities. School districts develop and adopt their tax rate while county appraisal districts appraise the value of property within the district. The tax rate that school districts adopt consists of two components: a maintenance and operations component for meeting operating costs and a debt service component to cover the costs of indebtedness. The combined rate is applied to the assessed property value to compute the district’s total tax levy.

Property values play a key role in determining school funding, not only at the local level, but at the state level as well. There is an inverse relationship between local property wealth and state aid. The greater

the property wealth of the district, the greater the amount of revenue raised locally, but the lower amount of state aid.

FINDING

MFISD is not adequately monitoring or overseeing its outsourced tax collection function. The district's tax collection rate has declined more than one percentage point per year since 2000–01 while its delinquent tax collection rate has improved every year since 1998–99. If the 2000–01 collection rate of 98.3 percent had been sustained in 2002–03, more than \$500,000 in additional non-delinquent tax revenues would have been available to fund district operations. MFISD has contracted with Burnet County Central Appraisal District (Burnet CAD) to perform all tax functions for the district—appraisal, collection, and delinquent collections. Burnet CAD handles tax functions for all of the taxing entities in the county, including the only other school district, Burnet CISD.

According to the assistant superintendent of Business and Finance, the district has a close relationship with the tax collector. The district and tax collector speak by telephone weekly during the high collection season—December through February. The assistant superintendent of Business and Finance did not mention the declining tax collection rate or the improving delinquent tax collection rate during interviews. The district did not indicate or provide proof that written policies or procedures for overseeing the tax function exist. Although the contract agreement between the district and Burnet CAD calls for documentation of the annual mailings from Burnet CAD, including the proposed budget or annual financial audits that are conducted each year, the district did not indicate that such documentation was received or kept.

Burnet CAD operates as non-profit, allocating its total operating budget to all the entities on whose behalf they collect taxes, based on each entity's total tax levy. The agreement automatically renews annually unless terminated by either party. MFISD, with all other entities that contract with Burnet CAD, receives a budget proposal for the upcoming year in mid-July for review. If no comments or protests are filed within the designated time period, the budget is automatically adopted. A history of the district's property appraisals and tax rates is shown in **Exhibit 2-30**.

Exhibit 2-30
MFISD Tax Rates and Collection Information
1998–99 through 2002–03

| Category | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Maintenance and operations tax rate | \$1.4990 | \$1.4590 | \$1.4730 | \$1.4730 | \$1.4730 |
| Interest and sinking fund | 0.2610 | 0.2210 | 0.2070 | 0.1717 | 0.1692 |
| Total Tax Rate | \$1.7600 | \$1.6800 | \$1.6800 | \$1.6447 | \$1.6422 |
| Total Collections | \$13,161,870 | \$14,126,914 | \$16,075,158 | \$19,112,442 | \$21,706,625 |
| Total tax levy including adjustments | \$13,685,122 | \$14,566,762 | \$16,359,206 | \$19,768,266 | \$22,654,720 |

Exhibit 2-30 (continued)
MFISD Tax Rates and Collection Information
1998–99 through 2002–03

| Category | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|---------------------------------|----------------|------------------|-----------------|-----------------|-----------------|
| Appraised Value | \$827,193,318 | \$870,578,274 | \$1,032,233,746 | \$1,368,560,864 | \$1,450,227,551 |
| Collection Rate | 96.2% | 97.0% | 98.3% | 96.7% | 95.8% |
| Overall Delinquency Rate | 9.6% | 8.9% | 8.0% | 7.9% | 7.5% |

Source: MFISD, Audited Financial Reports, August 31, 1999 through 2003.

The tax collection rate fell from 98.3 percent in 2000–01 to 95.8 percent in 2002–03. The Burnet CAD representative familiar with tax collections said in interviews that he could not identify any specific cause for the drop in non-delinquent collections. Delinquent accounts are assigned to the law firm that collects delinquent taxes starting one year after the tax due date. While the total tax rate remained essentially the same from 2001–02 to 2002–03, the tax base grew, causing the tax levy after adjustments to increase by almost 15 percent, or \$2.9 million. Burnet CAD’s representative attributed the growth to new commercial businesses in Marble Falls including a car dealership, tractor sales and service facility, and home improvement store, coupled with new home sales.

As part of the district’s contract, Burnet CAD is responsible for the contract with the law firm that collects delinquent taxes. According to the Burnet CAD representative, the law firm is paid only when past due tax amounts including principal, penalties, interest, and attorney’s fees are paid. Formal progress updates from the law firm on delinquent tax collections seldom occur, so no explanation was provided for the increased collection rate for delinquent taxes. The law firm invoices the district directly for all accounts collected on the district’s behalf.

The district does not have written delinquent tax collecting policies or procedures. A formal review of the contract for all of the outsourced tax functions has not occurred in almost 10 years. No policies or procedures exist that specify the district’s position on initiating lawsuits for back taxes, and for dealing with foreclosures and the sale of delinquent properties.

In many districts the superintendent or his designee regularly reviews the status of the tax functions with the team in charge to ensure the functions are handled efficiently and effectively.

Recommendation 21:

Improve district oversight and monitoring of the outsourced tax functions.

The district needs to improve tax collection oversight policies and regularly communicate with the Burnet Central Appraisal District and the attorney responsible for delinquent tax collection.

Quarterly meetings should be established with the law firm, the tax assessor collector, and the superintendent to discuss the progress of current and delinquent tax collections and any other tax function issues. Annually, the tax collector and a representative from the law firm should present a plan of action and goals for the upcoming tax levy to the board.

Policies should be written that thoroughly address the district’s position on seizing and handling the property of delinquent taxpayers, including those that have been obtained by the district in lawsuit judgments. If the policies call for more aggressive collection practices, their impact on poor and elderly homeowners should be minimized.

FISCAL IMPACT

The district’s 2002 tax year levy (2002–03 data) after adjustments was \$22,654,720 of which 95.8 percent was collected. The district, working with Burnet CAD, should improve the tax collection rate to match or exceed the 1999 tax year non-delinquent tax collection rate of 97 percent. It is assumed that the collection rate would be increased by 1.2 percent in 2004–05 to 97 percent and remain stable through 2008–09.

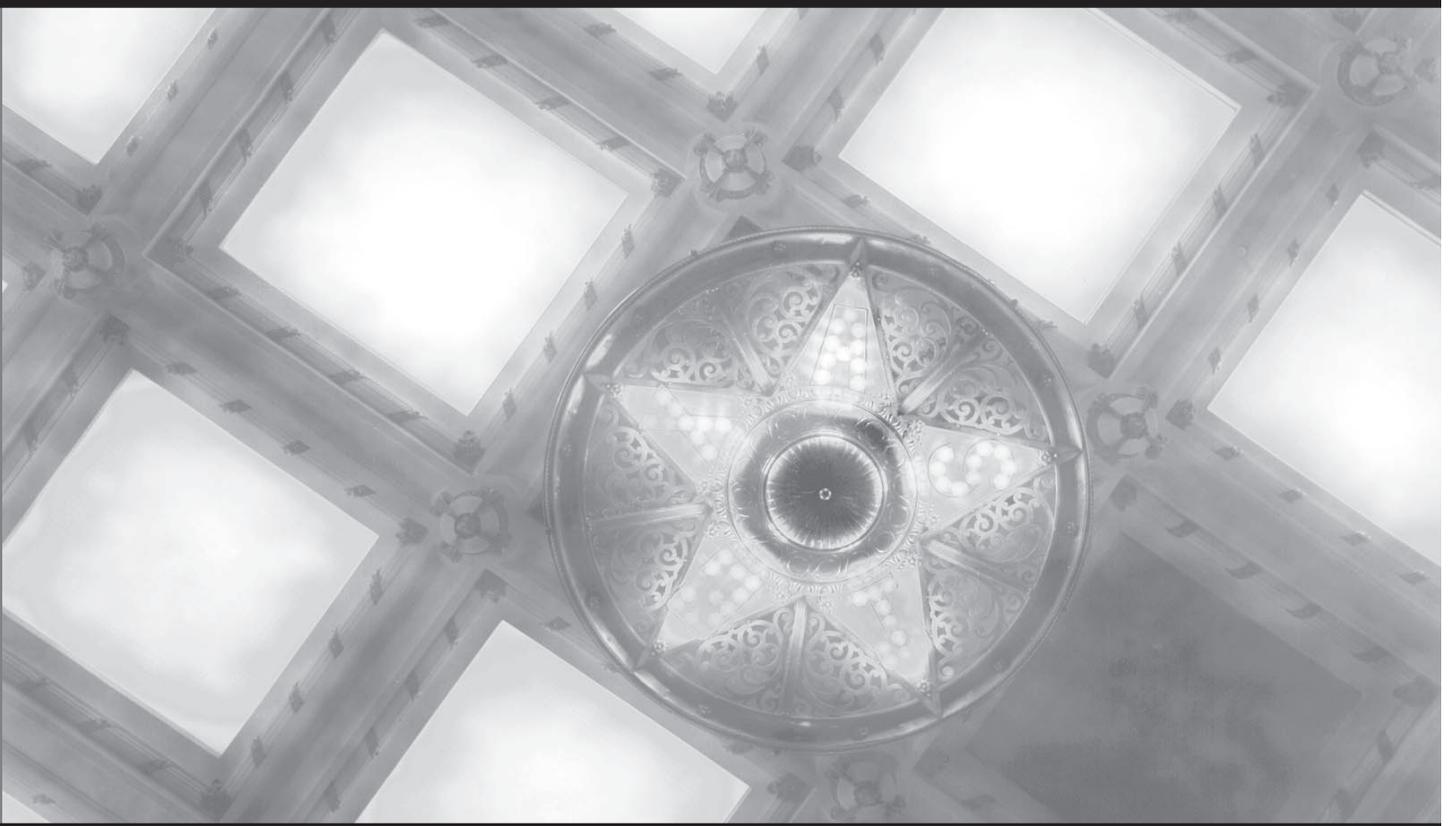
Based on the adjusted 2002 tax year levy, MFISD would gain an estimated \$271,857 annually (\$22,654,720 adjusted tax levy multiplied by 1.2 percent equals \$271,857). A conservative estimate, this figure does not take into account the added collections benefit to: the growing tax base, increasing the M&O tax rate to the \$1.50 limit, or any future I&S taxes.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Improve district oversight and monitoring of the outsourced tax functions. | \$271,857 | \$271,857 | \$271,857 | \$271,857 | \$271,857 |

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Chapter 3

Safety and Security



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Chapter 3

SAFETY AND SECURITY

This chapter reviews the safety and security function of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Safety Programs
- B. Security Management
- C. Discipline Management

The safety of students is of paramount concern to administrators, parents, students, and community members. Administrators, in particular, are responsible for keeping students and staff safe from violence and harm and creating environments conducive to learning. Effective school districts develop policies, procedures, and programs to address and manage crises and facility safety, as well as prevent violence and truancy. If districts fail to adequately address any one of these areas, the safety and security of staff and students may be jeopardized. The most effective security programs include prevention, intervention, consistent enforcement, and cooperation with municipal and county governments.

BACKGROUND

At the state and federal level, changes have been made to laws governing the safety and security of students in public schools. In 1994, Congress reauthorized the Safe and Drug-Free Schools and Communities Act requiring districts to institute a comprehensive safe and drug-free schools program. Funding from the federal government to state and local governments also supports district violence prevention programs.

In 1995, the Seventy-fourth Texas Legislature addressed school violence by establishing major safety and security revisions in the Texas Education Code (TEC). Changes included requiring each school to adopt a student code of conduct; removing students who engage in serious misconduct from regular classrooms and placing them in an alternative education setting; sharing information concerning the arrest or criminal conduct of students with local law enforcement; and establishing a Juvenile Justice Alternative Education Program (JJAEP) in counties with 125,000 or more residents.

In 1997, Congress reauthorized the Individuals with Disabilities Education Act (IDEA) with some notable changes. The revisions require districts to meet the individual needs and improve academic results for students with disabilities. The revised IDEA act allows students with special needs to be removed from the classroom if they are involved with drugs or bring weapons to school.

In 1999, the Seventy-sixth Texas Legislature passed Senate Bill 1742, which amended the TEC to require each school to include goals and methods for violence prevention and intervention and publish the number, rate, and type of violent or criminal incidents that occurred on each district campus and make this available to parents and the community in its annual report.

Since no school is immune to violence, all districts must know how to prevent and react to sudden crises. According to the National Education Association, “Students learn best and achieve their full potential in safe and orderly classrooms. This positive academic environment begins with safe families and safe communities. Statistically, schools continue to be one of the most secure places for our children.”

A. SAFETY PROGRAMS

Effective security programs ensure full compliance with all district policies, as well as state and federal regulations. Security staff perform as enforcement officers, safety law experts, and security educators by developing programs for safety training; heightening security awareness among students, staff, and parents; performing electronic and other surveillance; ensuring facility safety; conducting fire and sanitation inspections; performing accident investigations; minimizing and eliminating safety and security risks; and providing thorough emergency planning and rapid response.

In the past, the implementation of school safety measures primarily consisted of surrounding schools with fences and creating alternative education programs for violent or disruptive students. After the violent, tragic, and highly publicized Columbine High School incident in Colorado on April 20, 1999 and other security breaches in schools around the country, district administrators recognized the need for more comprehensive approaches to safety and security, including heightened awareness, prevention, and early intervention.

A safe school district effectively manages its resources and plans for contingencies. Planning for safe and secure schools requires accurate and up-to-date information regarding the district’s schools, conditions, and facilities. The National School Safety Center released a document in 1999 entitled *Working Together to Create Safe Schools*. The document outlines numerous strategies for improving school safety and states: “Perhaps the most important strategy is to place school safety on the educational agenda. This includes developing a safe schools plan—an ongoing process that encompasses the development of districtwide crime prevention policies, in-service training, crisis preparation, interagency cooperation, and student/parent participation. An appointed task force should develop and implement the plan with representatives from all elements of the school community.”

FINDING

MFISD’s elementary school playgrounds are not secure from vehicular traffic and intruders, placing elementary students at risk. While the district has identified the intent to build a fence for the elementary in the district’s Ten-Year Capital Improvement Program Plan, at the time of the review the district had not yet constructed the remaining sections of fence. The playground at Marble Falls Elementary School is fenced on three sides and is parallel to Highway 1431, a busy street. Although a fence stands between the playground and the highway, the fence ends at the parking lot. The present fencing layout easily allows a car to drive into the entry road, park in the corner of the parking lot, and have full access to MFISD students in the playground area. The playground at the Highland Lakes Elementary School is fenced on two sides. While the school is more remote than the Marble Falls Elementary School, the playground still permits vehicular access to the playground and to small children. While staff supervises recesses at both school playgrounds, unauthorized access to a child can happen within seconds, even in the presence of vigilant adults.

Many school districts restrict vehicular access to playground areas by using a chain link fence. The fence allows supervisors visibility of the outside environment but restricts a vehicle from direct access to students. A fence can define property boundaries and prevent someone from idly wandering onto a campus. Fencing should deter the casual passerby from entering the school grounds.

Recommendation 22:

Construct fences to reduce access to elementary school playgrounds.

FISCAL IMPACT

Highland Lakes Elementary lacks 805 feet of fencing while Marble Falls Elementary lacks another 512 feet, a total of 1,317 feet. An estimated cost to add the needed fence is \$12,213. According to a fencing contractor, the school should use nine-gauge fabric, three-inch terminal posts, two-inch line posts, and 1-5/8" top rail on a six-foot tall fence. Rough estimates are \$45 for each terminal post inserted at each corner and \$9 per foot for the fence based on 200 feet minimum. [\$9 per foot x 1,317 feet of fence = \$11,853 + \$360 for 8 terminal posts x \$45 = \$12,213].

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Construct fences to reduce access to elementary school playgrounds. | (\$12,213) | \$0 | \$0 | \$0 | \$0 |

FINDING

While MFISD has increased prevention and intervention efforts to identify drug-related incidents through the use of the canine (K9) and drug testing programs, the district has not formally evaluated its drug programs for effectiveness. Statistics from the Safe and Drug-Free Schools and Communities Program Annual Evaluation show an increase in drug incidents. The district reported 15 incidents in 2000-01 and 62 incidents in 2002-03, a 313 percent change (**Exhibit 3-1**).

**Exhibit 3-1
Number of Incidents of Possessed, Sold or Used
Marijuana or Other Controlled Substance**

| Schools | 2000-01 | 2001-02 | 2002-03 | Percent Change from 2000-01 through 2002-03 |
|-----------------|----------------|----------------|----------------|--|
| Middle/Jr. High | 1 | 7 | 3 | 200% |
| High School | 14 | 19 | 59 | 321% |
| Total | 15 | 26 | 62 | 313% |

Source: Public Education Information Management System (PEIMS) 2000-01 through 2002-03.

In March 2003, the district conducted a survey of parents, students, and administrative and support staff regarding drug use in schools. The three groups were asked whether “Drugs are not a problem at my child’s school” (**Exhibit 3-2**). Survey responses showed that 60.9 percent of MFISD high school students, 69.2 percent of the high school faculty, and 63 percent of the middle school faculty strongly perceived that drugs were a problem in their schools. In striking contrast to student and faculty perceptions, 66.7 percent of MFISD parents who were surveyed by the district indicated drugs were not a district problem. During the same survey, 69.6 percent of MFISD parents agreed that students involved in extracurricular activities should be tested for drugs and alcohol.

Exhibit 3–2
MFISD Survey Results
Question Asked: “Drugs are not a problem in my school?”

| Group Surveyed | Number of Respondents | Disagree | Agree | No Opinion |
|------------------------------------|------------------------------|-----------------|--------------|-------------------|
| Marble Falls Elementary students | 432 | 26.9% | 63.7% | 9.5% |
| Highland Lakes Elementary students | 142 | 25.4% | 55.6% | 19.0% |
| Middle school students | 623 | 46.9% | 39.6% | 13.5% |
| High school students | 601 | 60.9% | 25.1% | 14.0% |
| MFISD parents | 828 | 22.5% | 66.7% | 10.9% |
| Middle school faculty | 46 | 63.0% | 37.0% | 0.0% |
| High school faculty | 65 | 69.2% | 29.2% | 1.5% |

Source: MFISD Surveys, 2003. Note: Percentages are rounded off.

According to the high school student handbook, “It is the goal of the Marble Falls Independent School District to provide a drug and alcohol free educational environment for our children. Any violation of the district’s policies regarding drugs and/or alcohol will result in appropriate disciplinary action, including expulsion, and referral to law enforcement agencies.”

In 1996, MFISD implemented the K9 search program to deter the possession and use of alcohol, drugs, and weapons in schools. MFISD contracts with a private company to provide the services of dogs trained to detect alcohol, drugs, tobacco, and weapons. Under the contract, the company conducts random searches of lockers, common areas, backpacks, cars parked on or within a 300-foot boundary of school grounds, and parking lots.

The district’s Safe and Drug-Free Schools coordinator facilitates the canine program and the drug-testing program. Canine searches and drug testing have yielded results, as shown in **Exhibit 3–3**. Both programs seek to deter student drug and alcohol use.

Exhibit 3–3
MFISD Drug Detection Results
September 2002 to May 2003

| Drug Detection Program | Total Searches/Tests | Classrooms, Common Areas and Parking Lots | Total Number of Student with >1 Positive Test |
|-------------------------------|-----------------------------|--|---|
| K9 Program | 16 | 292 | Four violations resulting in one felony arrest |
| Drug Testing | 2,283 | | 32 instances involving 24 different students |

Source: MFISD Safe and Drug Free Schools Coordinator, Canine Deterrent Systems Activity Log, and Drug Testing Results.

MFISD also instituted drug testing as a deterrent to drug use in 2003. Any student in grades 7 through 12 participating in extracurricular activities is subject to this testing program. The district tests all students a minimum of once per semester each school year and conducts random tests throughout the school year. Certified lab personnel and professional staff administer the testing. Some students informed the review team that the programs have provided them a good reason to refuse drugs offered by their peers.

Despite these programs, the district continues to show an increase in drug incidents and students and faculty also continue to perceive a problem in the district regarding drug use. The district has not formally evaluated the effectiveness of all of these programs.

Recommendation 23:

Annually evaluate all drug programs in the district for effectiveness.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The middle school does not comply with the Texas Hazard Communication Act (THCA). Middle school staff could not locate the Material Safety Data Sheets (MSDS) during the review team's visit. MSDS describe the contents of various products, possible effects of exposure to the products, proper safety precautions for using the products, and possible chemical reactions if certain products are used with other products. MSDS are an important tool to help ensure the safety of employees who come in contact with chemical products.

THCA requires MSDS be available at every storage location of chemicals or hazardous materials. THCA is codified as Chapter 502 of the Health and Safety Code (HSC) and Title 25 of the Texas Administrative Code. HSC section 502.006(b) and (c) states that an employer "shall maintain ... a current MSDS for each hazardous chemical purchased" and that the MSDS "shall be readily available, on request, for review ... at each workplace."

The review team also observed household cleaning products in the middle school's office restroom. Household cleaning products contain hazardous chemicals and may react with other chemicals causing the release of hazardous, explosive, or irritating fumes in the workplace. Without the appropriate MSDS for the household cleaning products, the middle school employees are unaware of a potential hazard.

To comply with the law and avoid fines for violating the law, many districts ensure the availability of MSDS for all chemical products. The Texas Department of Health (TDH) monitors compliance with THCA and conducts random inspections of governmental entities to determine compliance. TDH considers the lack of MSDS a critical violation. The fine for the first occurrence is \$300.

Recommendation 24:

Ensure availability of Material Safety Data Sheets at all district facilities and that hazardous chemicals are properly controlled.

By educating staff members on material safety data, MFISD will comply with the THCA.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. SECURITY MANAGEMENT

Schools do not always have the funding for an aggressive and complete security program. The United States (US) Department of Justice report, *Security Concepts and Operational Issues*, states that security operations often require a balance among effectiveness, affordability, and acceptability. Many effective measures are just too expensive. Schools must balance the need for stronger security measures with the need for an open, learning environment. While razor wire, electronic fencing, and thorough security searches upon entry provide a secure environment in a penal institution, these measures will not provide the correct atmosphere for an educational environment.

Schools can provide effective security operations without applying every security approach at every school. Effective security operations depend on whom or what needs protection, the type of security threat, and facility constraints. Periodic inspections help ensure enforcement of adopted measures and identify weaknesses.

FINDING

MFISD uses a school resource officer (SRO) to help deter crime at its high school. SROs are certified peace officers that can take police action related to incidents on or around schools, but are not responsible for security. Since fall 2000, an SRO has been assigned to MFISD schools by the Marble Falls Police Department. A *Cops In Schools* federal grant awarded to the Marble Falls Police Department funds the SRO position until 2005–06. The police department receives the federal funds, pays the officer's salary, and assigns an officer to the district. The superintendent provides funds to retain the SRO for one full budget cycle at the conclusion of federal funding contingent upon successful progress and availability of funds.

The SRO interacts with students in the classroom presenting safety, crime prevention, and law enforcement career information. The SRO also presents safety and crime prevention training to school staff, such as how to improve building security, and responds to reports of potential criminal activity, including student infractions. The SRO reports to the executive director of Student Services and the Marble Falls Chief of Police. The SRO is based at the high school and works with the high school and middle school principals. The SRO receives specialized state and federal training on how to work with youth and support district administrators. The school resource office serves as an integral part of the school staff, helping to build relationships with students and bridges between police officers and youth.

COMMENDATION

MFISD employs a school resource officer to prevent juvenile crime using a community–policing program.

FINDING

The district inconsistently applies its security enforcement practices. Although MFISD policy requires visitors to sign-in at all school and district buildings, a review team member wandered freely and unchallenged at every school. In visiting district schools, the review team entered facilities through side entrances or, if entering through the main entrance, walked through hallways past the central reception office without being stopped. In one instance, a team member spent several minutes walking through the halls and eventually entered a conference room to conduct interviews. After 15 minutes, an MFISD administrative assistant appeared in the conference room to present a visitor's badge.

Although all schools and the central office have signs directing visitors to a "front" office, it is difficult to determine the locations of the central reception office at facilities with multiple buildings.

Exhibit 3-4 shows Texas safety laws governing the treatment of unauthorized individuals in schools and on school grounds.

Exhibit 3-4 **Texas Safety Laws Regarding Unauthorized Persons on School Grounds**

| Title of the Law | Law |
|--|---|
| Unauthorized Persons: Refusal of Entry, Ejection, Identification | The Board of Trustees of a school district or its authorized representative may refuse to allow a person without legitimate business to enter property under the board's control and may eject any undesirable person from the property on the person's refusal to leave peaceably upon request. Identification may be required of any person on the property. |
| Vehicle Identification Insignia | The Board of Trustees of a school district may provide for the issuance and use of suitable vehicle identification insignia. The board may bar or suspend a person from driving or parking a vehicle on any school property as a result of the person's violation of any rule adopted by the board or of this subchapter. Reinstatement of the privileges may be permitted and a reasonable fee assessed. |
| Trespass on School Grounds | An unauthorized person who trespasses on the grounds of any school district of this state commits an offense. An offense under this section is a Class C misdemeanor. |

Source: Texas Safety Laws, Leg.H. Stats. Seventy-fourth Legislature, 1995, Ch.260, effective May 30, 1995.

The US Department of Justice's *National Institute of Justice Research Report* states that many school administrators contend that the majority of school security problems and incidents are the result of an unauthorized person on campus. These trespassers can include a school's own suspended or expelled students, students from rival schools, irate parents seeking revenge against a student or employee, gang members, or even drug dealers. It is critical for a school to carefully control who enters school buildings. Some of the less technical, though often quite effective, approaches to deterring unauthorized entry include the following:

- Signs warning that unauthorized trespassers are subject to arrest.
- Signs informing visitors that all vehicles brought onto campus are subject to school search.
- Greeters at all open entrances to school, which can be parent volunteers.
- Locked exterior doors to prevent entry from the outside and labeled inside: "For emergency exit only—alarm will sound."

- A minimum numbers of entrances to the campus and to the school.
- A policy that anyone walking around campus during class time will be challenged for a pass and/or ID and is subject to being searched or even scanned by a metal detector to be checked for weapons and/or drugs.

Many other school districts issue temporary badges to visitors that expire in one day or two hours by turning red and revealing the word “EXPIRED.”

Kerrville ISD’s (KISD’s) sixth grade school has a unique method to direct visitors to its main office. While all KISD schools have signs referring visitors to the main office, the sixth grade school has painted sidewalk markings leading visitors to the office. The school’s open configuration allows access to classrooms from almost any direction. Painted paw prints and an occasional painted sign that directs the visitor toward the office ensure that unidentified guests have no excuse for wandering around the school. The Parent Teacher Organization (PTO) paints the paw prints as a community service project and refreshes it at least once a year. The directional paw prints give the impression that the school is fun and inviting, as well as emphasizing the importance of signing in.

The district issues visitor passes as a standard procedure. The district creates a one–step process to have the visitor login and obtain a badge. Staff issues a badge to the visitor, and the log sheet becomes a permanent record of his or her visit. The temporary visitor pass expires automatically. A yellow “smiley face” is placed on the pass when it is activated, and later turns orange color to let staff know the badge has expired. The school sequentially numbers a visitor’s badge so it cannot be easily duplicated. All visitors must provide identification, sign a log noting the badge number and leave their driver’s license at the desk while attending to business within the school. This practice ensures that people do not walk off without returning their badges. The district keeps badges in an area not easily accessible to the public. Administrative buildings also establish visitor procedures and have badges. The district instructs teachers and staff to stop anyone on school grounds without a visitor badge and escort them to the main office.

Recommendation 25:

Strengthen procedures for visitor check–in, check–out, and identification.

MFISD staff should be trained to be aware of visitors who are not wearing school–issued badges but are walking through the schools and administrative buildings. Staff should also be trained on how to politely insist visitors follow sign–in and badge procedures.

FISCAL IMPACT

Temporary “3 by 3” self–adhesive badges and visitor log sheets can be ordered for \$141 for 500 sheets for each school. (Five schools x \$141 = \$705 total)

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Strengthen procedures for visitor check–in, check–out, and identification. | (\$705) | (\$705) | (\$705) | (\$705) | (\$705) |

FINDING

MFISD does not enforce districtwide standard employee badge procedures to enable staff and students to easily distinguish staff from visitors. Highland Lakes Elementary, Marble Falls Elementary, the middle school and the primary school use employee badges while the high school does not enforce badge use. **Exhibit 3–5** illustrates districtwide systems, differences, and areas of inconsistency.

Exhibit 3–5
MFISD Employee Identification System

| School | Employee Identification System Used | Comments |
|---------------------------|--|--|
| High School | Badges are provided but staff is not required to wear them. | Staff and students do not have a visible means to distinguish staff from visitors. |
| Middle School | Purchased a system for approximately \$50. Middle school staff takes pictures using a digital camera and laminates a badge for employees. Middle school badges are the same as high school badges. | Badges at the middle school are different from the ones used at the elementary and primary schools. |
| Marble Falls Elementary | A third-party takes pictures when school pictures are taken and pictures are used to create badges. | Badges at the elementary and primary school differ from the middle school. Badges are only made for new employees when student pictures are taken. |
| Highland Lakes Elementary | Have the same badges as Marble Falls Elementary | Teachers have been wearing badges since 2001–02. |
| Primary School | A third-party takes pictures when school pictures are taken and pictures are used to create badges. | The badges at the elementary and primary school are different from the middle school. |
| Central Office staff | All wear badges. | No comments. |

Source: SoCo Consulting, Inc., Staff Interviews, September 2003.

Central office staff visits many of the schools while school staff often visits other campuses and the central office. The employee badges used, however, are not consistent in design and content making it difficult for different campuses to distinguish staff from visitors.

Cedar Hill ISD (CHISD) began a picture identification program in 2001. Teachers not adhering to the rule may receive a citation. Badges for teachers and staff show the individual's name and employment location only. School officials can determine at-a-glance whether or not an individual belongs in a school.

Recommendation 26:

Establish a standard districtwide badge system and enforce its use to improve security.

While several months may be needed to implement such a system after all necessary equipment and materials have been purchased, the added security should outweigh the expense and effort. Once the badges are initially distributed, it should become the responsibility of the manager of Human Resources to issue new or replacement badges to employees.

FISCAL IMPACT

The major expense of the badge system is the initial outlay for equipment. The district will need an identification system including a camera, printer, and computer. Cedar Hill ISD purchased a system for \$5,000. The district incurs a \$5.00 charge for replacement badges. Initial and recurring expenses for cards and ribbons cost about \$500 annually.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|------------------|----------------|----------------|----------------|----------------|
| Purchase camera, printer, and computer. | (\$5,000) | \$0 | \$0 | \$0 | \$0 |
| Purchase annual maintenance contract and ongoing supplies. | (\$500) | (\$500) | (\$500) | (\$500) | (\$500) |
| Net (Costs)/Savings | (\$5,500) | (\$500) | (\$500) | (\$500) | (\$500) |

C. DISCIPLINE MANAGEMENT

In its publication *Early Warning, Timely Response*, the US Department of Education defines a well-functioning school as one that fosters “learning, safety, and socially appropriate behaviors. These schools have a strong academic focus and support students in achieving high standards, foster positive relationships between school staff and students, and promote meaningful parental and community involvement. Most prevention programs in effective schools address multiple factors and recognize that safety and order are related to children’s social, emotional, and academic development.” To promote safety and security, many districts use a student code of conduct to clearly define expectations, regulations, and consequences. Effective districts also incorporate mandatory and discretionary placement in disciplinary alternative education programs (DAEP) in developing student codes of conduct.

The Educational/Placement Instruction Center (EPIC) is MFISD’s DAEP. It was established in 2001–02 to provide alternative placements for student discipline referrals in grades 6 through 12. The district makes both mandatory and discretionary student placements in EPIC for persistent misbehavior, insubordination to teachers, theft, vandalism, and/or threats.

EPIC staff consists of a half-time director, a special education teacher, a half-time counselor, an aide, a Service Learning coordinator, a half-time secretary, and some shared staff with the Falls Career High School. EPIC’s 2003–04 budget has \$134,282 in payroll and \$7,590 in operating costs. EPIC is located in a portable building across the street from Marble Falls Elementary School and has two classrooms—one classroom for middle school students and one classroom for high school students. Each classroom can accommodate a maximum of 15 students. The school meets from 8:00 AM until 3:00 PM, and parents are responsible for student transportation. A parent also must accompany each student on the first day of admission.

Exhibit 3–6 shows EPIC’s student enrollment by ethnic, middle, and high school distribution from 2000–01 through 2002–03.

Exhibit 3-6
MFISD Educational Placement/Instruction Center (EPIC)
Ethnic, Middle, and High School Distribution
2000-01 through 2002-03

| Student Group | 2000-01 | 2001-02 | 2002-03 |
|------------------|---------------|---------------|---------------|
| | Percent | Percent | Percent |
| African-American | 2.7% | 1.9% | 5.7% |
| Hispanic | 32.7% | 31.6% | 34.0% |
| Anglo | 64.5% | 66.4% | 60.3% |
| Total | 100.0% | 100.0% | 100.0% |
| Middle School | 47.3% | 39.3% | 48.2% |
| High School | 52.7% | 60.7% | 51.8% |
| Total | 100.0% | 100.0% | 100.0% |

Source: Educational Placement/Instruction Center, MFISD, 2000-01 through 2002-03. Note: Percentages are rounded off.

On average, students stayed in EPIC for 30 days in 2000-01 and 20 days in 2001-02 and 2002-03. In 2000-01 and 2001-02, students with discretionary placements were allowed to return to their home school after 15 days of compliant behavior. Mandatory placements lasted for 30 days with no early release. Beginning in 2003-04, all placements must be a minimum of 30 days.

FINDING

The district combines clear student and staff expectations with collaborative professional efforts, community involvement opportunities, and grant funding to support student success after a disciplinary placement in EPIC. EPIC has a discipline plan with clear procedures regarding admission, absences, tardiness, classroom procedures, and suspension/expulsion. Students must also adhere to a dress code. Each day students work on assignments from their home campus, and EPIC sends each student's work to teachers at their home schools on a daily basis. This way, teachers and administrators from EPIC and the home campuses collaborate to ensure students complete the necessary work to assimilate back to their assigned schools following their EPIC stay. In addition to academics, students participate in daily counseling sessions and physical education, as well as weekly community service activities.

In 2002-03, EPIC received a \$100,000 two-year Service Learning grant to involve students in community service. The district hired a grant administrator who coordinates Wednesday community service for students at various locations. For example, some students work on a farm housing former race horses or go once a month to test water for the Lower Colorado River Authority (LCRA).

In 2003-04, the district began an "after-care" program to transition students back to their home schools in an effort to reduce the recidivism or return rate. Three days before the student is scheduled to leave EPIC, a counselor meets with the student's core teacher to review the student's behavior and work. After the student returns to their home school, the EPIC counselor meets with the students once a week for a three-week period. In addition, the counselor maintains contact with the teacher from the student's home school on an as-needed basis.

In 2000-01 and 2001-02, about 33.6 and 30.3 percent of the student placements were mandatory (**Exhibit 3-7**). The percent of mandatory placements increased in 2002-03 to more than 50 percent. The program's recidivism rate decreased by more than half in 2002-03, from its high levels in 2000-01 and 2001-02.

Exhibit 3-7
Educational Placement/Instruction Center Placements
2000-01 through 2002-03

| | 2000-01 | | 2001-02 | | 2002-03 | |
|--------------------------|---------|---------|---------|---------|---------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Enrollment | 110 | 100.0% | 155 | 100.0% | 140 | 100.0% |
| Mandatory Placement | 37 | 33.6% | 47 | 30.3% | 71 | 50.7% |
| Discretionary Placements | 73 | 66.4% | 108 | 69.7% | 69 | 49.3% |
| Average Length of Stay | 30 days | | 20 days | | 20 days | |
| Recidivism Rate | 18.2% | | 18.1% | | 7.8% | |

Source: MFISD Student Assignments to Educational Placement/Instruction Center, 2000-01 through 2002-03.

COMMENDATION

MFISD combines grant funding, extended collaborative professional services, and community involvement to reduce recidivism rates and ensure successful student transition from the disciplinary alternative education program back to home schools.

FINDING

MFISD is implementing a pilot behavior management program, the Positive Behavior Supports program, at the Marble Falls Middle School. Marble Falls Middle School staff received training from Region 13 on aspects of the program in December 2003. The district conducted a districtwide in-service training session in discipline management at the start of 2003-04 and conducts annual surveys of faculty and students that include questions related to discipline management.

To address increased behavior and violent statistics as well as discipline concerns from district and community stakeholders, MFISD prioritized discipline management in the district improvement plan (DIP), campus improvement plans (CIPs), and a research-based behavior management program. The 2002-03 DIP addressed student behavior and drug use concerns by enhancing students' social responsibility. In order to maintain a safe and disciplined environment conducive to learning, one of the four goals set in the MFISD DIP and the CIPs for 2003-04 is for all district personnel to consistently enforce student conduct. The DIP and CIP list strategies such as distributing the Code of Conduct and School Handbook information to parents in a bilingual format; reviewing sections of the school handbook monthly in newsletters; posting information on the district's Web page; reviewing the information during meetings; collecting data on behavioral concerns; teaching expected behavior; and establishing programs to increase responsible behavior.

Exhibit 3-8 shows the number of behavior incidents in 2000-01 through 2002-03. The behavior incidents at MFISD increased 17.3 percent from 2000-01 to 2002-03 while the student population during this time grew only one percent.

Exhibit 3–8
MFISD Behavior Incidents
2000–01 through 2002–03

| Year | Student Enrollment | Number of Incidents |
|----------------|--------------------|---------------------|
| 2000–01 | 3,597 | 1,231 |
| 2001–02 | 3,648 | 1,330 |
| 2002–03 | 3,632 | 1,444 |
| Percent Change | 1.0% | 17.3% |

Source: Texas Education Agency, AEIS 2000–01 through 2002–03; Safe and Drug–Free Schools and Communities Program Annual Evaluation Report Part III.

Exhibit 3–9 shows the 2002–03 responses by campus of district teachers to the survey statement “In general, discipline is not a problem at school.” With the exception of Marble Falls Elementary teachers, between 31 and 76 percent of the teachers said that discipline was a problem in their respective schools. More than three–quarters of Marble Falls Middle School teachers said that discipline was a problem in their school. The district used these responses in the decision to prioritize discipline management at a districtwide level.

Exhibit 3–9
MFISD Teacher Survey
Discipline
2002–03

| In general, discipline is not a problem at school. | | | |
|---|-------|----------------|----------|
| Teachers | Agree | Does Not Apply | Disagree |
| Marble Falls Primary | 67.5% | 0.0% | 32.5% |
| Marble Falls Elementary | 84.2% | 0.0% | 15.8% |
| Highland Lakes Elementary | 68.6% | 0.0% | 31.4% |
| Marble Falls Middle School | 23.9% | 0.0% | 76.1% |
| Marble Falls High School | 49.2% | 6.2% | 44.6% |

Source: MFISD Survey, March 2003.

As shown in **Exhibit 3–10**, a large percentage of students in 2002–03 also identified discipline as a problem. Between 26.9 percent and 61.5 percent of the students responding to the 2002–03 surveys did not agree with the statement “Most students behave at school.” Less than one–third of the middle school and high school students agreed with this statement while more than one–half of the students at these schools disagreed.

Exhibit 3–10
MFISD Student Survey
Discipline
2002–03

| Most students behave at school. | | | |
|--|-------|----------------|----------|
| Students | Agree | Does Not Apply | Disagree |
| Marble Falls Elementary | 53.6% | 5.5% | 40.9% |
| Highland Lakes Elementary | 67.6% | 5.5% | 26.9% |
| Marble Falls Middle School | 28.2% | 10.4% | 61.5% |
| Marble Falls High School | 32.3% | 13.4% | 54.3% |

Source: MFISD Survey, March 2003.

Exhibit 3–11 shows that more than one–half of middle school teachers responding to the 2002–03 surveys did not think that school personnel enforced the Student Code of Conduct in a consistent

manner. More than 30 percent of the high school teachers and the Highland Lakes Elementary School teachers and 20 percent of the primary school teachers shared this view.

**Exhibit 3–11
MFISD Teacher Survey
Discipline Enforcement
2002–03**

| School personnel consistently enforce the Student Code of Conduct. | | | |
|---|--------------|-----------------------|-----------------|
| Teachers | Agree | Does Not Apply | Disagree |
| Marble Falls Primary School | 79.5% | 0.0% | 20.5% |
| Marble Falls Elementary | 91.9% | 0.0% | 8.1% |
| Highland Lakes Elementary | 65.7% | 2.9% | 31.4% |
| Marble Falls Middle School | 45.7% | 0.0% | 54.3% |
| Marble Falls High School | 64.1% | 3.1% | 32.8% |

Source: MFISD Survey, March 2003.

Students echoed their displeasure with the way in which school rules are enforced. As shown in **Exhibit 3–12**, more than one–half of the middle school students and 63.6 percent of the high school students responding to the 2002–03 surveys did not consider the enforcement to be fair.

**Exhibit 3–12
MFISD Student Survey
Discipline Enforcement
2002–03**

| The school rules are enforced fairly. | | | |
|--|--------------|-----------------------|-----------------|
| Students | Agree | Does Not Apply | Disagree |
| Marble Falls Elementary | 76.0% | 3.2% | 20.7% |
| Highland Lakes Elementary | 75.2% | 5.5% | 19.3% |
| Marble Falls Middle School | 35.8% | 12.1% | 52.1% |
| Marble Falls High School | 27.6% | 8.8% | 63.6% |

Source: MFISD Survey, March 2003.

Disruptive behavior was the second most common category of incidents, accounting for 9.7 percent, 9.1 percent, and 7.8 percent, respectively in 2000–01, 2001–02, and 2002–03. District administrators also cited a review of statistical data as an additional factor in their decision to prioritize discipline issues. To address additional concerns from teachers regarding a lack of training on effective discipline strategies for use with students with special behavioral needs, the school psychologist worked with primary, elementary, and middle school teachers on discipline management and inclusion strategies. The district plans to administer its widely distributed stakeholder surveys in March 2004.

COMMENDATION

The district responded to increases in disciplinary infractions and stakeholder concerns by piloting a research–based discipline management program, increasing training efforts, and highlighting discipline as a board–approved annual goal.

FINDING

While the district is responding to a widespread discipline concern by developing a pilot behavior management program, MFISD does not have a system to review the effectiveness of behavior management programs and track related training and disciplinary data on a continuous and readily available basis. In addition, the district's disciplinary statistical data is also not consistently available to districtwide administrators or consistently reported. For example, MFISD reported a different number of disciplinary offenses by type of offense to the state in its summer PEIMS submissions than it reported in the Safe and Drug-Free Schools report. Without reviewing and tracking data and training available to staff, it will be difficult to know just how effective the program is.

Exhibit 3-13 shows the number of school incidents from 2000-01 to 2002-03.

Exhibit 3-13
MFISD Incidents by School
2000-01 Through 2002-03

| School | 2000-01 | 2001-02 | 2002-03 | Percentage Increase/ (Decrease) 2000-01 to 2002-03 |
|---------------|--------------|--------------|--------------|--|
| Elementary | 123 | 199 | 209 | 69.9% |
| Middle School | 364 | 390 | 445 | 22.2% |
| High School | 744 | 741 | 790 | 6.2% |
| Total | 1,231 | 1,330 | 1,444 | 17.3% |

Source: MFISD Safe and Drug-Free Schools and Communities Program Annual Evaluation Report Part III.

MFISD reported a different number of disciplinary offenses based on its PEIMS summer collection (**Exhibit 3-14**). MFISD data shows a higher number of disciplinary offenses for 2000-01 through 2002-03.

Exhibit 3-14
MFISD Offense Summary
2000-01 through 2002-03

| Year | Student Enrollment | Number of Offenses |
|---------|--------------------|--------------------|
| 2000-01 | 3,597 | 1,338 |
| 2001-02 | 3,648 | 1,608 |
| 2002-03 | 3,632 | 1,548 |

Source: Texas Education Agency, AEIS, 2000-01 through 2002-03 and PEIMS, summer collection, 2000-01 through 2002-03.

The Rosebud-Lott Independent School District (RLISD) addressed student discipline issues by revamping its entire discipline management system including review of discipline policy and procedures, training implementation, communication efforts, and incident reporting efforts. The district increased communication efforts to staff, parents, and community members regarding reported incident rates and behavioral infractions. Administrators evaluated each teaching department to determine how to increase communication with parents and teachers, and administrators worked closely with teachers to conduct workshops on classroom intervention strategies and positive disciplinary actions. As a result of the implemented efforts, the district reported reductions in discipline violations.

On an on-going basis, many districts maintain a districtwide spreadsheet on violence statistics as a precursor to PEIMS data submissions. Some districts make weekly or monthly updates and regularly check with principals and district administrators on implementation of specific programs or intervention and prevention efforts to evaluate their success. In addition, many districts require additional campus training on prevention programs, intervention methods, and strategies when teachers or administrators identify a need or to match trends located from data analysis.

Recommendation 27:

Establish an on-going tracking system for the total and type of discipline problems, increase behavior management training, and evaluate the effectiveness of the pilot behavior management program.

While the district has begun piloting a behavior management program in the second half of 2003–04 at the middle school and provided some in-service training in 2003–04, administrators should track and make data readily available on districtwide and campus violence incident rates and discipline infractions on a continual basis. High school administrators should schedule additional training for teachers and staff on such topics as discipline management strategies and inclusion available by the school psychologist or district administrators. The district should also identify any correlation between the piloted program and a change in disciplinary infractions. The district could use existing software, such as a simple Excel spreadsheet, to track, update, and maintain disciplinary infractions for availability to principals and administrators districtwide. In addition, district administrators should add specific questions regarding the implementation of the pilot behavior management program to its annual parent, teacher, and administrator surveys to collect stakeholder input when evaluating the success of the program.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD's Student Code of Conduct is not organized in an easy-to-read manner and does not separately pair behavioral infractions with consequences. Students, parents, and teachers expressed concern about the readability of the Student Code of Conduct and the inability to use the district's document as a quick reference tool.

Texas law requires each school district to prepare a Student Code of Conduct to provide students clear behavior standards. Section 37.001 of the Texas Education Code instructs the district's school board, in consultation with the district's site-based decision-making committee to adopt a Student Code of Conduct. The Student Code of Conduct must specify the circumstances in which a student may be removed from a classroom, campus, or alternative program; conditions authorizing or requiring a principal or other administrator to transfer a student to an alternative education program; and steps for student suspension. The Student Code of Conduct sets the requirements for the conduct of students in the school district in order to ensure a nurturing and orderly, safe, drug-free, violence- and harassment-free learning environment that supports student academic achievement and personal-social development. The Student Code of Conduct sets forth student rights and responsibilities while at school and school-related activities, and the consequences for violating school rules.

MFISD modeled its Student Code of Conduct manual after the Texas Association of School Board’s (TASB) *Model Student Code of Conduct*. TASB created the model to assist each district in developing a local Student Code of Conduct. The TASB model referenced the legal requirements and offered suggestions to each district to include in their own Student Code of Conduct. According to the director of Curriculum and Instruction, MFISD made very few changes to the original document and adopted the TASB model as presented.

MFISD’s Student Code of Conduct uses two columns: behaviors and consequences. In spite of the column title descriptives, prevailing practices and legal requirements are scattered throughout both columns. For example, on page two of the Student Code of Conduct manual, expected student behaviors are described in the “behavior” column while the “consequence” column describes student behavior and school rules (**Exhibit 3–15**). Both columns contain lengthy narrative about the district’s rights.

Exhibit 3–15
MFISD Student Code of Conduct Example

| Behaviors | Consequences |
|--|--|
| <p>Each student is expected to:</p> <ul style="list-style-type: none"> • Demonstrate courtesy even when others do not. • Behave in a responsible manner, always exercising self–discipline. • Attend all classes, regularly and on time. • Prepare for each class; take appropriate materials and assignments to class. • Meet district and campus standards of grooming and dress. • Obey all campus and classroom rules. • Respect the rights and privileges of other students and of teachers and other District staff. • Respect the property of others, including District property and facilities. • Cooperate with and assist the school staff in maintaining safety, order, and discipline. | <p>A student whose behavior shows disrespect for others, including interference with learning and a safe environment, will be subject to disciplinary action. School rules and the authority of the district to administer discipline apply whenever the interest of the district is involved, on or off school grounds, in conjunction with or independent of classes and school–sponsored activities.</p> <p>The district has disciplinary authority over a student:</p> <ol style="list-style-type: none"> 1. During the regular school day and while the student is going to and from school on district transportation; 2. During lunch periods in which a student is allowed to leave campus; 3. For certain mandatory DAEP and discretionary expulsion offenses, within 300 feet of school property as measured from any point on the school’s real property boundary line; 4. While the student is in attendance at any school–related activity, regardless of time or location; 5. For any school–related misconduct, regardless of time or location; 6. For any mandatory expulsion offense committed while on school property or while attending a school–sponsored or school–related activity of another district in Texas; 7. When retaliation against a school employee or volunteer occurs or is threatened, regardless of time or location; 8. When the student commits a felony, as provided by Texas Education Code 37.006 or 37.0081; and 9. When criminal mischief is committed on/off school property or at a school–related event. <p>The district has the right to search a vehicle driven to school by a student and parked on school property whenever there is reasonable cause to believe it contains articles or materials prohibited by the District.</p> <p>The district has the right to search a student's locker whenever there is reasonable cause to believe it contains articles or materials prohibited by the District.</p> |

Source: MFISD Student Code of Conduct, 2003.

San Angelo ISD (SAISD) developed a Student Code of Conduct reference chart to help parents and students readily understand the consequences of misbehavior. SAISD developed a matrix to visually depict the consequences of nearly 100 inappropriate behaviors. Principals keep a copy of the chart in their offices and review it with students and parents when an infraction occurs. **Exhibit 3–16** lists the consequences of some of the misconduct listed in the code.

Exhibit 3–16
SAISD Student Code of Conduct
2000–01

| Disciplinary Consequences | Prohibited Conduct |
|--|--|
| Corporal Punishment | At the discretion of the campus administrator |
| Detention | Two or more classroom rule violations |
| | Cutting class; leaving school without permission |
| | Truancy; loitering |
| | Cheating; copying another student’s work |
| | Dress code violation |
| In–School Suspension (OCS – On–Campus) | Repeated behavior warranting detention; failure to attend detention or comply with rules |
| | Use of offensive language or physical gestures |
| | Possession of tobacco products |
| | Fighting |
| | Gang–related behavior (including membership) |
| | Accessing prohibited Internet sites on a school computer |
| Suspension (SAC – Student Adjustment Center) | Using any school supplies to threaten harm |
| | Repeated conduct warranting OCS placement; failure to attend OCS or comply with rules |
| | Threatening to harm another person |
| | Possession, use or distribution of drugs or alcohol; use of tobacco products |
| | Sexual misconduct or harassment |
| | Stealing, theft |
| Discipline Alternative Education Program (DAEP) | Possessing knives, razors, chains, or other objects that can be used to threaten or harm |
| | Conduct punishable as a felony |
| | Assault that results in bodily injury |
| | Terrorist or bomb threat |
| | First offenses (marijuana, drugs, alcohol, glue, volatile chemicals, or aerosol paint) |
| | Indecent exposure; public lewdness |
| | Robbery or extortion |
| | Graffiti |
| Off–campus commission of Title 5 Offenses (e.g., murder, manslaughter, kidnapping, sexual assault) | |

**Exhibit 3–16 (continued)
SAISD Student Code of Conduct
2000–01**

| Disciplinary Consequences | Prohibited Conduct |
|--|--|
| Alternative Classroom for Expelled Students (ACES) | Use or possession of a prohibited weapon |
| | Aggravated sexual assault, arson, murder, kidnapping |
| | Felony–punishable use, possession, or sale of prohibited substances |
| | Serious or persistent misbehavior in DAEP |
| | Commission of an unlawful act and non–compliance in traditional or alternative school settings |

Source: SAISD Student Code of Conduct, 2000–01.

Recommendation 28:

Reorganize the Student Code of Conduct to promote quick identification of expectations, behaviors, and disciplinary consequences.

The district should reorganize the Student Code of Conduct using a chart format segregating expectations, behaviors, offenses, and related disciplinary consequences to make it easier to locate specific information.

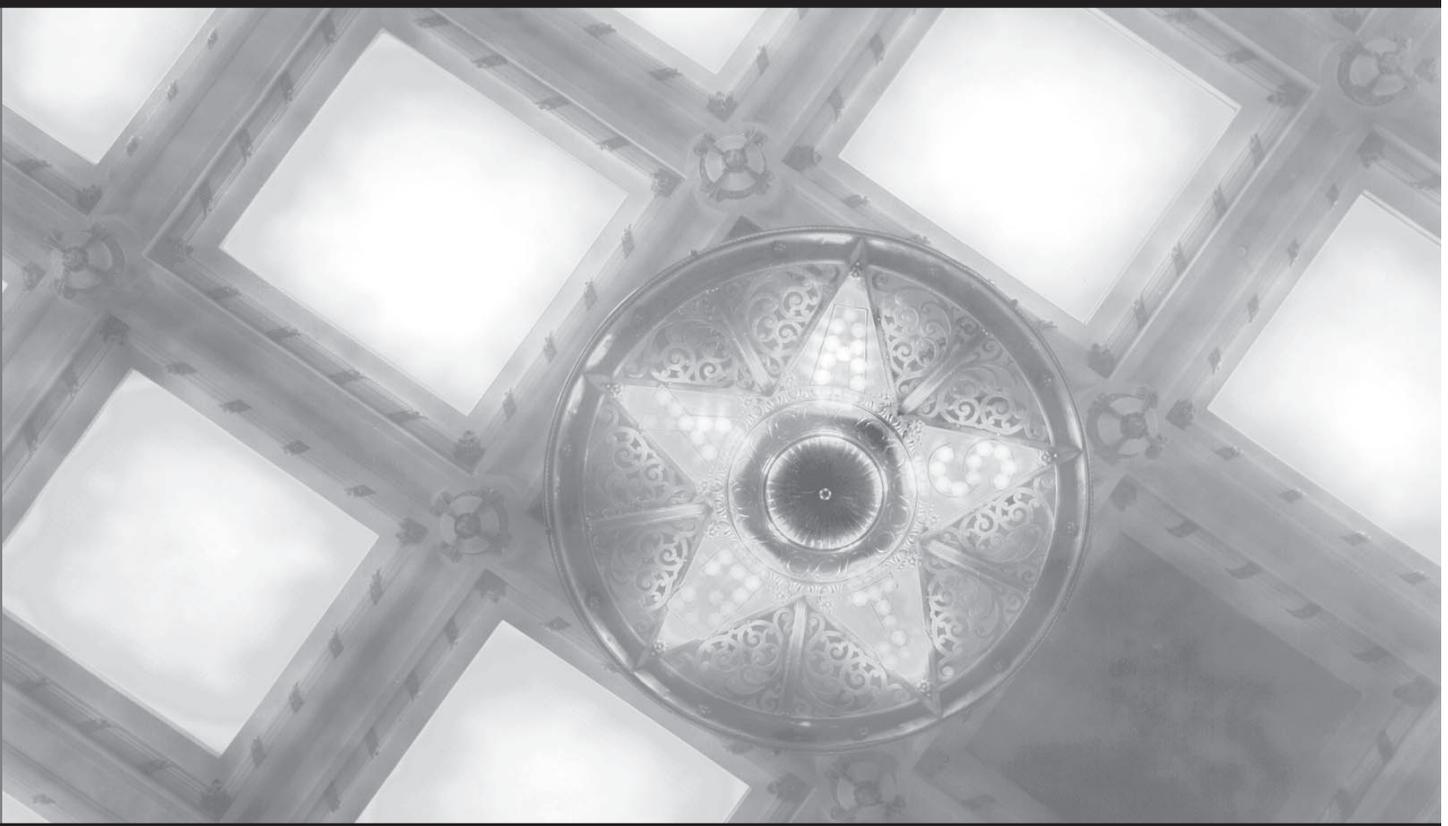
FISCAL IMPACT

This recommendation can be implemented with existing resources.

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Chapter 4

Contracts, Purchasing and Asset Management



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Chapter 4

CONTRACTS, PURCHASING, AND ASSET MANAGEMENT

This chapter reviews the contracts, purchasing and asset management function of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Purchasing and Contract Management
- B. Textbooks
- C. Asset and Risk Management

Through effective purchasing and contract management, school districts obtain quality supplies, materials, equipment and services, at the lowest possible prices. The purchasing process supports instructional delivery, administration, and other areas of a district's operations. To protect a district's significant investment in textbook acquisitions, textbook operations should include a strong management structure that involves principals and periodic inventory checks.

BACKGROUND

Various local, federal and state laws govern school district purchasing programs. A district's purchasing agent must meet the district's needs while complying with governmental regulations.

The Texas Education Agency's (TEA) *Financial Accountability System Resource Guide* (FASRG) details required procedures for the examination of records for Texas' public school districts/charter schools. According to the FASRG, purchasing departments must use available fiscal resources to obtain the maximum product or service for expended resources. It should support instructional delivery, administration, and other services. The purchasing process influences day-to-day financial functions including budget management, accounting, and accurate financial reporting.

The FASRG lists school purchasing program challenges as follows:

- numerous statutes, policies, legal interpretations, and procedures;
- the dynamic and diverse nature of the public education organizational environment;
- competition among vendors for school district business;
- oversight by interest groups; and
- many "gray" areas relating to purchasing methods and procedures.

To help school districts manage these challenges, the FASRG provides information governing school district purchases and explains the statutes, laws, and regulations provided in the Texas Education Code (TEC).

TEC section 44.031 (a) and (b) states that all 12-month contracts (except contracts for the purchase of produce or vehicle fuel, valued at \$25,000 or more in the aggregate) must use methods that provide the best value to the district. **Exhibit 4-1** lists the TEC-approved procurement methods.

Exhibit 4–1
Texas Education Code–Approved Competitive Procurement Methods

| Method | Description |
|-----------------------------------|---|
| Competitive bidding | Requires that bids be evaluated and awarded based solely upon bid specifications, terms and conditions, and bid prices. |
| Competitive sealed proposals | Requires the same terms and conditions as competitive bidding, but allows changes in the nature of a proposal and prices after proposal opening. |
| Request for proposals | Generates competitive sealed proposals, containing several key elements, including newspaper advertisements, notice to proposers, standard terms and conditions, special terms and conditions, and scope of work. |
| Catalog purchase | Provides an alternative to other procurement methods for the acquisition of computer equipment, software, and services only. |
| Interlocal contract | Provides a mechanism for agreements with other local governments, the state, or a state agency to perform governmental functions and services. |
| Design/build contract | Outlines a method of project delivery in which the school district contracts with a single entity to take responsibility for both the design and construction of a project. |
| Job order contracts | Provides for the use of job order contracts for minor repairs and alterations. |
| Construction management contracts | Outlines the use of a contract to construct, rehabilitate, alter, or repair facilities using a construction manager. |
| Reverse auction procedure | Outlines a bidding process that involves submission of bids by multiple suppliers, unknown to each other, in a manner that allows the suppliers to bid against each other. |

Source: Texas Education Agency, Financial Accountability System Resource Guide.

For 12–month period purchases greater than \$10,000 but less than \$25,000, in the aggregate, school districts may alternatively follow purchasing methods outlined in TEC section 44.031 as shown in **Exhibit 4–2**).

Exhibit 4–2
Texas Education Code Procurement Process
for Purchases Between \$10,000 and \$25,000

| Step | Description |
|------|---|
| 1 | For each 12–month period, the district shall publish a notice in two successive issues of any newspaper of general circulation in the county in which the school is located specifying the categories of property to be purchased and solicit the names, addresses, and telephone numbers of vendors that are interested in supplying items in any of the categories to the district. |
| 2 | For each category, the district shall create a vendor list consisting of each vendor that responds to the published notice and any additional vendors the district elects to include. |
| 3 | Before the district makes a purchase, the district must obtain written or telephone price quotations from at least three vendors from the list for that category. If fewer than three vendors are on the list, the district shall contact each vendor on the list. Whenever possible, telephone quotes should be confirmed in writing by mail or facsimile. |
| 4 | The district must retain the bidding records with the school’s competitive bidding records which are subject to audit. |
| 5 | The purchase shall be made from the lowest responsible bidder. |

Source: Texas Education Code (TEC), Chapter 44.031, 2002.

A. PURCHASING AND CONTRACT MANAGEMENT

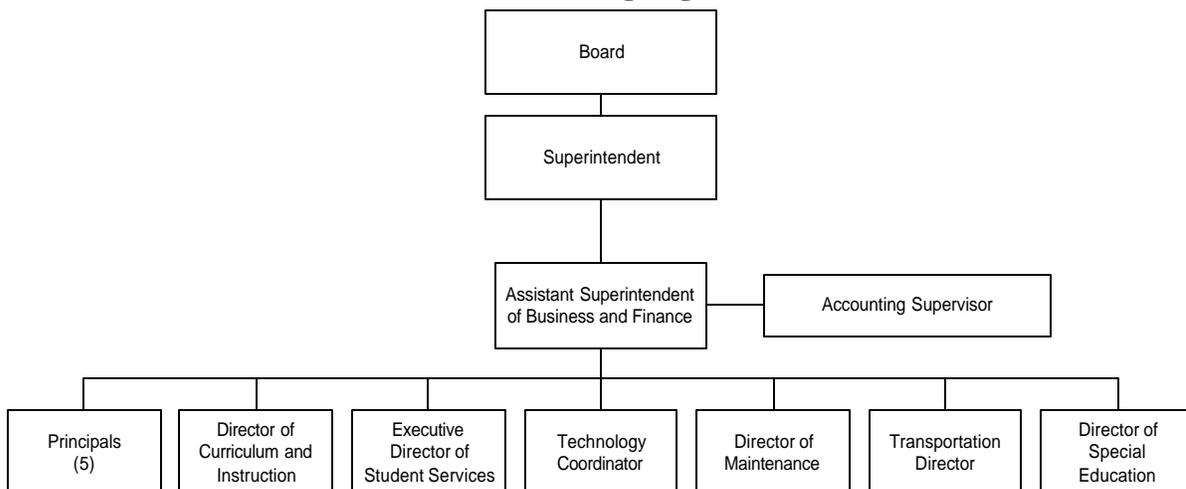
An effective purchasing system includes a good organizational structure and well–trained employees. A district should clearly define roles and related responsibilities that meet its unique operating environment. Although purchasing organization structures may vary, most provide similar functions. For example, a purchasing administrator typically:

- approves purchase orders and service contracts, including competitive procurement specifications and tabulations;
- assists in developing and modifying purchasing policies and procedures, as well as implements such policies and procedures;
- resolves any purchasing problems;
- establishes and monitors good vendor relationships;
- communicates with vendors and approves vendor communication with schools and departments;
- educates district staff on relevant purchasing statutes, regulations and board policies through either formal or informal training programs; and
- remains current on purchasing statutes, regulations and practices.

MFISD board policy CH (LEGAL) includes the legal requirements of the TEC section 44.031. MFISD board policy CH (LOCAL) authorizes the superintendent (or designee) to determine the purchasing method and make budgeted purchases. The board retains the legal requirement to approve purchases greater than \$25,000.

MFISD’s assistant superintendent of Business and Finance serves as purchasing agent; supported by the accounting supervisor, school principals, and department managers. **Exhibit 4–3** illustrates MFISD’s purchasing structure.

Exhibit 4–3
MFISD Purchasing Organization

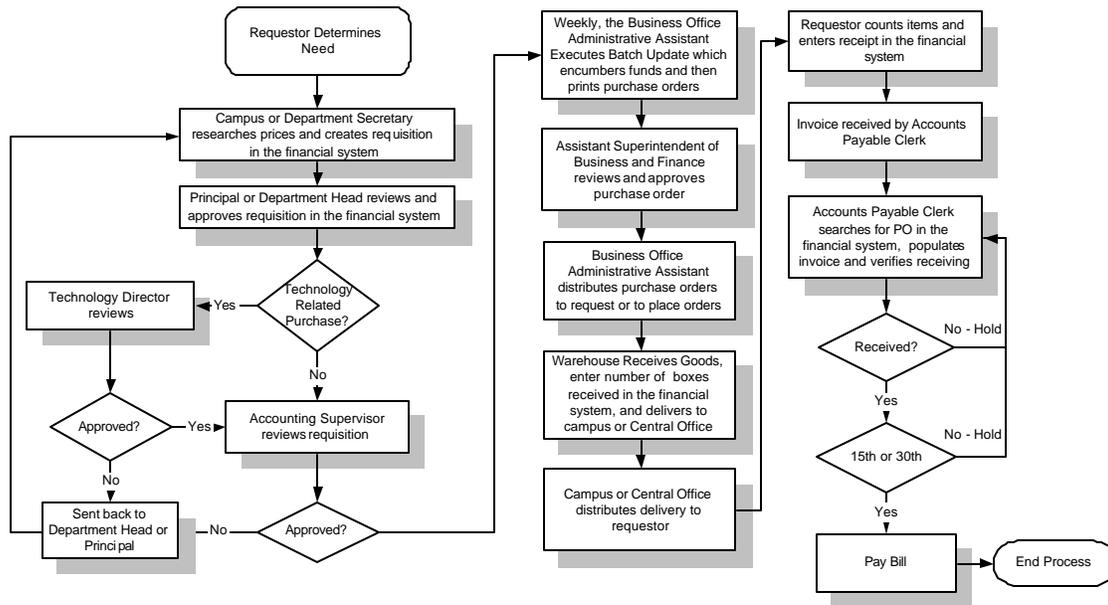


Source: MFISD, assistant superintendent of Business and Finance, September 2003.

MFISD uses “just-in-time” purchasing to manage custodial and electrical inventory. After district staff submit inventory worksheets weekly, the Maintenance clerk compiles them and determines the week’s order.

In September 2002, MFISD purchased new financial system software to maintain its financial records. The system contains modules to handle general-ledger accounting, fixed-asset accounting, budgeting, purchasing, and human resources management. The system helps the district facilitate the purchasing process with electronic approvals for budgetary and purchasing control. **Exhibit 4–4** illustrates MFISD’s purchase order process.

**Exhibit 4-4
MFISD Purchase Order Process**



Source: MFISD, Business Office, September 2003.

MFISD belongs to several cooperative purchasing programs, including the Texas Local Government Purchasing Cooperative, Texas Purchasing Consortium, Regional Education Service Center VIII (Region 8), Regional Education Service XIII (Region 13), and the Regional Education Service Center IV (Region 4) Texas Cooperative Purchasing Network (TCPN). Through these cooperatives, the district buys food services items, staff training services, instructional materials, computer equipment, furniture, office supplies, and software.

FINDING

MFISD does not have written guidelines for creating, managing and monitoring contracts. It does not maintain written procedures for creating work plans or schedules, conducting inspections and monitoring the contracted work, or reviewing and accepting the vendor performance standards. The district also lacks a comprehensive list of contracts as well as a central location to file contract documentation.

The district’s contracting process is decentralized. The assistant superintendent of Business and Finance manages bids for building, construction, transportation and food services; the Maintenance director manages bids for custodial and maintenance supplies; and the Technology coordinator manages all technology bids and purchases. The department manager requiring the goods or services initiates the bidding process. Once a vendor has been selected, the vendor writes the contract, which after being approved by the board, is signed by the assistant superintendent of Business and Finance. Using this process, the district has entered into contracts with the Texas Local Government Purchasing Cooperative, Texas Purchasing Consortium, Aramark, Region 8, Region 13, and the Region 4 TCPN.

During the school review, the district presented documentation for its outsourced food service operations, grounds maintenance and its 15–year exclusive agreement with Coca–Cola to supply

beverages for food service, vending machines, and special and sporting events. **Exhibit 4-5** summarizes the terms of these contracts.

Exhibit 4-5
MFISD Vendor Proposals, Purchasing Agreements, and Contracts
2003-04

| Vendor | Contract Terms and Conditions |
|---|--|
| Austin Coca-Cola Bottling Company | <ul style="list-style-type: none"> • No available contract • Proposal for a 15-year exclusive agreement for beverages • Proposal outlined terms covering funding, equipment, commission, service, food service, scholarships, and annual business review |
| Aramark Educational Services/Food Services Operations | <ul style="list-style-type: none"> • Renewal contract signed but not dated • Effective for the 2003-04 school year • Under the contract, MFISD has primary responsibility for: <ul style="list-style-type: none"> • monitoring the food service program through periodic onsite visits; • establishing an advisory board consisting of parents, teachers, and students to assist in menu planning; • retaining control of the school food service account and the overall financial responsibility for the program; paying Aramark an administrative fee of \$0.08623 per meal and meal equivalent for the 2003-04 contract year; • paying Aramark a management fee of \$0.04847 per meal and meal equivalent for the 2003-04 contract year; • developing, distributing, and collecting the parent letters and applications for free and reduced-price meals, and the conduct of any hearing related to that program; • providing Aramark with suitable office space, utilities, and maintenance services; • providing Aramark with servicewares, small expendable equipment, and cash registers; • reimbursing Aramark for information technology systems used in food service operations; • cleaning cafeteria areas not in the kitchen or serving lines; • providing trash removal and extermination services; and • reimbursing Aramark for all of its direct costs; paying for health examinations; and purchasing food and supplies for the food service program. |
| Grounds Maintenance | <ul style="list-style-type: none"> • District uses purchase orders instead of a contract |

Source: MFISD, contract review.

The district does not adequately monitor contract performance measures to ensure contract provisions are met. In addition, the district accepted the Coca-Cola proposal without developing a contract. The district reviews the vendor contracts only when a problem arises or prior to contract renewal dates.

On October 3, 2001, TEA conducted a Child Nutrition Coordinated Review Effort (CRE) of the Food Services department. The CRE noted that the district did not reimburse the Food Services Department account its prorated share of commissions from Coca Cola product sales resulting from the exclusive beverage agreement. According to a letter written by the director of TEA's Child Nutrition Program, the district responded that the intent of the contract language was to include cash reimbursement for the Food Services operations only at special and sporting events.

The TEA Child Nutrition Program director accepted the district's intent and encouraged the district to clarify this in the contract language. The letter from TEA also addressed the apparent lack of a valid contract with Coca Cola. The only documentation supporting the district's exclusive agreement with Coca Cola is a copy of an unsigned proposal from the beverage company with no effective dates of service and a board letter authorizing the previous superintendent to proceed with contract negotiations. The TEA letter recommended that "...since there appears to be no signed contract and no effective start date for the 15-year exclusive beverage agreement, it is recommended that the documentation be reviewed by the school district attorney to determine if a valid contractual

agreement even exists.” When the review team asked for the contract, the district provided the same unsigned proposal, which verified that the district had not corrected the issue identified by the CRE in 2001.

In addition, the US Department of Agriculture’s (USDA) regulatory requirements pertaining to soft-drink vending contracts include the following:

- If the exclusive contracts do not involve nonprofit school food service account funds, there are no Federal Child Nutrition Program procurement issues involved.
- If a district purchases any nonprofit school food service products through the exclusive contract, then all federal procurement requirements must be met. (Reference: 7 CFR 210.21; 7 CFR 3015, Subpart S; and OMB Circular A-102, Attachment O).
- If the contract includes nonprofit school food service products, any rebates, commissions, scholarship fund contributions, or any other payments back to the school district or district-related organizations must be reimbursed to the nonprofit school food service account on a prorated basis. (Reference: 7 CFR 210.14 and OMB Circular A-87, Attachment A, and OMB Circulars A-102 and A-110).
- School procurement officials should consider the impact of multi-year contracts, as opposed to single-year contracts, for the purchase of beverage and snack items. Long-term contracts appear to be more appropriate for nonperishable products and services, such as warehousing and equipment.
- School districts with existing contracts that include school food service products must reimburse the food service account its prorata share in accordance with the third item above for the current and subsequent school years and maintain appropriate documentation.

The school review team also examined the Aramark food service contract, which is annually bid through the Texas Purchasing Consortium. The Texas Purchasing Consortium selects the vendors based on a competitive bid process and the member districts negotiate the contract details. MFISD has not included any performance expectations in its contract with Aramark. In addition, district administrators could not provide any documentation that the district complies with certain contract provisions. For example, the district did not have proof that it conducts periodic onsite visits of the program or has established an advisory board consisting of parents, teachers and students to assist in menu planning. The district outsourced the food service contract to Aramark beginning in December 1990. Cost increases have never been linked to vendor performance. All increases in price have been based on the national Consumer Price Index. By not monitoring the quality of Food Services, the district cannot ensure it receives the best possible nutritional services for students.

The review team requested copies of a contract between the grounds maintenance vendor and the district as well as copies of any bids obtained. The district could only produce copies of purchase orders created for the services. In 2002-03, the district purchased \$11,150 in services from the grounds maintenance vendor. This amount exceeds what can legally be purchased without a competitive bidding process. The district has not entered into a contract for grounds maintenance with this company, and there are no performance expectations documented.

Contract monitoring ensures that a vendor fulfills all legal obligations and delivers acceptable service. Effective contracts include measures that establish adequate performance such as task completion dates, vendor payments and penalties, and specific standards about exactly what constitutes adequate performance.

Some school districts use the state of Colorado's *Contract Procedures and Management Manual* to help create contract management procedures. Colorado's manual contains information on planning, vendor selection, contract pricing, contract writing, contract management, and vendor performance.

Recommendation 29:

Ensure that district service or product agreements include valid contracts and develop written guidelines for creating, managing, and monitoring contracts.

The district should seek legal counsel to determine whether it has a valid beverage contract. It also should contract for grounds maintenance, instead of relying on purchase orders and running the risk of non-compliance with state purchasing guidelines.

MFISD should designate a contract manager to develop guidelines that clearly outline the district's contract management duties. The guidelines should include the following:

- developing the bid or request for proposal and writing the contract;
- monitoring the vendor's progress and performance to ensure that goods and services provided conform to the contract requirements;
- identifying any need for contract changes and amending the contract to reflect the changes;
- conducting financial reviews and audits during the contract period;
- maintaining appropriate records;
- working with the vendor to resolve any problems;
- terminating the contract, if necessary, which includes determining performance or contractual provisions breached and documenting efforts to correct the breach and recommending termination to the office that has authority to cancel the contract;
- managing the contract close-out;
- evaluating the contract results, and if the evaluation discloses a systematic problem, recommending corrective action to eliminate the problem; and
- managing staff access to legal counsel and associated costs.

The designated contract manager should identify and attend an appropriate training program for contract managers. Training is available from professional organizations such as the Institute for Supply Management (ISM).

FISCAL IMPACT

This fiscal impact is based upon a self-study course such as the one offered on the Institute for Supply Management's (ISM) website, "Contract Development and Administration," at a one-time cost of \$199. The ISM course covers how to define the elements of an enforceable contract, integrating contract development into all phases of the source selection process, negotiating contract terms, appreciating the cost and risk aspects of various contract provisions, and measuring, and monitoring contract performance. This course also provides the basic details needed for successful contract management.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Ensure that district service or product agreements include valid contracts and develop written guidelines for creating, managing, and monitoring contracts. | (\$199) | \$0 | \$0 | \$0 | \$0 |

FINDING

MFISD does not have a formal process to track aggregate purchases to ensure compliance with state law and board policy. According to board policy and state law, purchases valued at \$25,000 or more in the aggregate during a 12-month period must be made using a competitive procurement method, unless specific exceptions apply. Purchases between \$10,000 and \$25,000 must be advertised in two successive issues of any newspaper in the district’s county, unless procurement is made from a vendor list, then it must obtain three quotes.

The review team conducted interviews with district personnel and requested supporting documentation for all purchases greater than \$10,000 made in 2002–03. The district made \$2.2 million in aggregate purchases in 2002–03. Of this amount, \$226,369 did not comply with state law and board policy on competitive bidding purchasing laws (**Exhibit 4–6**).

Exhibit 4–6 MFISD Purchases 2002–03

| Vendor | Amount | Description |
|------------------------------------|---------------|-------------------------------------|
| De Lage Landen Finance Services | \$22,115 | Copy machine leases. |
| George Despain | \$19,842 | Small maintenance contract jobs. |
| Elliott Electric Supply | \$31,267 | Maintenance supplies. |
| Danny Gouge | \$35,717 | Small construction jobs. |
| Hill Country Office Machines | \$37,165 | Copy machine maintenance and toner. |
| Marble Falls Ace Hardware & Rental | \$14,423 | Maintenance supplies. |
| Sutherlands | \$23,925 | Maintenance supplies. |
| Xerox Corporation | \$41,915 | Copy machine leases. |

Source: MFISD, purchase order system and vendor payments, 2002–03.

As required by law, the district obtained quotes for individual purchases from its vendor list, but failed to comply with appropriate purchasing methods when the aggregate purchases exceeded \$10,000. The following list provides examples of the district’s non-compliance with state competitive procurement laws.

- MFISD obtained quotes from vendors for pouring a concrete slab at the Maintenance building; however, the district did not seek quotes for other small construction jobs it awarded to Danny Gouge.
- The district obtained quotes from approved vendors and awarded Elliot Electrical Supply a \$10,425 bid for electrical work on the Agricultural Department barn. The district made additional purchases from Elliot Electric Supply without obtaining other approved vendor quotes.
- The district purchased maintenance supplies from Sutherlands for \$23,925 and Marble Falls Ace Hardware for \$14,423 that did not comply with state purchasing laws.

MFISD does not track aggregate purchases and continues to risk non-compliance with the state requirements for competitive procurement.

Districts with decentralized purchasing functions can benefit from using commodity codes to track and monitor classes of items purchased. This tracking ensures that the district does not exceed thresholds for bidding. Fort Bend ISD effectively implemented automated tracking of items using a commodity code system. Other districts analyze past expenditures to identify candidates for bidding and quotes, and monitor expenditures to ensure that they do not exceed thresholds.

Recommendation 30:

Establish a process to track and ensure district compliance with procurement laws on aggregate purchases.

The assistant superintendent of Business and Finance should develop a method to track aggregate purchases using financial system information and should assign a staff person to monitor aggregate levels.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have a purchasing procedures manual to guide and support district purchases. Comprehensive purchasing procedures manuals identify purchasing methods and provide detailed guidelines on how to execute board-approved policies. MFISD does not have: a documented approval structure, dollar thresholds to determine when to present purchases for board approval, procedures for emergency purchases, or a list of individuals authorized to make purchases. In a decentralized purchasing environment, written procedures help ensure that the district receives the best value for its purchasing dollar.

MFISD has posted high-level, board-adopted purchasing policies on its Web site, but does not have a procedure manual that establishes district rules to help employees make purchasing decisions. The district's two-page purchasing procedures, which were last revised on April 1, 2003, outline the process for ordering and receiving purchases and rules concerning travel expenses. Staff has no guidance for appropriately and consistently following the district's purchasing policy. This has resulted in staff failing to obtain bids or quotes for some purchases as required by law.

A purchasing manual provides district staff guidance to ensure that they understand or comply with district purchasing policies. Section 3.2.1 of TEA's FASRG states that every school district should have a written manual describing its purchasing policies and procedures to provide guidance to school district employees at school and departmental levels. A manual promotes consistency in school district purchasing.

A manual can also communicate and explain the district's established policies and procedures to vendors. A detailed policies and procedures manual ensures that staff involved in the purchasing process are aware of and understand the district's purchasing policies and that all adhere to the same

procedures. This helps reduce errors and misunderstandings about the process and improves compliance with procurement laws and regulations.

Center Point ISD (CPISD) has comprehensive purchasing policies and procedures. The business manager meets annually with management and teachers to review purchasing policies and procedures and ensure that they understand district guidelines. CPISD outlines the purchasing policies in systematic purchasing procedures for central office staff and school administrators. The purchasing procedures include a graphical process flow, steps for submitting a purchase order, a timeline for when checks will be issued during the school year, instructions for requesting a travel advance and travel reimbursement, and the contracted services procedures.

Recommendation 31:

Create a purchasing procedure manual and provide training to district staff on purchasing procedures.

The district's purchasing manual should address purchasing goals and objectives; statutes, regulations, and board policies applicable to purchasing; purchasing authority; requisition and purchase order processing; competitive procurement requirements and procedures; vendor selection and relations; receiving, distribution, and the disposal of obsolete and surplus property. Many manuals also discuss request for payment vouchers and repair and service of equipment. The procedures manual also should include an annual bid calendar and instructions for using the financial system software. It should include examples of relevant forms, including sample bids or proposals, purchase order forms, purchase requisitions (if separate from the purchase order), receiving report, vendor performance evaluation forms, and requests for payment voucher.

In addition, the assistant superintendent of Business and Finance should conduct a training session with all staff involved in the purchasing process to effectively communicate policies, procedures, and practices.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD lacks adequate controls over open purchase order and credit card use. The district issues open purchase orders to facilitate multiple purchases from a single vendor over a specified period of time. The district's only method of preventing user misuse of open purchase orders is a standard statement printed on the purchase orders that only the items listed on the purchase order can be purchased without district approval. A problem with this is that approved purchases are not itemized on the purchase orders, so vendors have no real way of knowing whether the specific items being purchased are approved. The district also lacks a process for tracking district credit cards and for ensuring that only authorized users are able to use the credit cards.

Although MFISD implemented open purchase orders to facilitate ongoing purchases from a single vendor, the district has not developed a policy or procedures to control these expenditures. For example, its purchase orders list categories of approved items instead of itemized lists. This makes the receiving and invoice payment process different from a traditional purchase order where the purchase order is for the exact amount of the purchase. The district does not have a policy or procedures that

specify how the system will receive and pay for items procured with open purchase orders. The accuracy of payments to companies with open purchase orders depends on the diligence of the department placing the orders. The district has not provided departments with any guidelines to ensuring an accurate and smooth process.

The review team requested copies of all open blanket purchase orders and the district presented 38 open purchase orders with 24 different vendors. **Exhibit 4–7** lists some of the purchases.

Exhibit 4–7
MFISD Open Purchase Orders
2002–03

| Vendor | Purchase Order Reviewed | Purchases Made using Open Purchase Orders | Open Purchase Order Amount | Variance More or (Less) than the Purchase Order |
|-----------------------------|-------------------------|---|----------------------------|---|
| Bourland Auto Supply Inc | 9363038009 | \$966 | \$800 | \$166 |
| Crownover Feed & Supply | 9363038404 | \$702 | \$50 | \$202 |
| Elliott Electric Supply | 9363038013 | \$409 | \$500 | (\$90) |
| | 9363038313 | \$1,131 | \$1,000 | \$131 |
| Marble Falls Glass & Mirror | 9363038020 | \$2,033 | \$1,800 | 4233 |
| Ship E–Z | 9363038033 | \$125 | \$100 | \$25 |
| Sutherlands | 9363038326 | \$554 | \$500 | \$54 |
| | 9363038421 | \$1,112 | \$1,000 | \$112 |

Source: MFISD, vendor payment register, 2002–03.

Seven of the eight open purchase orders reviewed exceeded the amount approved on the original purchase orders. MFISD does not monitor the activity on open purchase orders to ensure that purchases do not exceed the approved amounts.

The district also makes obtaining purchase order numbers easy for some district staff. The Maintenance Department has a laminated card that lists all the open purchase order numbers allowing users access to purchase order numbers at all times. For Home Depot purchases, the district uses Buyer’s Identification cards to ensure only authorized employees make purchases. According to the superintendent of Business and Finance, a purchase order must be approved for an employee to pick up an item. Receipts are turned in daily and reconciled with the purchase order.

In addition to open purchase orders, the district uses numerous credit cards without controls, including Visa, Wal-Mart, HEB, Texaco, and Chevron. The district does not have an employee to monitor or track credit cards, and procedures and controls associated with the use of credit cards are limited. Employees must obtain permission from the assistant superintendent of Business and Finance to use a credit card. The assistant superintendent approves the requisition and his secretary issues the cards. MFISD issues fuel cards to employees for workshop and convention travel expenses. To prevent unauthorized personnel from using district credit cards, MFISD provides vendors a list of authorized card users. It is the vendor’s responsibility to ensure that the credit card holder is an authorized user.

Exhibit 4–8 shows a summary of purchases made with the district’s credit card accounts during 2002–03.

Exhibit 4–8
MFISD Credit Card Purchases
2002–03

| Credit Card | Total Expenditures |
|--------------------|---------------------------|
| Visa | \$4,843 |
| Texaco | \$560 |
| Wal-Mart | \$21,423 |
| HEB | \$9,346 |
| Home Depot | \$7,852 |
| Chevron | \$1,445 |

Source: MFISD, vendor payment register and credit card statements, 2002-03.

On a weekly basis, district employees purchase custodial, office supplies, food items (other than for the cafeteria), and computer supplies from Wal-Mart using open purchase orders and the Wal-Mart credit card, even though the district has approved vendors for office supplies and participates in the Texas Purchasing Consortium. The type and frequency of Wal-Mart credit card purchases indicates the district may not be using approved vendors appropriately. For example, the district approved four vendors for office supplies based on a competitive bid process. Although Wal-Mart is not an approved vendor for office supplies, the district has purchased printers and USB cable from this store. Discount store cards are intended for “emergency” purchases; however, the frequency of purchases indicates it may be used as a convenience. By purchasing non-emergency items with the credit card instead of through approved vendors, the district may be paying more for some items.

Some governmental entities, including Texas school districts, use procurement cards instead of credit cards and open purchase orders. Although similar to debit cards, procurement cards provide a high control level while streamlining and simplifying the process for making low-dollar, high-volume purchases. A district can control procurement cards at several levels, including by department and by employee. Card limits can be set by individual employee; by single purchase limits; with monthly, weekly, or daily limits; or some combination. Merchant category codes can also be established with each card so that employees can only make purchases through pre-approved vendors.

Similarly, product code restrictions limit the types of items that can be purchased with procurement cards. For instance, employees who are issued cards for purchasing small tools and parts for Maintenance repairs can be limited to the purchase of only these items. Automated reporting features allow both the cardholder and Finance or Purchasing staff to review cardholder activity daily, weekly, or monthly.

The Texas Building and Procurement Commission has established the State of Texas Procurement Card System. School districts can choose to “piggyback” on the procurement card contract the TBPC has negotiated.

Recommendation 32:

Implement policies and procedures limiting the use of open purchase orders and credit cards.

Placing stricter controls over the use of district credit cards and open purchase orders will help improve accountability and better safeguard the district's assets. The assistant superintendent of Business and Finance and the accounting supervisor should consider replacing blanket purchase orders and the Visa and Wal-Mart credit cards with procurement cards since these provide the capacity for control at several levels, and can also be used to ensure that the district purchases only from approved vendors.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. TEXTBOOKS

An effective textbook operation includes timely acquisition and delivery of textbooks to ensure all students have books when school starts. It also includes an inventory process to properly maintain and account for books. The district is reimbursed for lost textbooks and surplus books are maintained and disposed of appropriately. All textbook policies and procedures documentation is easily followed and understood.

TEA selects and purchases most of the textbooks used in Texas school districts. Each year, TEA provides districts with a list of recommended textbooks, buys textbooks from publishers, and lends them to districts. A district's established textbook adoption committee then selects the textbooks the district will order, following TEA guidelines. Districts make the final order on decisions and TEA does not monitor the use of textbooks.

In Marble Falls ISD, the director of Student Services serves as the district's textbook coordinator. The district places textbook orders annually for the coming school year using the TEA's Educational Materials (EMAT) online textbook requisition system. New texts are delivered to the warehouse where books are unpacked and inventoried during the summer to prepare for distribution at the beginning of the school year.

In addition to the director of Student Services, MFISD has a textbook coordinator for all five campuses. The district textbook coordinator (the director of Student Services) developed a textbook manual that details how to manage the district's textbook needs, and includes procedures for the local textbook adoption process. **Exhibit 4-9** illustrates MFISD's steps in the textbook adoption process.

Exhibit 4-9
MFISD Textbook Adoption Calendar
2002-03

| Date | Activity |
|------------------------|---|
| November/December 2002 | Receive and distribute materials |
| November 5, 2002 | Deadline for Campus Recommendations for Textbook Committee |
| November 11, 2002 | Textbook Adoption Organizational Meeting with Campus Representatives |
| November 18, 2002 | Board Meeting – Committee Approval |
| December 1, 2002 | Campus Department/Grade Level Meetings |
| December 6, 2002 | Region 13 Publisher Preview (Hutto HS) |
| January 1, 2003 | Campus Department/Grade Level Textbook Meetings and District Publisher Presentations Round Rock Publisher Preview |
| January 29, 2003 | 1st – 5th Vertical Meeting |
| January 23, 2003 | 6th – 12th Vertical Meeting |
| February 2003 | Publisher Presentations |
| February 17 – 21, 2003 | Public Preview |
| February 19, 2003 | 1st – 5th Vertical Meeting |
| February 24, 2003 | Deadline for Citizen’s Written Comments |
| March 3, 2003 | Final Textbook Selection Committee Meeting |
| March 24, 2003 | Board Meeting – Textbook Adoption and Certification |
| March 31, 2003 | Deadline for Certification to TEA |

Source: MFISD, Textbook and Adoption Calendar Revised, 2002-03.

The textbook procedures manual includes instructions for issuing textbooks to teachers and students; handling damaged and lost textbooks; monitoring textbooks; and collecting student textbooks and classroom textbook sets. The district textbook coordinator said that throughout the year this manual is used many times as a resource.

The adoption procedures contain a list of the textbook adoption committee; adoption calendar; adoption committee responsibilities; implementation plans; all the necessary forms needed in the adoption process; listings of all books on the years adoption cycle; local board certification forms; textbook adoption policies; TEA’s textbook and adoption procedures; and all the related TEC statutes.

Since TEA textbooks are state property, when the district receives the books, the school board becomes the legal custodian of the textbooks. In MFISD, lost or damaged books must be reported to each school principal. The district requires that books damaged or lost by students be replaced at the parents’ expense. As shown in **Exhibit 4-10**, the number of unpaid lost textbooks by school in 2002-03 was minimal. This district continues to pursue collection of unpaid items.

**Exhibit 4–10
Lost Textbooks by School
2002–03**

| School | Forgiven | | Paid Items | | Unpaid Items | | Total Amount | |
|----------------------------|-----------|----------------|------------|----------------|--------------|----------------|--------------|----------------|
| | Number | Amount | Number | Amount | Number | Amount | Number | Amount |
| Marble Falls High School | 23 | \$988 | 42 | \$1,991 | 0 | \$0 | 65 | \$2,979 |
| Marble Falls Middle School | 2 | 91 | 7 | 308 | 30 | 1,470 | 39 | 1,870 |
| Highland Lakes Elementary | 5 | 185 | 1 | 37 | 8 | 296 | 14 | 518 |
| Marble Falls Elementary | 16 | 416 | 5 | 104 | 0 | 0 | 21 | 521 |
| Marble Falls Primary | 0 | 0 | 7 | 36 | 0 | 0 | 7 | 36 |
| Total | 46 | \$1,680 | 62 | \$2,476 | 38 | \$1,766 | 146 | \$5,924 |

Source: MFISD, director of Student Services.

FINDING

MFISD replaces lost and damaged books with used books whenever possible. The district textbook coordinator contacts the various textbook vendors to determine the availability of used copies of the needed books. The textbook coordinator orders directly from the publisher or TEA only when used books are unavailable. During 2002–03, MFISD saved \$3,442 by ordering used textbooks as replacements.

COMMENDATION

MFISD saves money by replacing textbooks with used books whenever possible.

C. ASSET AND RISK MANAGEMENT

Critical success factors for asset and risk management include protecting the district from unforeseen financial risks at a reasonable cost; maximizing the return on district investments, while safeguarding the district’s cash and ensuring liquidity to meet fluctuating cash–flow demands; managing bonded indebtedness in a cost–effective manner; and accounting for fixed assets efficiently and cost–effectively and ensuring against theft and obsolescence.

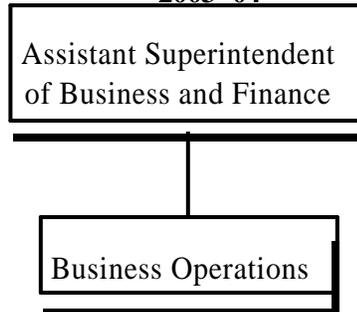
Cash and Investment Management

An effective cash and investment management program can give a district additional money to fund essential programs and operations. Maximizing return on invested funds while ensuring the safety and liquidity of investments is a high priority. Effective cash management programs provide competitive rates of return using various investment instruments, and they are based on a comprehensive written investment policy approved by the board. They ensure personnel are skilled in investment procedures and techniques and that they stay current on money market conditions.

Districts with effective investment programs keep excess cash invested in accounts or financial instruments that pay the district the maximum interest rates available and schedule the maturity of investments so that cash is available to pay expenses. The goal is to invest all funds until they are needed to maximize interest earnings.

The assistant superintendent of Business and Finance is responsible for the cash management functions of the district and is assisted by the accounting supervisor. **Exhibit 4-11** shows the organizational structure of the cash management processing functions at MFISD.

Exhibit 4-11
MFISD Cash Management Organization
2003-04



Source: MFISD, assistant superintendent of Business and Finance, September 2003.

While there is no formal cash management department, business office personnel perform cash management transactions in addition to their other duties. The roles and responsibilities for cash management processing are shown in **Exhibit 4-12**.

Exhibit 4-12
MFISD Cash Management Positions and Responsibilities

| Position | Responsibilities |
|--|--|
| Assistant superintendent of Business and Finance | <ul style="list-style-type: none"> • Develop periodic cash-flow analyses to help determine cash available for investment and payment of bills. • Maintain the district investment portfolio. |
| Business Operations | <ul style="list-style-type: none"> • Manage cash and investments and communicate with financial institutions and contracts. |

Source: MFISD job descriptions, August 1999.

The district has issued millions of dollars in bonds in the last 15 years to fund new facilities and renovations to existing schools. **Exhibit 4–13** shows the bonds payable as of August 31, 2002.

**Exhibit 4–13
MFISD Bonds Payable
August 31, 2002**

| Year of Issue | Current Interest Rate | Description of Use | Amount Outstanding as of 08/31/02 |
|----------------------------|------------------------------|---|--|
| 1989 | 6.60%–7.10% | Refunded other bonds to take advantage of lower interest rates. | \$5,638,143 |
| 1992 | 2.70%– 5.40% | Refunded other bonds to take advantage of lower interest rates. | 1,790,000 |
| 1996 | 4.25%–5.63% | Constructed a new high school classroom wing, Highland Lakes Elementary School, and the middle school multipurpose building. | 2,514,198 |
| 2000 | 5.0% | Issued maintenance tax note for re-roofing the elementary classroom building, the middle school two-story building, and heating and air conditioning work at the middle school. | 360,000 |
| 2002 | 5.11%– 6.17% | Constructed Spicewood Springs Elementary School, high school gym, Highland Lakes classroom wing. | 12,498,799 |
| 2002A | 2.50%– 5.0% | Refunded other bonds to take advantage of lower interest rates. | 9,342,700 |
| Total Bonds Payable | | | \$32,143,840 |

Source: MFISD, External Audit Report, August 31, 2002.

Voters approved by a two to one margin the February 2002 bond issue to build a new elementary school in Spicewood, a new technology building at the middle school, an additional wing at Highland Lakes Elementary, and a new gymnasium at the high school. The 2002A bonds were to refund funds from the 1992, 1996, and 2000 bond issues and obtain a lower interest rate. The bonds from 1989 cannot be redeemed prior to maturity; therefore, the district is unable to refinance them to obtain a lower interest rate.

The district began issuing the 2002 bonds in phases at the beginning of 2002–03 to begin construction. The majority of the funds from the sale of the bonds were invested with the Texas Association of School Boards (TASB) Lone Star Investment Pool until they were needed to pay construction costs. The Lone Star Investment Pool is a member–owned, member–governed public funds investment pool that offers four funds: the Liquidity Fund, the Liquidity Plus Fund, the Liquidity Corporate Fund, and the Enhanced Corporate Fund.

TASB invests only in investments authorized under the Public Funds Investment Act. Certain funds contain further restrictions on eligible investments. Pool investments are diversified among a number of individual securities that mature at different times.

MFISD had seven bank accounts with its depository bank as of July 31, 2003. Deposits held at Security State Bank & Trust and the Lone Star Investment Pool are shown in **Exhibit 4-14**.

Exhibit 4-14
MFISD Bank and Investment Accounts
July 31, 2003

| Account Type | Balance |
|---|---------------------|
| Security State Bank & Trust | |
| Finance | \$7,612 |
| Money Market | 454,551 |
| Debt Service | 250,279 |
| Capital Projects | 18,776 |
| Sweep Account | 25,032 |
| Sweep Account 2 | 200,000 |
| Payroll | 755,761 |
| Total | \$1,712,011 |
| Lone Star Investment Pool | |
| LQ+ General Fund | \$1,712,711 |
| LQ+ Capital Projects Fund | 736,728 |
| Liquidity Corporate Fund – General Fund | 1,845,510 |
| Enhanced Corporate Fund – General Fund | 6,613,109 |
| Enhanced Corporate Fund – Capital Projects Fund | 684,955 |
| Total | \$11,593,013 |
| Total Cash & Investments | \$13,305,024 |

Source: MFISD, Security State Bank & Trust and Lone Star Investment Pool statements, July 31, 2003.

In May 2003, the district released a request for proposal to nine different banks for a new depository–banking contract for the two years beginning September 1, 2003 and ending August 31, 2005. The district received four proposals and, after evaluating the proposals, awarded the contract to the International Bank of Commerce (IBC) located in Marble Falls. The bank offers the district checking accounts that pay a variable rate of interest on the collected balance in all district checking accounts. The collected balance is defined as the amount of money actually in the district’s checking accounts at the end of each day. Checks deposited into the district’s accounts that have not been paid from the bank where the check was drawn are not included in the collected balance. The interest rate is based on a rate equal to the 13–week US T–Bill “asked” rate plus 75 basis points, as published in the Wall Street Journal Treasury Bonds, Notes and Bills section as of the last day of the prior month, recalculated monthly thereafter.

Under the new arrangement, MFISD does not pay any bank fees except for insufficient–funds fees. Under the new banking contract with IBC, the district maintains only five bank accounts. The two sweep accounts were eliminated.

The bank collateralizes up to \$10 million in district deposits to protect funds deposited with the bank. This means that should the bank close down, the district would own securities that could be sold to recover the district’s deposits. In this way, the district’s funds on deposit at the bank are protected.

The assistant superintendent of Business and Finance has been designated by the board as the investment officer for MFISD, in accordance with board policy. The investment officer is required to attend at least one investment training session annually.

FINDING

MFISD's cash management processes do not have proper internal controls to reduce the opportunity for fraud, theft, and unauthorized disbursements. The lack of sufficient internal controls provides employees the opportunity to conduct improper financial activities; in many cases, the actions could go undetected for long periods of time or never be detected. Although no improper activity was noted, weak internal controls do provide the opportunity for unauthorized activities.

The district has a special network printer in the business office that produces authorized signatures on district checks. Check stock is located in the office supply closet that is also located in the business office. Business office employees have access to this printer and to the office supply closet 24 hours a day, seven days a week because they have keys to the business office and to the closet. This provides employees the opportunity to take a blank check, make it out for a certain amount, use the special network printer to print the check with the authorized signatures, and either mail the check to an address or leave with the check, without being detected.

The district's payroll clerk has the ability to set up new employees in the payroll system, enter or change salary amounts for employees, print payroll checks, and also distribute payroll checks. Proper internal controls would not allow a single employee to have the ability to set up employees and their related salaries or to change the salary amount for existing employees and then print a paycheck. Under MFISD's process, the payroll clerk could set up a fictitious employee or change her own salary amount, print a paycheck with the appropriate signatures, and leave with the check undetected.

The district's accounting supervisor makes cash transfers between bank accounts, has access to the check stock, and reconciles all bank statements, which creates a serious internal control issue. Separation of cash processing duties is necessary for proper internal control. The bank reconciliation process is a control function designed to ensure that unauthorized transfers or other transactions from district bank accounts are identified and immediately reported. If the same person has authorization to transfer funds and is also responsible for reconciling the bank statement, irregular bank activity is likely to go undetected. Allowing the accounting supervisor to perform multiple cash-related processes is a significant breakdown in internal controls.

The Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG) states that as a school district writes an information management plan, internal controls should be considered. Each school district needs an internal control structure in place to ensure that school district assets are safe from unauthorized use or disposition. The attitude of the district administration about internal controls is a key factor in the successful implementation of an internal control system. Development of policies and procedures that include internal control elements is critical. Willingness to immediately take corrective action when deficiencies are discovered is also important.

School districts that create strong internal controls take into consideration many components:

- security measures to safeguard the school district's assets from internal or external misuse (such as video monitoring, limiting access, security codes, and computer passwords);
- segregation of duties;
- hardware and software controls;
- internal audit and review functions; and
- external audits.

Recommendation 33:

Implement sound internal controls for cash management.

Employees with access to the printer that prints checks with authorized signatures should not have access to the check stock. All check stock should be stored in a locked file cabinet. The assistant superintendent of Business and Finance should designate the accounting secretary to retain the keys to the file cabinet. The accounting secretary should unlock and lock the cabinet when check stock is needed. A log should be kept for each amount of check stock, detailing the date the stock was issued, the recipient, and the check numbers given. Another person within the business office should have a backup set of keys to the file cabinet.

The assistant superintendent of Business and Finance should designate an employee to perform the bank reconciliations who does not have other cash-processing duties such as bank transfers, deposit of cash, or the ability to issue checks on district bank accounts.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Cash flow reports that are the responsibility of the assistant superintendent of Business and Finance have not been consistently prepared; consequently, MFISD is not maximizing interest earnings on idle cash. The district had more than \$3 million in cash on deposit with its depository bank between August 2002 and July 2003, as shown in **Exhibit 4-15**.

Exhibit 4-15
MFISD Average Bank Balance
August 1, 2002-July 31, 2003

| Account Type | Balance |
|------------------|--------------------|
| Capital Projects | \$27,452 |
| Debt Service | 245,570 |
| Finance | 162,475 |
| Money Market | 546,185 |
| Payroll | 709,423 |
| Sweep Account | 1,154,499 |
| Sweep Account 2 | 346,759 |
| Total | \$3,192,363 |

*Source: MFISD, Security State Bank & Trust statements,
August 1, 2002 through July 31, 2003.*

The average monthly balance of more than \$3 million earned an average of \$4,153 in interest on an annual basis during this period of time. This equates to an average annual interest rate of 1.56 percent.

Also between August 1, 2002 and July 31, 2003, the district issued bonds to finance several construction projects. The funds received from the issue of these bonds were deposited into and held by the Lone Star Investment Pool in three liquid accounts. **Exhibit 4-16** shows the average investment balance from August 1, 2002 through July 31, 2003.

Exhibit 4-16
MFISD Average Investment Balance
August 1, 2002 through July 31, 2003

| Account Type | Balance |
|----------------------------------|---------------------|
| Lone Star Investment Pool | |
| Liquidity Corporate Fund | \$3,538,347 |
| Liquidity Plus Fund | 1,200,643 |
| Enhanced Corporate Fund | 9,707,951 |
| Total Investments | \$14,446,941 |

Source: MFISD, Lone Star Investment Pool statements, August 1, 2002 through July 31, 2003.

During this timeframe, the average investment balance was \$14.5 million, and the average annual investment return was less than 1.35 percent. The funds in the district's bank accounts actually were earning more interest than the bond proceeds invested at Lone Star. Due to the new bank depository agreement with IBC, the district will earn a higher interest rate on funds deposited with the bank.

The assistant superintendent of Business and Finance said a cash flow report is supposed to be prepared by the accounting supervisor to show that sufficient cash will be available to cover all district expenditures. Records show that a monthly cash flow report was prepared during the 2001-02 school year. Cash flow reports were prepared sporadically during the 2002-03 school year; one has not been prepared since the start of the 2003-04 school year. The assistant superintendent of Business and Finance stated that he routinely requests the bank balance and then makes a decision on what funds to transfer. The accounting supervisor actually performs the transfers as requested by the assistant superintendent of Business and Finance. Without a complete analysis of all cash and investment balances and the projected cash to be received and funds to be expended by month for the next year, it is difficult to predict the amount of funds that will not be needed to pay expenses and therefore can be invested over a longer period of time and earn a higher interest rate.

The *Financial Accountability System Resource Guide (FASRG)* states that cash and investments often represent one of the largest assets on a school district balance sheet. The investment of excess school district funds should be made with judgment, care, prudence, discretion, and diligent management. A cash flow projection report is an important management tool that directs decisions about the maturity of various investment instruments, in accordance with projected uses of cash to liquidate financial obligations. The investment of public funds should never be made for speculative purposes, but rather with consideration for the probable safety of principal and probable return on such investments.

By developing a cash forecasting tool, Del Valle ISD (DVISD) was able to maximize interest earnings and effectively plan investment portfolio activities. Cash flow projections help school districts to maximize interest earnings and plan appropriately. Before July 2000, DVISD did not prepare cash flow projections; beginning in July 2000, the district began preparing cash flow projections for all accounts. The deputy superintendent for Business reviewed proposed expenditures carefully and entered them into a preformatted spreadsheet. Then the deputy superintendent estimated revenues to build a true cash flow statement. The cash flow statement was also put into the spreadsheet.

The deputy superintendent for Business tracked expenses weekly via the trial balance, then monthly when the trial balance was closed, and estimated incoming revenues. Based on weekly cash expenditure projections, any surpluses were planned for investment during the month. The cash flow projection worksheet is a tool for investing cash that won't be needed in longer-term investments so more interest can be earned.

Recommendation 34:

Prepare and update a monthly cash flow projection worksheet and invest idle funds in the institution paying the highest interest.

The assistant superintendent of Business and Finance should prepare the monthly cash flow worksheet to ensure that the district invests its idle funds in the institution that pays the highest rate of interest. In addition, the assistant superintendent of Business and Finance should make this report available to the board so that board members know at all times how district funds are being invested.

FISCAL IMPACT

The district had idle bond proceeds that could have been invested during 2002–03 at higher rates than were actually received, but these proceeds will be spent during the construction of the new facilities to be completed in May 2004. The fiscal impact will include only the additional interest earnings on the checking account balances.

Under the new contract with IBC, the bank pays interest based on the T–Bill rate plus 0.75 percent. The calculation for the fiscal impact is the average balance of all checking accounts, multiplied by the difference in the interest rate between IBC and what MFISD actually earned on its investments as of July 31, 2003. The average annual balance in all district checking accounts was almost \$3.2 million. The difference between IBC’s 1.65 percent interest rate and the Lone Star Liquidity Corporate Fund’s 1.03 percent interest rate is 0.62 percent. The district could have earned additional interest income of \$19,793 annually by keeping the funds in the institution that pays the highest interest. (\$3,192,363 X 0.62 percent = \$19,793)

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Prepare and update a monthly cash flow projection worksheet and invest idle funds in the institution paying the highest interest. | \$19,793 | \$19,793 | \$19,793 | \$19,793 | \$19,793 |

FINDING

MFISD does not consistently follow its board–approved investment policies. The district’s investment policies and examples of its non–compliance with the policy are shown in **Exhibit 4–17**.

Exhibit 4–17
MFISD Investment Policy

| Board Policy | School Review’s Assessment |
|--|--|
| A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. | The assistant superintendent of Business and Finance provided a written investment strategy to document the internal control procedures as required by the board policy. The investment strategy document does not mention internal controls or who has authority to withdraw funds for the district. |
| Not less than quarterly, the investment officer shall prepare and submit to the board a written report of investment transactions for all funds covered by the Public Funds Investment Act. | Only two quarterly reports were provided by MFISD for 2002–03. The quarterly investment reports are simply copies of the district’s investment statements from Lone Star Investment Pool with a copy of the pool’s performance update for the month. No district analysis is provided in the board report. |
| In addition to the quarterly report required by law and signed by the district’s investment officer, a comprehensive report on the investment program and investment activity shall be presented annually to the board. This report shall include a performance evaluation, a review of the activities and total yield for the preceding 12 months, suggest policies, strategies, and improvements that might enhance the investment program, and propose an investment plan for the ensuing year. | According to the district, an annual report was not provided to the board. |

Source: MFISD, board policy and interviews with Business Office staff, October 2003.

The board–approved policies, if implemented as described, would safeguard district investments and maximize its interest earnings. School districts that provide quarterly and annual investment reports find the process to be an excellent means of ensuring that the return on their investments is in line with competitive market rates and can make prompt changes to the strategy if needed.

Kenedy ISD has a multivehicle strategy for investments. Using a mix of local bank account money markets, TexPool funds, Lone Star pooled funds, MBIA investments, and—when rates merit—U.S. Agency Notes. Kenedy ISD’s policies are reviewed yearly for updates, and the business manager ensures that funds are invested within policy guidelines that ensure suitability, safety, liquidity, maturity, diversity, and yield.

Recommendation 35:

Comply with board–approved investment policies.

The assistant superintendent of Business and Finance should ensure that the department complies with board–approved investment policies. He should create procedures to guarantee that a quarterly report is provided to the board that lists all investment transactions for all funds. Also, a more comprehensive report detailing the investment program and a complete analysis of all investments and other activities should be prepared by the assistant superintendent of Business and Finance and given to the board. The assistant superintendent of Business and Finance should designate who has authority to withdraw funds for the district.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD has not developed written procedures to govern student activity accounts and petty cash funds, even though an embezzlement scheme was uncovered at the primary school in 2001. School districts account for student-generated money through separate accounts called activity funds. Activity funds include money that principals can use as needed for the purposes for which the funds were generated, such as student clubs and groups. There are also funds accumulated from various school-approved money-raising activities such as athletic gate receipts, donations, and vending machine sales. These miscellaneous funds belong to the district but are not considered student activity funds.

Exhibit 4-18 shows the large balances held in the student activity funds as of July 31, 2003.

Exhibit 4-18
MFISD Student Activity Funds
July 31, 2003

| Bank | Annual Interest Rate Earned | Account Name | Balance |
|--------------------------------|------------------------------------|--|------------------|
| American Bank of Texas | .26% | Marble Falls ISD High School Activity Fund | \$106,975 |
| International Bank of Commerce | .42 | Marble Falls ISD Junior High Activity Fund | 49,501 |
| American Bank of Texas | .26 | Marble Falls ISD Elementary School Activity Fund | 20,047 |
| American Bank of Texas | .0 | Marble Falls ISD Primary School Activity Fund | 9,601 |
| Security State Bank & Trust | 1.3 | Marble Falls ISD Highland Lakes Elementary Activity Fund | 27,901 |
| Security State Bank & Trust | 1.15 | Marble Falls ISD Maintenance Dept. Activity Fund | 250 |
| TOTAL | | | \$214,275 |

Source: MFISD, bank statements, July 31, 2003.

In April 2001, an embezzlement scheme was uncovered at the primary school by a staff member who noticed a discrepancy in the amount of funds from a campus book fair. An external auditor was hired to audit the primary school student activity funds. The person who took the funds eventually reimbursed the district for \$10,700. This loss occurred because there were (and still are) no written procedures to ensure that student activity money was properly accounted for. The business office does not perform regular audits of campus funds to ensure that student activity funds are handled properly.

According to the accounting supervisor, a new accounting system has been installed at all the schools to help account for the student activity funds. One person at each school is responsible for depositing student activity funds received and writing checks for expenses. This person is also responsible for reconciling the student activity funds bank statement on a monthly basis and forwarding the reconciliation, along with a backup copy of monthly activity reports to the accounting supervisor in the business office for review. However, the accounting supervisor reported that she was behind in reviewing the reconciliations.

There are also no written procedures issued by the business office to handle miscellaneous funds in the district. For example, in 2001–02, football gate receipts totaled \$30,900. In interviews with the accounting supervisor and the assistant superintendent of Business and Finance, neither knew how cash and tickets were handled or who was responsible for them. The gate receipt deposit slip indicates that the money is counted and deposited on Monday morning, but the tickets did not have starting and ending numbers to ensure that all ticket sales were deposited. A deposit slip for the gate receipts from a different date was later provided that did show starting and ending numbers were used to ensure that all ticket sales were deposited. The money from Friday night ticket sales is taken to a night deposit at the local bank and then is picked up by the payroll clerk that makes the deposit on Monday morning.

External auditors, on a test basis, audit activity funds. In 2001 the external auditor's report identified that MFISD had used one agency fund. The district responded that the situation had been corrected in the Fiscal 2001 Annual Financial Statements; however, in an August 2003 letter from TEA to the district, TEA states that they had not received any information on the statement of the progress the district had made on the prior year's disclosure of incorrect accounting of campus and student activity funds. *FASRG* states regardless of whether a school district uses a centralized or decentralized method of accounting for activity funds, every school district should have formally adopted policies and procedures for activity fund accounting.

Without proper procedures to guide the safekeeping of miscellaneous and student activity funds, there is no assurance that money given to school administration to administer for the benefit of others is safeguarded from theft and mismanagement. Incidents like the 2001 theft could recur in the absence of proper processes to follow and oversee transactions.

United ISD's accounting department developed a comprehensive Student Activity Fund Procedures Manual for its elementary and secondary schools. The manual outlines district policies and procedures for basic bookkeeping and handling fixed assets and teacher funds. The manual also has procedures for auditing student activity funds and the retention of records. The manuals were given to all campus managers, and periodic staff development meetings are held.

Kenedy ISD consolidated its student activity funds into one bank account, controlled by the business office. The business manager stated that, before a 1995 TEA review, the district had separate bank accounts for each campus. Due to the problems highlighted by the investigation, the district consolidated student activity accounts into one bank account. The district now earns about \$200 to \$300 a month in interest. The administrative staff updated student activity fund procedures and distributed them to club sponsors so that they know how to handle their student activity funds.

Recommendation 36:

Develop operating procedures for all student activity and miscellaneous funds to ensure safekeeping of district funds.

Detailed examples of operating procedures can be found in *FASRG*.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD does not require the county tax collector to wire-transfer tax collections to help maximize its interest earnings. The district's property tax collections are not deposited on time. Burnet County collects MFISD property taxes of more than \$22 million annually and provides the district with a check for taxes collected on a weekly basis. The county normally mails the check directly to the bank for deposit into the district checking account. From December through February, the district can pick up the weekly check and take it indirectly to the bank for deposit, but by not making frequent deposits, the district loses interest earnings on large sums of money. IBC accepts wire transfers at no charge and pays the district a competitive rate of interest on all collected balances.

Dallas ISD (DISD) uses the Internet for banking, cash management, and investments. These Web-based financial reporting and transaction-generating programs are protected by data encryption technology to prevent unauthorized use of district financial data. Web-based transactions, such as wire transfers and automated clearinghouse (ACH) payments, require online user initiation and authorization. An ACH transaction is settled by a local automated clearinghouse and then by the Federal Reserve within 24 hours; wire transfers offer same-day settlement. Because ACH transactions typically cost less than \$1 each (wire transfers are usually \$20), it is preferable for payments that do not need to settle the same day.

The use of Web-based processes further enhances DISD's sound cash management. This technology also helps the district to manage its cash effectively, maximize interest on idle funds, and guard against the fraudulent use of cash accounts. These services and techniques are sound management practices that promote efficiency and improve earnings potential for DISD.

Recommendation 37:

Request the tax collector to wire-transfer collections to maximize district interest earnings.

MFISD and other taxing jurisdictions should help Burnet County to find a cost-effective way to wire-transfer tax collections directly to business checking accounts. The transfers should be made daily in peak collection season and weekly thereafter.

FISCAL IMPACT

Minimal additional interest will be earned while interest rates are low, but as interest rates increase, the savings will be higher.

Cash Management

Risk management is an essential part of school district operations. Rising costs for health, property, and liability insurance coverage require administrators to have cost containment programs. Successful risk management programs start with strong support from the governing board, superintendent, and senior financial administrators. Commitment from upper management to the risk management goals is essential to effective risk management. Sound risk management has four parts:

- analysis of insurance alternatives, such as self-insurance and other industry trends;
- analysis of insurance plans, including deductibles, co-insurance, and coverage provided;

- hazard assessment and programs that minimize exposure to potential losses; and
- monitoring district compliance with various laws and regulations.

MFISD's insurance coverage is managed in the business office. The assistant superintendent of Business and Finance oversees the process, and the benefits secretary handles claims processing and communication with the insurance companies. Coverage is offered through the Property Casualty Alliance of Texas, an administrative agency created by the participating Local Government Members pursuant to the Interlocal Cooperation Act, Chapter 791, Title 7, Texas Government Code. This insurance coverage is shown in **Exhibit 4-19**.

Exhibit 4-19
MFISD's Insurance Coverage
2003-04

| Coverage | Effective/ Expiration Dates | Limits | Annual Premium | Deductible Amount |
|------------------------------|--------------------------------|--|-------------------|---|
| Auto Liability | 3/1/03-9/1/04 | \$100,000 per person \$300,000 per accident | \$28,248 | \$500 |
| Auto Physical Damage | 3/1/03-9/1/04 | \$2,000,000 limit per occurrence | \$4,524 | \$500 |
| Property Coverage | 3/1/3-9/1/04 | Building & Content Value of \$53,056,462 | \$86,314 | <ul style="list-style-type: none"> • \$25,000 per occurrence for all perils except wind and hail • \$100,000 per occurrence for wind and hail |
| Equipment Breakdown Coverage | 3/1/3-9/1/04 | Varies | \$3,976 | \$5,000 |
| Crime | 3/1/03-9/1/04 | Varies | Included | \$1,000 |
| General Liability | 3/1/03-9/1/04 | \$1,000,000 | 3,826 | \$1,000 |
| Educator's Legal Liability | 3/1/03-9/1/04 | \$1,000,000 | \$14,360 | \$5,000 |

Source: MFISD, effective insurance policies, March 1, 2003.

The district sends out requests for proposals every year to ensure that they get the best coverage and pricing for insurance. The district's five-year loss history (a report indicating the number and amount of claims filed in the district) is shown in **Exhibit 4-20**. The large property loss in 1998-99 was the result of a hailstorm that damaged school facilities.

**Exhibit 4–20
Five–Year Loss History by Coverage
1998–2003**

| Insurance Coverage | 2/16/1998–99 | 2/16/1999–2000 | 2/16/2000–01 | 2/16/01–10/31/03 |
|---------------------------|---------------------|-----------------------|---------------------|-------------------------|
| Automobile Liability | \$1,248 | \$38,139 | \$25,319 | \$85,971 |
| Equipment Failure | 17,985 | 0 | 0 | 0 |
| General Liability | 0 | 0 | 0 | 30,802 |
| Legal Liability | 0 | 0 | 0 | 0 |
| Auto Physical Damage | 0 | 15,423 | 3,004 | 0 |
| Property | 1,954,331 | 0 | 0 | 128,167 |

Source: MFISD, Business Office, insurance loss details, 1998 through October 2003.

The district is a member of the State Insurance Plan administered by the Teacher Retirement System of Texas (TRS) to provide medical insurance for its school district employees. The plan offers three different coverage options, TRS ActiveCare 1, 2, and 3. MFISD pays \$150 per month to offset the cost for its employees. The state contributes \$75 per employee each month and \$500 per year for each full–time employee and \$250 per year for all part–time employees who work fewer than 30 hours a week. Due to recent changes in the law, administrators and registrars do not receive any money from the state toward their benefits, other than the \$75 per month. Health care costs are shown in **Exhibit 4–21**.

**Exhibit 4–21
Health Care Costs per Month
2002–03**

| Option | TRS Active Care 1 | Enrollment | TRS Active Care 2 | Enrollment | TRS Active Care 3 | Enrollment |
|-------------------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|
| Employee | \$237 | 29 | \$315 | 143 | \$399 | 98 |
| Employee and Spouse | 539 | 5 | 717 | 15 | 907 | 12 |
| Employee and Child(ren) | 377 | 4 | 502 | 31 | 635 | 16 |
| Employee and Family | 593 | 24 | 789 | 30 | 997 | 11 |

Source: Teachers Retirement System, 2002–03 Rate Table, August 1, 2003.

The district also pays for workers’ compensation coverage for its employees. The Texas Public Workers’ Compensation Program (Pool) provides the coverage through an agreement that continues through August 31, 2022. The district can terminate the agreement with 30–days’ written notice.

FINDING

MFISD does not have a comprehensive safety program to reduce workers’ compensation claims and control costs. The benefits secretary prepares the first report of injury and submits the report to the Pool when an injury occurs. The benefits secretary notifies the assistant superintendent of Business and Finance and the principal or the injured employee’s department manager. If the injury occurred

because of a safety issue, the Maintenance director is also notified. The lead custodian has weekly safety meetings for the custodians.

The assistant superintendent of Business and Finance attends the Pool’s meetings and reviews injury and loss reports. However, when the review team requested current reports, the district did not have copies and had to request copies from the Pool. When questions were asked on how premiums are calculated and why they have increased, this information had to be requested from the Pool. District workers’ compensation premiums have increased by almost 40 percent, as shown in **Exhibit 4–22**.

Exhibit 4–22
MFISD Five–Year Workers’ Compensation Premiums
1999–2000 through 2003–04

| Year | Estimated Payroll | Total Manual Contribution | Program Rate Factor | Net Workers’ Compensation Contribution | Number of Claims | Total Incurred Amount |
|-----------|-------------------|---------------------------|---------------------|--|------------------|-----------------------|
| 1999–2000 | \$14,904,914 | \$329,130 | .800 | \$263,304 | 37 | \$219,867 |
| 2000–01 | 15,401,230 | 332,103 | .800 | 265,683 | 22 | 73,748 |
| 2001–02 | 16,884,800 | 370,399 | .800 | 296,319 | 32 | 155,673 |
| 2002–03 | 17,481,650 | 387,383 | .850 | 329,276 | 21 | 160,770 |
| 2003–04 | 18,548,250 | 422,957 | .867 | 366,704 | N/A | N/A |

Source: Texas Public Workers’ Compensation Program, Contribution Worksheets and Loss Runs, 1999–2000 through 2003–04. N/A denotes data unavailable.

Note: Net contributions equate to the sum of total manual contribution amounts multiplied by the program rate factor.

The increasing payroll affected the cost of coverage since the premiums charged are based in part on the district’s payroll and the employee’s classification code defined by the State Board of Insurance. The third factor in calculating the premium paid is the program rate factor. The program rate factor is multiplied by the district’s premium and lowers the amount of premium the district pays into the Pool. Therefore, the lower the program rate factor, the lower the premium paid by the district. **Exhibit 4–23** shows the history of MFISD’s program rate factor compared to the Pool average.

Exhibit 4–23
MFISD Compared to the Pool Average Program Rate Factor
1998–99 through 2002–03

| Year | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 |
|------------------|---------|-----------|---------|---------|---------|
| Marble Falls ISD | .833 | .800 | .800 | .800 | .850 |
| Pool Average | .568 | .549 | .555 | .577 | .646 |
| Difference | .265 | .251 | .245 | .223 | .204 |

Source: Texas Public Workers’ Compensation Program, Discount Summary, 1998–99 through 2002–03.

The program rate factor is based on MFISD’s claims experience each year compared to other schools in the Pool. All years of experience while the district is a part of the Pool are factored into the calculation; if a district has one year with high losses out of 10 years, the program rate factor will not increase much, based on that one year because other districts good loss experience will offset it. The

program rate factor for MFISD has increased by 6.7 percent since 2001–02; in 2002–03, it was 20.4 percent higher than the Pool average. The major contributing factors to the district’s high program rate factor are the number and severity of its workers’ compensation claims.

By creating a Workers’ Compensation Task Force, Fort Bend ISD (FBISD) lowered its workers’ compensation costs. The task force comprises department heads and supervisory personnel from Transportation, Facilities, Child Nutrition, Risk Management, and Human Resources. A workers’ compensation systems coordinator formed the task force in 1997 to direct the workers’ compensation loss control programs. The task force mission was to be a “win–win proposition for the district, operating departments, and injured employees.”

The task force developed and implemented safety initiatives that successfully controlled claims and lowered costs. Since fiscal 1997, the number of claims has risen only slightly. After peaking at \$5,344 per claim in fiscal 1996, costs per claim fell steadily to a five–year low of \$2,395 in fiscal 1999. This decline translates into total savings of \$1.2 million, or \$407,500 annually.

Examples of the task force’s initiatives include reviewing and revising workers’ compensation guidelines and procedures; shifting authority and responsibility for safety to supervisors and supporting them with training programs; and involving employees in safety initiatives.

Employee involvement has played a significant role in reducing accidents. Accident investigation committees are made up of employees who investigate accidents and report findings to management and central administration. Accident investigation committees help raise safety awareness among employees, reduce accidents, and lower costs.

Recommendation 38:

Develop and implement a comprehensive safety program to control workers’ compensation claims and improve the safety of district employees.

The superintendent should direct the assistant superintendent of Business and Finance to contact the Texas Public Workers’ Compensation Program to discuss safety training. The insurance provider or recommended vendor will then provide training on how to implement a district safety program.

FISCAL IMPACT

By implementing a safety program to control workers’ compensation claims and related costs, MFISD could reduce its premiums and save \$93,474 annually based upon 2003–04 costs. This fiscal impact uses the average Pool program factor as a multiplier to be conservative. (District premium of \$422,957 times the average Pool program factor of 64.6 percent = \$273,230, subtracting the current premium paid of \$366,704). Because safety programs take time to implement and savings achieved will take at least one year to be effective, the fiscal impact for this recommendation will begin in 2005-06.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Develop and implement a comprehensive safety program to control workers’ compensation claims and improve the safety of district employees. | \$0 | \$93,474 | \$93,474 | \$93,474 | \$93,474 |

Fixed Asset Management

Planning for capital asset expenditures and controlling the acquired assets are critical to a district's long-term financial health. Such expenditures generally require significant funding. A capital asset is any non-consumable good or equipment that costs \$5,000 or more and has a useful life of more than one year. The district owns the following capital assets, as shown in **Exhibit 4-24**.

Exhibit 4-24
MFISD Capital Assets at Historical Cost
August 31, 2002

| Item | Historical Cost |
|----------------------------|------------------------|
| Land | \$1,161,685 |
| Buildings and Improvements | 39,359,109 |
| Furniture and Equipment | 2,707,525 |
| Construction in Progress | 546,388 |
| Total | \$43,774,707 |

Source: MFISD, Financial Statements, August 31, 2002.

The district defines fixed assets as items that cost more than \$5,000; it records these items as fixed assets on the general ledger. For control purposes, MFISD bar-codes computer equipment, cameras, projectors, and other "walk-away" items that cost less than \$5,000. All fixed assets are received at the warehouse where the bar code is affixed to the item.

FINDING

MFISD does not conduct an annual physical inventory of all district assets. The accounting supervisor said the district hired a contractor in 1998 to tag all property with a bar code. The contractor provided a report that listed the district's assets, assigned identification or bar code numbers, and physical locations of the equipment; this information is now recorded in the district's financial accounting system. Newly purchased items are tagged with a bar code or a tag that says "Property of Marble Falls ISD" as they are received. The district's Technology director keeps an inventory of all computers and computer-related equipment, by location. The librarians at each campus use a checkout system for projectors, recorders, and televisions. However, MFISD does not physically inventory these items annually to ensure that the list produced by the accounting system agrees with items still in the district's possession. In addition, the district does not inventory safety and security items with a unit cost of less than \$500. MFISD's principals and department heads are also not held accountable for the assets used in their schools and campuses.

According to *FASRG*, certain fixed assets, such as furniture and equipment, should be inventoried on a periodic basis. Placing bar codes on fixed assets as they are purchased simplifies the annual inventories taken at the end of the school term. Discrepancies between the inventory list and what is on hand can be addressed, and missing items can be identified easily.

Ricardo ISD requires assets with a unit cost of \$5,000 or more to be classified as fixed assets. To increase the accuracy of its records, the district contracted with a vendor to inventory fixed assets and download the inventory information into the fixed asset module of the district's financial system.

All inventories, including items under \$5,000, are listed and tagged and the asset information is recorded in the fixed asset module. A physical inventory of assets is performed annually. Changes can be made to the database, based on the inventory of items on hand.

Recommendation 39:

Conduct annual inventories of the district's fixed assets.

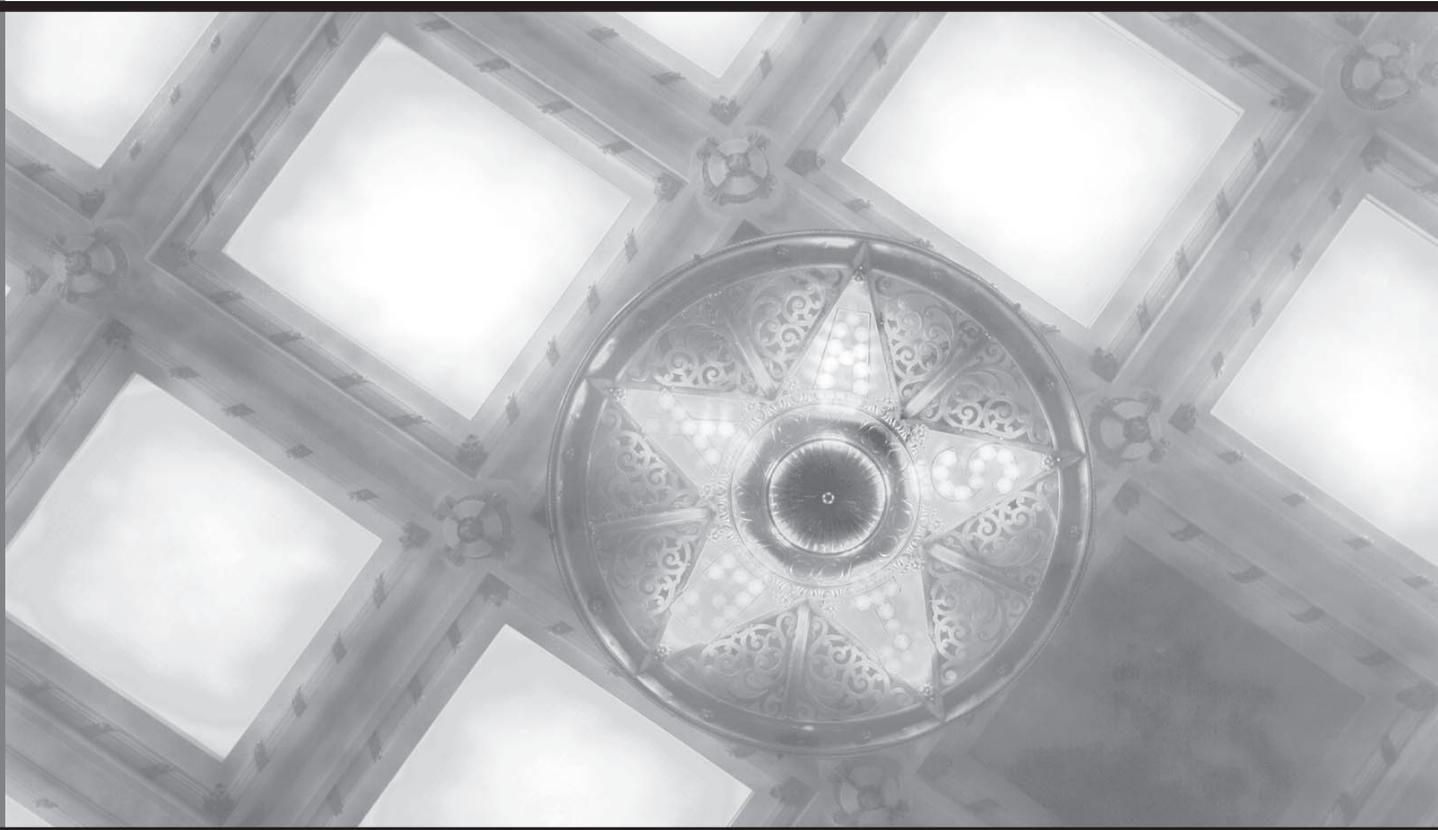
The district already enters bar coded items into its financial accounting system and should annually reconcile its paper inventory lists with a physical inventory to identify any missing or additional items.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

District Organization and Staff Management



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Chapter 5

DISTRICT ORGANIZATION AND STAFF MANAGEMENT

This chapter reviews the district's organization and staff management of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Governance
- B. District Management
- C. Staff Management

Effectively organizing and managing a school district requires a clear understanding of the roles and responsibilities of the Board of Trustees, the superintendent, and district staff.

The board sets districts goals and objectives and determines the district governing policies. It must ensure the school district complies with state and federal laws, court decisions, and applicable state and federal regulations. Under Section 11.151 of the Texas Education Code (TEC), school boards have specific statutory powers and duties that include:

- governing and overseeing the management of the school district;
- adopting rules, regulations, and bylaws;
- approving and ensuring implementation of a district-developed plan for site-based decision-making;
- levying and collecting taxes and issuing bonds;
- preparing, adopting, and filing a budget for the next year and filing a report of disbursements and receipts for the preceding year;
- ensuring district accounts are audited at district expense at the close of each fiscal year by a Texas certified public accountant holding a permit from the Texas State Board of Public Accountancy;
- publishing an annual report describing the district's educational performance, including school performance objectives and the progress made by each school to meet these objectives;
- selecting a depository for district funds;
- ordering elections;
- disposing of property and acquiring and holding real estate and personal property in the name of the district; and
- holding all powers and duties not specifically delegated by statute to the Texas Education Agency (TEA) or the State Board of Education.

The superintendent serves as the district's chief executive officer, responsible for implementing board policy. Section 11.201 of the Texas Education Code (TEC) states that the superintendent is responsible for:

- planning, operating, supervising, and evaluating the educational programs, services, and facilities of the district and for staff annual performance appraisals;
- assigning and evaluating all district personnel;

- terminating or suspending staff members or the non-renewal of staff members' term contracts;
- managing day-to-day management of district operations;
- preparing district budgets;
- preparing of policy recommendations for the board of implementation of adopted policies;
- developing appropriate administrative regulations to implement board policies;
- providing leadership in attaining student performance; and
- organizing the district's central administration.

District staff performs educational, operational, and administrative tasks while ensuring that district leadership receives that information they need to evaluate and improve the effectiveness of educational programs and district operations.

BACKGROUND

Two databases maintained by Texas Educational Agency (TEA) were used to compare educational, operational and financial information for this chapter: the Academic Excellence Indicator System (AEIS) and the Public Education Information Management System (PEIMS). Upon request by the review team, MFISD also selected five peer districts of similar size and composition for comparison purposes: Tulo-so-Midway, Hallsville, Aransas County, La Marque, and Sheldon Independent School Districts. To obtain additional input, the review team distributed surveys to parents, students, teachers, administrators, and support staff. The survey results are appended to this report.

Located one-hour northwest of Austin, Marble-Falls lies in the Texas Hill country. The Colorado River winds scenically through the school district and attracts water sports enthusiasts, bird-watchers, campers, and tourists. The district extends from Kingsland in the west to the Pedernales River on the east and is bisected by LBJ, Marble Falls, and Travis lakes with only one north/south bridge within the entire district. Classified as a 4A district, MFISD encompasses 268 square miles.

According to the Marble Falls Chamber of Commerce, about 14, 800 people live in and around Marble Falls, many of whom are retired. Between 1990 and 2000, the population of Marble Falls increased nearly 24 percent and Burnet County by more that 50 percent. **Exhibit 5-1** shows the population growth using US Department of Census figures supplied by the Marble Falls Chamber of Commerce.

Exhibit 5-1
City of Marble Falls and Burnet County Population Counts

| Location | 2000 | 1990 | 1980 | 1970 | 1960 | Population Growth Rate 1960–2000 |
|---------------|--------|--------|--------|--------|-------|----------------------------------|
| Marble Falls | 4,959 | 4,007 | 3,252 | 2,209 | 2,161 | 129.5% |
| Burnet County | 31,147 | 22,677 | 17,803 | 11,420 | 9,265 | 268.6% |

Source: Marble Falls Chamber of Commerce Community Data Profile, March 2003.

In 2002–03, the district employed 548.9 persons of which 260.6, or 47.5 percent, were teachers. This makes MFISD the largest area employer (**Exhibit 5-2**).

Exhibit 5-2
Largest Employers in MFISD Area
2003

| Employer | Type of Business | Number of Employees |
|---------------------------|-------------------------|----------------------------|
| Marble Falls | Education | 549 |
| Wal-Mart | Discount Retail | 400 |
| Horseshoe Bay | Resort | 265 |
| HEB Grocery | Grocery | 225 |
| Texas Granite Corporation | Manufacturing | 180 |
| Northwood Health Care | Nursing Home | 70 |
| City of Marble Falls | Government | 61 |

Source: Marble Falls Chamber of Commerce, 2003.

In 2002–03, the district’s total budgeted expenditures equaled \$28.3 million.

MFISD is a relatively wealthy school district when compared to other Texas districts, which means property values are often higher in MFISD than in many other school districts. In Texas, when school districts exceed a certain threshold of wealth-per-student they achieve Chapter 41 status. Texas law requires Chapter 41 districts to transfer some of their wealth to the state for redistribution to poorer school districts. In February 2004, TEA notified MFISD that it must transfer funds to the state in 2004–05 for redistribution to poorer school districts. Preliminary estimates show MFISD owes the state \$1.6 million. Ongoing planning and monitoring for the district’s Chapter 41 status is a priority for the board as evidenced by the Chapter 41 plan they have put in place in March 2004.

In 2002–03, MFISD served 3,632 children on five campuses: Marble Falls Primary School: pre-kindergarten through grade 2; Highland lakes elementary: pre-kindergarten through grade 5; Marble Falls Elementary: grades 3 through 5; Marble Falls Middle School: grades 6 through 8; and Marble Falls High School: grades 9 through 12. The district is scheduled to open a new elementary (Spicewood Elementary) in the fall of 2004. Between 1997-98 and 2002-03, MFISD gained only 103 students for a 2.9 percent student enrollment increase. Four of the five peer districts had their student enrollment decrease over the same five-year period (**Exhibit 5-3**).

Exhibit 5-3
Student Enrollment
MFISD and Peer Districts
1998-99 through 2002-03

| School District | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 | 5 Year Enrollment Trend | 5 Year Enrollment Percentage Change |
|------------------------|----------------|------------------|----------------|----------------|----------------|--------------------------------|--|
| Sheldon | 4,081 | 4,189 | 4,191 | 4,062 | 4,177 | 96 | (2.35%) |
| La Marque | 4,255 | 4,142 | 4,063 | 3,977 | 3,883 | (372) | (8.7%) |
| Hallsville | 3,809 | 3,693 | 3,687 | 3,724 | 3,761 | (48) | (1.3%) |
| Marble Falls | 3,529 | 3,452 | 3,597 | 3,648 | 3,632 | 103 | (2.9%) |
| Aransas County | 3,468 | 3,480 | 3,360 | 3,337 | 3,371 | (97) | (2.8%) |
| Tuloso-Midway | 3,068 | 3,040 | 3,058 | 3,148 | 3,220 | 152 | 5.0% |

Source: Texas Education Agency (TEA) Public Education Information Management System (PEIMS) 2002–03 And Academic Excellence Indicator System (AEIS) 1998–99 through 2002–03.

A. GOVERNANCE

MFISD's board consists of seven trustees serving terms of three years. The district conducts elections annually the first Saturday in May. The terms of one-third of the trustees, or as near to one-third as possible, expire each year. **Exhibit 5-4** lists the current board composition.

**Exhibit 5-4
MFISD Board of Trustees
2003-04**

| Board Member | Board Position | Place | Assumed Office | Elected/ Appointed | Term Expires | Board Member's Profession & Place of Business |
|------------------|----------------|-------|----------------|-----------------------|--------------|--|
| Richard Giesecke | President | 6 | 2003 | 2003 | 2006 | President, real estate and insurance companies |
| Karl Westerman | Vice-President | 2 | 2001 | 2001 | 2004 | Owner, computer consulting firm |
| Tommy Chaney | Secretary | 4 | 2002 | 2002 | 2005 | President, trucking company |
| Candy Ratliff | Member | 1 | 2003 | 2003 | 2004 | Escrow officer for title company |
| Martin McLean | Member | 3 | 2003 | Appointed | 2005 | Retired Judge |
| Neal Kennedy | Member | 5 | 2003 | 2003 | 2006 | Attorney |
| Kelly Fox | Member | 7 | 2002 | 2003 | 2006 | Professor and educational consultant |

Source: Marble Falls ISD Web site, October 2003: MFISD Board of Trustees and MFISD Board of Trustee Listing.

Six of the seven board members are serving their first term as an elected school board member. The president is the only trustee with school board experience (**Exhibit 5-5**).

**Exhibit 5-5
MFISD Board Member Tenure**

| Board Member | First Term | First Took Office | Last Election | Term Expires |
|--------------------------|------------|-------------------|---------------|--------------|
| Richard Giesecke (Pres.) | | 2003 | 2003 | 2006 |
| Karl Westerman | ✓ | 2001 | 2001 | 2004 |
| Tommy Chaney | ✓ | 2002 | 2002 | 2005 |
| Candy Ratliff | ✓ | 2003 | 2003 | 2004 |
| Martin McLean | ✓ | 2003 | Appointed | 2005 |
| Neal Kennedy | ✓ | 2003 | 2003 | 2006 |
| Kelly Fox | ✓ | 2002 | 2003 | 2006 |

Source: Marble Falls ISD Web site, October 2003: MFISD Board of Trustees and MFISD.

Board members have received their required training per the Texas Administrative Code Chapter 61, **Exhibit 5-6**.

Exhibit 5-6
Overview of Continuing Education Requirements
For School Board Members

| Type of Continuing Education | First Year Board Member | Experienced Board Member |
|--|---|--|
| Local district orientation | Required within 60 days of election or appointment | Not required |
| Orientation to the Texas Education Code | 3 hours | Not required |
| Update to the Texas Education Code | Incorporated into orientation to the Texas Education Code | After legislative session: of sufficient length to address major changes |
| Team-building session/Assessment of continuing education needs of the board-superintendent team | At least 3 hours | At least 3 hours |
| Additional continuing education, based on assessed need and framework for school board development | At least 10 hours | At least 5 hours |
| Total Minimum Number of Hours | 16 hours, plus local district orientation | 8 hours, plus update |

Source: Texas Administrative Code, Title 19, Part 2, Chapter 61, Rule 61.1.

The superintendent and the board president set the agenda for each board meeting; however, any board member, staff or community member may suggest agenda items.

Regular board meetings are held on the third Monday of every month usually in the Marble Falls Elementary School cafeteria. The district rotates special or called meetings to other schools in the district if conditions warrant.

The board meetings, which generally last three hours, begin with student/school/staff recognition items followed by central office staff briefings. The superintendent requires staff to update the board regularly on educational programs and district operations. During the public forum portion of the meeting, which opens the floor to anyone who wishes to address the board, speakers receive five minutes to present their questions or concerns. The remainder of the meeting is dedicated to discussing old and new business and board action items. Special board meetings may also be called whenever deemed necessary. Within the last year, the district called several special meetings to discuss the budget, recruiting, and hiring a new superintendent.

FINDING

The superintendent strives to communicate frequently and effectively with the board and the community. The superintendent sends weekly e-mail updates to board members on events that occurred in the schools each week and includes miscellaneous administrative information and news about upcoming events. A copy of the upcoming board agenda, noted with special considerations or points of interest, also is e-mailed. During interviews with the school review team, board members rated the weekly communication as excellent and said it provided a good summary of weekly events. The superintendent uses the weekly e-mail as a key method to communicate with board members, notifying them of events and sharing information in an informal manner.

The superintendent also writes a monthly column for the two local newspapers. The articles address programs or services in which the community has expressed interest including: replacement of school board members, the parenting education program, traffic issues at the middle school, the district's financial stability, primary school schedule change, district enrollment, class additions, and school board meetings. The monthly articles communicate valuable information and update the community on district events.

COMMENDATION

The superintendent uses e-mails to effectively communicate with the board and a column in the local newspapers to open up communication between the district and all stakeholders.

FINDING

During the school year, the board and the superintendent conduct at least one board meeting at each of the five school sites in the district. After the meeting is called to order, the school principal takes the board members, district administrators, and audience members on a tour of the school. The tour provides board members an opportunity to visually assess the school's physical condition, classroom conditions, and custodial operations. This process gives the board members a structured venue to view each school in detail and become familiar with the facilities' shortcomings and strengths. It also provides opportunities for the school principal to visually demonstrate school needs to the board. The superintendent has district administrative staff present to address concerns and to provide additional information as needed, facilitating an open dialogue between board members and district staff. The entire process demonstrates to the community that the new superintendent and his staff is attentive to and knowledgeable about school needs.

COMMENDATION

Rotating board meetings to all district schools provides opportunities for central and campus administration to visually demonstrate and dialogue with the board regarding facility needs.

FINDING

Board members do not receive the information they need to make informed business decisions for the district in an organized, easy-to-follow manner. Agenda packets presented to board members prior to each board meeting include massive amounts of financial data that are not organized in any meaningful or easy-to-understand way. The packets lack a financial summary and analysis as well as a concise monthly overview of district expenses, revenues, investments, and accounts—including school activity fund accounts. The lack of organization and analysis compromises the board's ability to make informed business decisions.

Board members receive a board packet by noon Thursday prior to the following Monday's board meeting, giving them the weekend to read and digest the information. Because of the short time frame, sending board members materials that are not well organized and concise is inefficient. The review team found that board packets repeatedly lacked summary worksheets, useful background information, a concise and thorough analysis of financial information, or other relevant information specific to agenda items. During interviews with the review team, the majority of MFISD board members agreed

that the board packets information provided in insufficient and not appropriately organized. They also said necessary data is not always provided to them to make informed business decisions.

The review team examined three board packets. **Exhibit 5-7** presents the review team’s analysis of the contents. While each packet contained a voluminous itemization of monthly expenses, as well as background papers and supporting material regarding the topics being discussed, the information was not organized well or summarized or quick reading and easy absorption. Also, vital information necessary for making informed business decisions was missing.

Exhibit 5-7
MFISD Board Agenda Packet Assessment

| Board Packet Contents | Board Meeting and Selected Agenda Item | Review Team Assessment |
|-------------------------------------|---|---|
| Information/ Discussion Items | <i>January 20, 2003:</i> Discuss building projects; Receive state of schools report for special services and career & technology; superintendent’s report. | Report on school building projects, special services report, career and technology report, and the superintendent’s report were not included in the packet. The information presented lacked an executive summary worksheet for each information item, background notes, or the relative importance to the district. |
| | <i>June 16, 2003:</i> Administrative Cost Ratio | Lacked an executive summary worksheet for each information item, background notes, or the relative importance to the district. |
| | <i>September 16, 2002:</i> Investment Report Discipline Report | Board members were given the statements from each of the board’s checking or investment accounts rather than a summary resulting in seven pages of data rather than one. Discipline is a major issue in MFISD but nothing appeared in writing. |
| | <i>All months</i> Financial Statements | The board does not receive financial statements in their board agenda packets. The district’s accounting system has the ability to print financial statements as a standard reporting option; however, they have not been printed or provided to the board. The reports provided to the board every month are budget variance reports that are printed from the accounting system and are not very easy to understand. Balance sheets, income statements, cash flow statements, trends, or forecasts are not prepared and provided to the board on a monthly or quarterly basis. Reports printed from an accounting system collectively can assist board members in understanding the financial status of the district. |
| Consent Agenda Items | <i>January 20, 2003:</i> Budget amendments | Detailed accounting worksheets were presented to the board as the budget amendments. There was very little discussion or analysis included to show the sources of revenue or possible impacts of each budget amendment. |

Exhibit 5-7 (continued)
MFISD Board Agenda Packet Assessment

| Board Packet Contents | Board Meeting and Selected Agenda Item | Review Team Assessment |
|------------------------------|---|--|
| Action Items | <i>May 19, 2003:</i> Resolution Authorizing the Sale of Real Property and Contract with A licensed Real Estate Broker for Assistance in the Sale of Real Property | Neither a copy of the resolution nor background material was given to the board before the board meeting. Instead, staff verbally presented the problem without offering any solutions to the board. The Board asked questions about the location of the house, it's square footage, how the sealed bid was advertised, costs of the house to date. None of this information was presented to the board ahead of time requiring more board time than necessary for discussion. |
| | <i>June 16, 2003:</i> Nomination for TASB Trustee Vacancy | Although the board is not obligated to make these kinds of decisions, the board discussed this item for 15-20 minutes. For expediency, district management is able to make the recommendation and just inform the board. |
| | <i>June 16, 2003:</i> Resolution Authorizing the Sale of Real Property and Contract with A licensed Real Estate Broker for Assistance in the Sale of Real Property | The board was provided with the resolution, copies form the Public Education code relating to the sale of property, and the two-page board policy about sale, lease, or exchange of school-owned property. This information could have been summarized into a document during the May 19, 2003 meeting. Instead, it took two meetings to finalize this agenda item. |
| | <i>January 20, 2003:</i> Financial audit Approve resolution on tax abatement agreement Approve bank instrument | Lacked an executive summary worksheet for each recommended action item, background notes, fiscal implications, policy cites, recommendations, and procedural information such as who made and seconded motions and vote counts. |

Source: MFISD board packets for January 2003, June 2003, and August 2003.

Dripping Springs ISD board members receive sufficient data that is appropriately organized to make informed decisions. Board agenda packets include an agenda; an executive summary worksheet for each recommended action item with background notes, fiscal notes, recommendations and information such as who made and seconded motions and the vote count; supporting information for agenda items; committee reports; budget amendment requests and check register including check number, date paid payee, and amount.

Exhibit 5-8 illustrates a format or template that boards may use for any action item. This example addresses a recommendation to contract with a licensed real estate professional to sell a house that was constructed by the building trades class.

**Exhibit 5-8
Board Action Item Worksheet Template**

| Board Action Item | |
|---|---|
| <i>Agenda Item #:</i> | 9a |
| <i>Agenda Item Title:</i> | Resolution Authorizing the Sale of Real Property and Contract with A licensed Real Estate Broker for Assistance in the Sale of Real Property |
| <i>Board Recommendation</i> | |
| Contract with a licensed real estate professional to sell the house on U Avenue. | |
| <i>Rationale for Board Review/ Approval</i> | |
| <u>MFISD Board Policy Cites:</u> | |
| <ul style="list-style-type: none"> • Authorize the sale of any property, other than minerals, held in trust for free school purposes. Education Code 11.154(a) [See CDB] • Employ, retain, contract with or compensate a licensed real estate broker or sales person for assistance in the acquisition or sale of real property. Education Code 11.154(c) | |
| <u>Education Code States:</u> | |
| <ul style="list-style-type: none"> • “A school district may employ, retain, contract with, or compensate a licensed real estate broker or salesperson for assistance in the acquisition or sale or real property.” | |
| <u>TASB Guidance:</u> | |
| <ul style="list-style-type: none"> • TASB lawyers stated MFISD could xxxxxxxxxxxxxxxx.* | |
| <i>Definitions or Explanation</i> | |
| <u>Property Location/ Description:</u> | |
| Being 0.404 of one acre of land being our of and part of Lots 10, 11 and 12, Block 158, City of Marble Falls, according to a map or plat of record in Volume Y, Page 535 of the Deed Records of Burnet County, Texas 1,700 total square feet including garage; 1,400 livable square feet; 3BR 1-1/2 bath. Located ½ block from the EPIC center | |
| <u>Initial Real Estate Agent’s Concerns:</u> | |
| The property’s location makes it less attractive for most buyers. Property located next to the MFISD-constructed house is a mobile home and a field littered with debris. | |
| <u>Events to Date:</u> | |
| The building trades class built a house two years ago on xx/xx/xx. MFISD decided to sell the house and obtained an appraisal for \$85,000 from XXXXXXXX. Last summer on xx/xx/xx, a sealed bid was issued to sell the house for \$85,000 minimum. No bids were received. Since then, MFISD maintenance staff maintains the house and grounds taking xx time per month. | |

Exhibit 5-8 (continued)
Board Action Item Worksheet Template

| |
|---|
| <i>Definitions or Explanation (continued)</i> |
| <p><u>Adverse Impact on MFISD:</u> The building trades program is short of funds. Current balance is \$xx,xxx and annual operating expenditures are \$xx,xxx. The students are currently working on xxxxxxxxxxxx instead of xxxxxxxxxxxxxxxx. The maintenance department is maintaining the house at a monthly cost of \$xxxxx that includes utilities, custodial operations, and maintenance. The property is not being using for any purpose. The property is located in an area that is isolated, neglected, full of debris, and subject to vandalism. MFISD is not in the property management business.</p> |
| <i>Cost-Benefit Justification</i> |
| <p>The initial building cost MFISD \$50,000 for materials and this money came from the XXX fund. The fund is used to provide supplies and materials for the building trades class.</p> <p>The house requires \$200 in monthly utilities and maintenance and has cost the district \$2,400 through May, 2003.</p> <p>Total district dollars in the house: \$52,400.</p> <p>Recent appraisal: is for \$75,000</p> <p>Breakeven: \$52,400 + \$4,500 for a 6 percent real estate agent fee = \$56,900</p> |
| <i>Options Reviewed</i> |
| <p><u>Leasing</u>: pros: get someone in the house fast and pay for MFISD overhead; con: MFISD is not in the property management business and probably should not be.</p> <p><u>Another sealed bid</u>: pros; cannot think of any pros; cons: people do not understand this process and it takes more time from MFISD staff.</p> <p><u>Hire real estate agent to sell</u>: pros: that is their business, have people contacting them about housing all the time, good networking, the board is authorized to do this; cons-none. The board policy allowing this is xxxxx.</p> |
| <i>Roles & Responsibilities</i> |
| <p>Mike Fletcher</p> |
| <i>Expected Results</i> |
| <p>Immediately contract with licensed real estate agent that is not affiliated with any board member to sell the house. This can be a service to the Marble Falls community—providing affordable housing.</p> |
| <i>Duration</i> |
| <p>Start date: immediately</p> |
| <p>End date: 3 or 6 months contract?</p> |
| <p>Report back to the board: When offer is made.</p> |
| <p>Additional information requested: Can a profit be made on this house and returned to the building trades fund without any implications? What is the building trades fund doing now for money? What lessons have we learned from this process? What would we do differently next time?</p> |

**Exhibit 5-8 (continued)
Board Action Item Worksheet Template**

| <i>Fiscal Impact</i> | | |
|---|----------------------------|---|
| <i>Fiscal Impact</i> | <i>General Fund Impact</i> | <i>Other Fund(s) Impact</i> |
| One-Time Costs | | (\$50,000) |
| Ongoing Costs | | (\$200/month x 12 months + agent fee \$3,900) |
| One-Time Revenue Gains | | \$65,000 |
| Ongoing Revenue Gains | | |
| <i>Net (Cost) or Gain to MFISD</i> | | <i>\$8,700</i> |
| Motion by: | Seconded by: | |
| Votes: For: | Against: | Abstained: |

Sources: Designed by SoCo Consulting, Inc.

**X denotes additional information to be provided by the district during preparation.*

Exhibit 5-9 presents a different format or template for any informational item presented to the board. This template uses the *State of Our Schools Report for Food Services* as an example.

**Exhibit 5-9
Board Information Item Worksheet Template**

| Board Information Item | |
|---|--|
| <i>Agenda Item #:</i> | 7 a I |
| <i>Information Item Title:</i> | Food Services State of Our Schools Report |
| <i>Rationale for Board Review:</i> | |
| MFISD has contracted with XXXXX to manage the district food service operation. The district needs to ensure that the contractor continues to increase participation, keep costs in line by controlling food and labor costs, achieves the correct MPLH per industry standard, returning dollars to the food service fund balance while serving nutritionally acceptable and good quality food. This report is a quarterly status of the results achieved compared to our goals. | |
| <i>Goals and Expected Results Summary:</i> | |
| Participation rate: goal for Elementary is xx% vs Actual of xx%; goal for Middle School is xx% vs. actual of xx%; Goal for High School is xx% vs. Actual of xx% | |
| Food Costs: Goal is 50% or less an Actual is xx% | |
| Labor Costs: Goal is xx% or less and Actual is xx% | |
| Fund balance: Goal is 3 months operating reserves and actual is X months | |
| If any of the goals are not being achieved, an explanation should be included in this section as to why the goal is not being achieved and what is being done to remedy the situation. Also, the budget impact should be discussed. | |
| <i>Other Pertinent Information: Food Service Contract Specifies</i> | |
| The contract is managed and monitored by: xxxxx | |
| The contract is from xx/xx/xx through xx/xx/xx. | |
| There is an automatic renewal clause. | |
| To remedy bad performance, MFISD must xxxxxxxx. | |
| <i>Follow-up</i> | |
| Report back to the board on: | |
| Additional information requested from the board: | |

Source: Designed by SoCo Consulting, Inc.

Many school districts include a financial report in the monthly board packet for each of the budgetary funds (general fund, special revenue funds, capital projects fund, and each debt service fund) using comparative balance sheet that compares balances of accounts at the balance sheet date with account balances at the end of the prior year. Interim income statements comparing actual results to the budget and the current and projected fund balance are also included. These interim statements not only help the board make effective and timely decisions, but also help the board and management better understand the district's fiscal position.

Recommendation 40:

Provide board members with adequate information that is organized and analyzed enabling them to make informed business decisions.

This recommendation will ensure that board members understand presented data easier, ask for the data that best informs decision-making, work with the superintendent to understand what data reveals through analysis and interpretation, and use data to base important and challenging school board decisions. The data should also included a complete set of financial statements produced from the accounting system each month.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The board has not developed performance measures to evaluate the superintendent. MFISD does not successfully link district goals to the superintendent's evaluation or provide a series of measurements to determine progress on goals.

One of the most important responsibilities of a board is to ensure the district has effective leadership. To do this, a board must identify and employ a superintendent for the district; maintain a close working relationship with the superintendent for accomplishing the educational goals of the community; and monitor the superintendent for accomplishing the educational goals of the community; and monitor the superintendent's progress in achieving district goals. Without formal expectations, a board cannot assess performance. During the review team's interviews with board members, most board members agreed that they had not given attention to developing a performance-based evaluation instrument for the superintendent but said it was a good idea to do so.

The MFISD board and superintendent have not established an effective process for the board and the superintendent to use in setting district performance goals. In addition, they also have not provided a mechanism for input in prioritizing district tasks. **Exhibit 5-10** provides a checklist of MFISD's superintendent evaluation process and how it compares to the National School Board Association recommendations for a superintendent evaluation process.

Exhibit 5-10
Checklist of MFISD's Superintendent Evaluation Process

| | Yes | No |
|---|-----|----|
| Established an effective process for the board and superintendent to use in setting goals for the district? | | ✓ |
| Provided a mechanism for mutual input in determining priorities of tasks for the district? | | ✓ |
| Confirmed, determined, established, and modified routine responsibilities of the superintendent? | ✓ | |
| Provided an effective process for review of the superintendent's performance and general conduct of responsibilities? | | ✓ |
| Established a positive process for confirmatory and corrective feedback to the superintendent? | | ✓ |
| Provided a means of developing consensual expectations of the superintendent by the board while soliciting and maximizing contributions of each board member? | | ✓ |

Source: National School Boards Association.

Although the district hired a new superintendent in July 2003 as highlighted in **Exhibit 5-11**, the board has not established performance objectives for the new superintendent. The superintendent addresses a variety of issues: implementing standards and high-stakes testing; shifting instructional strategies to achieve exemplary status; making sure the district's finances are in order and using technology productively. In addition, the superintendent also needs to know how the board will be evaluating his performance to help him set appropriate priorities.

Exhibit 5-11
MFISD Superintendent Tenure as of October 2003

| Superintendent | Serving as Interim | Tenure | Length of Stay at MFISD |
|------------------|--------------------|------------------|-------------------------|
| Ryder Warren | | 07/03 to present | 9 months |
| Charlie Uselton | Interim | 01/03 – 07/03 | 7 months |
| Dana Marable | | 06/98 – 01/03 | 5 years and 7 months |
| Bill Ortego | Interim | 03/98 – 06/98 | 4 months |
| Jim Stewart | | 01/96 – 03/98 | 2 years and 2 months |
| Bill Ortego | Interim | 09/95 – 01/96 | 5 months |
| Phil Barnett | | 1991 – 1995 | 5 years |
| Darrell Garrison | | 1986 – 1990 | 4 years |

Source: MFISD superintendent's office.

MFISD board policy BJCD (Local) states: The Board shall prepare a written evaluation of the superintendent at annual or more frequent intervals and may at any time conduct and communicate oral evaluations to augment its written evaluations. The written evaluation shall be based on the superintendent's job description and other criteria identified by the board. The board shall furnish the superintendent with a copy of the completed evaluation and shall discuss its conclusions with the superintendent in a closed meeting.

The board shall strive to accomplish the following objectives in conducting the superintendent's evaluation: clarify to the superintendent his or her role, as seen by the board; clarify to board members the superintendent's role, according to the board's written criteria, as expressed in the superintendent's job description, and the district's goals and objectives; foster an early understanding among new board

members of the evaluation process and the superintendent’s current performance objectives and priorities; develop and sustain a harmonious working relationship between the board and the superintendent; and ensure administrative leadership for excellence in the district.

According to the Illinois Association of School Board’s Superintendent Search Service, a district should establish clear and concise performance objectives for a new superintendent and develop mid–year and year–end evaluations of the superintendent based upon the annual performance objectives. **Exhibit 5-12** lists some sample indicators that logically relate to performance–based goals. Districts base these goals to the unique needs of a district.

Exhibit 5-12
Suggested Superintendent Goals and Performance Indicators

| Goal | Indicators |
|--|--|
| <i>Student Performance Goal:</i> To increase the number of students reading at grade level. | The superintendent will: <ul style="list-style-type: none"> • compile base line data on the numbers reading below grade level; • organize and facilitate a committee to coordinate remedial reading efforts; • plan and allocate supplementary reading materials for remedial assistance; and • assess and interpret reading achievement scores after the base line compilation of data. |
| Goal | Indicators |
| <i>Other Goals:</i> To develop and maintain a current written administrative procedures manual containing district-wide procedures implementing board policy. | The superintendent will: <ul style="list-style-type: none"> • make a copy of the district administrative procedures manual available in the district administrative office during regular business hours; • ensure that district administrative procedures are consistent with board policy; • use reliable outside resources to keep informed of recent changes in the law that may affect district procedures; • ensure that district administrative procedures are consistent with current state and federal law; and • ensure that district staff adheres to policies and procedures. |

Source: Illinois Association of School Boards.

Exhibit 5-13 offers a sample superintendent evaluation template.

**Exhibit 5-13
Superintendent Evaluation Template**

| |
|---|
| Date of adoption: _____ Review period from _____ to _____ |
| <i>Signatures below indicate that the school board and the superintendent have agreed on performance requirements, the indicators that the school board will examine to determine whether the superintendent has met each requirement and the information the school board will need in order to measure performance.</i> |
| Performance Requirement #1 |
| Goal#: _____ Actual Goal: |
| Performance Indicators: |
| Expected and Actual End Result: |
| Evidence Needed to Measure Achievement to Progress: |
| Actual Rating: |
| Performance Requirement #2 |
| Goal #: _____ Actual Goal: |
| Performance Indicators: |
| Expected and Actual End Result |
| Evidence Needed to Measure Achievement or Progress: |
| Actual Rating: |
| Summary and Signatures |
| <i>The board reaches the following conclusions relative to superintendent performance:</i> |
| <i>Following is a summary of the superintendent's performance relative to our other values as identified at the beginning of the year (fiscal management hiring, development and hiring of staff; treatment of students and learning environment; treatment of parents and community; communication and counsel to the board)</i> |
| <i>Based upon the foregoing conclusions, the board makes the following recommendations/decisions for superintendent performance for the coming year:</i> |
| _____ |
| <i>Board Chair Signature</i> <i>Date</i> |
| _____ |
| <i>Superintendent Signature</i> <i>Date</i> |

Source: Illinois Association of School Boards and The Aspen Group International.

Student performance goals might include: developing performance outcome statements for each grade level; increasing the number of students reading at grade level; increasing attendance; decreasing truancy and/or drop-out rate; reducing the number of student expulsions and suspensions; and researching and reporting on the feasibility of individual student achievement goals.

Academic improvement goals might include: establishing curriculum goals for all subjects; preparing a plan for teacher professional development; assessing and recommending a plan for individualizing instruction in all grades; developing a peer mentoring program for newly hired teachers; developing school-community relations to accomplish instructional goals; and planning and implementing a program for study skills instruction.

Other goal areas might include preparing a five-year financial plan; providing data-based board agenda packets; establishing a citizens' advisory council (or foundation or parent-teacher group); developing a long-range school facilities plan; updating the school board policy manual; and creating written procedures manual.

Dissatisfied with its previous superintendent evaluation system, Hays Consolidated ISD (HCISD) tied the superintendent's evaluation to the accomplishment of district goals and objectives. The board and prior superintendent developed the performance evaluation, beginning with board-developed goals. From these goals, a school board committee with support from senior management and one principal representative, determined areas in which performance should be monitored and evaluated and how to gauge progress. Finally the district used a five-point rating system to rate progress in each area as shown in **Exhibit 5-14**.

**Exhibit 5-14
Hays Consolidated ISD Five-Point Rating System**

| Rating | Rating Description |
|---------------|---|
| 5 | This function of the district is fully meeting our expectations. Invest time and effort necessary to maintain present status. |
| 4 | We are well satisfied with this function of the district. Devote necessary time and effort to maintain this function and/or improve as needed or as recommended by board. |
| 3 | The district function is minimally acceptable. Devote more time and effort to improving district performance in this area to at least a rating 4. |
| 2 | We are not happy with how the district is performing here. Devote more time and effort to improving district performance in this area to at least a rating 4. |
| 1 | The district's performance in this area is clearly not acceptable. Devote more time and effort to improving district performance in this area to at least a rating 4. |

Source: Hays Consolidated ISD, superintendent's evaluation, approved February 18, 2002.

Recommendation 41:

Establish clear and concise performance measures for the superintendent and conduct mid-year and year-end evaluations.

A meaningful performance evaluation provides the very best way to ensure that the superintendent will meet the school board's expectations. Fundamental fairness demands that the superintendent know

board expectations and how they are meeting those expectations. In addition, a school board that gives serious attention to a superintendent's appraisal will be able to assure the community that its schools are well-run; encourage effective management of the school system by keeping it aligned with community aspirations and the vision of the board; encourage regular growth and improvement in the performance of both the superintendent and the district; make informed decisions about the superintendent's contract and compensation, and defend the superintendent against critics; generate effective communication and understanding with the superintendent through in-depth discussion of goals and performance; address differences with the superintendent in a professional manner and in an appropriate forum; facilitate growth of the board-superintendent relationship; and focus on the future.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The board is not maximizing public and community participation at board meetings. As noted earlier, the board agenda is posted in locations not likely to get noticed by community members like the district's administrative office, and each school office. The district posts an agenda informing the public of the date, time, place, and items to be discussed at the district's administrative office, the front door of every school and every teacher's lounge. It also sends a copy to two radio stations, two newspapers, and the appraisal district. However, the Marble Falls newspapers do not print an agenda prior to the meeting to inform the community of important topics.

In a Marble Falls Tribune News article, a reporter wrote that several board members felt community involvement and communication with the public was an area they thought needed work. Board members said during interviews that the district should find ways to show parents and people how to get involved in the schools as well as share ideas or concerns with the administration and board members. Board members and administrative staff also said very few community members attend meetings to present their viewpoints. This may be a result of the community not knowing when and where the board meets; not knowing how to sign-up and make a presentation to the board; or lack of knowledge of the rules about public participation.

In addition, the sixth item on the board agenda entitled "Open Forum" does not adequately describe that this is a public participation time period. The district's Web site does not provide guidelines for the public to follow in what is expected, and what can be expressed when going before the board. There are also no links to the board policy that gives detailed instructions of how community members and school patrons can sign up to express their views.

The review team surveyed parents, district staff, administrators, and teachers about their perceptions of public participation during board meetings. **Exhibit 5-15** indicates what each group thought about whether the board allows sufficient time for public input and whether the board listened to the concerns of others. Parents disagreed at a slightly higher rate than teachers and administrators as to whether the board allowed enough time and listened to the opinions of others.

**Exhibit 5-15
MFISD Survey Results**

| Survey Question | Survey Group | Strongly Agree and Agree | Disagree and Strongly Disagree | No Opinion |
|---|-------------------------|---------------------------------|---------------------------------------|-------------------|
| The school board allows sufficient time for the public input at meetings? | Parents | 37.7% | 24.7% | 37.7% |
| | District Administrators | 45.6% | 14.9% | 38.3% |
| | Teachers | 60.4% | 11.8% | 27.8% |
| School board members listen to the opinion and desires of others? | Parents | 40.3% | 23.4% | 36.3% |
| | District Administrators | 47.9% | 17.1% | 35.1% |
| | Teachers | 55.5% | 18.8% | 25.7% |

Source: School Review team surveys October 2003.

Ingram ISD (IISD) posts an agenda in local meeting spots to encourage public interest and participation at board meetings. IISD also created a tri-fold brochure called “*Welcome to the School Board Meeting.*” The brochure contains the names and picture of each school board member and the superintendent. It gives a brief summary of how board members are elected and their role in the district, as well as the role of the superintendent. It also provides information about the board’s regular meeting times and dates, as well as the rules for public input. The brochure outlines the order of business for the board meeting and lists the names and phone number of key district administrative positions. The brochures provide parents and community members with valuable information about the board process, how meetings work and how to properly give their input to the board. IISD also post the agenda in local meetings spots to encourage public interest and participation at board meeting. Other boards have modified their agenda to include a more inviting statement such as “Public Participation Time” and then list the procedures a community member must follow.

Still other boards have enhanced their website to include viewpoints of citizens throughout the district. In doing so the board sends a message to the community that they consider their viewpoints as vital to the efficient operation of the district. Community members are encouraged to fully use parent-teacher meetings, parent/teacher associations, shared governance committees and administrative procedures as a means of communication with school administration.

Recommendation 42:

Post the board agenda in community meeting locations prior to the meeting and produce and distribute a brochure on how to participate at board meetings.

The district will make positive strides in reaching out to the community and inviting them to participate in its board meetings by posting the agenda in community meeting spots, developing guidelines for person wishing to speak before the board, producing a brochure, and enhancing the web site.

FISCAL IMPACT

Estimates provided from an outside vendor indicate that 5,000 two-color, two-sided, tri-fold brochures can be printed for a cost of \$3,140 annually.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Post the board agenda in community meeting locations prior to the meeting and produce and distribute a brochure on how to participate at board meetings. | (\$3,140) | (\$3,140) | (\$3,140) | (\$3,140) | (\$3,140) |

FINDING

The board does not conduct its meetings according to Robert’s Rule of Order. After the review team attended a board meeting and listened to several audio tape recording of previous board meetings, it determined that some board members were uncertain about parliamentary procedures. During the September 2003 special board meeting, a non-officer board member asked a community member sitting at the back of the room for input during the meeting. However, Robert’s Rules of Order indicate that no public testimony should be taken at these meetings. At the conclusion of the meeting, the board president informed the individual that this was special meeting in which no public input was being taken. During the August 25, 2003 board meeting, a motion was made and an amendment was introduced. Board members did not know how to handle the motion, the amendment, and subsequent discussions.

According to MFISD board policy number BE (Local): “ The board shall observe the parliamentary procedures as found in *Robert’s Rules of Order, Newly Revised*, except as otherwise provided in board procedural rules or by law. Procedural rules may be suspended at any board meeting by majority vote of the members present.”

Parliamentary procedures help people run productive meetings, while, helping to ensure that all participants are treated fairly and have a chance to be heard. Typical rules as noted by Robert’s Rules of Order to manage a board meeting included the following:

- All motions must be seconded and adopted by a majority vote unless otherwise noted.
- All motions may be debated unless otherwise noted.
- The member initiating the motion speaks first, the chair asks for a rebuttal.
- All members wishing to speak about the motion receive the opportunity to speak before any one member speaks for a second time.
- Majority vote is more than half of the members.
- Rules indicate that the vote should be announced by stating what is being voted on before the vote.

Recommendation 43:

Annually provide a training session to board members regarding parliamentary procedures.

Parliamentary procedures can help the board transact business with speed, efficiency, fairness, and harmony. The board members will benefit from understanding procedures and laws applicable to meetings.

FISCAL IMPACT

The Regional Education Service Center 13 located in Austin can annually conduct a half-day program for \$300–\$350. In addition the board may access a long and abbreviated version of Roberts Rules of Order on the Internet at no cost.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Annually provide a training session to board members regarding parliamentary procedures. | (\$350) | (\$350) | (\$350) | (\$350) | (\$350) |

FINDING

Board minutes are incomplete, omitting important information on discussions held and votes taken, and poorly organized, making it difficult for readers to quickly reference information. The superintendent’s secretary takes notes at board meetings and transcribes them into minutes. The board minutes contain minimal information about major discussion points at the board meetings. The minutes do not show which board members voted for, against, or abstained from voting on issues. Nor do the minutes highlight those items requiring follow-up such as the examples noted in **Exhibit 5-16**.

Exhibit 5-16
Sample Deficiencies in Board Minutes

| Meeting Date | Agenda Item Presented By | Discussion Topic | Board Minutes Assessment by the Review Team |
|---------------------|---------------------------------|--|---|
| May 19, 2003 | Patron | Expressed concerns about the tuition policies and requested that the board review the policies and implement them more fairly as opposed to doing away with the policies. | No follow-up actions were identified in the board minutes. |
| May 19, 2003 | Staff | Sale of home built by the building trades class. | The board asked several questions for staff to address yet only one was noted in the minutes. |
| May 19, 2003 | Staff | A motion was made to delegate the authority to the assistant superintendent of Business and Finance to approve or deny change orders with the consultation of the superintendent up to 5 percent impact limit. | No mention of the major discussion points was recorded in the minutes, including the current process or problems with existing way of doing business. |

Source: MFISD Board Minutes May 19, 2003.

As noted, board minutes are not organized in a way that makes it easy to find information. For instance, there are no headers to highlight the different sections of the minutes such as: information items, consents agenda items, and item actions taken. Minutes do not provide a cross-reference to the item being documented with agenda item number.

The *Handbook of Educational Administration* states that as a best practice board actions should contain “complete information as to each subject of the board’s deliberations.” It has been held that board minutes constitute the only legal evidence of board action. Chilton ISD board policy states: “Board action shall be carefully recorded by the secretary or clerk; when approve, these minutes shall serve as the legal record of official board actions. BE (local)” Since school board minutes serve as the official record of all board proceeding and actions, they must be meticulously kept. Any person should be able to read the minutes and discern the issues affecting a particular board decision.

Meetings provide the opportunity in a formal context for information and views to be exchanged, policy to be discussed, and decisions to be taken. Successfully recording minutes, at any level in the district, depends on representing clearly and accurately the matters discussed.

Exhibit 5-17 is an example of a format that districts can use as a worksheet to fully document minutes and the discussions taking place during board meetings.

Exhibit 5-17
Sample Worksheet Template for Recording Board Minutes

| Board Minutes for xx/xx/xx | | |
|---|---------------------|--------------------|
| Item Number: | Topic: | |
| <i>Item Description:</i> | | |
| <i>Significant Discussion Point:</i> | | |
| <i>Motion:</i> | | |
| <i>Motion by:</i> | <i>Seconded by:</i> | |
| <i>Amended Motion:</i> | | |
| <i>Amended by:</i> | <i>Seconded by:</i> | |
| <i>Votes:</i> | | |
| <i>Vote Count: YES votes: ____: NO votes: ____: Abstentions: ____</i> | | |
| <i>Follow-Up Action Items:</i> | | |
| Action Item | Assigned To | Return Date |
| | | |

Source: Designed by SoCo Consulting, Inc.

Exhibit 5-18 also illustrates a template for printing minutes that organizes them in an easily accessible way.

**Exhibit 5-18
Template for Printed Board Minutes**

| Marble Falls Independent School District Board Meeting Minutes | | |
|---|---|---|
| Meeting Type: | | |
| Date: | | |
| Location: | | |
| Start Time: | | |
| Special Session Start Time: | | End Time: |
| Adjourn Time: | | |
| Presiding Officer: | | |
| Board Members in Attendance: | | |
| Visitors in Attendance: | | |
| Visitors Signed-Up to Make Presentations: | | |
| Agenda Item # | Special Recognition Minutes | Follow-Up Required |
| | | |
| Agenda Item # | Open Forum Minutes | Follow-Up Required |
| | | |
| Agenda Item # | Information/Discussion Item Minutes | Follow-Up Required |
| | | |
| Agenda Item # | Action Items Minutes | Follow-Up Required |
| 6 | <p><u>Vehicle Replacements:</u></p> <p>1. Mr. Xxxx presented the need to purchase two cars for the driver’s education class. Xx classes with xx students and state standards indicating xx cars per xx students.</p> <ul style="list-style-type: none"> • <i>Criteria used to determine replacement includes:</i> >100,000 miles; excessive repair expenses; excessive breakdowns; standards are being achieved or exceeded. MFISD has 150,000 and 160,000 miles respectively. • <i>Cost benefit analysis:</i> The district spends about \$5,000 annually repairing two cars used for driver’s education. A new car will cost approximately \$xx,xxx. By avoiding repairs, the cost of the two cars can reach break even with XX months. These cars breakdown an average of twice per month stranding the driver’s education students in a classroom. • <i>Staff recommendation:</i> purchase two cars from local vendors or state contract. • <i>Board action taken:</i> Return to the next board meeting with the questions answered. | Research for standards regarding number of cars needed based on student enrollment. |
| Agenda Items for Consideration for the Next Board Meeting | | |
| Vehicle replacement request | | |

Source: Designed by SoCo Consulting, Inc.

Recommendation 44:

Clearly document minutes to include all board discussion and board actions.

Board minutes need to provide a detailed record of issues facing the district so that community members can review the minutes and gain a clear understanding of issues. If important information is not included in the minutes, there is no permanent record of fact when questions arise after district staff or board members leave the district.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The MFISD board does not conduct a self-appraisal of its performance and has not set standards or performance measures for itself. Six of the seven board members are new to the process and the district has had to appoint board members who have left the position prior to the completion of their term.

According to the TEA’s *Framework for School Board Development*, the board should annually evaluate its performance in fulfilling its duties and responsibilities, and its ability to work with the superintendent as a team.

Frank Martinelli of The Center for Public Skills Training states: “A key component in building an effective board is the establishment of a process for annual self-evaluation of the board. A well-planned recruitment process and an effective committee structure lay the groundwork for improved board performance. However, every so often the board as a whole needs to step back and look at itself. An effective process for self-evaluation of the board should be conducted on a regular, yearly basis. A good time is midway into the board year—by then, board members have had an opportunity to demonstrate their commitment and enough time remains to take corrective action if necessary.”

In addition to asking board members to assess how the board did in meeting its own performance goals, it is important to ask the board to reflect on *how* it does what it does. The board’s working processes strongly affect whether it has the effects it intends to have. The use of the best practices of effective boards is an appropriate benchmark for a board to use as a basis of self-reflection. **Exhibit 5-19** presents a list of criteria useful when evaluating the effectiveness of a school board.

Exhibit 5-19
Suggested Board Self-Evaluation Criteria

| Board Responsibility | Evaluation Components | Ranking and Assessment |
|-----------------------------|---|-------------------------------|
| Leadership | Provides leadership for public education? | |
| | Is an advocate for the educational needs and interests of children? | |
| | Works to influence policies of state and local governmental bodies and other organizations whose decisions affect children and youth? | |

Exhibit 5-19 (continued)
Suggested Board Self-Evaluation Criteria

| Board Responsibility | Evaluation Components | Ranking and Assessment |
|----------------------|--|------------------------|
| Communication | Seeks and responds to many forms of parent and community participation in the school district? | |
| | Has a comprehensive program for communications with its various constituencies, including policies and procedures for working with the media? | |
| | Encourages and respects diversity, deals openly and straightforwardly with controversy within the board and the community? | |
| | Follows democratic decision-making processes? | |
| | Unites the community around a common vision for the district and then structure district leadership and the school system around the vision? | |
| | Promotes constructive relations with its employees and works to create conditions that enhance productivity? | |
| | Do board members help mitigate the often excessive politicization of school board elections? | |
| | Does the board work effectively with the business community to provide stability, focus and source of power for more effective governance? | |
| Information | Is the board getting the information it needs? | |
| | Is the breadth of information required adequate? | |
| | Is the information accurate and timely? | |
| | Does the information provided adequately keep the board abreast of external as well as internal issues? | |
| | Exercises continuing policy oversight of education programs and their management, drawing information for this purpose from many sources and knowing enough to ask the right questions? | |
| Board Meetings | The extent to which meetings create an environment for honest expression of views from everyone? | |
| | The extent of open-minded listening? | |
| | The balancing of pace AND thoroughness in meetings? | |
| | The adequacy of time spent on strategic focus? | |
| | Whether directors attend meetings having done their homework and are prepared to discuss key issues? | |
| Board Accountability | How well the board fulfills its responsibilities and monitors its own effectiveness in doing so? | |
| | Effectiveness in accountabilities such as assuring alignment of district, values, purpose and strategy with business planning processes? | |
| | How well the board evaluates the superintendent? | |
| | Assuring that long and short-term plans are realistic? | |
| | The board's effectiveness in monitoring progress on critical and strategic matters? | |
| | How well it holds itself accountable to fulfill its own roles and meet its own objectives? | |
| | Has procedures for self-assessment and invests in its own development, using diverse approaches that address the needs of the board as a whole as well as those of individual board members? | |

Exhibit 5-19 (continued)
Suggested Board Self-Evaluation Criteria

| Board Responsibility | Evaluation Components | Ranking and Assessment |
|----------------------|--|------------------------|
| Superintendent | Establishes and implements procedures for selecting the superintendent? | |
| | Establishes and implements procedures for evaluating the superintendent? | |
| Planning | Uses strategic planning to set educational goals and determines the means to accomplish them? | |
| | Uses strategic planning to set administrative goals and determines the means to accomplish them? | |
| Budgeting | Works to ensure an adequate flow of resources and achieves equity in their distribution? | |
| Policies | Establishes and follows policy to govern its own policy-making decisions? | |
| | Recognizes the dilemma of distinguishing policy from administration and periodically clarifies these separate areas of responsibility in consultation with the superintendent? | |
| | Establishes and follows policies and procedures to manage its own operations? | |
| Committees | Established based on need, deadline, expected results and reporting schedule? | |
| | Committees are productive and value to the governance of the school district? | |

Source: Designed by SoCo Consulting, Inc. and Growing Public Schools: New Times, New Requirements.

Many school district board conduct self-evaluations to assess their effectiveness in objectives, roles, participation, problem definition, conflict management, personal openness, mutual support and teamwork, monitoring, decision-making, planning, delegation, trust, and confidentiality. Several Board of Trustee self-evaluation documents are available on the Internet.

Recommendation 45:

Conduct a board self-evaluation annually.

A process of the board's self-evaluation will help to maintain a high level of performance.

FSICAL IMPACT

This recommendation can be implemented with existing resources.

B. DISTRICT MANAGEMENT

The superintendent, who serves as the chief executive administrator and the educational leader of the district, is responsible for the effective execution of policies adopted by the local board. The superintendent manages the administration of all district operations and assigns personnel responsibilities.

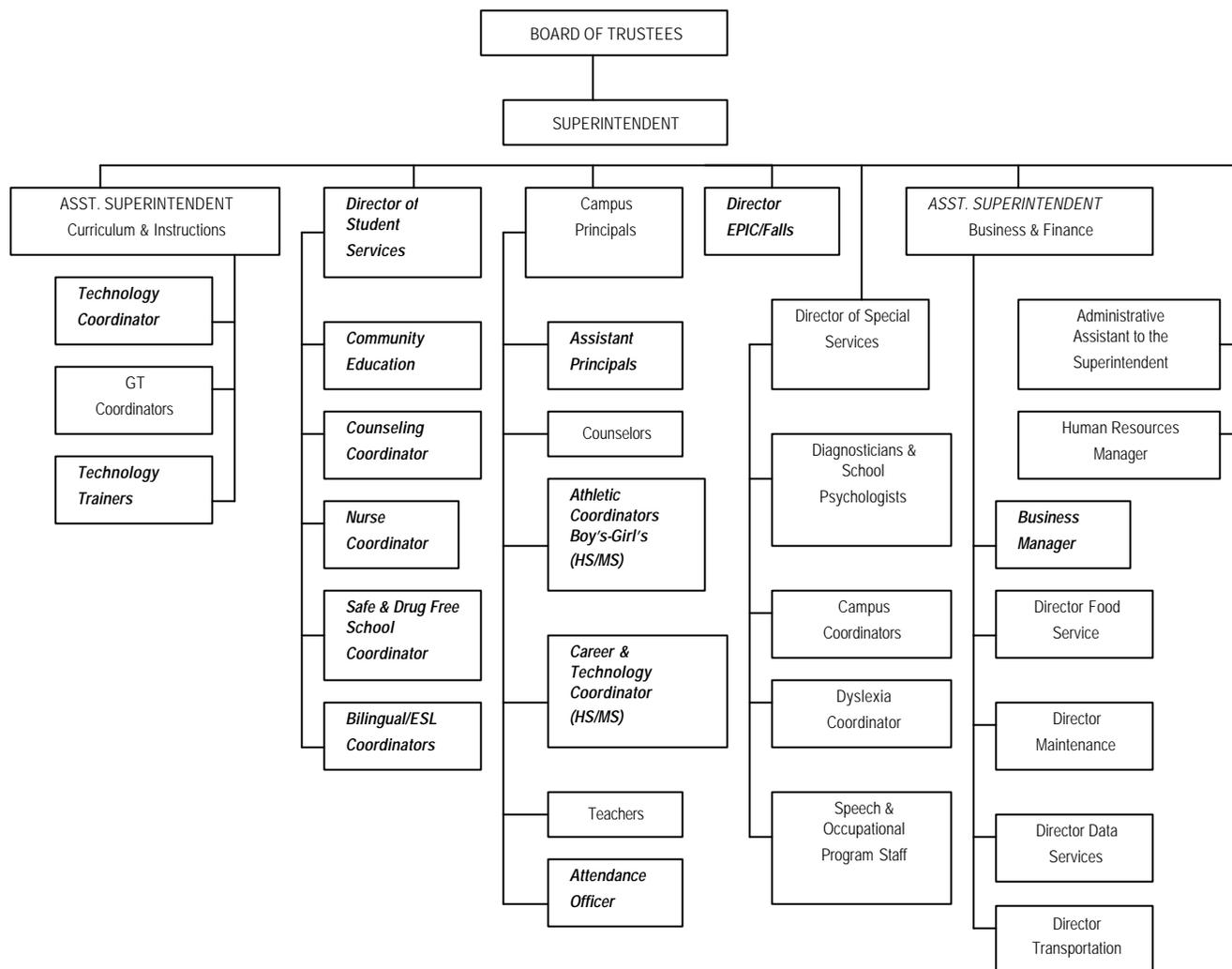
The MFISD superintendent's duties include: managing the daily operations of the district as its administrative manager; preparing recommendations for board policies; overseeing the implementation of the adopted policies; and developing appropriate administrative procedures to implement board-established policies.

The MFISD leadership has experienced a period of change. After the superintendent left for a new opportunity in 2003, the board hired an outside person as the interim superintendent for four months. The board hired the current superintendent in July 2003.

The superintendent's administrative team consists of the superintendent, assistant superintendent of Business and Finance, assistant superintendent for Curriculum and Instruction, director of Special Services, and the director of Student Services.

Exhibit 5-20 illustrates the organization of the administrative team.

**Exhibit 5-20
MFISD Organizational Structure**



Source: Assistant superintendent of Curriculum and Instruction, MFISD Organizational Chart, September 2003.

The district leadership team, called the A-Team, consists of the superintendent, assistant superintendent of Business and Finance, assistant superintendent of Curriculum and Instruction, directors, and school principals. The A-Team, which meets weekly, handles instructional issues, operational issues, policy recommendations, communication, and training needs. The superintendent also conducts a monthly meeting with all central office building staff.

One of the most important responsibilities of the board and the superintendent in ensuring taxpayer dollars are spent wisely. One category of the district's operating budget is central administration. Central administration operating expenditures are funds used for managing or governing the school district as an overall entity.

A comparison with selected peer districts show that Sheldon ISD has the largest budget dedicated toward central administration while MFISD ranks third amongst its peer districts (**Exhibit 5-21**).

Exhibit 5-21
MFISD and Peer Central Administration
Operating Expenditure 1998-99 through 2002-03

| District | Actual 1998-99 through 2001-02 | | | | Budget 2002-03 | 5-Year Change |
|---------------------|--------------------------------|----------------------|----------------------|------------------------|------------------------|---------------|
| | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | | |
| Sheldon | \$1,002,418 | \$1,055,380 | \$1,153,697 | \$1,370,731 | \$1,616,097 | 61.22% |
| La Marque | \$1,302,476 | \$1,248,783 | \$1,200,165 | \$1,108,911 | \$1,507,522 | 15.74% |
| Hallsville | \$910,791 | \$1,031,154 | \$1,220,699 | \$1,149,512 | \$1,232,865 | 35.36% |
| Aransas County | \$1,325,186 | \$913,091 | \$964,684 | \$1,028,212 | \$1,106,446 | (16.51%) |
| Tuloso-Midway | \$913,476 | \$950,576 | \$894,656 | \$924,737 | \$953,814 | 4.42% |
| Marble Falls | \$932,848 | \$1,023,024 | \$1,097,147 | \$1,249,416 | \$1,364,249 | 46.25% |
| State | \$859,513,754 | \$890,376,205 | \$953,749,911 | \$1,017,293,427 | \$1,090,220,713 | 26.84% |

Source: Texas Education Agency, Public Education Information Management System, 1998-99 through 2001-02 and Texas Education Agency, Academic Excellence Indicator System 2002-03.

MFISD also ranks third in central administration operating expenditures per student and MFISD is higher than the state average by \$119 per student as shown in **Exhibit 5-22**.

Exhibit 5-22
MFISD and Peer Central Administration
Operations Expenditures per Student

| District | Actual 1998-99 through 2001-02 | | | | Budget 2002-03 | 5-Year Change |
|---------------------|--------------------------------|--------------|--------------|--------------|----------------|-----------------|
| | 1998-1999 | 1999-2000 | 2000-01 | 2001-02 | | |
| La Marque | \$306 | \$301 | \$295 | \$278 | \$388 | 26.83% |
| Sheldon | \$245 | \$251 | \$275 | \$337 | \$386 | 57.51% |
| Hallsville | \$382 | \$262 | \$287 | \$308 | \$328 | (14.11%) |
| Aransas County | \$239 | \$279 | \$331 | \$308 | \$327 | 37.09 |
| Tuloso-Midway | \$297 | \$312 | \$292 | \$293 | \$296 | (0.51%) |
| Marble Falls | \$264 | \$296 | \$305 | \$342 | \$375 | 42.10% |
| State | \$297 | \$312 | \$292 | \$293 | \$257 | (13.68%) |

Source: Texas Education Agency PEIMS 1998-99 through 2001-02 and AEIS 2002-03.

FINDING

In each of its schools, MFISD uses a site-based decision-making process for personnel hiring, goal setting, curriculum, instruction, and campus budgeting. Each campus site-based management committee includes a campus administrator, teachers from various grade levels, special programs, paraprofessional staff, parents, community representatives, and business members. The superintendent appoints a central administration representative to each committee. Teacher and other site-board committee members report that the process is very effective and that decision-making is truly campus based.

To facilitate site-based decision-making, the district provides principals with training and workshops on school finance and budgeting. Principals, along with their campus school improvement teams, have significant discretion over campus-based staff development. Each campus chooses to allocate its per student allotments according to needs and school improvement plans. For example, the elementary school may choose to spend less on supplies because its campus PTO supplements their supply money.

The site-based decision-making groups, meet throughout the year to make recommendations on staffing, budget, the campus improvement plans, and other broad campus issues.

Over 80 percent of the teachers and 55 percent of the parents surveyed indicated that the district gives teachers an opportunity to suggest programs and materials that they believe are most effective as evidenced in **Exhibit 5-23**. School principals said during interviews with the school review team that the central office and school board have been very helpful in providing timely information and help to their campuses, while allowing them ability to make site-based decisions.

Exhibit 5-23 Survey Results

Response to Question: Teacher are given on opportunity to suggest programs and materials that they believe are most effective?

| Responses From | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|----------------|----------------|-------|------------|----------|-------------------|
| Teachers | 18.1% | 62.5% | 9.0% | 9.7% | 0.7% |
| Parents | 7.8% | 48.1% | 29.9% | 10.4% | 3.9% |

Source: School Review team teacher and parent surveys, September 2003.

A review of the composition of each of the five school improvement teams shows that each school has ensured that a wide representation of stakeholder are on the team including teachers, auxiliary personnel, paraprofessionals, administrative staff, one district central office representative, parents, community representatives, and business leaders.

COMMENDATION

MFISD has an effective site-based decision-making process at the school level.

FINDING

The MFISD staff structure is not optimally organized to meet the district’s financial, operational, and educational needs. The superintendent serves as the chief executive officer of the district and reports to the board. The assistant superintendent of Business and Finance, the assistant superintendent of Curriculum and Instruction, the director of special Services, the Human Resources manager, and the school principals all report to the superintendent.

Exhibit 5-24 presents issues at MFISD that have been created by an inefficient organizational structure. The exhibit is separated into educational, financial, and operational areas of concern and also describes the adverse impact the current organizational issue has not the school district operations.

**Exhibit 5-24
MFISD Organizational Structure Assessment**

| Functional Areas | Organizational Issues | Review Team Assessment |
|-------------------------|---|---|
| Educational | The assistant superintendent of Curriculum and Instruction reports directly to the superintendent as does each school principal. This position develops curriculum and instruction but does not have organizational responsibility to the principals delivering education. | Curriculum development is not linked organizationally to all of the educational services delivery functions within the district. This compromises the district’s ability to provide adequate accountability or evaluate performance. |
| | The district alternative education program (DAEP) supports high school student s but reports directly to the superintendent. | There is no oversight assignment or chain of command relating to the DEAP director’s position. The high school principal is responsible for all high school students yet he has no control, coordination, or involvement in the decisions made regarding DAEP practices. |
| | Federal and grant programs report in varied ways to numerous positions. For instance, Special Services that handles special education, reports to the superintendent. Bilingual/ESL, another specialized program, reports instead to the executive director of Student Services, while the Career and Technology Coordinator, reports to the High School principal. | There is no logical reason for the reporting structure. All special programs are scattered throughout the reporting structure and do not ensure accountability and teamwork among the specialized programs. |

Exhibit 5-24 (continued)
MFISD Organizational Structure Assessment

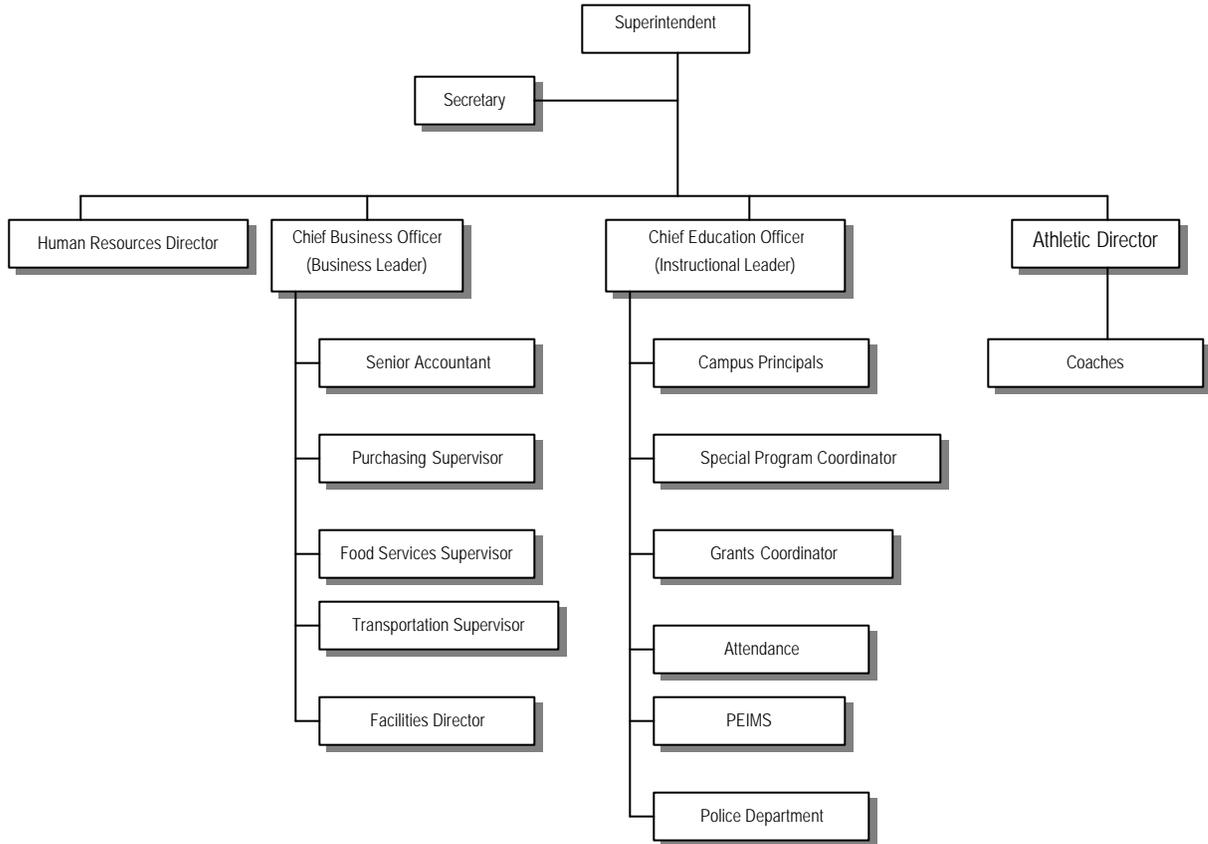
| Functional Areas | Organizational Issues | Review Team Assessment |
|-------------------------|--|---|
| | <p>The Student Services Division is responsible for a number of unrelated activities such as programs funded through grants and federal dollars; the nurse; the counselor coordinator; and textbook ordering, inventory, and management.</p> | <p>Student services evolved over time assuming responsibilities for functions that were not functioning well or that the previous superintendent placed under the executive director of Student Services.</p> |
| Financial | <p>The assistant superintendent of Business and Finance performs several operational duties not identified in the position's job description or title.</p> | <p>The district has not updated the position's job description and title to include or reflect the operational duties responsible in this position. With the retirement of the assistant superintendent of Business and Finance and the district posting for this job, it is important for applicants to understand the full scope and responsibilities of the position in order for the district to hire the most qualified individual.</p> |
| Operational | <p>The coordination of all community programs is separated out to several individuals, including the director of Special Programs, director of Student Programs, and principals.</p> <p>While the district has several planning documents such as the District Improvement Plan (DIP) Campus Improvement Plans (CIPs) technology plan, and facilities capital improvement plan, the district has not centralized its planning efforts.</p> | <p>Community programs have no central oversight to ensure that all entities serving community members and parents are not duplicating work efforts and competing with the same customer base.</p> <p>Program planning is the responsibility of several departments. The DEIC helps in planning for the District Improvement Plan and the site-based planning at each campus is responsible for the Campus Improvement Plans while the maintenance and technology departments develop long-range plans for capital improvement. However, there is no one position responsible for the coordination of planning efforts so that all the district's plans cohesively align their goals, objectives, and funding sources. In interviews with several board members, the superintendent, and management team members, all agreed that a formal monitoring process is needed to routinely measure progress made toward reaching district wide planning goals.</p> |

Source: SoCo Consulting Inc.

School districts with a strong organizational structure align similar functions in the reporting hierarchy. Organizations are structured not based on personalities but along appropriate functional lines.

Aransas County ISD (ACISD), a peer district of MFISD, had a very fragmented organizational structure. The district changed its structure to place all educational components under one manager and the business functions under another as shown in **Exhibit 5-25**.

Exhibit 5-25
Aransas County ISD Organizational Structure



Source: Aransas County ISD.

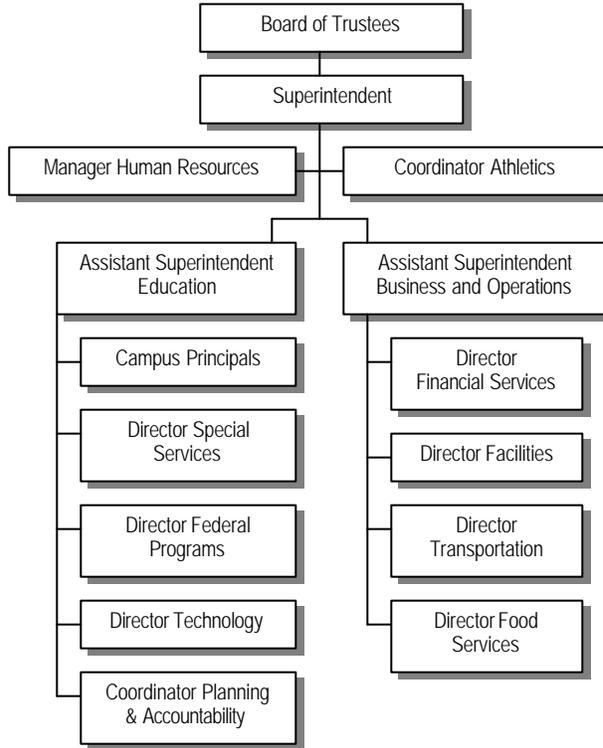
Recommendation 46:

Reorganize and consolidate the central administration along functional lines.

The proposed organizational structure as depicted in **Exhibit 5-26** changes the title of assistant superintendent for Curriculum and Instruction to assistant superintendent of Education and moves all educational service delivery functions under this person. The title of the assistant superintendent of Business and Finance changes to assistant superintendent of Business and Operations and assumes all non-instructional and business-related functions.

The district will have an educational leader and a business leader. The athletic coordinator will report to the superintendent with coaches reporting to the athletic coordinator for their coaching responsibilities and supervised by their principals for their teaching function.

**Exhibit 5-26
Proposed MFISD Organizational Structure**



Source: Designed by SoCo Consulting, Inc.

The district should consolidate all educational functions under the assistant superintendent of Education, formerly the assistant superintendent of curriculum and instruction and all finance and operational functions under the assistant superintendent of Business and Operations. The district should also create a position to coordinate all program planning, research, evaluation, and accountability. **Exhibit 5-27** details the suggested changes.

**Exhibit 5-27
Organizational Reporting Suggestions**

| Current Title | Suggested Title Change | Reporting Relationship | Responsibilities |
|--|---------------------------------------|-------------------------------|---|
| Assistant superintendent of Curriculum and Instruction | Assistant superintendent of Education | Superintendent | Provide leadership and guidance to the educational staff and management to achieve the district's educational vision. |

Exhibit 5-27 (continued)
Organizational Reporting Suggestions

| Current Title | Suggested Title Change | Reporting Relationship | Responsibilities |
|------------------------------|--|---------------------------------------|---|
| Campus Principals | No change | Assistant superintendent of Education | No change. |
| Director of Special Services | No change | Assistant superintendent of Education | Continue to be responsible for special education for the district. |
| Director of Student Services | Director of Federal Programs | Assistant superintendent of Education | Responsible for management, financial oversight, performance evaluation, coordination, and control of all district federal programs. |
| Director of Technology | No change | Assistant superintendent of Education | Continues to provide technology troubleshooting assistance and training when required. |
| Technology trainers | CSR (technology customer service representative) | Director of Technology | Continue to provide technology troubleshooting assistance and training when required. |
| Does not exist | Coordinator of Community Involvement* | Director of Federal Programs | Coordination of all programs relating to services provided to community members, parents, Education Foundation, and business community. The position is funded with an additional stipend to current staff member assuming the new responsibilities. |
| Does not exist | Coordinator of Planning and Accountability | Assistant superintendent of Education | The district should also create a position that concentrates specifically on program planning, research, evaluation, and accountability. This office will be established under the purview of the assistant superintendent of Education and should be responsible for: districtwide planning; student testing, research, and evaluation; districtwide coordination of the campus and district improvement planning processes; assessment and evaluation of educational effectiveness and efficiency; evaluation of the district's strategic plan and goals; evaluation of the alignment of state, district, and program goals and objectives; provide reports to staff and the school board relating to educational program accountability; and provide accountability information to constituents. |

**Exhibit 5-27
Organizational Reporting Suggestions**

| Current Title | Suggested Title Change | Reporting Relationship | Responsibilities |
|--|---|---|---|
| Gifted and Talented (G/T) Coordinators | Curriculum coordinators for Primary G/T and Secondary G/T | Assistant superintendent of Education | No change. |
| Assistant superintendent of Business and Finance | Assistant superintendent of Business and Operations | Superintendent | Responsible for all services to support education. |
| Business Operations | Director of Financial Services | Assistant Superintendent of Business and Operations | No change. |
| Director of Maintenance | Director of Facilities | Assistant superintendent of Business and Operations | Add the responsibilities for the physical security for the district to the director's duties. |

Source: Designed by SoCo Consulting, Inc.

FISCAL IMPACT

Adding a coordinator of Planning and Accountability would cost the district \$50,230. The salary would be \$46,131 plus benefits of \$4,099 for a total of \$50,230 based on a 212-day contract.

The Community Involvement coordinator's position and stipend is covered in the Community Support section of this report.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Reorganize and consolidate the central administration along functional lines. | (\$50,230) | (\$50,230) | (\$50,230) | (\$50,230) | (\$50,230) |

C. STAFF MANAGEMENT

MFISD's human resources function underwent major changes in 1998 when the district hired a new superintendent. At the time, the district had an assistant superintendent of Human Resources and a Human Resources manager. When the assistant superintendent of Human Resources accepted a position in another district, MFISD's superintendent decided not to fill the vacant position. The district redefined the responsibilities of the Human Resources manager position to absorb duties performed by the assistant superintendent of Business and Finance. The secretarial position was also eliminated.

In 2002-03, MFISD employed 549 employees and served 3,632 students. **Exhibit 5-28** shows a comparative analysis of the number of employees and the district's enrollment for the last five years. Although enrollment remained relatively constant during the period, district staffing increased.

Exhibit 5-28
MFISD Employees by Job Category
1998–99 through 2002–03

| Employee Category | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 | Percent Change from 1998–99 through 2002–03 |
|---------------------------------|----------------|------------------|----------------|----------------|----------------|--|
| Teachers | 243.7 | 241.5 | 249.6 | 262.1 | 260.6 | 6.9% |
| Professional Support | 29.0 | 28.5 | 32.1 | 33.5 | 30.1 | 3.8% |
| Campus Administration | 8.0 | 11.1 | 13.0 | 11.6 | 18.5 | 131.3% |
| Central Administration | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 0.0% |
| Total Professional Staff | 283.7 | 284.1 | 297.7 | 310.2 | 312.2 | 10.0% |
| Educational Aides | 68.4 | 76.5 | 67.5 | 65.7 | 72.4 | 5.8% |
| Auxiliary Staff | 122.2 | 113.3 | 128.7 | 145.3 | 164.3 | 34.5% |
| Total Staff | 474.3 | 473.9 | 493.9 | 521.2 | 548.9 | 15.7% |
| Enrollment | 3,529 | 3,452 | 3,597 | 3,648 | 3,632 | 2.9% |

Source: Texas Education Agency, Academic Excellence Indicator System (AEIS), 1998–99 through 2002–03

Exhibit 5-28 excludes food service staff because management and staffing of the cafeterias has been outsourced to a private contractor for the last 13 years. In 2002–03, the food services management contractor employed 45 employees and one director to operate the MFISD Food Service Department.

In 2002–03, the district’s total budgeted payroll costs for all expenditures were nearly \$20 million, as more than 70 percent of the district’s total expenditures. **Exhibit 5-29** shows how MFISD’s payroll costs are budgeted by functional area.

Exhibit 5-29
MFISD Budgeted Payroll Costs by Function
2002–03

| Functional Area | Total Payroll Expenditures | Percentage of Total Payroll Expenditures |
|--|-----------------------------------|---|
| Instruction | \$13,011,407 | 65.07% |
| Instruction Resources & Media Services | 320,685 | 1.60% |
| Curriculum and Staff Development | 13,085 | 0.07% |
| Instructional Leadership | 381,146 | 1.91% |
| School Leadership | 1,312,060 | 6.56% |
| Guidance Counseling | 920,825 | 4.61% |
| Social Work Services | 81,341 | 0.41% |
| Health Services | 273,413 | 1.37% |
| Transportation | 830,735 | 4.15% |
| Food Services | 25,912 | 0.13% |
| Co/Extracurricular Activities | 432,860 | 2.16% |

Exhibit 5-29 (continued)
MFISD Budgeted Payroll Costs by Function
2002-03

| Functional Area | Total Payroll Expenditures | Percentage of Total Payroll Expenditures |
|--|-----------------------------------|---|
| General Administration | 494,220 | 2.47% |
| Plant Maintenance Operations | 1,533,325 | 7.67% |
| Data Processing Services | 296,580 | 1.48% |
| Community Services | 67,270 | 0.34% |
| Total Payroll Expenditures | \$19,994,864 | 100.00% |
| Total Expenditures/Payroll Percentage of Total Expenditures | \$28,354,360 | 70.52% |

Source: Texas Education Agency, Public Education Information Management System (PEIMS), 2002-03

In comparison to selected peers, MFISD's payroll costs as a percentage of total expenditures are in the middle when compared to peers and below the state average (**Exhibit 5-30**).

Exhibit 5-30
Total Payroll Expenditures Compared to Total Budgeted Expenditures
MFISD and Peer Districts
2002-03

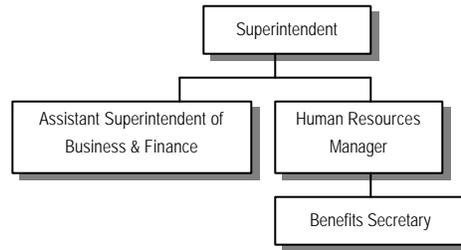
| District | Total Payroll Expenditures | Total Budgeted Expenditures | Percentage of Total Payroll Expenditures |
|----------------------|-----------------------------------|------------------------------------|---|
| Hallsville | \$19,030,825 | \$26,070,010 | 73.00% |
| La Marque | \$19,409,508 | \$27,826,020 | 69.75% |
| Marble Falls | \$19,994,864 | \$28,354,360 | 70.52% |
| Sheldon | \$25,366,524 | \$36,381,872 | 69.72% |
| Aransas County | \$18,696,172 | \$24,988,055 | 74.54% |
| Tuloso – Midway | \$14,341,852 | \$21,786,222 | 65.83% |
| State Average | \$21,947,914,976 | \$30,054,426,935 | 73.03% |

Source: Texas Education Agency, PEIMS, 2002-03

Organization, Staffing, and Compensation

The Human Resources manager and the benefits secretary perform human resources duties for the district. The Human Resources manager reports directly to the superintendent while the benefits secretary reports to the assistant superintendent of Business and Finance. The district classifies the Human Resources manager as an administrator, but this position has not assigned supervisory responsibilities. MFISD's Human Resources organization chart is display in **Exhibit 5-31**.

Exhibit 5-31
MFISD Human Resources Organization Chart



Source: MFISD Organization Chart, September 8, 2003.

Exhibit 5-32 shows the job descriptions the district developed for each of the department's positions.

Exhibit 5-32
MFISD Human Resources Personnel Responsibilities

| Assistant Superintendent of Business and Finance |
|---|
| <p>Compensation</p> <ul style="list-style-type: none"> • Develop and implement procedures for administering salary, benefits, and other forms of compensation that effectively implement policies adopted by the board. • Administer the teacher salary schedule and ensure compliance with the state minimum salary schedule requirements. • Administer the exempt and nonexempt compensation programs and ensure compliance with federal wage and overtime laws. • Provide cost analysis of salary and wage adjustments for the budgeting process. <p>Personnel Management</p> <ul style="list-style-type: none"> • Prepare, review, and revise business department job descriptions. • Develop training options and/or improvement plans to ensure exemplary business operations. • Evaluate job performance of employees to ensure effectiveness. • Recruit, train, and supervise personnel and make sound recommendations relative to personnel placement, assignment, retention, discipline, and dismissal. |
| Human Resources Manager |
| <p>Employment</p> <ul style="list-style-type: none"> • Work cooperatively with principals and staff to select personnel for instructional and support assignments. • Coordinate the district recruitment program and ensure that the district is represented in a positive and professional manner. • Coordinate orientation-training programs for new employees. • Administer employment contracts and contract renewals. • Work cooperatively with others to ensure compliance with federal and state laws and regulations. <p>Oversee the necessary processing for issuance and renewal of state certificates and permits.</p> |

Exhibit 5-32 (continued)
MFISD Human Resources Personnel Responsibilities

Human Resources Manager (continued)

Compensation

- Prepare and revise job descriptions and assist with the classification of positions in the district compensation plans.

Employee Relations

- Work cooperatively to ensure that employees are kept well informed of personnel policies, procedures, and programs that affect them.
- Ensure that the personnel directory is created, updated annually, and distributed.
- Work cooperatively to ensure that the employee handbook is created, updated as needed, and made available to all employees.

Budget

- Work with others to compile and report projections of staffing needs.
- Ensure that Human Resources department funds are managed prudently.
- Implement the policies established by federal and state laws, State Board of Education rules, and local board policy in the area assigned.

Records

- Ensure that operations contribute to the attainment of district goals and objectives.
- Recommend policies that improve programs.
- Supervise personnel records management.
- Develop and maintain systems FO retrieval of personnel information.
- Compile, maintain, file, and secure all physical and computerized reports, records, and other required documents.

Human Resources Department

- Work cooperatively to recruit and train department staff and make sound recommendations relative to personnel placement, assignment, retention, discipline, and termination.
- Participate in professional development activities to maintain current knowledge of Human Resources rules, regulations, and practices.

Other

- Cross train with the Administrative Assistant to the Superintendent to assure smooth and efficient office operation at all times.

Benefits Secretary

Records, Reports, and Correspondence

- Prepare correspondence, forms, reports, etc., for department using personal computer and typewriter.
- Compile pertinent data as needed when preparing various state and local reports.
- Maintain physical and computerized departmental files including state and local leave for service records and substitute teacher payrolls.
- Work cooperatively with Human Resources manager to assure smooth and efficient operation of office.

Accounting

- Perform routine bookkeeping tasks, including simple arithmetic operations, for the department.

Exhibit 5-32 (continued)
MFISD Human Resources Personnel Responsibilities

Benefits Secretary (continued)

Other

- Answer incoming calls, take reliable messages, and route to appropriate staff.
- Maintain a schedule of appointments, meetings, and make travel arrangements for Human Resources staff.
- Receive, sort, and distribute mail and other documents to Human Resources staff.
- Participate in New Hire Orientations by providing accurate information regarding benefits available to new employees.
- Work cooperatively with Human Resources manager to administer required pre-employment tests to paraprofessional applicants.
- Serve as Chairman of Wellness and assist with wellness activities.
- Complete and file appropriate forms/reports and make appointments as needed for staff with worker compensation needs.
- Work with third party plan administrators and Section 125 representatives in enrolling new employees, processing changes, and problem solving.
- Serve on Insurance Committee and schedule meetings for committee as needed.
- Maintain confidentiality of information.

Source: MFISD Job Descriptions, August 1999 and June 2002.

The Human Resources Department also maintains the following documents in employee personnel files: the employee's application for employment, appointment letters, contract, employee history form, employment references, personal data form, certificates of achievement, and transcripts, if applicable, to the position category. Staff maintain the personnel records in a locked file cabinet in the Human Resources manager's office accessible to the Human Resources manager and the Benefits secretary.

In 2002–03, the district purchased new computer software and the Human Resources Department began using the system in September 2002. The system offers an integrated student and financial management module. The Employee Management module provides a single entry interface for payroll-related functions.

Human Resources has established short- and long-term objectives, including recruiting and hiring qualified and dedicated personnel to educate students to become self-motivated, self-responsible, and successful lifelong learners. MFISD's Human Resources goals, taken from the district's strategic plan, are shown in **Exhibit 5-33**.

**Exhibit 5-33
MFISD Human Resources Goals**

| Goal | Action Plan | Action Plan Outcome |
|---|--|---|
| By 2005–06, all students will be taught by highly qualified teachers. | <ul style="list-style-type: none"> • Actively recruit teachers fully certified in area of assignment according to No Child Left Behind guidelines. • Review the Human Resources procedures and practices to ensure every effort expended supports compliance objective. • Provide support for current staff involved in working toward meeting highly qualified status by the year 2005–06. | <ul style="list-style-type: none"> • Highest quality teachers, administrators, and non-instruction staff are hired and retained in district. • Continuously improve Human Resources procedures and practices. |
| Goal | Action Plan | Action Plan Outcome |
| Marble Falls ISD will continuously recruit instructors. | <ul style="list-style-type: none"> • Actively recruit teachers fully certified in area of assignment. • Continue partnership with Region 13 for alternative certification services, and periodically review effectiveness. • Promote partnership with the Marble Falls campus of Texas Tech University to provide qualified staff. • Concentrate on pursuit of special or critical needs area instructors. • Review and assess online personnel services for providing state and nationwide applicant base. | <ul style="list-style-type: none"> • Highest quality teachers, administrators, and non-instructional staff are hired and retained in district. • Continuously improve Human Resources procedures and practices. |

Source: MFISD Strategic Plan for Human Resources, September 8, 2003.

Exhibit 5-34 shows the Human Resources Department budget from 2001–02 through 2004–05.

Exhibit 5-34
MFISD Human Resources Department Budget
2001–02 through 2004–05

| | 2001–02 | 2002–03 | 2003–04 |
|--------------------------|-----------------|-----------------|-----------------|
| Payroll | \$35,550 | \$36,565 | \$67,400 |
| Contracted Services | 0 | 500 | 500 |
| Supplies and Materials | 4,999 | 6,300 | 6,300 |
| Other Operating Expenses | 3,804 | 10,700 | 10,700 |
| Capital Outlay | 0 | 0 | 0 |
| Total | \$44,353 | \$54,065 | \$84,900 |

Source: Texas Education Agency, AEIS, 2001–02 through 2004–05; MFISD Finance Department, August 2003.

The budget for the Human Resources Department increased by \$9,712 between 2001–02 and 2002–03. In 2003–04, the Human Resources budget increased by \$30,835. The assistant superintendent of Business and Finance explained that the 2003–04 budget increase resulted from moving the Benefits secretary position from the Finance Department to the Human Resources Department. Prior to the budgetary position transfer, the Business Office and the Human Resources Department split the position’s costs. Expenditures such as advertising costs for vacant positions are included under the “other operating expenses” category.

The district has an experienced teaching staff, as shown in **Exhibit 5-35**. Almost 75 percent of its staff have six or more years or experience, higher than the state average and second highest among the peer districts, behind only Aransas County ISD.

Exhibit 5-35
Teacher Experience
MFISD, Peer Districts, and the State
2002–03

| District | Beginning | 1–5 Years | 6–10 Years | 11–20 Years | Over 20 Years | Percent with more than 6 years Experience |
|---------------------|-------------|--------------|---------------|----------------|------------------|--|
| Sheldon | 16.1% | 37.8% | 12.9% | 14.0% | 19.1% | 46.0% |
| La Marque | 15.3% | 28.8% | 14.9% | 17.4% | 23.7% | 56.0% |
| Hallsville | 8.0% | 22.6% | 15.3% | 27.8% | 26.2% | 69.3% |
| Tuloso-Midway | 3.0% | 23.1% | 18.7% | 27.5% | 27.7% | 73.9% |
| Marble Falls | 6.1% | 19.2% | 20.3% | 29.0% | 25.3% | 74.6% |
| Aransas County | 2.3% | 16.8% | 19.8% | 37.4% | 23.7% | 80.9% |
| State | 7.8% | 28.2% | 18.3% | 24.4% | 21.3% | 64.0% |

Source: Texas Education Agency, AEIS, 2002–03.

The following provides a general description of employment terms used by the district, as provided by the Texas Education Code.

Probationary contracts: Nurses and full-time professional employees new to the district and employed in positions requiring certification must receive probationary contracts during their first year of employment. Former employees who are hired after at least a two-year lapse in district employment also may be employed by probationary contract, though not required. The probationary period for those who have been employed in public schools for at least five of the eight years preceding employment with the district may not exceed one school year. For individuals with less experience, the probationary

period is three years, with an optional fourth year if the board determines it is doubtful about whether a term contract should be given.

Term contracts: Full-time professionals employed in positions requiring certification and nurses who have successfully completed the probationary period will be employed by a term contract. Campus principals and central office administrators are employed under a two-year term contract. The terms and conditions of employment are detailed in the contract and employment policies.

Non-certified professional and administrative employees: Employees in professional and administrative positions that do not require State Board for Educator Certification (SBEC) certification (such as noninstructional administrators) are employed under a two-year contract that is not subject to the procedures for non-renewal or termination under the TEC.

Paraprofessional and auxiliary employees: All paraprofessional and auxiliary employees, regardless of certification, are employed at-will and not by contract. At-will employment is not for any specified term and may be terminated at any time by either the employee or the district.

All positions are classified as exempt or nonexempt according to federal law and as defined under the Fair Labor Standards Act (FLSA). Professional and administrative positions are generally classified as exempt and are paid salaries as opposed to hourly wages. Employees in exempt positions are not entitled to receive overtime compensation. Positions classified as nonexempt are paid based on hourly wages and entitled to receive extra compensation for each hour of overtime worked.

The district chooses to pay their teachers, nurses, librarians, and counselors more than the state minimum salary. To further supplement teacher pay, in 2003–04, the board approved an additional \$1,200 salary increase for all teachers with master's degrees.

MFISD has established salary schedules for professionals, paraprofessionals, and auxiliary staff. Professional and auxiliary staff schedules have minimum, midpoint, and maximum rates established by the district. Unless the employees have additional related experience, the district hires them at the minimum rate. For each year of related experience, new employees receive 1.5 percent above the district's minimum rate for the position. The district offers the new employees in these positions a rate of pay according to specific guidelines to lessen salary administration subjectivity. The district administers the paraprofessional pay schedule similarly with the candidate's years of experience guiding the hiring pay rate.

Contract employees who perform extracurricular or supplemental duties may be paid a stipend in addition to their salary according to the district's extra-duty pay schedule. Examples of employees who are paid stipends at MFISD include University Interscholastic League (UIL) coaches, athletic, band, and cheerleader coaches and choir directors. In addition, department managers and club and class sponsors are paid stipends.

The district offers stipends to encourage leadership of extracurricular activities and for department chairs. The principals and the assistant superintendent of Business and Finance meet to determine the budget for extra-duty pay. Prior to the meeting, they conduct comparison group studies from other districts to determine the value of the extra duty.

The district offers state-provided personal leave, sick leave, and for some positions, vacation pay. Upon retirement as certified by the Teachers Retirement System, employees with accumulated local leave will be compensated for each unused local leave day multiplied by the highest daily substitute rate per job classification. A budget is set annually to pay for this retirement compensation. This budget amount

cannot be exceeded. In the event that the number of retirees in a single year exceeds the budgeted compensation, a pro rata amount will be distributed to each retiree.

FINDING

MFISD does not use a staffing allocation formula to determine staffing requirements for each school. The administrative staff classification consists of principals, assistant principals, counselors, secretaries, and clerks. According to the assistant superintendent of Business and Finance, the district bases staffing on student enrollment and comparison group studies. In February 2004, MFISD's board extended one-year contracts to all principals and all but two of the assistant principals. The assistant principals at Marble Falls Primary School and Marble Falls Elementary School received two-year contract extensions. In addition, the district announced plans at the March 2004 board meeting to reduce two teaching positions and eight paraprofessional positions for 2004–05 through attrition.

However, district data shows that over the last five years student enrollment has increased 2.9 percent while total staff has increased by 15.7 percent. **Exhibit 5-36** compares that current staffing levels for each of MFISD's schools to minimum staffing levels for elementary and secondary schools recommended by the Southern Association of Colleges and Schools (SACS). SACS accredits more than 12,000 public and private institutions, from pre-kindergarten through the university level, in 11 states in the Southeastern United States, including Texas, and in Latin America.

Exhibit 5-36
MFISD Staffing Compared to SACS Minimum Personnel Requirements
2002–03

| School | MFISD or SACS | Enrollment | Principal | Assistant Principal | Counselor | Secretaries or Clerks |
|--|-------------------|-------------|------------|---------------------|------------|-----------------------|
| Marble Falls Primary | MFISD | 682 | 1.0 | 1.0 | 1.0 | 1.0 |
| | SACS | 660–879 | 1.0 | 0.5 | 1.0 | 1.5 |
| | Difference | | 0.0 | 0.5 | 0.0 | (0.5) |
| Highland Lakes Elementary | MFISD | 561 | 1.0 | 1.0 | 1.0 | 1.0 |
| | SACS | 440–659 | 1.0 | 0.0 | 1.0 | 1.0 |
| | Difference | | 0.0 | 1.0 | 0.0 | 0.0 |
| Marble Falls Elementary | MFISD | 510 | 1.0 | 1.0 | 1.0 | 1.0 |
| | SACS | 440–659 | 1.0 | 0.0 | 1.0 | 1.0 |
| | Difference | | 0.0 | 1.0 | 0.0 | 0.0 |
| Marble Falls Middle | MFISD | 833 | 1.0 | 2.0 | 2.0 | 3.0 |
| | SACS | 750–999 | 1.0 | 1.0 | 2.0 | 1.5 |
| | Difference | | 0.0 | 1.0 | 0.0 | 1.5 |
| Marble Falls High | MFISD | 1,046 | 1.0 | 4.0* | 4.0 | 9.0 |
| | SACS | 1,000–1,249 | 1.0 | 2.0 | 2.5 | 4.0 |
| | Difference | | 0.0 | 2.0 | 1.5 | 5.0 |
| Total Overstaffed or (Understaffed) | | | 0.0 | 5.5 | 1.5 | 6.0 |

Source: Texas Education Agency, AEIS, 2002–03, MFISD Employee Management Reports, August 25, 2003, SACS, Checklist of Standards for the Accreditation of Middle Schools, Secondary Schools and Elementary Schools, 2002–03.

**The district includes the director of the alternative programs as an assistant principal for state reporting purposes.*

According to SACS standards, the district has five and a half assistant principals over recommended levels, one and a half counselors over recommended levels, and six secretaries or clerks over recommended levels.

Exhibit 5-37 shows the average MFISD salaries for these positions.

Exhibit 5-37
MFISD Average Salaries by Position Category
2002–03

| Position | Salary |
|----------------------|----------|
| Principals | \$61,350 |
| Assistant Principals | \$50,352 |
| Guidance Counselors | \$47,357 |
| Secretaries/Clerk | \$19,489 |

Source: MFISD, Human Resources Department and SoCo Consulting, Inc. analysis.

The district calculates benefits for employees at \$2,700 per year for health insurance. Professional employees receive another 3.032 percent of annual salary in benefits. Other employees receive a variable rate based on the classification of the employee. Employees who work more than 20 hours per week receive full benefits.

Many districts use established staffing formulas such as those developed by SACS or other applicable industry standards. Other districts internally develop their own formulas to use for annual staffing ratios or combine industry formulas with internal priorities based upon campus or district needs. Sometimes professional positions, such as guidance counselors, are assigned priorities or given special consideration in staffing calculations based upon individual campus needs including but not limited to numbers of students at-risk or violence statistics.

Some districts use funding partnerships with parent organizations or allow individual schools to optionally ask parents of students to completely fund or partially fund staff in excess of recommended levels. The Parent Teacher Association of Highland Park Elementary School in Austin Independent School District provided funding for a half-time counselor and a half-time assistant principal prior to 2003–04. School administrators also ask parents for an optional donation at the beginning of each year to fund a full-time Spanish teacher’s position. The Parent Teacher Association also contributes funds to assist in this endeavor. In 2003–04, the PTA is funding the salary for a full-time reading recovery teacher and continues to assist with funds for two part-time Spanish teachers.

Recommendation 47:

Use staffing allocation formulas to determine the appropriate number of positions within each campus and eliminate excess positions.

The district should continue to consider individual campus needs when making professional staffing decisions and include standards or develop internal formulas to use in conjunction with reviews of enrollments and other comparative studies. The district may also want to explore partnerships with parent organizations or other groups to partially fund any positions in excess of recommended staff levels.

FISCAL IMPACT

This fiscal impact is based upon the elimination of 12 positions and the addition of 0.5 of a position for a net total of 11.5 positions. No counseling positions or the assistant principal designated as director of Alternative Programs at the high school level have been included in these calculations. Salary and benefit reduction estimates are shown in **Exhibit 5-38**. Some savings will not be realized until 2005–06 since contracts have already been offered to employees for 2004–05.

Exhibit 5-38
Salary Reduction Estimate

| School | Recommendation | Estimated Average Annual Salary | Annual Salary Savings (Cost) | Annual Benefit Savings (Cost) | Total Salary Savings (Cost) |
|----------------------------------|------------------------------------|--|-------------------------------------|--------------------------------------|------------------------------------|
| Marble Falls Primary School | Eliminate 0.5 assistant principal | \$50,352 | \$25,176 | \$3,463 | \$28,639 |
| | Add 0.5 secretary/clerk | 19,489 | (9,745) | (3,786) | (13,531) |
| Highland Lakes Elementary School | Eliminate 1.0 assistant principal | 50,352 | 50,352 | 4,227 | 54,579 |
| Marble Falls Elementary School | Eliminate 1.0 assistant principal | 50,352 | 50,352 | 4,227 | 54,579 |
| Marble Falls Middle School | Eliminate 1.0 assistant principal | 50,352 | 50,352 | 4,227 | 54,579 |
| | Eliminate 1.5 secretaries/clerks | 19,489 | 29,234 | 8,657 | 37,891 |
| Marble Falls High School | Eliminate 2.0 assistant principals | 50,352 | 100,704 | 8,454 | 109,158 |
| | Eliminate 5.0 secretaries/clerks | 19,489 | 97,445 | 24,355 | 121,800 |
| Total | 11.5 | N/A | \$393,870 | \$53,824 | \$447,694 |

Source: SoCo Consulting, Inc. analysis.

This fiscal impact assumes that 0.5 positions receive full benefits including insurance benefits valued at \$2,700 per employee per year. The district pays full health insurance coverage for employees who work 20 or more hours per week. Only savings for secretaries and clerks are recognized for the first implementation year due to professional positions already contracted for 2004–05. In addition, in 2005–06, no savings are calculated for the two high school assistant principals that received two-year board contract extensions.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Use staffing allocation formulas to determine the appropriate number of positions within each campus and eliminate excess positions. | \$146,160 | \$338,536 | \$447,694 | \$447,694 | \$447,694 |

FINDING

The district does not have a pay-for-performance compensation plan. According to the Human Resources manager, the district grants pay increases to MFISD employees in every pay classification to remain competitive in the local market. **Exhibit 5-39** shows the salary scale for MFISD. The district's pay scale also has an automatic increase for each year of service. The uniformly applied compensation strategy used by the district over the past five years is market driven. While market-based compensation strategies are effective and necessary employer tools, some districts also reward and recognize higher levels of individual performance in their employees.

Exhibit 5-39
MFISD Certified Staff Pay Scale for
Teachers, Nurses, Librarians, and Counselors
2002-03

| Years of Experience | State Minimum Salary | MFISD Salary | State Minimum Salary | MFISD Salary |
|----------------------------|---|---------------------|-----------------------------|---------------------|
| | Teachers, Nurses, and Librarians | | Counselors | |
| 0 | \$24,240 | \$30,240 | \$26,664 | \$33,264 |
| 1 | 24,810 | 30,810 | 27,291 | 33,891 |
| 2 | 25,390 | 31,390 | 27,929 | 34,529 |
| 3 | 25,960 | 31,960 | 28,556 | 35,156 |
| 4 | 27,170 | 32,970 | 29,887 | 36,287 |
| 5 | 28,380 | 34,180 | 31,218 | 37,618 |
| 6 | 29,590 | 35,390 | 32,549 | 38,949 |
| 7 | 30,720 | 36,220 | 33,792 | 39,892 |
| 8 | 31,780 | 37,280 | 34,958 | 41,058 |
| 9 | 32,790 | 38,290 | 36,069 | 42,169 |
| 10 | 33,730 | 38,800 | 37,103 | 42,773 |
| 11 | 34,640 | 39,340 | 38,104 | 43,404 |
| 12 | 35,490 | 40,090 | 39,039 | 44,239 |
| 13 | 36,280 | 40,580 | 39,908 | 44,808 |
| 14 | 37,050 | 41,050 | 40,755 | 45,355 |
| 15 | 37,760 | 41,660 | 41,536 | 46,036 |
| 16 | 38,440 | 42,140 | 42,284 | 46,584 |
| 17 | 39,080 | 42,780 | 42,988 | 47,288 |
| 18 | 39,680 | 43,380 | 43,648 | 47,948 |
| 19 | 40,260 | 43,860 | 44,286 | 48,486 |
| 20 | 40,800 | 44,300 | 44,880 | 48,980 |
| >20 | 40,800 | 46,020 | 44,880 | 48,980 |

Source: MFISD Salary Schedule 2002-03; the symbol ">" denotes greater than.

In 2004–05, the board approved the following salary plan (**Exhibit 5-40**).

**Exhibit 5-40
Approved Pay Plan
2004–05**

| Employee Classification | Proposed Increases |
|-------------------------------------|---|
| Teachers | <ul style="list-style-type: none"> • Step increase (1.75 percent) • \$1,500 increase for teachers above Step 20 |
| Para-professionals | <ul style="list-style-type: none"> • One-step increase with average step of \$350 |
| Other Professionals | <ul style="list-style-type: none"> • \$500 increase |
| Auxiliary Staff | <ul style="list-style-type: none"> • 3 percent increase |
| Total cost to implement plan | \$371,610 |

Source: MFISD Board Minutes, June 16, 2003.

A review of average salaries to district employees over the last five years shows that the district has been increasing salaries each year, as shown in **Exhibit 5-41**.

**Exhibit 5-41
Average Actual Salaries
1998–99 through 2002–03**

| | 1998–99 | 1999–2000 | 2000–01 | 2001–02 | 2002–03 | Five-Year Change More or (Less) |
|------------------------|----------|-----------|----------|----------|----------|--|
| Teachers | \$32,668 | \$35,487 | \$35,867 | \$37,480 | \$40,589 | 24.2% |
| Professional Support | \$41,141 | \$43,981 | \$44,374 | \$45,118 | \$47,027 | 14.3% |
| Campus Administrators | \$49,152 | \$51,692 | \$51,438 | \$50,922 | \$51,188 | 4.1% |
| Central Administration | \$70,459 | \$72,649 | \$74,904 | \$80,830 | \$89,338 | 26.8% |

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03

In comparison to selected peer districts, MFISD’s teachers, professional support staff, and educational aides average salaries exceed all the peers except for Sheldon ISD (**Exhibit 5-42**).

Exhibit 5-42
Average Actual Salaries
MFISD and Peer Districts
2002–03

| | Teachers | Professional Support Staff | Campus Administrators | Educational Aides | Auxiliary Staff |
|----------------|-----------------|-----------------------------------|------------------------------|--------------------------|------------------------|
| Hallsville | \$36,893 | \$44,805 | \$60,100 | \$14,593 | \$17,098 |
| Aransas County | \$37,498 | \$41,027 | \$57,019 | \$14,509 | \$18,987 |
| La Marque | \$38,058 | \$45,199 | \$69,369 | \$12,945 | \$21,530 |
| Tuloso-Midway | \$38,960 | \$43,379 | \$60,544 | \$15,274 | \$19,534 |
| Marble Falls | \$40,589 | \$47,027 | \$51,188 | \$15,849 | \$17,115 |
| Sheldon | \$40,833 | \$47,337 | \$69,638 | \$18,192 | \$19,407 |
| Region | \$39,047 | \$46,906 | \$63,798 | \$16,752 | \$21,196 |
| State | \$39,972 | \$47,640 | \$64,259 | \$15,062 | \$19,272 |

Source: Texas Education Agency, PEIMS Report: ADPEB03, 2002–03.

The district’s intent to align MFISD employees’ salaries with competing districts is a legitimate business reason to grant across-the-board pay increases to all employees. However, some districts, such as Spring Independent School District (SISD), have developed and transferred administrative staff and some experienced teachers to pay-for-performance compensation plan. In SISD, the board annually creates two separate payroll allocations within the budget and requires all administrators above the assistant principal level to participate in the pay-for-performance compensation plan. In addition, all teachers who have reached the cap in the regular pay schedule are also included in the pay-for-performance compensation plan.

Recommendation 48:

Develop a pay-for-performance compensation plan and implement in annual phases.

MFISD’s superintendent should work with the board to develop and implement a pay-for-performance compensation plan to encourage and communicate the high performance expectations of the district. The district should initially include central administrators and annually increase participation in the pay-for-performance compensation plan to include campus administrators and teachers who have reached the highest available pay grade according to the district’s regular salary schedule. The district should award pay increases according to varying levels of high performance and should not base pay raises in this compensation plan solely on years of service with the district.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Recruitment, Hiring, and Retention

Hiring and retaining highly qualified staff at all levels of the district's operations, particularly classroom teachers, is often a challenging task. Highly qualified and experienced staff positively impact staff productivity and student performance. In addition, the federal No Child Left Behind Act requires districts to have highly qualified teachers in core academic subjects by 2005–06 and highly qualified aides or paraprofessionals to serve the students. Highly qualified means that persons performing these duties have appropriate educational credentials specified in federal statute and meet state certification requirements.

The core academic subjects are English, reading or language arts, mathematics, science, foreign languages, civics, government, economics, arts, history, and geography. In addition to being licensed to teach in the state and not being on waiver, teachers must demonstrate competence in all the academic subjects which they teach based on a high objective uniform state standard of evaluation.

District paraprofessionals must have completed at least two years of study at an institution of higher education; obtained an associate's (or higher) degree; or met a rigorous standard of quality. Through state or local academic assessments, the paraprofessional must demonstrate knowledge of, and the ability to assist in the instruction of, reading, writing, and mathematics; or knowledge of, and the ability to assist in the instruction of, reading readiness, writing readiness, and mathematics readiness, as appropriate. Paraprofessionals qualifying under this criterion must have a secondary school diploma or its equivalent, but the receipt of a high school diploma is not sufficient to satisfy the requirements for meeting this standard.

MFISD's Human Resources manager posts vacant jobs on the district's website and attends recruiting events to promote the district. Many vacancies are also listed in classified advertising in local or regional newspapers.

In MFISD, the principals and department managers are responsible for hiring and retaining employees in their respective areas. The assistant superintendent of Business and Finance prepares the personnel budget and provides district managers with the number of staff who can be hired and the amount that can be spent.

FINDING

To promote student and staff safety, MFISD performs state criminal history checks on all employees, substitutes, and volunteers at the time of their initial involvement with the district and, on a rotating basis, every two to four years. If applicants apply for jobs in transportation, the district performs criminal history checks as soon as it receives an application. Because of pre-employment training requirements for bus drivers, the district does not want to spend time and money training a transportation prospect only to discover that the criminal history information will prevent the individual from being considered for employment. However, for other classifications of employees, the district completes interviews first. The district performs a state criminal history check only if it remains interested in the candidate.

The district rechecks volunteers after two years and checks substitutes and employees on a rotation of every three or four years. The district uses the Texas Department of Public Safety's (DPS) system website to obtain criminal background information at \$1.00 per inquiry. As of 2003–04, the State Board of Educator Certification requires all potential teaching candidates to complete a national fingerprinting criminal history search as a condition of state certification.

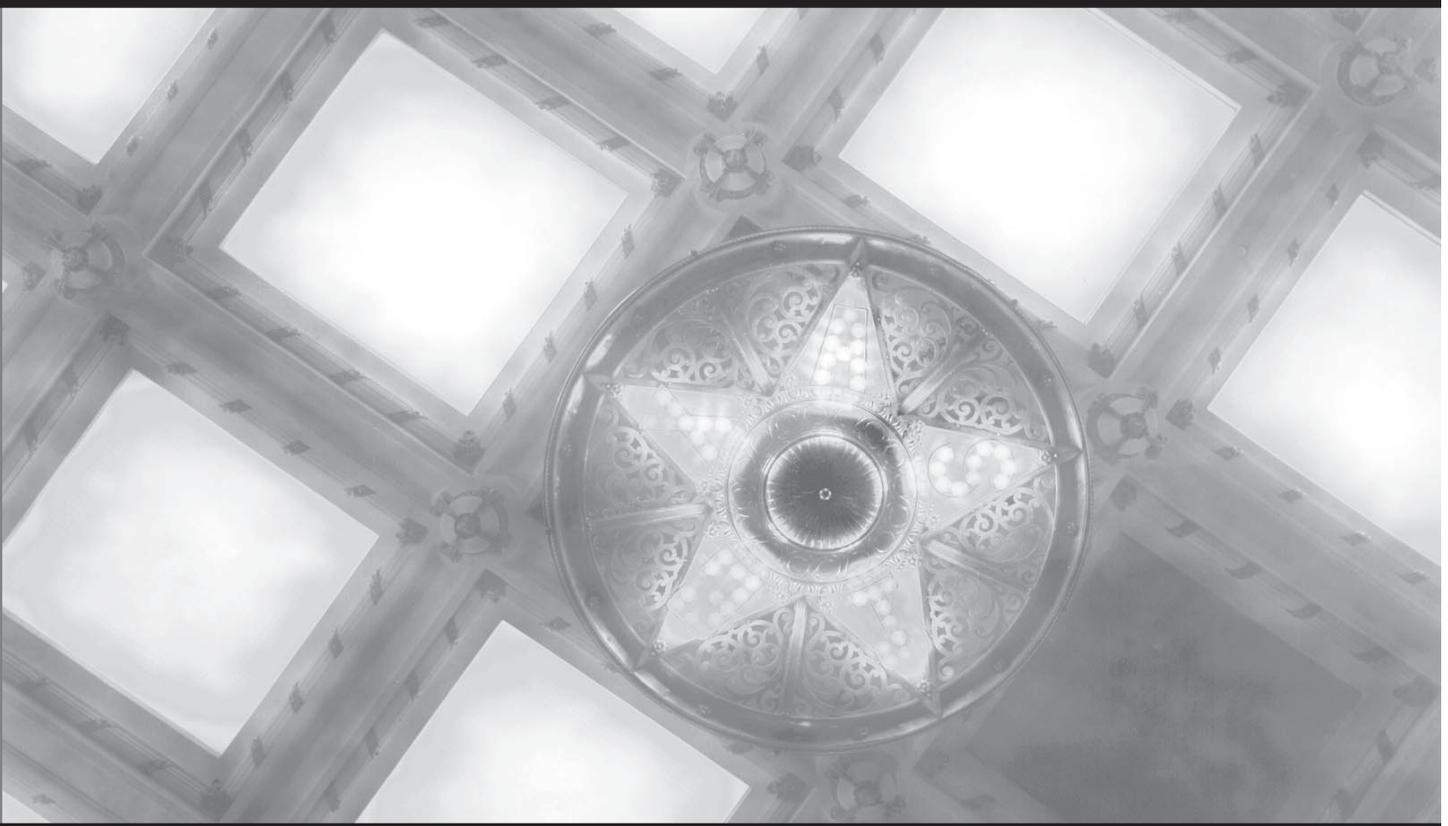
During 2002–03, the district ran state criminal background checks on 467 substitutes, applicants, and volunteers. DPS's secured website is available only to entities authorized by the Legislature. It provides access to the computerized criminal history file consisting of records provided to DPS by courts and criminal justice agencies throughout Texas. It includes information on felonies and Class A and B misdemeanors.

COMMENDATION

MFISD promotes student and staff safety by conducting criminal background checks on all employees, volunteers, and substitutes.

Chapter 6

Computers and Technology



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Chapter 6

COMPUTERS AND TECHNOLOGY

This chapter reviews the computer and technology services of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Organizational Structure, Staffing, and Training
- B. Technology Planning
- C. Instructional and Administrative Technology

Effective, integrated networks enable school districts to enhance operational, instructional, and business programs. Technological advances in hardware and software at affordable pricing allow districts to increase processing speed, access more information, and improve efficiencies through program integration and communication networks.

The effectiveness and efficiency of a district's technology depends on its management and oversight of instructional and administrative technology; related hardware and software maintenance; implementation and oversight of local area networks and a wide area network; training and technical support for the entire district staff; emergency preparedness for disasters impacting technology; and planning future technology needs.

During the review, the school review team compared MFISD technology practices with the following peer districts selected by the district: Aransas County, La Marque, Sheldon, Hallsville, and Tulosso-Midway. MFISD students, parents, teachers, auxiliary staff, and administrators also completed surveys.

BACKGROUND

All MFISD classrooms, offices, libraries, and computer labs are networked. The Technology staff designed the district's wide area network in a star configuration to each school with the Technology Department and middle school serving as the center of the design. The district equipped each school with fully networked computer labs and some classroom stations for individual student work as well as teacher administrative needs. The district Technology staff manages and supports computer technology throughout the district. All but a few of the standardized desktop computers work off a single operating system and are connected to the local area network (LAN) and the wide area network (WAN).

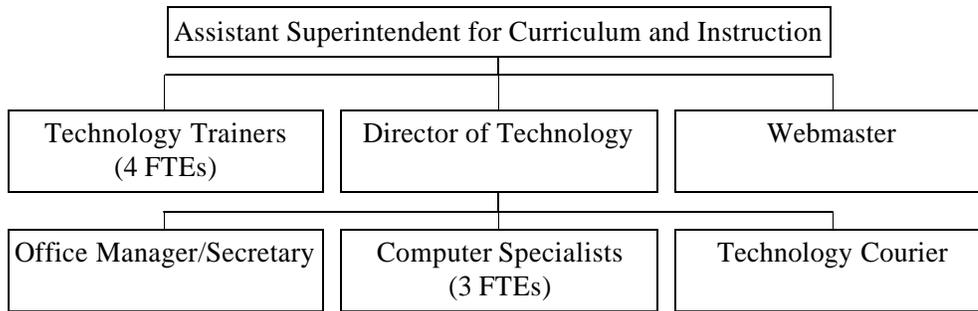
All Internet-connected computers use a web browser for accessing the Internet. The district handles e-mail through an in-house mail server. All schools have access to internal mail as well as external mail. Because of the fiber capacity of the wide area network and its centralized structure, Internet service can be distributed to all schools using a T1 line routed to the Regional Education Service Center XIII (Region 13) in Austin, and additional T3 capacity is provided through a wireless service provider. Internet filtering is accomplished through the use of an in-house server providing content filtering and using a filtering service. Two digital T1 lines connected to the local phone service provider allow access to telephone service. Two digital T1 lines connect to a district-wide PBX that distributes digital phone service to all schools through the wide area network.

Since the district provides users sufficient storage on the district network server, individuals are discouraged from storing data on their computers' hard drive. The central office exerts a high degree of control over technology in the district.

MFISD divides technology functions between two departments: the Curriculum and Instruction Department and the Technology Department. The assistant superintendent for Curriculum and

Instruction provides oversight and guidance to the Technology Department and coordinates the activities of the technology trainers and the webmaster. The Technology Department delivers all technology services and products to the district staff. **Exhibit 6-1** displays MFISD’s Technology Department organizational structure.

**Exhibit 6-1
MFISD Technology Department Organization
September 2003**



Source: MFISD director of Technology. Note: There are 11 staff with technology responsibilities not including the assistant superintendent of Curriculum and Instruction. The technology courier and webmaster work part-time.

Twelve staff members, or 10.5 FTEs, deliver technology solutions to MFISD staff and the various sites. Five positions report directly to the director of Technology, and six positions report to the assistant superintendent for Curriculum and Instruction. The roles and responsibilities for each employee are described in **Exhibit 6-2**.

**Exhibit 6-2
Technology Staff Roles and Responsibilities**

| Position | Technology Roles | Technology Responsibilities |
|--|--|---|
| Assistant Superintendent for Curriculum and Instruction (1 FTE but only deals with technology part-time) | <ul style="list-style-type: none"> • Reports to the superintendent • Technology coordinator and facilitator for the district • Executive champion for technology | <ul style="list-style-type: none"> • Provides oversight and coordination for all technology activities in the district. • Ensures efficient and effective administrative technology solutions. • Ensures efficient and effective instructional technology solutions. |
| Director of Technology (1 FTE) | <ul style="list-style-type: none"> • Reports to the Assistant Superintendent for Curriculum and Instruction • Manager of the department • PEIMS coordinator for MFISD’s data extraction | <ul style="list-style-type: none"> • Keeps current on technological advances. • Coordinates the extraction of data for PEIMS. • Trains technology staff. • Prioritizes work orders and makes assignments. • Evaluates all personnel. |

Exhibit 6-2 (continued)
Technology Staff Roles and Responsibilities

| Position | Technology Roles | Technology Responsibilities |
|---|--|--|
| Computer Specialists (3 FTEs) | <ul style="list-style-type: none"> Report to the director of Technology Hardware customer service and support Data, hardware, and software security | <ul style="list-style-type: none"> Maintain the wide area network. Maintain the local area networks. Maintain the network software. Maintain the servers. Administer web filtering services. Administer the data, hardware and software security. Install computer equipment and software. |
| Technology Courier (1 PT) | <ul style="list-style-type: none"> Reports to the director of Technology Customer service and support Computer specialist support | <ul style="list-style-type: none"> Transfers computers to and from campuses for service or repair. Resolves minor software and/or hardware problems throughout the district. |
| Office Manager/ Secretary (1 FTE) | <ul style="list-style-type: none"> Reports to the director of Technology District telephone support District technology purchasing agent Work order administrator Inventory control person Statistical report compiler | <ul style="list-style-type: none"> Maintains the work order system. Maintains inventory control over parts. Administers billing for parts used. Purchases technology hardware and software according to district policy and state law. Prepares and distributes reports relating to technology within the district. Maintains the districtwide telephone system. Maintains and purchases software licenses. |
| Technology Trainers (4 FTEs) | <ul style="list-style-type: none"> Report to the Assistant Superintendent for Curriculum and Instruction Customer service support Technology training | <ul style="list-style-type: none"> Respond to MFISD staff requests for assistance relating to technology. Deliver technology training to MFISD staff. Assist teachers with adopting technology into the classrooms. |
| Webmaster (1 PT-- 3 hrs/day) | <ul style="list-style-type: none"> Reports to the Assistant Superintendent for Curriculum and Instruction Handles the district's web site | <ul style="list-style-type: none"> Posts and makes changes to the district's web site. Assists campus webmasters and teachers with their pages when they have problems. Trains teachers how to design and create a webpage. |
| Total FTEs | 9 full-time and 3 part-time for a total of 10.5 FTEs* | |

Source: "State of the School Marble Falls Independent School District Instructional Technology" Report, October 2002 and assistant superintendent for Curriculum and Instruction interview, September 2003.

** Assistant superintendent for Curriculum and Instruction's technology responsibilities are part-time, and technology courier and webmaster are also part-time functions.*

Parents of MFSID students responded positively to survey questions about district technology. Parents indicated that MFISD teachers knew how to use computers in the classroom, that computers were new enough to be useful, and that the district is meeting their children's technology needs.

Exhibit 6-3 details the responses from parents on technology survey questions.

**Exhibit 6-3
MFISD Parent Survey Responses to Technology Questions**

| Parent Responses | Agree or Strongly Agree | No Opinion | Disagree or Strongly Disagree |
|---|--------------------------------|-------------------|--------------------------------------|
| Teachers know how to teach computer science and other technology-related courses. | 65.0% | 22.1% | 13.0% |
| Computers are new enough to be useful to teach students. | 74.0% | 19.5% | 6.5% |
| The district meets student needs in computer fundamentals. | 68.8% | 16.9% | 14.3% |
| The district meets student needs in advanced computer skills. | 52.0% | 28.6% | 19.5% |
| Students have easy access to the Internet. | 64.9% | 23.4% | 11.7% |

Source: School Review Parent Survey, September 2003.

Note: Percentages are rounded off.

MFISD teachers also indicated that students regularly use computers and that students' computer needs are being met. **Exhibit 6-4** displays the teachers' responses to technology survey questions.

**Exhibit 6-4
MFISD Teacher Survey Responses to Technology Questions**

| Teacher Responses | Agree or Strongly Agree | No Opinion | Disagree or Strongly Disagree |
|---|--------------------------------|-------------------|--------------------------------------|
| Students regularly use computers. | 85.4% | 4.2% | 10.4% |
| Students have regular access to computer equipment and software in the classroom. | 68.1% | 5.6% | 26.4% |
| Teachers know how to use computers in the classroom. | 84.7% | 6.3% | 9.0% |
| Computers are new enough to be useful for student instruction. | 88.9% | 4.2% | 7.0% |
| The district meets student's needs in classes in computer fundamentals. | 84.0% | 7.6% | 8.3% |

Source: School Review Teacher Survey, September 2003.

Note: Percentages are rounded off.

A. ORGANIZATIONAL STRUCTURE, STAFFING, AND TRAINING

A school district must have an organizational structure that creates an environment supportive of teachers and students by maximizing technology through continuous system analysis and improvement to achieve its technology-related goals. Effective organizations clearly define responsibilities and provide support staff with the necessary resources while monitoring staff to ensure desired results.

FINDING

MFISD maintains control over its inventory of hardware and software. Staff tag all MFISD computers and printers with barcode stickers. The Facilities department inventories all fixed assets, including hardware. The Technology Department maintains an up-to-date on-line inventory of all the equipment by campus, and the office manager/secretary and the technical staff verify the software licenses before they install any new hardware. Anytime the district moves a computer from one location to another location within the district, or if the internal configuration changes from the last login, the Technology Department is informed through nightly reporting.

The district uses a software package to manage its hardware and software inventory. Data is extracted from every computer connected to MFISD's network and is stored in a central database. The software performs a comprehensive audit of hardware, software, and peripheral data providing MFISD with information to plan for future system developments, troubleshoot, or accurately budget

for software upgrades or licensing compliance. MFISD technology staff keeps the district current, provides an accurate inventory of its system configurations, and manages licenses more easily. As a result, the district can determine when systems need to be upgraded; ensure compliance with software licensing agreements; and avoid overcharges on software with per-seat licenses. By increasing its understanding of software usage patterns, the district can determine which software to include on new computers. Technology staff can also use software tracking to discover what updates have been applied to a system and keep software patches up to date. This practice makes computers more reliable and secure and enables staff to restore systems faster if problems occur.

COMMENDATION

MFISD maintains control over hardware and software inventory.

FINDING

The district manages computers and software from a central site using systems management software tools. MFISD houses all servers at a central location to eliminate the time-consuming, complex, and resource intensive process of managing remotely located servers. The district has created a strong network infrastructure enabling Technology staff to use network management tools that allow remote management of software, hardware, copyright compliance, and remote computer control for training and support.

The software tools enable staff to quickly and effectively apply critical security updates for Windows, Office, and other tools that improve the operational efficiency of managing systems. Network tools allow not only remote diagnosis of problems, but also preventive maintenance through network analysis.

The benefits from the use of network management tools include low recurring fees and ease of management. The district loads software once at the central site and downloads it to the appropriate computers saving considerable time. Centralizing all server hardware reduces the labor required for backup and unnecessary overhead. A computer specialist can access a computer remotely regardless of location, helping MFISD to minimize labor costs since the computer specialist does not always have to travel to the computer's location to resolve issues.

COMMENDATION

MFISD has built a network that allows centralized support and management while minimizing labor costs.

FINDING

MFISD does not use a formula-based process to forecast staffing needs or to create a rationale for technology staffing. In order to maximize educational benefits from technology, a district must have appropriate technical support services.

MFISD employs three computer specialists who:

- maintain the wide area network, the five local area networks, the network software, web filtering services, data/hardware/software security;
- repair computer equipment; and
- install computer equipment and software on approximately 1,156 computers and 83 printers.

Two computer specialists provide service and repair support while the third supports the network and infrastructure hardware and software. Four district technology trainers provide first-line service to school teachers and deliver technology training to teachers. Technology trainers spend approximately 50 to 55 percent of their time performing service and the remaining 45 to 50 percent on training.

MFISD's technician-to-computer ratio is 1 to 413, based on approximately 1,156 computers and 83 printers divided by three full-time computer specialists.

Planning adequate technical support needs to include planning for responsibilities such as web site management and consider factors related to a district's demographics, infrastructure, age and diversity of computers and software, use of centralized management tools, and reliance on technology-based curriculum. The State of Michigan developed a technology staffing guideline for school districts. The State of Michigan worksheet considers all the technology positions needed in a school district. It factors in the number of computers in full-time use, major applications supported, software applications installed that require support, training needs, curriculum support, and other technology responsibilities. **Exhibit 6-5** shows the calculation used to project MFISD's technology staffing needs.

**Exhibit 6-5
Technical Support Staff Estimate for MFISD**

| Calculation | MFISD Considerations and Calculations | Staffing Needs |
|--|---|----------------|
| Number of computers, printers and peripherals in full-time use divided by 500. | 1,156 computers + 83 printers = 1,239 / 500 = 2.48 staff required. | 2.48 |
| Number of distinct major LAN's, network operating systems, Internet servers, sizable central databases that must be monitored and managed divided by 5. | 5 LANs + 1 e-mail server + PEIMS database work order database + technology inventory control database = 8 / 5 = 1.60 staff required. | 1.60 |
| Total number of software applications (number of licenses) in use on all the computers in the district divided by 5,000. | 19,197 software licenses according to the Software Summary Report / 5,000 = 3.84 staff required. | 3.84 |
| In-service training, one-on-one help in getting computers and applications to work, creation of written materials, help desk question answering. This involves all interaction with users beyond taking repair requests. Take number of users and divide by 1,000. | According to PEIMS 2002-03 there are: 549 staff less 260.6 teachers for a total of = 288.4 staff / 1,000 = 0.29 staff required. | 0.29 |
| Number of teachers to support for instructional/curriculum divided by 150. | According to PEIMS 2002-03 there are 260.6 teachers / 150 = 1.74 staff required. | 1.74 |
| Portion of one person's time dedicated to webmaster and web content development. | An estimate provided by the assistant superintendent for Curriculum and Instruction. | 0.10 |
| Full-time staff needed to support the telephone system. | An estimate provided by the director of Technology. | 0.10 |
| Full-time staff needed to support video, audio, satellite, and broadcast services. | Distance-learning equipment is not used. | 0 |
| Full-time staff needed for other non-computer technology services or major technology projects underway. | <u>Future Considerations:</u> <ul style="list-style-type: none"> • On-line curriculum software selection project. • Work order system reporting changes. | 0.10 |
| Number of full-time management and administrative personnel needed ranging from .25 to 2 full-time positions. | Director of Technology spends approximately 10-20 percent of his time on technology management. | 0.15 |

Exhibit 6-5 (continued)
Technical Support Staff Estimate for MFISD

| Calculation | MFISD Considerations and Calculations | Staffing Needs |
|---|---|-----------------------|
| SUB-TOTAL | MFISD employs nine (9) full-time and three (3) part-time staff for a total of 10.5 FTE. This total includes one part-time upper management director, one director, four trainers, three computer specialists, an office manager/secretary, a part-time webmaster and a part-time courier. | 10.40 |
| Subtract the number of full-time staff equivalents handled through outsourcing. | MFISD does not outsource any technology functions. | 0 |
| If more than one of the following factors is affecting the district add between 10-25 percent to total staff needed: <ul style="list-style-type: none"> • Geographical size is very large—buildings widely separated. • School district consists of 10 or more buildings. • Buildings are old and/or badly wired • Computers are generally more than 2 years old or not high quality • Computer software installation is not centralized • Computer maintenance is not centralized; repairs must be done at the affected computer • Significant reliance on technology -based curriculum and/or distance-learning using technology | 0 | |
| Number of Staff Added: A school district that is not giving a high priority to technology may be able to offer adequate support with up to 25% less staff than the recommended level. A district that is working to achieve or plan to maintain a high level of technology for its students may require up to 25% additional staff than the sub-total number to accomplish this. A committed effort to raise its technology level will usually require extra staffing at least during the transition phase. | | 0 |
| Total Technology Support Staff Needed | | 10.40 |
| Current Staff | | 10.50 |

Source: Michigan Technology Staffing Guidelines, Staffing Levels Worksheet and MFISD data supplied by director of Technology, and SoCo Consulting, Inc. analysis, September 2003.

By the school review team's calculations MFISD should employ 10.4 staff to provide technology support and services. The district currently employs 10.5 staff. However, the Technology Department does not support its budget request with a formula-based system of staffing to validate the number of technology staff.

The most challenging and costly issue related to technology support in schools relates to staffing. While most private industries provide a technician for every 50-100 computers, school districts commonly have a ratio of 250 computers or more to every technician. Many school districts fund staffing based upon a staffing formula generated by the district conditions. For example, a new program may generate an additional 500 computers but rarely will the new equipment generate an equivalent number of staff. Existing staff is expected to support the new equipment with existing resources. Even if the formula is less than ideal, a formula based system of staffing creates a systematic method for technology staffing. Considerations for the staffing formula include computer and peripheral numbers, buildings, network connections, number of applications supported, and number of operating systems.

Effective school districts adequately plan for technology support and build those costs into their technology budgets.

Recommendation 49:

Develop a comprehensive technology staffing formula.

By using a formula, technology staffing will be provided in a methodical manner so that district management and board members will know how many people are needed to support district technology.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD does not use existing software tools to measure Technology Department progress, results, or identify recurring problem areas. Such software tools can ensure that the Technology Department provides prompt, efficient, and reliable service to the district, identifies trends with vendors, determines software or hardware problems, and highlights training needs.

In 1996, MFISD purchased a computerized work order management system and has since upgraded the system for additional features, licenses, and technical support. The software tracks work order information including asset location, status, due date, labor and cost information, warranty, and preventive maintenance schedules.

Although the software can generate reports to measure progress and results, the Technology Department minimally uses its report capabilities. The department produces reports on the number of work orders completed, which is of little value without the information to measure progress, results, and failures.

A technology-related problem starts the trouble-shooting process. If a staff person experiences a technology-related problem, the staff person contacts the Technology trainer at the campus. If the trainer is unavailable, the staff person can call the Technology office for assistance. Either the Technology trainer or the computer specialist evaluates the request to determine if they can resolve it within 15 minutes. If the problem cannot be solved immediately, they complete and submit a work order. If the problem prohibits staff from accomplishing critical work, the computer is picked up by the technology courier and a loaner computer installed in its place. Technology trainers and computer specialists said that often work orders were not written up even if the problem took more than 15 minutes and some work orders were not prepared even if the process took three to four hours to complete.

On September 29, 2003 the e-mail server was flooded and did not work for five hours, preventing staff from using district e-mail. According to the assistant superintendent for Curriculum and Instruction, a work order had not been entered into the system at the time to reflect the down time, problems, and

the steps taken to resolve the problem. Effectiveness of technology cannot be tracked if down time and other types of problems are not recorded into the work order management system. It is customary for technology departments to enter a work order for every problem that develops in order to provide the ability to track, develop trends, and resolve continuous problems. MFISD, however, does not follow this procedure.

Exhibit 6-6 describes features of the work order management system that are not being used by MFISD to guide everyday management and long-term decisions.

**Exhibit 6-6
Computerized Work Order Management Software Features**

| System Features | How can MFISD use this feature? | What is the current MFISD process? | School Review Team Assessment |
|--|--|---|---|
| Allow data entry of work orders or conduct a status inquiry of an existing work order from any computer in the district. | This feature is provided to technology trainers, office manager, and computer specialists. | MFISD staff call their technology trainer or technology office manager for work order status or for entering a new work order. Not all work orders requiring more than 15 minutes time are being recorded into the work order management software. | A site license has been purchased for the entire district so that anyone can enter a new work order or check on the status of an existing work order. |
| Failure tracking and reporting by technology asset. | Two codes are provided in the software to identify what caused the failure. Reports can be produced that list all failures by failure code highlighting the number of occurrences for each code. | No failure tracking and analysis is performed at this time. | MFISD is not using a valuable feature of the system in order to identify staff training needs, to highlight when the district should negotiate harder with a hardware/software vendor, whether the district should purchase parts and hardware from another vendor. |
| Technology parts inventory management and reporting. | If a particular part's inventory falls below a set stock level, the system can indicate to the office manager that a part needs to be ordered and the office manager can electronically generate a purchase order to replenish the supply. Whenever parts are used on a work order to repair hardware, the inventory is reduced accordingly. | A software product is used to record parts inventory and bill campuses for the parts used. The software product could continue as the billing software and use the parts inventory features within the work order system. | Not using the feature to alert staff when to order new parts. Could place all parts inventory in the system and let the system alert the office manager when replenishment is needed. |
| Track hours and supplies used for repairs. | Staff hours and parts used to repair hardware and software can be entered into the system to show total cost of ownership. | Not all staff hours and parts are entered into the work order management system. | MFISD cannot track total cost of ownership. |

Exhibit 6-6 (continued)
Computerized Work Order Management Software Features

| System Features | How can MFISD use this feature? | What is the current MFISD process? | School Review Team Assessment |
|--|--|---|---|
| Warranty tracking. | Warranty information can be entered into the work order management system and the financial system. | When a problem occurs that requires warranty information, the warranty information is not readily accessible. | Warranty information is not used to reference when a work order is issued. Warranties are not tracked to determine if additional warranties need to be purchased. Warranties are not analyzed to determine the most cost-effective tenure and terms based on historical evidence. |
| Report writing. | The system allows one to create unlimited reports, associate work orders with general ledger accounts to provide cost and time analysis reports, and combine several reports in batch reports. | The only reports produced are the completed work orders that list the work orders completed. No analysis conclusions are made. | Reports are not produced to track: service response time, whether technology staff is productive, analyze vendor performance, analyze hardware/software performance, identify high volume failures, track down time for the network and each computer. |
| Hardware and software maintenance and repair history tracking. | The system has the capability. | Technology tracks work order history by location, not by fixed asset. | The work order history is not entered and tracked by each fixed asset (computer, printer, camera, LCD projector, server, etc.). |
| Work order creation by referencing a fixed asset. | The system supports this functionality. | The system is setup by campus site. | This practice does not allow management to monitor the cost of repairs to determine if the cost exceeds replacement cost. |
| Enter a work order for all requests for assistance. | The system fully supports this functionality. | Technology trainers, who are the first line of defense for repairing computer problems, are not required to enter a work order for all repair service and training services rendered. | Cannot track service response time. Cannot inform management how much technology costs the district. Cannot determine if technology vendors are providing a hardware platform that withstands time and use. |

Source: MicroMain Sales Staff, November 2003, MFISD director of Technology, September 2003, and SoCo Consulting, Inc. analysis.

At the time of the review, Technology staff had not been trained on how to use the many features of the work order management software. However, since the onsite visit to the district, five additional licenses for the software have been purchased and staff members have attended training. In addition, departments are currently conducting a physical inventory of assets to transform the database from a per room database to a per asset database, which the district believes will allow them to use more of the features of the software.

By using consistent reporting methods and problem-tracking software, well-managed technology support operations record all problems exceeding 15 minutes to resolve. By tracking and sharing problems and resolutions, a technology department can provide responsive solutions and increase the technicians' ability to solve unfamiliar problems. The technology director can also benefit from a complete record of staff activity and can prioritize assignments to efficiently allocate staff. School districts should routinely analyze their costs to manage and assess technology investments in the context of organizational goals; to measure the impact of technology; to develop and document budgetary guidelines; to understand the actual costs for new initiatives; and to identify and document ongoing direct costs and indirect labor costs for technology services.

Recommendation 50:

Improve the technology problem-reporting process using consistent procedures and more of the work order management system's features.

The director of Technology should establish a policy requiring staff to report each problem taking longer than 15 minutes in the work order management system. The director of Technology, Technology staff, webmaster, and technology trainers should work jointly on establishing procedures for consistent reporting and use of the work order management system data.

Consistent, automated tracking of problems will enable the director of Technology to determine if problems are common throughout the district or isolated to one school; whether the workload among computer specialists is balanced; or how productive the computer specialists are in providing support. The director cannot identify the cause of the problem and develop strategies to prevent future problems without this information.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The total cost of technology is not reported to the superintendent and the board. MFISD does not use current technology costs including equipment, software, external service providers, direct labor and indirect labor, to evaluate the value of decisions aimed at providing more efficiency or improved productivity. The director of Technology does annually present a "State of Technology" report to the board. Although the report lists an inventory of the equipment and software installed in the district, it does not contain the total cost of technology or note MFISD's status in meeting state goals for the student-to-computer ratio.

Total cost of ownership (TCO) is a type of calculation designed to help technology directors assess both direct and indirect costs and benefits related to the purchase of any technology component. For example, if purchasing a computer, a district should consider the cost of a high-end computer as well as the repair costs and earlier replacement if purchasing a lower-cost brand. TCO analysis performs calculations on extended costs for any purchase, which are called fully burdened costs. For the purchase of a computer, the fully burdened cost may include costs of purchase, repairs, maintenance, upgrades, service and support, networking, security, user training, and software licensing. The TCO has to be compared to the total benefits of ownership to determine the viability of the purchase.

Understanding the total cost of technology becomes extremely important in today's economic conditions. MFISD obtained grants from the Telecommunications Infrastructure Fund (TIF) Board to build its hardware and software infrastructure. The TIF Board issued its last grants in August 2002. The State of Texas 2004-05 budget does not provide continued funding for TIF operations. In the future, MFISD and other school districts will not have TIF monies for technology expenditures.

Technology is an increasingly essential resource to school districts. As budgets tighten, districts must explain the costs and benefits of existing and planned technology expenditures. Board members and superintendents need evidence that their highly visible investments in technology meet educational needs and that these technology investments are monitored and well-managed. **Exhibit 6-7** presents a suggested format for a total cost of ownership report.

**Exhibit 6-7
Suggested Total Cost of Ownership Metrics**

| Overall Cost | | | | | |
|---|------------------------|-------------------|---------------------------------|--|-----------------|
| Unit | Total Cost | | Direct Cost | Indirect Cost | |
| Overall district cost | | | | | |
| District cost per computer | | | | | |
| Direct Cost by Category | | | | | |
| (Include all technology and direct labor costs incurred by MFISD during the period of study for hardware, software, external application providers, and direct labor) | | | | | |
| Unit | Hardware | Software | Direct Labor | External Providers | |
| District cost | | | | | |
| District cost per client computer | | | | | |
| Hardware Cost by Category | | | | | |
| (Include the annual costs for client computers, peripherals, servers, network equipment, and printers.) | | | | | |
| Unit | Client Computer | Server | Network | Printer | Supplies |
| District cost | | | | | |
| District cost per client computer | | | | | |
| Asset Metrics | | | | | |
| Category of District Resource | | | | Ratio | |
| Students per student-dedicated client computer | | | | | |
| Teachers per teacher-dedicated client computer | | | | | |
| Non-classroom personnel per non-classroom client computer | | | | | |
| Total users per total computers | | | | | |
| Client computers per printer | | | | | |
| Client computers per server | | | | | |
| Staffing Metrics | | | | | |
| Direct Labor Category | | Total Cost | Cost per Client Computer | Client Computers per Technology Staff | |
| Operations and financial: total personnel and vendor costs associated with "hands-on" labor to support computers, printers, and network. Includes asset management, procurement, budgeting costs. | | | | | |
| Professional development and training: training of personnel to provide familiarization and proficiency. | | | | | |
| Curriculum development and support: Labor involved in integrating technology into the teaching and learning process. | | | | | |
| Total support | | | | | |

Source: Gartner Technology Group, April 2003.

Effective districts can use a TCO report to measure the cost and effectiveness of technology initiatives. Preparing total cost of ownership requires that the work order system be fully used. The total cost of technology report can provide the superintendent and the board with a basis for understanding the district's current technology costs for equipment, software, external service providers, and direct and indirect labor.

Recommendation 51:

Expand the "State of Technology" report to include the total cost of technology and submit annually to the superintendent and the board.

By adding the total cost of technology piece to the "State of Technology" report, the board and superintendent can evaluate the value of technology decisions aimed at providing more efficiency or improving productivity.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Technology Department does not have a formal training program for its technology trainers. The technology trainers do not attend training annually to ensure that they stay current with technology to improve support of the district's networks, software applications, and integration of technology into the classroom.

Technology trainers train district teachers on how to use technology and integrate it into their classroom. A technology trainer resides at each campus and helps staff perform maintenance and troubleshooting on computer equipment and can install hardware and software onto existing systems. According to the director of Technology, it was not the goal to have the technology trainers develop the same skill level as the computer specialists, but rather be the first-line of support for technical assistance. Their technology skills would be acquired through an ongoing association with the computer specialists. The technology trainers said that they are not provided the training to stay abreast of current software and hardware.

To ensure computer tasks are performed correctly and efficiently, technology staffing requires a significant amount of technical expertise. The *TEA Long Range Plan for Technology, 1996-2010*, states that the "human infrastructure" of technology, the capabilities or proficiencies of those who use technical components, is just as important as the hardware that comprises the system infrastructure.

Training programs should include hands-on exercises with up-to-the-minute software and/or equipment. Training and certification provide ways to increase a staff's level of expertise. Technology staff who are self-taught on an application might decide to take a course after they feel they have learned all they can on their own.

Additionally, training serves as evidence that technology staff have demonstrated the skills and abilities required to complete a program. Technology customers also benefit because training gives them additional evidence of the technology staff's qualifications.

Exhibit 6-8 presents a format for an individual staff analysis that districts can use to compare each employee's skill level with the required skill level for the job roles. Although not complete, the exhibit contains examples of skills that typical technology organizations need.

**Exhibit 6-8
Technology Skill Individual Staff Analysis Worksheet**

| Employee | | Primary Job Role | | | |
|---|----------------------|----------------------|-----------|-------------------|--------------------|
| Job Task | Required Skill Level | Employee Skill Level | Skill Gap | Importance Factor | Weighted Skill Gap |
| Provide customer service support | | | | | |
| Establish secure local and network file systems | | | | | |
| Provide secure network services | | | | | |
| Access the Internet | | | | | |
| Schedule the timeline for a project | | | | | |
| Manage customer interaction | | | | | |
| Assume the role of project leader | | | | | |
| Run a project | | | | | |
| Define project requirements | | | | | |
| Understand project planning basics | | | | | |
| Define project resources | | | | | |
| Establish project objectives | | | | | |
| Create the project structure and budget | | | | | |
| Conduct cost-benefit analysis | | | | | |
| Total Weighted Gap: | | | | | |

Source: Designed by SoCo Consulting, Inc.

Effective school districts work with technology staff to identify training and development that is mutually beneficial for both the district and the individual. Some districts even reward staff for ongoing training leading to certifications and degrees.

Recommendation 52:

Create an annual training assessment plan for technology trainers.

By creating an annual training assessment plan, the district can identify any training needs for the technology trainers.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. TECHNOLOGY PLANNING

To realize the benefits of technology, districts must develop a plan for integrating technology into the curriculum. An effective instructional technology plan is based on the shared vision of educators, parents, community members, and business leaders who have technological expertise. It ensures that technology strengthens existing curricula and encourages meaningful, engaged learning for all students. It also specifies how the technology will be paid for and how its use will be supported. Planning for the use of new technologies is particularly important for these reasons:

Student Learning: To prepare students in the "Information Age", where technological advances occur daily and rapidly and where technology determines the ability to compete with the best.

Equity: The level of technological resources available to each school in a district can vary. Poorly planned introductions of new technology can further increase inequities among and between schools. Careful planning at the district level ensures all schools receive adequate, appropriate, and consistent support that helps guarantee that no student is excluded from the benefits of new technology.

Rapid Change: The pace of technological change will continue to accelerate. The district must allow for an adequate time period of three to five years to implement new technology.

Funding: Funding can be the greatest barrier to using technology effectively in the classroom. Unless planning and strategic leadership determine whether and how projects will be funded, limited funding will continue to have a greater impact than it should on the quality of public education.

Credibility: A strategic and planned approach to technology theories, acquisitions, use, and implementation will translate to professional credibility of the technology department.

The best technology plans contain clear goals, objectives and action plans for all technology projects for the district, assign individual responsibility for implementation steps, identify milestone dates for completion, establish routine progress reporting to management and the board during the school and calendar year, and use an evaluation method for determining if the outcomes are successful and beneficial to the district.

MFISD formed its first Technology Committee in 1993 to guide the development of technology. Currently, the Technology Committee consists of 18 people, as shown in **Exhibit 6-9**, and is chaired by the director of Technology.

Exhibit 6-9
MFISD Technology Committee Composition
2003-04

| MFISD or Marble Falls Representative | Position within the District or Community |
|--------------------------------------|---|
| Dr. Ryder Warren | Superintendent |
| Ernest Seitz | Assistant Superintendent for Curriculum and Instruction |
| Thomas Barr | Director of Technology |
| Michael Fletcher | Assistant Superintendent for Finance |
| Karol French | Principal, Highland Lakes Elementary |
| JoAnne Dilworth | Principal, Marble Falls Middle School |
| Judy Pipes | Teacher, Middle School (Tech) |
| Sherry Hall | Teacher, High School (CIS) |
| Brenda Belk | Librarian, Middle School |
| Karl Westerman | Board Member/Parent |
| David Barr | Student |
| Caylie Hoffmans | Student |
| Diana Collins | Librarian, Highland Lakes Elementary |
| Steve Shroul | Principal, Marble Falls Elementary |
| Candy Posey | Teacher, Highland Lakes Elementary |
| Eric Tanner | Community Member and Consultant |
| Marti Futrell | Parent/Teacher |
| John Schumacher | Assistant Principal, Marble Falls Primary School |

Source: MFISD District Technology Plan, 2003-2006.

The Technology Committee is responsible for the development of the overall technology plan. Committee members have developed a mission, vision and philosophy for the plan, determined the goals, and created steps to implement those goals, as shown in **Exhibit 6-10**.

Exhibit 6-10
MFISD Technology Vision, Mission and Philosophy
2003–06

| Planning Component | Actual MFISD Statements |
|-----------------------|---|
| Technology Vision | <p>We envision a learning community where the best available technology is used as a tool and applied in the most efficient and effective way to improve learning and the learning environment. Technology should not be a goal, but a means to a goal. This includes all aspects of district procedures. We believe that technology should be used as a powerful tool to help us complete our mission.</p> <p>Our vision shows a district where students, parents, faculty, staff, adult learners, and other community members have easy and equal access to the technology they need including, but not limited to, video, voice and data networks, and the equipment at the end of those networks. We see classrooms where students have access to global resources through network connections that also allow them to communicate with teachers and students worldwide as easily as within the classroom.</p> |
| Technology Mission | <p>Marble Falls Independent School District will empower its participants to become life-long learners and contributing citizens by providing the facilities, opportunities, and training using real world applications for technology. We will accomplish this through technology integration in the learning and teaching process, continuing staff development to prepare and develop our educators, and administrative support mechanisms.</p> |
| Technology Philosophy | <p>In the over-all view of technology and school curriculum, technology is not an end in itself, but rather a means to an end, which remains <u>improving student performance</u>. Technology is a tool for helping students access and interact with the core curriculum. As such, the approach proposed for the Marble Falls Independent School District maintains a focus on student academic performance. Technology is a valuable educational tool; one that enhances learning, augments communication skills, and expands the scope of curriculum.</p> <p>Students benefit when technology accomplishes the following:</p> <ul style="list-style-type: none"> • Meets the diverse needs of students • Increases productivity and creativity of instruction • Prepares students to use technology effectively and supports curriculum in using expanded knowledge bases and improved instructional strategies <p>Today’s students will graduate into an increasingly technological society. Schools must:</p> <ul style="list-style-type: none"> • Educate students to the changing ways of finding, processing, and communicating information • Empower students to become more confident and self-directed learners • Provide tools that can enhance instruction and accommodate different learning styles • Provide tools for writing, publishing, research, practice, and drill across all areas of the curriculum • Integrate technology across the curriculum • Provide adequate hardware/software resources • Develop ongoing training for staff and students |

Source: MFISD District Technology Plan, 2003-2006.

The committee developed the District Technology Plan in 2002 after receiving input from each school on the technology goal “to enrich student learning and improve administrative operations.” Campus representatives submitted their requests to the committee. Areas needing immediate attention were quickly identified and prioritized. The committee completed a comparison of “what should be” with “what now exists” to help identify and prioritize needs. The committee then documented implementation steps, determined training/learning requirements, and identified the needed support resources. The Technology Committee established five distinct goals for the district’s Technology Plan. **Exhibit 6-11** presents the goals and objectives agreed upon by the committee and incorporated into the most recent Technology Plan. The district reviews and updates the Technology Plan and goals annually.

Exhibit 6-11
MFISD’s Technology Plan Goals
2003–06

| Goal | Goal Description |
|---|--|
| Goal I: Student Outcomes | At least 75% of all students will demonstrate competency in selected communications, information research and problem solving, and productivity objectives. The targeted objectives will be appropriate to and representative of student outcomes desired in accordance to the TEKS at all levels—elementary, middle, high school—and in adult literacy intervention efforts. |
| Goal II: Technology Availability and Operational Networking | All schools will be equipped with technology, networking, and the communications infrastructure needed to meet 100% of the technology networking standards. Each workstation will be capable of multi-media PC applications, Inter/Intranet access, e-mail, and sharing networked resources and ancillary devices (printers, CD ROMs, databases). Increased access will move to a one-to-four ratio of student computers in classrooms/campus. |
| Goal III: Training and Competency Development | Ninety-five percent of administrators and staff will have been trained and demonstrate competencies in e-mail Inter/Intranet resource access and use, and in access use and reporting of student, staff, and management information available through the centralized administrative databases. |
| Goal IV: Technology Application and Integration | Eighty-five percent of teachers will have been trained and demonstrated competencies at a Level IV Instructional Design/Delivery operational status. |
| Goal V: Expansion of Community Education | Extend learning opportunities to the Community Center and Community Library through expansion of the wide area network. |

Source: MFISD District Technology Plan, 2003-2006.

FINDING

MFISD has built its technology infrastructure by securing grant money and using local dollars. The major portion of funding for the district’s technology has come from the state technology allotment, the district’s capital outlay for basic instructional technology needs, regular campus and department budgets, and a local bond election. Special program improvements through grants have expanded technology capacity and access. **Exhibit 6-12** displays the district’s technology grant and bond funding.

Exhibit 6-12
MFISD Technology Grant and Bond Funding
2000-01 through 2002-03

| Year | Type | Amount | Use |
|-------------------------------|------------------------|--------------------|---|
| 2000-01 | Grant: PS8 | \$300,000 | Upgraded computers. Purchased printers, bought switches, and purchased televisions for the classrooms. |
| 2001 | Region 13 | Equipment Received | Region 13 provided the equipment while MFISD provided the space at the high school for a distance-learning lab. |
| 2001-03 | Grant: Tech Renovation | \$232,961 | Upgraded 10 megabit to gigabit network and 100 gig to improve connectivity. |
| 2002 | Local Bond Issue | \$747,000 | To build and equip the Technology Center and install fiber optic cable. |
| 2002-03 | Grant: PS10 | \$175,000 | Provided training for teachers and upgraded personal computer hardware at middle school and high school. |
| Total Technology Funds | | \$1,454,961 | |

Source: MFISD director of Technology interview.

MFISD has increased its technology spending significantly in the last five years. **Exhibit 6-13** shows five years of actual technology expenditures for MFISD and its peer districts. In each year from 1998-99 through 2002-03, MFISD has invested significantly more on technology than any of its peer districts.

Exhibit 6-13
MFISD and Peer District Technology Expenditure Comparison
1998-99 through 2002-03

| District | 1998-99 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
|---------------------|------------------|------------------|------------------|--------------------|------------------|
| Aransas County | \$63,579 | \$81,131 | \$48,002 | \$68,143 | \$67,212 |
| La Marque | \$157,286 | \$172,556 | \$168,979 | \$275,829 | \$334,058 |
| Hallsville | \$80,397 | \$149,472 | \$154,936 | \$147,024 | \$152,759 |
| Sheldon | \$95,105 | \$93,822 | \$100,488 | \$120,878 | \$136,976 |
| Tuloso-Midway | \$75,790 | \$85,088 | \$85,219 | \$119,233 | \$108,917 |
| Marble Falls | \$274,623 | \$343,939 | \$464,258 | \$1,044,816 | \$827,380 |

Source: TEA, PEIMS, 1998-99 through 2002-03.

A bond election enabled MFISD to spend \$747,000 on constructing a technology facility, improving the district's network infrastructure, and purchasing approximately 150 computers for teachers for curriculum development and instruction delivery enhancement. Approximately \$692,659 of the \$747,000 has been spent, leaving a balance of \$54,341. A new building has been constructed to securely house all network equipment and software, giving technology staff ample workspace to disassemble and reassemble computers for repair and service.

COMMENDATION

MFISD secured grant monies and effectively used state and local dollars to advance the district's technology.

FINDING

MFISD does not meet and has not developed plans to meet Texas Education Agency's (TEA) recommended student-to-computer ratio of 4 to 1. In TEA's 2002 update to the *Long-Range Plan*

for Technology 1996-2010, TEA set a short-term student-to-computer ratio goal of 4 to 1 for 2003-04 and a long-term goal of 1 to 1 for 2008-2010. TEA defines a student computer as “a computer with a range of capabilities, depending on local priorities, for use by students in classroom, library, or home use.”

The district has addressed the need to improve the student-to-computer ratio in its Technology Plan, as highlighted in **Exhibit 6-14**, but has not developed specific action plans to achieve the goal.

Exhibit 6-14
MFISD’s Student-to-Computer Ratio Goal

| | |
|---|--|
| Goal II: Technology Availability and Operational Networking | All schools will be equipped with technology, networking, and the communications infrastructure needed to meet 100% of the technology networking standards. Each workstation will be capable of multi-media PC applications, Inter/Intranet access, e-mail, and sharing networked resources and ancillary devices (printers, CD ROMs, databases). Increased access will move to a one-to-four ratio of student computers in classrooms/campus. |
|---|--|

Source: MFISD District Technology Plan, 2003–2006.

The primary school has a student-to-computer ratio of 8 to 1, and Highland Lakes Elementary has a 7 to 1 ratio. Marble Falls Elementary and the middle school are closer to the state’s short-term goal with a 5 to 1 ratio. The high school student-to-computer ratio meets the TEA goal of 4 to 1. **Exhibit 6-15** details the student-to-computer ratio for each of the schools. The district lacks 226 computers to achieve the TEA student-to-computer target ratio of 4 to 1. The primary school is 82 computers short, Highland Lakes Elementary lacks 56 computers, Marble Falls Elementary needs 34 computers, Marble Falls Middle is short by 33 computers, and the high school is lacking 21 computers.

Exhibit 6-15
MFISD Student-to-Computer Ratios
2002–03

| School | Total Number of Computers on School Site | Number of Students for 2002-03 in PEIMS | Number of Computers Accessible by Students | MFISD Student-to-PC Ratio* | TEA Short-Term Goal for 2003-04 | Number of Computers Needed to Meet TEA’s Short-Term Goal | Number of Computers Short/Over TEA’s Goal |
|---------------------------|--|---|--|----------------------------|---------------------------------|--|---|
| Marble Falls Primary | 135 | 682 | 89 | 8:1 | 4:1 | 171 | 82 short |
| Highland Lakes Elementary | 135 | 561 | 84 | 7:1 | 4:1 | 140 | 56 short |
| Marble Falls Elementary | 139 | 510 | 94 | 5:1 | 4:1 | 128 | 34 short |
| Marble Falls Middle | 241 | 833 | 175 | 5:1 | 4:1 | 208 | 33 short |
| Marble Falls High | 351 | 1,046 | 241 | 4:1 | 4:1 | 262 | 21 short |
| Total | 1,001 | 3,632 | 683 | 5:1 | 4:1 | 909** | 226 short** |

Source: MFISD director of Technology spreadsheets and TEA PEIMS data, 2002–03.

** The ratios are rounded to the nearest whole number.*

*** Due to rounding, for the total number of computers needed to meet TEA’s short-term goal and the total number of computers short/over TEA’s goal, the number is not calculated; the columns are summed.*

MFISD has purchased one computer for every teacher. According to the assistant superintendent for Curriculum and Instruction, “That teacher’s computer may be used by students on an as-needed basis, but the primary user is that classroom teacher.” Teacher computers are not considered when calculating student-to-computer ratios.

The Technology Department does not annually evaluate its progress in meeting TEA’s student-to-computer ratio or present a status report to the Technology Committee, superintendent or the board.

Without this information, management cannot make informed business decisions about the budget, alternative funding strategies, and the district’s instructional technology direction.

Recommendation 53:

Develop a plan to meet TEA’s short-term goal of a 4 to 1 student-to-computer ratio.

Many school districts regularly monitor and report progress made toward the state goal to the superintendent and the board. Management can then review alternatives and decide whether additional funding is needed to meet its goals.

FISCAL IMPACT

To meet TEA’s goal of a 4 to 1 student-to-computer ratio, the district would incur a total cost of \$227,356 for the current student enrollment counts. The director of Technology estimated a cost of \$1,006 for a new computer system and software times 226 computers needed. The cost could be spread out over three years (75 computers x \$1,006=\$75,450 in 2004–05 and 2005–06, and 76 computers x \$1,006=\$76,456 in 2006–07).

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Develop a plan to meet TEA’s short-term goal of a 4 to 1 student-to-computer ratio. | (\$75,450) | (\$75,450) | (\$76,456) | \$0 | \$0 |

FINDING

The district has not adopted a board policy for replacing or updating obsolete technology hardware. MFISD’s Technology Plan states: “Provide for obsolescence through a plan of regular replacement and upgrading of equipment as the budget permits, installing new equipment in areas where it is needed most and moving older equipment into areas that can use it, while providing equity for access to equipment.” The total number of personal computers and printers that are becoming obsolete and the cost to upgrade or replace them is not reported to the Technology Committee, district management, or the board as part of the budget process.

Because 37 percent of MFISD’s computers (424 computers) operate at less than 700 MHz speed, they are not fast enough to run Windows, browse the Internet, or read e-mail (**Exhibit 6-16**). According to H. Gilbert in the article “Introduction to PC Hardware,” computers equipped “with speeds of 700 millions of ticks per second (MHz) to 1 billions of ticks per second (GHz) are fast enough to run Windows, browse the Web, read e-mail, listen to MP3 files and run all Office program...faster speeds are only useful if you play computer games, edit video files, or run a server.”

**Exhibit 6-16
MFISD Computers with Less than 700 MHz Process Speeds
2003–04**

| District Site | Total Computers | Computers with Process Speeds Less Than 700 MHz | |
|---------------------------|------------------------|--|-------------------------|
| | | Total Number | Percent of Total |
| Food Services | 5 | 3 | 60% |
| Highland Lakes Elementary | 135 | 79 | 59% |
| Marble Falls Elementary | 139 | 76 | 55% |
| Central Office | 31 | 12 | 39% |
| Middle School | 241 | 89 | 37% |
| High School | 351 | 107 | 30% |
| Primary School | 135 | 36 | 27% |
| Maintenance | 6 | 1 | 17% |

Exhibit 6-16 (continued)
MFISD Computers with Less than 700 MHz Process Speeds
2003-04

| District Site | Total Computers | Computers with Process Speeds Less Than 700 MHz | |
|--------------------------------------|-----------------|---|------------------|
| | | Total Number | Percent of Total |
| EPIC, Falls Center & TQ Brown Center | 48 | 14 | 29% |
| Technology | 62 | 7 | 11% |
| Transportation | 3 | 0 | 0% |
| Total | 1,156 | 424 | 37% |

Source: MFISD Inventory List provided by director of Technology, September 2003.

Highland Lakes Elementary at 59 percent and Marble Falls Elementary at 55 percent have the largest percentage of slower computers in schools in the district, while the high school and the middle school have the largest actual number of slower computers.

Another 226 computers, or 20 percent of the total, are nearing obsolescence. **Exhibit 6-17** totals the number of personal computers with processing speeds greater than 700 MHz but less than 1000 MHz. These computers will most likely be the next replacement/upgrade candidates.

Exhibit 6-17
MFISD Computers Approaching Obsolescence
2003-04

| District Site | Total Computers | Computers with Process Speeds Between 700 and 1000 MHz | |
|--------------------------------------|-----------------|--|------------|
| | | Total Number | % of Total |
| Transportation | 3 | 1 | 33% |
| Primary School | 135 | 43 | 32% |
| Marble Falls Elementary | 139 | 36 | 26% |
| Food Services | 5 | 1 | 20% |
| Highland Lakes Elementary | 135 | 25 | 19% |
| High School | 351 | 60 | 17% |
| Maintenance | 6 | 1 | 17% |
| Middle School | 241 | 38 | 16% |
| Technology | 62 | 10 | 16% |
| Central Office | 31 | 4 | 13% |
| EPIC, Falls Center & TQ Brown Center | 48 | 7 | 15% |
| Total | 1,156 | 226 | 20% |

Source: MFISD Inventory List provided by director of Technology, September 2003.

MFISD uses processing speed as a major criteria to determine if a computer should be upgraded or replaced. Additionally, technology trainers examine classroom computers and question teachers on whether they feel their computers are adequate. If the computers are inadequate, the trainers will try to add another computer into the classroom setting. The Technology Committee meets three to four times a year and does discuss the upgrade and replacement process. However, the maintenance history of a personal computer is not considered during replacement discussion, nor is district management given statistical evidence to show the total replacement requirements.

Historically, computer purchases have been treated as large capital acquisitions for which the district expects to see value from the purchase over time. The rapid rate of technology change has led to computers becoming functionally obsolete after an increasingly short period of time. Investment in

computer technology can no longer be a one-time expense but needs to be an ongoing operational expense incorporated into a district’s yearly budget planning process.

The Gartner Group, a research and advisory firm, helps clients leverage technology to achieve business success. The Gartner Group recommends the following computer replacement cycles:

- four years for low-end/mainstream users
- three years for high-end users
- three years for laptop users

Tucson Unified School District in Arizona adopted a replacement cycle through a leasing program replacing all equipment every three years. Most manufacturers offer leasing programs that support equipment cycling.

Aransas County ISD has a replacement policy that states: “Computers in need of replacement are determined by their age, cost to repair, or increased job demand of the machine. As a general rule, the district will attempt to replace primary computers older than five years with more current computers. The Technology Department maintains a computer database that allows them to determine which computers are five or more years old. In the case of a computer that has parts broken that exceed the value of the computer, the computer would be replaced.”

Recommendation 54:

Adopt a technology equipment replacement policy, plan, and procedures to replace obsolete computers.

The district should develop a policy that contains a general statement of need, replacement cycle, designation of categories/levels of computer use, replacement criteria, cycle for policy review, alternatives to explore, and standardize specifications for equipment purchases. The replacement criteria should include age, configuration, completed and outstanding work orders for the equipment, and a determination if the specific computer use demands more processor speed and functionality. Alternatives should include lease versus purchase analysis to ensure the best value for the district.

The district should develop a worksheet similar to the one displayed in **Exhibit 6-18** to forecast equipment replacement needs based on processor speed, age of computer, the number and cost of work orders issued against the equipment, and the need based on technology requirements.

**Exhibit 6-18
Suggested Technology Replacement Monitoring Mechanism**

| Data Printed from Technology’s Work Order System | | | | | Data to be Gathered by Technology Staff and Written In | | |
|--|-------------------------|-----|---|--|--|-------------------------------------|-----------------------------|
| Technology Asset | Placement & Assignment | Age | Configuration & Leased or Purchased | Work Order History | Special Needs by Assigned Staff | Can Be Used by Another in District? | Upgrade or Replace Cost |
| PS-B-K1-01 | Primary: M. Northham | 10 | 400 MHz 4094 MB 128 MB Purchased | 8/1/03 Repair motherboard \$50/1 hr. 7/15/03 Replace CD \$100/2 hrs. Total costs: \$150 Total hours: 3 | <i>Support multi-media production requires 1000 MHz.</i> | <i>No, scrap for parts.</i> | <i>Replace for \$3,000.</i> |

Exhibit 6-18 (continued)
Suggested Technology Replacement Monitoring Mechanism

| Data Printed from Technology's Work Order System | | | | | Data to be Gathered by Technology Staff and Written In | | |
|--|------------------------|-----|---|---|---|-------------------------------------|--------------------------------------|
| Technology Asset | Placement & Assignment | Age | Configuration & Leased or Purchased | Work Order History | Special Needs by Assigned Staff | Can Be Used by Another in District? | Upgrade or Replace Cost |
| MS-B-A1-01 | Middle: J Doe | 8 | 400 MHz 4094 MB 128 MB Purchased | 8/1/03 Repair motherboard \$50/1 hr. 7/15/03 Replace CD \$100/2 hrs. Total costs: \$150 Total hours: 3 | <i>Head phones. Be able to use Microsoft, e-mail, and Internet.</i> | N/A | <i>Upgrade for \$600 to 700 MHz.</i> |
| Total Estimated Costs | | | | | | | \$ |

Source: Designed by SoCo Consulting, Inc.

The district should be able to forecast costs and savings through the adoption and implementation of a technology equipment replacement policy.

FISCAL IMPACT

The fiscal impact assumes the cost to purchase or upgrade computers. To be conservative, the assumption is to purchase rather than lease computers. The district should compare the purchase versus lease costs.

To replace or upgrade the Computers with Processing Speeds Less Than 700 MHz:

The estimate assumes that 50 percent of the 424 computers with process speeds less than 700 MHz will be upgraded in 2004-05, while the other 50 percent will be replaced in 2005-06. The cost to upgrade 50 percent of the 424 computers to meet the processing speed requirements will cost \$385 for hardware and \$102 for software for a total of \$487 per computer (212 computers times \$487 = \$103,244). The cost to replace the remaining computers will be \$1,006 per computer. (212 computers times \$1,006 = \$213,272).

To upgrade the 226 "nearing obsolete" computers:

The estimate assumes that 75 percent of the 226 computers with process speeds between 700 and 1000 MHz will be upgraded in 2006-07, while the other 25 percent will be replaced in 2007-08. The cost to upgrade 75 percent of the 226 computers is \$487 per computer times 170 computers = \$82,790 and the cost to replace the remaining 25 percent is \$1,006 per computer times 56 computers = \$56,336.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Adopt a technology equipment replacement policy, plan, and procedures to replace obsolete computers. | (\$103,244) | (\$213,272) | (\$82,790) | (\$56,336) | \$0 |

FINDING

MFISD does not survey students, parents, administrators, or auxiliary personnel to identify technology needs. The district does annually conduct a needs assessment to identify the hardware and software needs of teachers and the schools. The district asks each teacher to complete a survey document and analyzes the results to determine the needs. However, students, parents, auxiliary staff, and administrators are not surveyed. Technology improvements for areas such as transportation,

facilities, technology, food services, safety and security, human resources, finance, and asset and risk management are not considered in the needs assessment. **Exhibit 6-19** displays a possible parent survey.

Exhibit 6-19
Suggested Parent Survey Identifying Technology Needs

Dear Parents,

We are working hard to update our technology program and are really interested in what you have to say. Please answer the following questions and return to your child's teacher. We really appreciate your input!

1. What expectations do you have of the district regarding technology (calculators, computers, Internet, etc.)?
2. Would you be interested in serving on a committee to develop district technology plans? (Childcare and refreshments will be provided!)
3. Do you have access to e-mail? If so, would you like to receive communication from school via e-mail? Would you be interested in signing up to receive information on important school events?

Name: _____ Child's Teacher: _____

Source: Developed by SoCo Consulting, Inc.

Exhibit 6-20 shows a survey that students could complete to identify technology needs.

Exhibit 6-20
Suggested Student Survey for Identifying Technology Needs

Please check only one box for each number:

1. Computer Use
 - I do not use a computer.
 - I log-on, log-off, open, use and close a program on my own.
 - I open and use more than one program at the same time.
 - I learn new programs on my own.
2. Word Processing
 - I do not use a word processor.
 - I use a word processor for basic writing tasks.
 - I use the tools, such as spell check and grammar check, to edit my work.
 - I use the word processor to improve my drafts and publish a final document.
3. Spreadsheet
 - I do not use a spreadsheet.
 - I enter data into a spreadsheet and create charts.
 - I choose a chart that best reflects my data and apply title and labels.
 - I use formulas to help analyze data in a spreadsheet.
4. Graphics
 - I do not use graphics with my word processing documents.
 - I create pictures with painting and drawing programs and use clip art.
 - I edit clip art, scan, and import graphics from a variety of sources.
 - I invent, select, and use graphics in order to illustrate what I have learned.

Source: Developed by SoCo Consulting, Inc.

Exhibit 6-21 provides a survey template that administrators and auxiliary staff could complete for soliciting feedback regarding technology needs.

Exhibit 6-21

Suggested Administrative and Auxiliary Staff Survey for Identifying Technology Needs

Notes to the respondent: Please keep this questionnaire in your possession for the survey interval in your usual work location while performing your customary duties. Make entries to the items as appropriate responses occur to you. Your responses will help inform the technology planning process about the best application of technologies in your teaching or administrative position.

1. Do you ever, or often, think, "There must be an easier way to do this?" If so, please list and describe as many of the things or situations as you can to which this statement would apply.
2. Do you ever, or often, think, "I could do this faster if only..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
3. Do you ever, or often, think, "I wish I had a helper to help me do..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
4. Do you ever, or often, think, "I wish I had a computer or other device so I could..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
5. Do you ever, or often, think, "I wish I or my students could contact someone right now to tell them..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
6. Do you ever, or often, think, "I wish I or my students could contact someone right now to find out..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
7. Do you ever, or often, think, "I wish my students had computers or other technological resources available so they could..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
8. Do you ever, or often, think, "I wish my students had improved computers or other technological resources available so they could..." If so, please list and describe as many of the things or situations as you can to which this statement would apply.
9. Please use the space below to state in your own words any suggestions, recommendations, or concerns you have for the use of computers, networks, or other advanced technologies for your work or for your students, your school, or the school district.

Source: National Center for Technology Planning.

Recommendation 55:

Survey students, parents, administrators, and auxiliary positions to identify technology needs.

The district can use these surveys to help identify areas where technology can be improved.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. INSTRUCTIONAL AND ADMINISTRATIVE TECHNOLOGY

The impact of technology on student achievement depends on how well the district integrates technology to support student instructional objectives. This requires substantial staff development emphasizing both technology applications and their integration into the curriculum and classroom instruction. Teachers and administrators must have a clear vision of effective technology, best practices and the support to achieve it. A school district will be effective in instructional technology if it uses and supports existing and new technologies in curriculum, learning activities, and research.

Technology can simplify cumbersome administrative tasks such as student recordkeeping, report writing, daily operating procedures, and school-based communications among faculty, staff, students, parents, and community stakeholders. When planning to implement technology for administrative purposes, the district should find technology that can be used to facilitate systemic changes that provide for increased connectivity between teachers and administrative personnel, between administrators and parents, among administrators within the same district, or throughout a region.

MFISD's assistant superintendent for Curriculum and Instruction manages instructional technology. This position oversees the four technology trainers, the webmaster, and the director of Technology. The technology trainers develop and administer training programs for all teachers in the district.

FINDING

The district has developed and successfully implemented teacher technology training that includes a proficiency-training program and the Intel Teach to the Future program.

Teacher proficiency program: In 1998, the board and management decided to provide training and support to help teachers develop computer skills. That year, the district hired one Technology trainer to develop the program. In November 1999, the district required instructional staff to demonstrate mastery of basic computer skills through a performance assessment. The class provided basic user training in computers, the Internet, Microsoft Outlook and Word, and in the district's on-line grade book software. The teacher's mastery of the skills was assessed at the end of the class. The district continues to use this program of instruction, called the Level I Technology Skills, each year for new teachers.

Next, the district developed the Level II Technology Skills program, the second step in the mastery program that the district conducts each spring. The program trains and assesses teachers in beginning Excel, web page construction using Front Page, intermediate skills for Microsoft Outlook and Word, and beginning and intermediate skills for Power Point presentations. If any teacher's performance demonstrates the need for further training, the district makes training sessions available.

As of 2002–03, all MFISD teachers have been trained and passed the mastery skill tests for Levels I and II. Because new teachers must attend the same Level I and II training, the program continuously provides training. The district is now focusing on using the computers as an instructional aid in the classroom.

MFISD determined that in order to increase district technology use, staff would need to learn how to use technology as a tool in the daily instruction of students. As noted above, MFISD has made substantial commitments to educating teachers on specific uses of technology. In addition, each teacher has a computer with access to the Internet to enhance in-class curriculums with the latest information available.

Intel Teach to the Future Program: In 2000, MFISD became one of a limited number of Texas school districts chosen to participate in the Intel Teach to the Future Program. Over a three-year period, 120 district teachers have participated in the training with one of the two master teachers in the district.

Each teacher who successfully completed the training in 2000-01 received a copy of Microsoft Office 2000 Professional and Microsoft Encarta 2000, a new Office 2000 compatible computer to use in their classroom, and an opportunity to receive continuing education credits and/or graduate credit. The district received two laptop computers and \$7,000 to spend in each Intel master teacher's classroom.

The training presents effective technology use in the classroom, focusing on ways students and teachers can use technology to enhance learning through research; communication and productive

strategies and tools; creation of curricular units and evaluation tools that address state and national academic standards; promotion of engaging opportunities for students through access to technology; and encouragement of teachers to work in teams, problem-solve, and participate in peer reviews of their units.

COMMENDATION

MFISD staff development activities help teachers become proficient with technology.

FINDING

Distance-learning equipment is not being used. Distance-learning equipment has remained idle for three years and is costing the district \$2,500 annually to maintain a distance-learning connection with Region 13. At the time of the review, the district had no plans underway to determine how the equipment could best be used for either students taking advanced placement courses or staff and board training opportunities.

Distance-learning is instructional delivery that does not require the student to be physically present in the same location as the instructor. Today, distance-learning takes advantage of audio, video, and computer technologies to improve delivery of high-quality programs. By uniting instructor and learner through the use of educational media, classes can be offered without the constraints of time or place. Districts fortunate enough to have a distance-learning lab can offer dual high school/college credit courses to students at their home school. A high school student can take a college-credit course without having to travel to the college or university to attend classes. Instruction is conveniently conducted at the high school's distance-learning lab, and the student earns college credit after meeting all course requirements.

MFISD has an articulation agreement with Central Texas College. Articulation is a state-level process that identifies secondary career and technology courses, aligns them with content-equivalent postsecondary courses, and sets common standards for the award of college credit for these courses statewide. This process allows students who successfully complete these courses, graduate from any secondary school in the state, and meet the requirements outlined in the articulation agreement to receive credit from any public postsecondary two-year degree-granting institution in the state that offers the corresponding college course. This enables students attending a small school district to take courses that might not normally be available to them.

In 2001, MFISD signed a commitment letter with Region 13 that states the requirements, as shown in **Exhibit 6-22**. MFISD received all the equipment necessary to setup a distance-learning center. The equipment was placed in Room 418 of the high school, and a coordinator was appointed to explore how the district could use distance-learning.

**Exhibit 6-22
Distance-Learning Commitment Between MFISD and Region 13 Service Center**

| Responsible Party | Responsibilities |
|--------------------------|--|
| Region 13 Service Center | <ul style="list-style-type: none"> • Facilitate the creation of content sessions; • Provide scheduling services to create connections between sites; • Provide and maintain the required MCU at Region 13 for the network that enables the connections; • Provide technical monitoring and support for the sessions; • Provide opportunities for user training (at a separate charge); and • Provide periodic on site visits to ensure system functionality. |

Exhibit 6-22 (continued)
Distance-Learning Commitment Between MFISD and Region 13 Service Center

| Responsible Party | Responsibilities |
|-------------------|---|
| MFISD | <ul style="list-style-type: none"> • Provide an adequate permanent space that can accommodate the usage of the system; • Identify a local site contact who will interact with Region 13 staff and other site representatives; • Identify and support local staff that would serve as originators of daily class instruction to remote sites; • Provide training opportunities to staff that will be using the system; • Maintain the necessary connection and infrastructure to the Distance-Learning Network; • Maintain security of the equipment; • Provide out of warranty service to the equipment as needed; and • Pay Region 13 \$2,500 annually for a connection fee. |

Source: Education Service Center, Region 13, Distance-Learning Network Participating District Commitment.

Because the district uses the accelerated block system, MFISD found it difficult to schedule distance-learning classes. Very few schools were using this scheduling method, limiting the number of classes available to MFISD for distance-learning. MFISD has changed to the AB block scheduling method, which is used by more schools. The assistant superintendent for Curriculum and Instruction stated that more schools use this method than the accelerated method, so the chance of finding similar schedules has improved. During the review team's onsite visit, however, the district had not used the distance-learning equipment or explored alternatives for its use.

As a result, the district's advanced students miss an opportunity to take and excel in college-prep and advanced placement (AP) courses. High school students who pass these tests with sufficiently high scores can use advanced placement tests for college credit, which is of great importance for students interested in going to college.

Other districts have had success with distance-learning programs. Chilton ISD (CISD) has successfully used its distance-learning equipment to offer courses to students. CISD is cost-effectively using the distance-learning equipment to provide dual credit courses for its high school students on a weekly basis. Falls City ISD provides access to continuing education classes through Palo Alto Community College, as well as other higher education facilities to community members and parents.

Clear Creek ISD (CCISD) uses distance-learning technologies to provide extra learning opportunities at schools that received "acceptable" performance ratings. By using distance-learning technology, teachers from Webster Intermediate and Clear Lake can participate in seminars with a renowned expert on improving students' reading performance. The videoconferences are cheaper for the district than bringing specialists to the district for campus visits. The district saves money while providing high-quality educational opportunities for its teachers.

CCISD has also used the technology to take students on virtual field trips with NASA, on learning exchanges with students in Mexico and Finland, on expeditions with aquanauts in Florida, and on a video conference call with Senator Nick Lampson. CCISD also started a distance-learning committee that governs all activities related to using distance-learning technologies. The committee has 14 members and includes teachers, school administrators, grant writers, and personnel from business administration, human resources, and technology services.

Recommendation 56:

Develop an action plan to utilize the distance-learning program to benefit students, staff, or board members.

By developing a plan to use its distance-learning equipment, the district can provide valuable learning experiences for its students and staff.

FISCAL IMPACT

The assistant superintendent for Curriculum and Instruction estimates that the district could save \$5,000 to \$8,000 annually by reducing the travel expenses and registration fees associated with professional training trips.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Develop an action plan to utilize the distance-learning program to benefit students, staff, or board members. | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 |

FINDING

MFISD is not tracking or monitoring the use of its computer lab equipment. The computer labs do not employ a standardized scheduling tool to communicate to the teacher’s computer lab availability. According to technology trainers, some computers labs use Microsoft Outlook to book the computer lab facilities while others just use a notepad without retaining copies for analysis. For those labs, some usage statistics are available. However, no district employee is charged with the responsibility of tracking usage or notifying staff of computer lab availability.

MFISD has established computer labs at each campus (**Exhibit 6-23**). The labs provide equitable access to computers for the greatest number of users at the lowest possible cost. The computer labs enable MFISD to concentrate resources in a common space that can be used for student educational activities. Setting up a computer in a lab or dedicated room requires schools to install electricity, network cabling and servers, effective security, climate control systems, good lighting, and specialized furniture in one or two rooms in a school rather than in many different rooms. In addition, equipment and software costs can be less for computer labs used by all classes than by classroom-based systems. It can be easier and less costly to provide access to the Internet via computer labs than with classroom systems; and computer labs can make it easier to encourage collaborative projects among groups of teachers and students.

**Exhibit 6-23
MFISD Computer Lab Inventory
2003-04**

| School | Computer Lab Description |
|-------------------------|---|
| Marble Falls Primary | <ul style="list-style-type: none"> • 30-station lab for TEKS computer skill development and instructional skill review enrichment. • One library enrichment lab. • Special services lab for reading software to serve the needs of dyslexic/reading disorders. • Waterford lab for reading development. |
| Marble Falls Elementary | <ul style="list-style-type: none"> • 30-station lab for TEKS computer skill development and instructional skill review enrichment. • One library enrichment lab. • Special services lab for reading software to serve the needs of dyslexic/reading disorders. • Waterford Lab for reading development. |

Exhibit 6-23 (continued)
MFISD Computer Lab Inventory
2003-04

| School | Computer Lab Description |
|---------------------------|---|
| Highland Lakes Elementary | <ul style="list-style-type: none"> • 30-station lab for TEKS computer skill development and instructional skill review enrichment. • One library enrichment lab. • Special services lab for reading software to serve the needs of dyslexic/reading disorders. • Waterford lab for reading development. |
| Marble Falls Middle | <ul style="list-style-type: none"> • 25 station lab for both TEKS computer skill development and instructional skill review enrichment in each of the grade level buildings (6th, 7th, 8th). • Special services lab with software to serve the needs of reading disorders. • One library enrichment lab. |
| Marble Falls High | <ul style="list-style-type: none"> • 50-station lab for both TEKS computer skill development and instructional skill review enrichment. • 30-station lab for career exploration, content area, <i>Real World Connections</i> software and instructional skill, review, and enrichment. • Computer instruction classroom. • 24-station business education computer lab. • 25-station accounting/math lab. • 25-station computer science lab. • (2) 25-station multi-media labs. • One distance-learning lab. |

Source: MFISD District Technology Plan, 2003-2006.

The school review team gathered calendars from two computer labs located in the high school and analyzed usage during 29 school days from September 3 to October 11, 2002. There were five Mondays and six Tuesdays-Fridays during this period, for a total of 25 school days.

Neither computer lab is open after school to the students for homework assistance. The computer lab housed in Room 918 is equipped with 24 computers, and 28 different teachers used the computer lab multiple times during this time frame. However, the computer lab was rarely used before 8:00 AM, from 10:11-10:56 AM, and after 3:45 PM daily. Additionally, the lab was underused from 11:49-12:34 PM and from 1:24-2:09 PM. **Exhibit 6-24** displays the results.

Exhibit 6-24
MFISD Room 918 High School Computer Lab Slots Used
September 3, 2002 through October 13, 2002

| Availability by Time of Day | Mondays | Tuesdays | Wednesdays | Thursdays | Fridays |
|-----------------------------|---------|----------|------------|-----------|---------|
| Before 7:30 AM | 0 | 0 | 0 | 0 | 0 |
| 7:30 – 8:00 AM | 0 | 0 | 1 | 0 | 0 |
| 8:35 – 9:20 AM | 4 | 6 | 6 | 6 | 5 |
| 9:20 – 10:05 AM | 4 | 5 | 6 | 6 | 6 |
| 10:11 – 10:56 AM | 0 | 0 | 0 | 0 | 0 |
| 10:58 – 11:45 AM | 5 | 6 | 6 | 6 | 6 |
| 11:49 AM – 12:34 PM | 2 | 2 | 2 | 1 | 3 |
| 12:37 – 1:22 PM | 4 | 6 | 6 | 6 | 5 |
| 1:24 – 2:09 PM | 2 | 3 | 0 | 3 | 5 |
| 2:15 – 3:00 PM | 4 | 5 | 5 | 4 | 4 |
| 3:00 – 3:45 PM | 3 | 6 | 5 | 6 | 4 |
| After 3:45PM | 0 | 0 | 0 | 0 | 0 |

Source: MFISD Room 918 Computer Lab Microsoft Outlook Calendar. Note: During the time period for the exhibit, there were 5 Mondays, 6 Tuesdays, 6 Wednesdays, 6 Thursdays, and 6 Fridays.

The computer lab housed in Room 304 of the high school has 28 computers and is open to all teachers on a daily basis. Teachers make requests to use the lab by e-mail. This computer lab experienced lower use than Room 918, as shown in **Exhibit 6-25**. Mondays and Fridays show very little usage. The lab was booked 50 percent or less of the time on Tuesdays through Thursdays. Eleven different teachers used the computer lab during the selected date range. One teacher used the lab six times; two teachers used it twice; and nine teachers used the lab once.

Exhibit 6-25
MFISD Room 304 High School Computer Lab Slots Used
September 3, 2002 through October 13, 2002

| Availability by Time of Day | Mondays | Tuesdays | Wednesdays | Thursdays | Fridays |
|-----------------------------|---------|----------|------------|-----------|---------|
| Before 7:30 AM | 0 | 0 | 0 | 0 | 0 |
| 7:30 – 8:00 AM | 0 | 2 | 1 | 2 | 0 |
| 8:35 – 9:20 AM | 0 | 3 | 3 | 3 | 2 |
| 9:20 – 10:05 AM | 1 | 3 | 3 | 2 | 2 |
| 10:11 – 10:56 AM | 0 | 2 | 2 | 2 | 2 |
| 10:58 – 11:45 AM | 0 | 2 | 1 | 2 | 2 |
| 11:49 AM – 12:34 PM | 0 | 2 | 2 | 2 | 0 |
| 12:37 – 1:22 PM | 0 | 3 | 2 | 2 | 0 |
| 1:24 – 2:09 PM | 0 | 1 | 2 | 1 | 0 |
| 2:15 – 3:00 PM | 0 | 1 | 2 | 1 | 0 |
| 3:00 – 3:45 PM | 0 | 2 | 2 | 1 | 0 |
| After 3:45 PM | 0 | 0 | 0 | 0 | 0 |

Source: MFISD Room 304 Computer Lab Scheduling Sheets. Note: During the time period for the exhibit, there were 5 Mondays, 6 Tuesdays, 6 Wednesdays, 6 Thursdays, and 6 Fridays.

The technology center has an additional computer lab for teachers learning technology skills. This lab is equipped with 21 personal computers and one printer. The director of Technology and the technology trainers said that the lab sits idle a majority of the time.

Computer labs are oftentimes equipped with the best technology available to a school district. Effective districts ensure the maximum use of computer labs through scheduling and monitoring of the labs.

Recommendation 57:

Standardize computer lab scheduling tools and routinely monitor and report computer lab usage to administration.

By standardizing the computer lab scheduling tools and tracking lab usage, the district can take better advantage of this valuable resource.

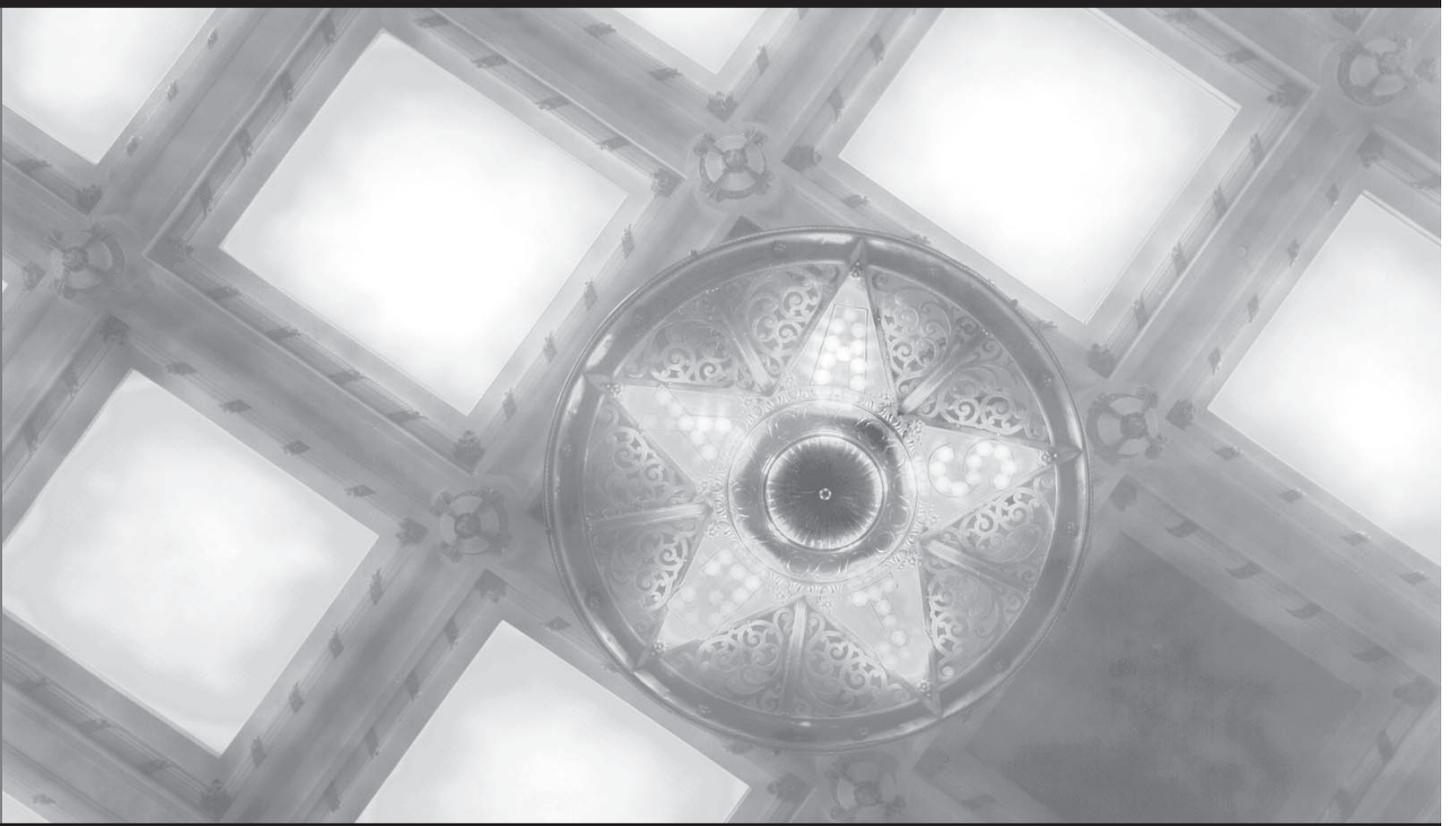
FISCAL IMPACT

This recommendation can be implemented with existing resources.

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Chapter 7

Support Services



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Chapter 7

SUPPORT SERVICES

This chapter reviews the support service functions of the Marble Falls Independent School District (MFISD) in the following sections:

- A. Facilities, Construction, and Maintenance
- B. Transportation Services
- C. Food Service Operations

An effective learning environment is essential for student well-being and includes operational supports to promote the educational delivery system. Well-planned, constructed, and maintained facilities, safe transportation, and nutritional and efficient food service operations all support districtwide efforts to educate students.

BACKGROUND

Many districts have distinct facilities, transportation, and food service departments to effectively and efficiently manage and integrate physical resources and staff to provide student services. In addition, departmental administrators ensure compliance with applicable state, local, and federal regulations; and minimize maintenance and operational costs.

MFISD has five educational facilities including three elementary schools, one middle school, and one high school. The district's administrative offices are located in a historic building at the Marble Falls Elementary School. The district has separate transportation, maintenance, and technology facilities. **Exhibit 7-1** describes the district's facilities.

Exhibit 7-1
MFISD Facilities
2002-03

| Facility | Square Footage | Year Built | Date of Major Renovations |
|----------------------------|-----------------------|-------------------|----------------------------------|
| Marble Falls Primary | 60,982 | 1984 | 1985, 1986, 1992, 2002 |
| Marble Falls Elementary | 76,390 | 1939 | 1953, 1965, 1973 |
| Highland Lakes Elementary | 61,062 | 1998 | |
| Marble Falls Middle School | 129,695 | 1967 | 1986, 1972, 1998 |
| Marble Falls High School | 232,195 | 1988 | |
| Administration Building | 10,104 | 1981 | |
| Transportation Building | 5,220 | 1986 | |
| Maintenance Building | 6,196 | 1998 | |
| Technology Building | 5,013 | 2003 | |
| Total | 586,857 | | |

Source: MFISD, director of Maintenance, September 2003.

MFISD passed a \$12.5 million bond package in 2002 to construct new facilities, renovate existing facilities, and purchase a telephone system for the district. The district completed two of the

projects—the Highland Lakes Elementary Classroom Wing and the Max Copeland Gym—in January 2004. The district completed 98 percent of the construction of its new Spicewood Elementary School by the end of March 2004.

The district’s total original budget for these building projects was \$11.9 million. **Exhibit 7–2** shows the design development and actual budgets for each of the infrastructure projects approved in the 2002 bond election. The design development budget is the district’s original construction cost estimate. The district used this budget to determine the amount of funding to request in the bond election. After voters approved the district’s bond request, MFISD began requesting bids for the project and recalculated the budget based on these bids. The Actual Budget column reflects the district’s revised budget.

Exhibit 7–2
MFISD 2002 Bond Election Building Program

| Project | Design Development Budget | | Actual Budget | |
|------------------------------------|---------------------------|---------------------|--------------------|---------------------|
| | Construction Cost | Total Cost | Construction Cost | Total Cost |
| Spicewood Elementary School | \$5,826,643 | \$7,546,695 | \$5,473,670 | \$6,822,495 |
| Highland Lakes Elementary Addition | 1,027,099 | 1,215,508 | 878,694 | 989,846 |
| Gymnasium | 2,134,766 | 2,518,927 | 2,187,196 | 2,457,296 |
| Technology Building | 561,409 | 663,106 | 535,294 | 601,984 |
| Total | \$9,549,917 | \$11,944,235 | \$9,074,854 | \$10,871,621 |

Source: MFISD, Building Program Analysis, August 2002 and January 2003.

Exhibit 7–3 presents MFISD’s costs for maintaining its facilities for 1999–2000 through 2003–04. The district’s total maintenance costs rose by 27.3 percent during this period.

Exhibit 7–3
MFISD Maintenance Costs
1999–2000 through 2003–04

| Cost Object | Actual 1999–2000 | Actual 2000–01 | Actual 2001–02 | Actual 2002–03 | Budgeted 2003–04 | Percentage Change 1999–2000 thru 2003–04 |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| Payroll | \$1,107,586 | \$1,273,520 | \$1,521,087 | \$1,617,817 | \$1,675,435 | 51.3% |
| Contracted Services | 861,261 | 2,490,175 | 1,012,172 | 1,034,722 | 989,310 | 14.9%) |
| Supplies | 267,216 | 246,213 | 279,908 | 240,273 | 296,400 | 10.9% |
| Other Operating | 59,335 | 47,058 | 92,504 | 100,853 | 112,500 | 89.6% |
| Capital Outlay | 141,896 | 44,498 | 30,435 | 12,820 | 29,990 | (78.9%) |
| Total | \$2,437,294 | \$4,101,464 | \$2,936,106 | \$3,006,485 | \$3,013,635 | 27.3% |

Source: Texas Education Agency, Public Education Information Management System (PEIMS), 1999–2000 through 2003–04.

A. FACILITIES, CONSTRUCTION, AND MAINTENANCE

Planning and Management

School districts use a number of planning processes and documents to build and maintain educational facilities that meet a community's changing needs. These planning efforts result in a district's long-range facilities master plan, which becomes the district's policy statement for allocating resources and developing alternatives for facility expansion and improvement.

A good long-range facilities master plan incorporates the following elements:

- **Facility Capacity:** Districts establish the capacity of each facility by using industry standards that determine student/teacher ratios and the amount of square feet of classroom space each student requires. The standards also determine the capacities of core facilities such as cafeterias, gymnasiums, and libraries to ensure that schools do not overuse these core facilities or portable classrooms.
- **Facility Inventory:** Facility master plans should include an accurate inventory of each room and its use in its school. These numbers determine the capacity of each school. Districts should note modifications to schools in the inventory so that the district keeps the overall capacity of schools updated.
- **Enrollment Projections:** Effective planning requires accurate enrollment projections. Districts should make these projections for at least five years into the future and update their projections annually. Many school districts work closely with county and city planners to track growth patterns, neighborhood demographics, and new construction activity.
- **Attendance Zones:** Effective facility planning requires adjustments to attendance zones as the population changes in the community. Attendance zones are geographic areas that districts assign to specific schools. Students residing in a given zone will attend the zone's assigned schools. Adjustments to these zones balance growth and provide children with access to appropriate educational settings.
- **Capital Improvement Master Plan:** Districts must anticipate future needs and balance them against current and future resources. A capital improvement master plan charts future improvements to school facilities and identifies funding sources for them.

Following the planning processes, effective districts closely manage construction and capital improvement projects and implement preventive maintenance efforts and efficient maintenance and custodial operations to maximize the life expectancy of all facilities.

MFISD developed a Five Year Improvement Plan in 2000 that includes facility maintenance projects, project prioritizations, and capital improvement projects. The Facility Maintenance Projects list, while housed in the Five Year Improvement Plan, actually has a ten-year projected completion time frame. According to the director of Maintenance, the district annually reviews, updates, and prioritizes all facility maintenance, renovation, and construction projects. In 2000–01, the district created a five-year construction and maintenance project list and a ten-year capital improvement plan prioritizing renovation, energy management, and construction projects.

The district has a building and facilities committee consisting of three board members, the superintendent, and the assistant superintendent for Business and Finance. In addition, the district

created an attendance zone committee that recommended attendance zone boundary changes to the board to include the addition of the Spicewood Elementary School. In addition, the board rotates the school location of its monthly meetings so that it can tour each campus and evaluate the condition of the district's facilities.

FINDING

The district does not include a long-range financial plan to fund all needed repairs and renovations identified in its Five Year Improvement Plan. While the district provided copies of 2003 board minutes identifying whether money for prioritized projects are available from the general fund or existing bond funds, the district did not have a plan to fund projects previously identified for preventive or deferred maintenance. The list of needed repairs and renovations that the Maintenance Department compiles includes a number of deferred maintenance items that include but are not limited to upgrading electrical panels; renovating restrooms; painting buildings; adding storage and shelving; and replacing exterior doors. Some of the uncompleted items on the list date back to 1999.

The review team noted the following problems during its visit to MFISD's facilities:

- One middle school classroom had relative humidity of 90 percent when the outside air registered 47 percent humidity. The hallways were more comfortable than the classrooms.
- Some water fountains did not work properly.
- Schools had broken floor tiles in their hallways.
- Paint was flaking on some of the school buildings.
- Some of the classroom carpets had noticeable wrinkles creating a potential risk for tripping.
- The district has not equipped four portables with smoke detectors or fire alarms.

District staff cited budgetary constraints as the reason many of these problems continue to exist. As a percentage of its total budget, MFISD spends less on maintaining and operating school district facilities than any of the peer districts it chose for comparison purposes. **Exhibit 7-4** compares the maintenance budget of MFISD and the peer districts.

Exhibit 7-4
Maintenance and Operations Expenditures
as a Percentage of Total Budget
MFISD and Peer Districts
2003-04

| District | Plant Maintenance and Operations Expenditures | Percent of Total Budget |
|---------------------|--|--------------------------------|
| Aransas County | \$3,349,405 | 13.3% |
| LaMarque | \$3,524,386 | 12.5% |
| Tuloso-Midway | \$2,885,666 | 12.6% |
| Sheldon | \$4,211,437 | 11.6% |
| Hallsville | \$2,967,095 | 11.7% |
| Marble Falls | \$3,073,645 | 10.4% |

Source: Texas Education Agency, PEIMS, 2003-04.

The assistant superintendent for Business and Finance said the Maintenance budget should be 12.5 to 13 percent of the general fund budget and said the amount of deferred maintenance in the district had grown over the past few years as a result of the lack of funding for maintenance.

Many districts include a financial plan to deal with identified deferred maintenance in their facility maintenance master plans. These districts give priority to maintenance repairs that require immediate action, such as roof replacement or replacing essential equipment. These districts prevent the accumulation of deferred maintenance by systematically identifying and funding major repairs and renovations each year.

Recommendation 58:

Include a financial plan for prioritized current and deferred maintenance needs in the district’s Five Year Improvement Plan.

The plan should include the immediate needs of the district to improve and repair existing facilities and should be included with all existing long-term goals in the district’s facilities master plan, the Five Year Improvement Plan. The assistant superintendent for Business and Finance should work closely with the director of Maintenance, the superintendent, and the existing building and maintenance committees to develop the financial strategy.

FISCAL IMPACT

This fiscal impact is based upon a 2 percent annual increase in budgeted funds using (12.5% goal vs. 10.4% actual per Exhibit 7-4) 2003–04 maintenance and operations expenditures of \$3,073,645 as the initial base amount or \$61,473. This fiscal impact also assumes the district will effect an immediate budget increase for 2004–05. Annual increases of \$61,473 will equal \$307,365 over the five-year period of 2004–05 through 2008–09.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Include a financial plan for prioritized current and deferred maintenance needs in the district’s Five Year Improvement Plan. | (\$61,473) | (\$61,473) | (\$61,473) | (\$61,473) | (\$61,473) |

Construction Management

Effective construction management ensures completion of construction projects on schedule, within budget, and without conflicts. Construction projects generally represent the largest single expenditure of district funds. Effective management will save money and avoid the needless delays and controversies associated with poorly managed projects.

The district is nearing completion of a bond-funded building program that will add a technology building at the middle school, a classroom addition at Highland Lakes Elementary, a gymnasium at the high school, and an additional elementary school in Spicewood. The building program will add a total of 99,800 square feet to the district's facilities.

The building program has a total construction budget—including building costs, equipment, contingencies, and associated fees—of \$10.8 million. **Exhibit 7-5** describes the project's budget.

Exhibit 7-5
MFISD 2002 Bond-Funded Building Program

| Building | Estimated Completion Date | Building Square Footage | Total Building Cost | Total Cost Per Square Foot |
|------------------------------------|----------------------------------|--------------------------------|----------------------------|-----------------------------------|
| Spicewood Elementary School | May 2004 | 61,172 | \$6,822,495 | \$111.53 |
| Highland Lakes Elementary Addition | January 2004 | 11,824 | 989,846 | 83.71 |
| Gymnasium | January 2004 | 21,791 | 2,457,296 | 112.77 |
| Technology Building | Completed * | 5,013 | 601,984 | 120.08 |
| Total | | 99,800 | \$10,871,621 | \$108.93 |

Source: MFISD, building program analysis, January 2003.

** Completed May 2003.*

FINDING

MFISD used the design documents from Highland Lakes Elementary as a prototype for construction of the new elementary school in Spicewood. A prototype-building plan uses design documents of an initial project to construct similar facilities at other locations. Using a prototype reduces costs associated with the design of other similar facilities, shortens the design and construction times, and allows the district to eliminate design and construction problems encountered in the initial project.

By using a prototype design, MFISD saved \$32,842 (0.6 percent) on construction fee costs of the new elementary school in Spicewood.

COMMENDATION

The district used an existing construction plan prototype to maximize financial savings on the design of its new elementary school and reduce overall design and construction times.

FINDING

MFISD does not identify construction change order threshold amounts in existing board policy. The board authorized the assistant superintendent for Business and Finance to approve change orders, with the superintendent's approval, up to 5 percent of the construction contract amounts for the new competition gymnasium, new wing at Highland Lakes Elementary, and the new Spicewood Elementary School. Aggregate construction budget amounts for these three projects were more than \$8.5 million.

The district approved change orders ranging from adding new work to a contract, such as adding a handicap parking sign, to making minor revisions in the equipment, such as using LCD–lighted exit signs instead of incandescent–lighted exit signs. The largest change order authorized a contractor to add a new gym floor to the existing Highland Lakes Elementary school gym for \$34,717. District policy required the board to approve this change order because it produced a change in the scope of the project that was outside the original project for classroom additions. July 2003 board minutes show that the board authorized a construction change order for the addition of this gym floor at an estimate of \$26,785.

Exhibit 7–6 shows the change orders that MFISD has approved on the projects funded by the 2002 bond, including the Technology Building.

**Exhibit 7–6
Approved MFISD Change Orders
2002 Bond Projects**

| | Number of Approved Change Orders | Original Contract | Change Order Amount | Revised Contract Amount |
|-------------------------|---|------------------------------|--------------------------------|--|
| Gymnasium | 4 | \$2,187,196 | \$18,386 | \$2,205,582 |
| Highland Lakes Addition | 3 | 878,694 | 49,122 | 927,816 |
| Spicewood | 4 | 5,473,670 | 31,737 | 5,505,407 |
| Subtotal | 11 | \$8,539,560 | \$99,245 | \$8,638,805 |
| Technology Building* | 8 | 567,079 | 15,863 | 582,942 |
| Total* | 19 | \$9,106,639 | \$115,108 | \$9,221,747 |

Source: MFISD, change orders, November 2003.

**Note: The board limited the 5 percent change order threshold to the three major projects which excluded the Technology Building.*

While district administrators provided copies of board policy CH (Local) which states, “any purchase that costs or aggregates to a cost of \$25,000 or more shall require Board approval before a transaction may take place” in response to questions about the change order process, the district has specific policy addressing change orders. CV (LOCAL) specifically states that “change orders shall be approved by the board or its designee prior to any changes being made in the approved plans or the actual construction of the facility.” However, there is no mention of maximum threshold amounts for any change orders in this policy.

Some school districts include approval thresholds for change orders at various levels based on the dollar amount of the change order and the purpose of the change order.

Recommendation 59:

Amend existing board policy to require board approval for any change orders above \$25,000.

The superintendent should develop an amendment to CV (LOCAL) for board action that requires board approval for all change orders greater than \$25,000.

FISCAL IMPACT

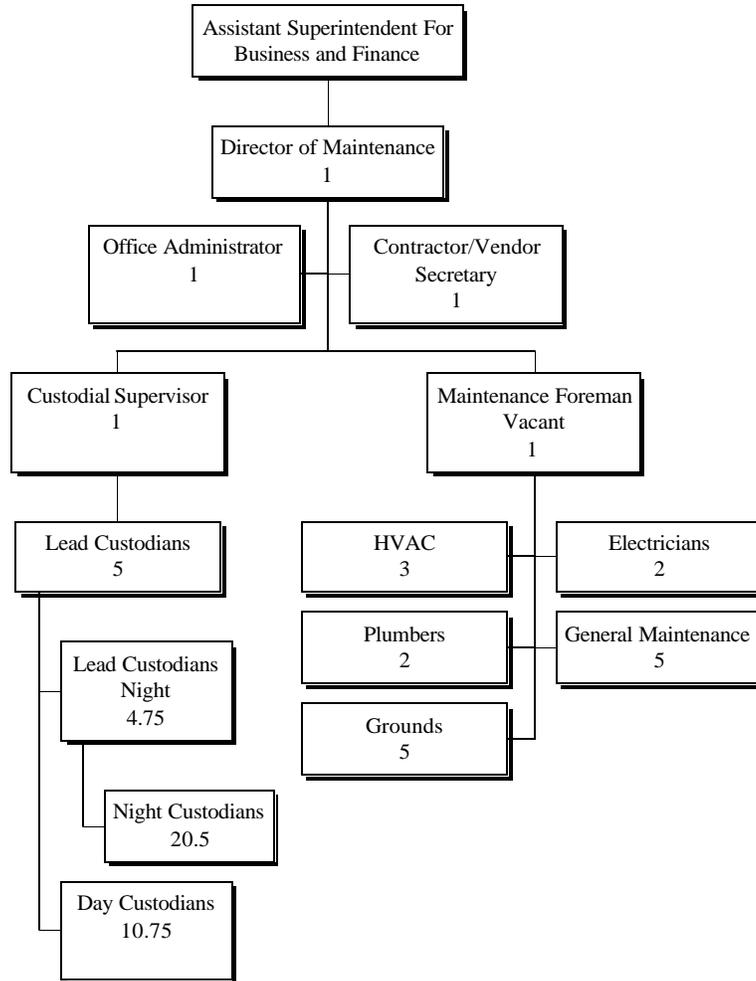
This recommendation can be implemented with existing resources.

Maintenance and Custodial Operations

Maintenance and custodial operations in Texas school districts generally include minor repair and renovation services, equipment installation, custodial cleaning, grounds care, and control and oversight of regulatory compliance issues for facilities. Effective school maintenance requires timely and accurate information to plan and manage daily operations; a comprehensive work order system that ensures quick response to school needs and also collects information about equipment and related cost of repairs; a preventive maintenance process that minimizes downtime, reduces costs, and extends equipment life; and a method to monitor service levels and obtain feedback for improvement. The range of services provided may vary from minor tasks such as hanging chalkboards to more skilled tasks such as replacement of plumbing or electrical fixtures. Staffing patterns may include skilled artisans as well as general and grounds maintenance personnel.

The MFISD Maintenance Department maintains all district facilities. The department has a staff of 63 full-time positions including a director, office administrator, contractor/vendor secretary, custodial supervisor, maintenance foreman, custodians, and either general maintenance or specialty craft workers. The specialty crafts for MFISD's Maintenance Department include plumbing, electricity, and heating, ventilation, and air conditioning (HVAC). **Exhibit 7-7** shows the organization of the department.

Exhibit 7-7
MFISD Maintenance Department Organization
2003-04



Source: MFISD, director of Maintenance and Custodial supervisor, September 2003.

The assistant superintendent for Business and Finance oversees the district's facility planning and construction management functions. The director of Maintenance, who reports to the assistant superintendent for Business and Finance, coordinates the district's Maintenance functions and oversees the custodial operations. The custodial supervisor handles the day-to-day custodial operations. The office administrator handles Maintenance Department payroll and accounts payable duties. The contractor/vendor secretary maintains the work order system.

The lead custodians assist with supervising custodial staff, establishing routine maintenance procedures, conducting job effectiveness evaluations, and ensuring compliance with district policies and procedures. The lead custodian for each school opens the building in the morning and the night lead custodian closes the building at night. The day and night custodians operate in separate shifts that overlap. The night lead custodian has limited supervision responsibilities and primarily coordinates the nightly work assignments for the night cleaning crew.

Exhibit 7–8 shows the number of full–time equivalent (FTE) custodians assigned to each school.

Exhibit 7–8
MFISD Custodial Assignments
2003–04

| Location | Lead Custodian (FTE) | Night Lead (FTE) | Day Custodians (FTE) | Night Custodians (FTE) | Total Custodians (FTE) |
|-----------------|-----------------------------|-------------------------|-----------------------------|-------------------------------|-------------------------------|
| Primary | 1 | 0.75 | 2 | 2 | 5.75 |
| Elementary | 1 | 1 | 1.50 | 3 | 6.5 |
| Highland Lakes | 1 | 1 | 1.25 | 3 | 6.25 |
| Middle School | 1 | 1 | 2 | 5.5 | 9.5 |
| High School | 1 | 1 | 4 | 7 | 13 |
| | 5 | 4.75 | 10.75 | 20.5 | 41 |

Source: MFISD, assistant superintendent Business and Finance, November 2003.

The district assigns the custodial staff responsibility for specific areas at each building. A color–coded map of each building designates the night custodian assigned to that area. If a custodian is absent, the remainder of the crew divides the responsibilities and completes the tasks. The night custodians perform the heavy cleaning such as mopping, vacuuming, buffing, cleaning walls, and sanitizing the restrooms. The day custodians are responsible for the following tasks:

- cleaning the halls after each bell;
- cleaning the restrooms after each bell;
- cleaning the lunchroom after each meal is served;
- stocking the restrooms with supplies;
- emptying the trash cans;
- picking up outside trash; and
- sweeping sidewalks.

FINDING

The district provides diverse weekly training to all custodial staff and uses an automated measuring system to dispense cleaning products to improve departmental effectiveness, efficiency, communication, and overall safety. The custodial supervisor conducts 30–minute training sessions on a variety of topics during the early afternoon when the custodial shifts overlap. External trainers provide training on specialized topics such as workplace safety, asbestos, and blood borne pathogens. **Exhibit 7–9** presents a sample of the departmental training schedule from September through November 2003.

Exhibit 7–9
MFISD Scheduled Custodial Training
September through November 2003

| Dates Scheduled | Topic |
|------------------------|---|
| September 15–19 | Review of Job Descriptions |
| September 22–26 | Communications in Hazardous Environments |
| September 29–October 3 | Material Safety Data Sheets |
| October 6–10 | Healthy, Hygienic Restrooms |
| October 13–17 | Floor Care and Cleaning |
| October 20–24 | Pro–team Series |
| October 27–31 | Vacuum Cleaner Maintenance and Care |
| November 3–7 | Cleaning Basics—A to Z (Part 1) |
| November 10–15 | Cleaning Basics—A to Z (Part 2) |
| November 17–21 | Cleaning Schools in 2000 and Beyond (Introduction) |

Source: MFISD, Custodial supervisor, September 2003.

Many of the topics and presentations come from seminars the custodial supervisor has attended or from information received from various professional organizations.

MFISD also uses a measuring system that dispenses cleaning products accurately and with greater control than performing the task manually. This system allows custodians to prepare cleaning products using an automated measuring process without having to manually measure the chemicals each time mixing is necessary. The director of Maintenance believes this dispensing system saves money on custodial cleaning supplies and prevents waste and product overuse.

The review team observed that the schools and other administrative and support facilities were clean during visits to all the campuses and while working in other areas of the district. School principals said that the custodial staff did a good job. In response to fall 2003 school review surveys, more than 82 percent of parents, teachers, and staff members surveyed strongly agreed or agree with the statement that the district’s schools are clean. **Exhibit 7–10** presents the results of these surveys.

Exhibit 7–10
Parent, Teacher, and Staff Survey Results Regarding MFISD Facilities
September 2003

| Survey Group Survey Statement | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-------------------|-------|---------------|----------|----------------------|
| Parents | | | | | |
| Schools are clean. | 16.9% | 66.2% | 9.1% | 6.5% | 1.3% |
| Teachers | | | | | |
| Schools are clean. | 16.7% | 66.7% | 6.9% | 8.3% | 1.4% |
| Administrative and Support Staff | | | | | |
| Schools are clean. | 16% | 67% | 3.2% | 12.8% | 1.1% |

Source: School Review surveys, September 2003.

COMMENDATION

MFISD provides weekly training for all custodial staff and uses an automated cleaning solution dispenser to improve departmental effectiveness, efficiency, communication, and safety.

FINDING

MFISD employs more custodians than industry standards recommend. The Association for School Business Officials recommends 20,000 square feet of space for each custodian as the industry standard for custodial staffing. Although the director of Maintenance said the district uses the 20,000 square feet per custodian standard to determine staffing, MFISD custodians clean only an average of 14,191 square feet each. The Association for School Business Officials standards assume that districts only assign custodial staff with cleaning tasks inside buildings and do not take grounds maintenance or other duties into account. In order to compensate for the age of the buildings, the number of buildings at each school, and for other duties MFISD handles, the review team reduced the recommended standard of 20,000 square feet per custodian to 17,500 square feet per custodian for comparison purposes. **Exhibit 7–11** compares the district’s 2003–04 custodial staff and the modified standard at each school. The elementary school entry includes the administration building, because it is located at the school; the Technology building is included with the middle school where it is located; and other includes the Transportation and Maintenance buildings.

Exhibit 7–11
MFISD Custodial Staffing and Industry Standards
2003–04

| Location | Square Feet | Actual Square Feet Per MFISD Custodian | Recommended Custodians Per 20,000 Square Foot Standard (FTE) | Recommended Custodians Per 17,500 Square Foot Standard (FTE) | Custodians on Staff (FTE) | Custodians Over/(Under) 17,500 Square Foot Standard (FTE) |
|----------------|----------------|--|--|--|---------------------------|---|
| Primary | 60,982 | 10,606 | 3 | 3.5 | 5.75 | 2.25 |
| Elementary | 86,494 | 13,307 | 4.5 | 5 | 6.5 | 1.5 |
| Highland Lakes | 61,062 | 9,770 | 3 | 3.5 | 6.25 | 2.75 |
| Middle School | 129,695 | 13,652 | 6.75 | 7.5 | 9.5 | 2 |
| High School | 232,195 | 17,861 | 11.5 | 13.25 | 13 | (0.25) |
| Other | 11,416 | 0 | 0.5 | 0 | 0 | (0.5) |
| Totals | 581,844 | 65,196 | 29.25 | 33.25 | 41 | 7.75 |

Source: North American Solutions Property Appraisal, August 2001; MFISD, director of Maintenance, September 2003.

The average minimum salary for custodians is \$7 an hour. The district will open an additional 94,787 square feet of space including the addition at Highland Lakes, the high school gymnasium, and the elementary at Spicewood during 2003–04, **Exhibit 7-5**.

Many school districts are able to maintain clean facilities and meet industry standards for custodial staffing. For example, Glen Rose ISD’s custodial staff has maintained the district’s facilities while exceeding industry standards for average square footage per custodian. The custodial staff maintains

approximately 466,658 square feet of facilities with a staff of 22 FTE custodians or 21,208 square feet per custodian. The district controls staffing costs to help maximize funding to classroom instruction.

Recommendation 60:

Adhere to district custodial staffing formulas and reduce staff accordingly.

The district should adhere to staffing formulas based on industry standards, keeping the other duties it assigns to custodians in mind, and use these formulas to staff schools.

FISCAL IMPACT

Full-time employees work 2,000 hours a year in the Maintenance Department. The minimum hourly wage for a custodian of \$7 per hour equates to an annual wage of \$14,000 (2,000 hours x \$7 per hour). Benefits for custodians are composed of health insurance costs of \$2,700 annually and variable costs of 11.1 percent of annual salary or \$1,554. Total benefits for a custodian with an annual salary of \$14,000 cost the district \$4,254 equaling \$18,254 (\$14,000 + \$4,254). Reducing custodial staff by 7.75 positions would save the district \$141,469 (\$18,254 x 7.75) each year.

| Recommendation | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 |
|--|----------------|----------------|----------------|----------------|----------------|
| Adhere to district custodial staffing formulas and reduce staff accordingly. | \$141,469 | \$141,469 | \$141,469 | \$141,469 | \$141,469 |

Energy Management

By reducing energy waste, school district energy management programs keep operating costs down while providing a safe, comfortable environment for learning. Considering the age of most school buildings and the variety of school activities, however, achieving this goal can be difficult. Energy audits can help a district control costs by focusing the district’s attention on priorities that will save energy.

FINDING

To monitor and control energy costs as utility expenses have increased, the district simultaneously combines student and staff energy efficiency efforts with continuous utility cost monitoring and energy management retrofits. The director of Maintenance monitors MFISD utility bills using a spreadsheet of all electricity costs by meter at each school and district facility. The staff updates the spreadsheet monthly as it reviews and forwards the utility bills for payment. This enables the director of Maintenance to see spikes in service costs and research the cause of the deviation. This process also ensures the district is only charged for meters that provide service to district facilities.

Exhibit 7-12 shows the district’s actual energy costs from 2001-02 and budgeted amounts for 2002-03 through 2003-04.

Exhibit 7–12
MFISD Energy Costs
2001–02 through 2003–04

| | Actual 2001–02 | Budget 2002–03 | Budget 2003–04 |
|-------------------------|---------------------------|---------------------------|---------------------------|
| Electricity | \$471,104 | \$495,000 | \$520,000 |
| Gas | 22,740 | 50,000 | 40,000 |
| Total Energy Costs | \$493,844 | \$545,000 | \$560,000 |
| Square Footage | 543,928 | 560,528 | 603,153 |
| Cost/Square Foot | \$0.91 | \$0.97 | \$0.93 |

Source: MFISD, director of Maintenance, September 2003.

The district’s energy costs are slightly below the State Energy Conservation Office’s (SECO) target of \$1 per square foot. The district has taken the following steps to control energy costs:

- installing energy efficient bulbs and ballasts in 2000;
- directing staff to turn off classroom and lab computers daily;
- installing time clocks to control water source heat pumps at the high school;
- installing computer controlled systems in all new construction;
- retrofitting one building at the middle school with a computer controlled system; and
- using preset thermostats in Highland Lakes Elementary.

MFISD considers the primary and elementary schools to be its challenge area and has identified energy management projects on its long–range prioritized project list.

COMMENDATION

MFISD monitors and controls energy costs by prioritizing districtwide energy management efforts, tracking monthly utility costs, performing retrofits, and encouraging student and staff activities to reduce energy use.

B. TRANSPORTATION SERVICES

MFISD encompasses 264 square miles in the central Texas Hill Country. The Colorado River and Lake Marble Falls flow west to east through the district, and Highway 281 runs through the district north to south. Providing transportation to MFISD students is a challenge because the students who live south of Lake Marble Falls and the Colorado River must be transported across the only bridge in the district, which is located on Highway 281, to MFISD schools, which are north of the Colorado River and Lake Marble Falls. Also, some students live in rural areas or small communities in outlying areas.

The Texas Education Code (TEC) authorizes—but does not require—the board of each school district to establish and operate or to contract with a mass transit authority or commercial transportation company for school transportation services. MFISD provides its own transportation services for district students. State Foundation School Program funds are provided for eligible student

transportation or “route services.” TEC also authorizes the commissioner of education to prescribe a uniform system of forms, reports and records to fulfill reporting and recordkeeping requirements for the Texas Education Agency (TEA) to appropriately administer transportation allotments.

School districts receive transportation allotments for providing services to eligible regular program students, special needs program students, and career and technology education (CATE) students. TEA’s Handbook on School Transportation Allotments is a reference manual and resource guide listing the statutory authority, regulatory, and TEA policy standards that determine which route services are eligible for transportation allotments. Under TEA guidelines, an eligible student rider must fulfill one of five requirements:

- legally reside two or more miles from the assigned school of regular attendance as measured along the shortest route that may be traveled on public roads; or
- legally reside in a designated hazardous area within two miles of his/her assigned school of regular attendance which, as determined by the district’s board, would subject him/her to hazardous traffic conditions if the student walked to and/or from school; or
- at the discretion of the school district, attend a state–recognized and parent–designated child–care facility located at least two miles from his/her assigned school of regular attendance or in a district–designated hazardous traffic area within two miles of his/her assigned school of regular attendance; or
- be a homeless child or youth who is currently living in an area at least two miles from his/her school of origin or in a district–designated hazardous traffic area within two miles of his/her school of origin; and
- actually be served at an established stop located at, or near his/her residence or child–care facility on a route or portion/segment of a route included in the district’s reported total annual mileage for eligible route service.

In 2003, the 78th Legislature gave school districts permission to transport students to and from a grandparent’s residence if the parent designates the alternate site. Districts may include such students in their transportation allotment request counts.

The federal Individuals with Disabilities Education Act (IDEA) requires a school district to provide transportation for students with disabilities if it also transports students in the general population, or if students with disabilities require transportation for special education services. Districts also provide transportation services to other health–impaired students under the Federal Rehabilitation Act of 1973.

The handbook defines health–impaired students as eligible for the transportation allotment if they are unable to attend school and benefit from the special education program of instruction, developmental, corrective, and other supplementary supportive services without special transportation. Student eligibility for special transportation is individually determined and must be properly documented by an authorized committee that includes district personnel.

The handbook also states, “Both regular and special education students are eligible for transportation necessary to attend an approved career and technology education program that is located at a different site than their assigned school of regular attendance for other academic classes, and offered during and as a part of their regular school day.”

The allotment for transporting students on hazardous routes cannot exceed 10 percent of the total annual reimbursement for transporting only “two-or-more-mile” students. (A two-or-more mile student is one who would have to walk or drive more than two miles to school.) School districts must use local funds for transportation costs that are not reimbursed by the state.

Each school district that requests a transportation allotment from the state is required to complete and submit two annual reports to TEA.

- *School Transportation Route Services Report*: Includes total daily ridership and total annual mileage for the preceding school year; submitted to TEA no later than July 1.
- *School Transportation Operations Report*: Covers the preceding fiscal year (September 1 to August 31); due to TEA no later than December 1.

The School Transportation Operations Report contains information in four areas:

- annual costs, including student transportation–related expenditures categorized by assigned object codes in accordance with financial accounting and reporting procedures prescribed in the current TEA Financial Accountability System Resource Guide (FASRG);
- annual mileage, including miles traveled in school vehicles for regular and special program student transportation services (as determined by vehicle odometer or hub odometer reading);
- vehicle inventory, including number of motor vehicles, by type and age, used to provide regular and special program student transportation services; and
- miscellaneous information as required by statute and federal regulations and as deemed necessary by the commissioner of education.

For the regular program, the state reimburses districts for transportation, based on linear density or the ratio of the average number of regular program students transported daily on standard routes to the number of route miles traveled daily for those standard routes. Standard route miles and riders do not include alternative, bilingual, desegregation, magnet, parenting, year-round, or hazardous area service.

TEA uses the linear density ratio to assign each school district to one of seven linear density groups. Each group is eligible to receive a maximum per-mile allotment from the state. The Legislature establishes the allotment per mile during each session. **Exhibit 7–13** presents the linear density groups and the related allotment per mile.

Exhibit 7–13
Linear Density Groups and Allotment per Mile
2002–03

| Linear Density Grouping | Allotment per Mile of Approved Route |
|-------------------------|--------------------------------------|
| 2.40 or above | \$1.43 |
| 1.65 to 2.40 | \$1.25 |
| 1.15 to 1.65 | \$1.11 |
| .90 to 1.15 | \$0.97 |
| .65 to .90 | \$0.88 |
| .40 to .65 | \$0.79 |
| Up to .40 | \$0.68 |

Source: General Appropriations Act for the 2002–03 Biennium, Article III – Education, 77th Legislature, Regular Session.

MFISD selected Aransas County, Hallsville, LaMarque, Sheldon, and Tulo–Midway ISDs as peer districts for comparison purposes. **Exhibit 7–14** shows the enrollment, the average daily ridership for all programs, and the percentage of enrolled students transported in each of the districts. Among its peer districts, MFISD has the second–lowest percentage of enrolled students who ride buses.

Exhibit 7–14
Enrollment and Average Daily Ridership
MFISD and Peer Districts
2002–03

| District | Enrollment | Average Daily Ridership | Percent of Enrolled Students Transported |
|---------------------|--------------|-------------------------|--|
| Tulo–Midway | 3,220 | 2,681 | 83.3% |
| Sheldon | 4,177 | 2,820 | 67.5% |
| Hallsville | 3,761 | 2,092 | 55.6% |
| Aransas County | 3,371 | 1,681 | 49.9% |
| Marble Falls | 3,632 | 1,537 | 42.3% |
| LaMarque | 3,883 | 1,345 | 34.6% |

Source: Texas Education Agency, PEIMS, 2002–03; Texas Education Agency, School Transportation Route Services Report, 2002–03.

Exhibit 7–15 shows the enrollment, the average daily ridership for all programs, the percentage of enrolled students transported, and the percent change from 2000–01 to 2002–03 for MFISD. During this period, MFISD experienced an enrollment growth rate of 1 percent and an increase of 9 percent in its average daily ridership.

Exhibit 7-15
MFISD Enrollment and Average Daily Ridership
2000-01 through 2002-03

| | 2000-01 | 2001-02 | 2002-03 | Percent Change from 2000-01 to 2002-03 |
|--|---------|---------|---------|--|
| Enrollment | 3,597 | 3,648 | 3,632 | 1.0% |
| Average Daily Ridership | 1,410 | 1,527 | 1,537 | 9.0% |
| Percent of Enrolled Students Transported | 39.2% | 41.9% | 42.3% | |

Source: Texas Education Agency, PEIMS, 2000-01 through 2002-03; Texas Education Agency, School Transportation Route Services Report, 2000-01 through 2002-03.

Compared to its peers, MFISD has experienced the third-highest change in student enrollment in the period from 2000-01 to 2002-03 and the fourth-highest change in average daily ridership (**Exhibit 7-16**).

Exhibit 7-16
Percent Change from 2000-01 to 2002-03
MFISD and Peer Districts

| Description | Tuloso-Midway | Hallsville | Marble Falls | Aransas County | Sheldon | LaMarque |
|---|---------------|---------------|--------------|----------------|---------------|---------------|
| 2000-01 Enrollment | 3,058 | 3,687 | 3,597 | 3,360 | 4,191 | 4,063 |
| 2002-03 Enrollment | 3,220 | 3,761 | 3,632 | 3,371 | 4,177 | 3,883 |
| Enrollment Percent Change | 5.3% | 2.0% | 1.0% | 0.3% | (0.3%) | (4.4%) |
| 2000-01 Average Daily Ridership | 1,125 | 2,207 | 1,410 | 1,359 | 2,522 | 1,469 |
| 2002-03 Average Daily Ridership | 2,681 | 2,092 | 1,537 | 1,681 | 2,820 | 1,345 |
| Average Daily Ridership Percent Change | 138.3% | (5.2%) | 9.0% | 23.7% | 11.8% | (8.4%) |

Source: Texas Education Agency, PEIMS, 2000-01 through 2002-03; Texas Education Agency, School Transportation Route Services Report, 2000-01 through 2002-03.

The 2002-03 transportation allotment per mile is based on the 2001-02 linear density grouping, and the linear density for 2002-03 is used to determine the transportation allotment per mile for 2003-04.

Standard regular riders are calculated by multiplying the average daily ridership for the standard program by 180 school days. Standard regular miles are the annual transportation miles reported by the district for the standard program. **Exhibit 7-17** shows MFISD's standard regular riders, standard regular miles, calculated linear density, and allotment per mile for 2002-03 and 2003-04.

Exhibit 7-17
Standard Regular Riders, Standard Regular Miles, Calculated Linear Density,
Allotment per Mile for 2002-03 and the Allotment per Mile for 2003-04
MFISD and Peer Districts

| District | Standard Regular Riders 2002-03 | Standard Regular Miles 2002-03 | Linear Density | Allotment per Mile 2002-03 | Allotment per Mile 2003-04 |
|---------------------|--|---------------------------------------|-----------------------|-----------------------------------|-----------------------------------|
| Tuloso-Midway | 302,580 | 105,822 | 2.8593 | \$1.11 | \$1.43 |
| LaMarque | 182,700 | 98,406 | 1.8566 | \$1.11 | \$1.25 |
| Sheldon | 361,080 | 286,760 | 1.2592 | \$1.11 | \$1.11 |
| Aransas County | 285,660 | 268,580 | 1.0636 | \$0.88 | \$0.97 |
| Hallsville | 355,680 | 367,250 | 0.9685 | \$0.97 | \$0.97 |
| Marble Falls | 250,380 | 301,318 | 0.8309 | \$0.88 | \$0.88 |

Source: Texas Education Agency, School Transportation Route Services Report, 2002-03, allotment per mile for 2003-04.

MFISD has the lowest linear density and received the lowest allotment per mile among its peer districts in 2002-03 and 2003-04. Three of the six districts will receive an increase in 2003-04 allotments based on increased linear density in 2002-03; however, MFISD's allotment will remain the same. Although MFISD's linear density has increased by 12.9 percent from 2000-01 to 2002-03, the increase has not been significant enough to result in a change in its linear density grouping and the corresponding mileage allotment. The district's allotment per mile has remained steady at \$0.88 during that period.

In order to receive an increase in its mileage allotment, MFISD's linear density must equal or exceed 0.90. **Exhibit 7-18** shows MFISD's standard regular riders, standard regular miles, calculated linear density, allotment per mile and the percent change for 2000-01 to 2002-03.

Exhibit 7-18
MFISD Linear Density and
Allotment per Mile
2000-01 through 2002-03

| Category | 2000-01 | 2001-02 | 2002-03 | Percent Change from 2000-01 to 2002-03 |
|-------------------------|----------------|----------------|----------------|---|
| Standard Regular Riders | 209,880 | 250,200 | 250,380 | 19.3% |
| Standard Regular Miles | 285,120 | 308,851 | 301,318 | 5.7% |
| Linear Density | 0.7361 | 0.8101 | 0.8309 | 12.9% |
| Allotment Per Mile | \$0.88 | \$0.88 | \$0.88 | 0.0% |

Source: Texas Education Agency, School Transportation Route Services Report, 2000-01 through 2002-03.

The regular program includes riders and miles for standard, alternative, bilingual, desegregation, magnet, parenting, year-round, pre-/kindergarten, and hazardous area service subprograms. Miles claimed for transporting students on hazardous routes may not exceed 10 percent of the total annual miles claimed for transporting only two-or-more-mile students. Tuloso-Midway reported hazardous route miles equaling 24.1 percent of its regular program route miles in 2002-03; these miles are limited

to 10 percent for calculating the regular program allotment. MFISD has the third-highest number of two-or-more-mile riders and hazardous route riders.

Exhibit 7-19 presents the regular program information for MFISD and the peer districts.

Exhibit 7-19
Regular Transportation Program
MFISD and Peer Districts
2002-03

| District | Two-or-More Mile Student Route Miles | Hazardous Route Miles | Total Route Miles | Total Regular Program Miles Allowed | Allotment per Mile | Regular Program Allotment | Hazardous Route Miles as a Percentage of Regular Program Miles |
|---------------------|--------------------------------------|-----------------------|-------------------|-------------------------------------|--------------------|---------------------------|--|
| Hallsville | 382,509 | 0 | 382,509 | 382,509 | \$0.97 | \$371,034 | 0.0% |
| Sheldon | 359,118 | 28,676 | 387,794 | 387,794 | \$1.11 | \$430,451 | 7.4% |
| Marble Falls | 301,318 | 7,957 | 309,275 | 309,275 | \$0.88 | \$272,162 | 2.6% |
| Aransas County | 287,174 | 0 | 287,174 | 287,174 | \$0.88 | \$252,713 | 0.0% |
| LaMarque | 143,604 | 5,094 | 148,698 | 148,698 | \$1.11 | \$165,055 | 3.4% |
| Tuloso-Midway | 117,234 | 28,242 | 145,476 | 128,957 | \$1.11 | \$143,142 | 21.9% |

Source: Texas Education Agency, School Transportation Route Services Report, 2002-03.

MFISD has seen a decline of 35 percent in its hazardous route miles and an overall increase in its regular program miles of 4 percent from 2000-01 through 2002-03. Hazardous route miles have decreased by 38.5 percent as a percentage of two-or-more route miles to 2.6 percent during the same period. The director of Transportation said the decrease in hazardous miles was due to changes in the bus routes. The regular program allotment for MFISD has increased by 4 percent, but the allotment per mile remains unchanged. **Exhibit 7-20** shows regular program information for MFISD for 2000-01 through 2002-03.

Exhibit 7-20
MFISD Regular Program Information
2000-01 through 2002-03

| Category | 2000-01 | 2001-02 | 2002-03 | Percent Change from 2000-01 to 2002-03 |
|--|-----------|-----------|-----------|--|
| Two-or-More-Mile Route Miles | 285,120 | 308,581 | 301,318 | 5.7% |
| Hazardous Route Miles | 12,240 | 4,628 | 7,957 | (35.0%) |
| Total Regular Program Miles | 297,360 | 313,209 | 309,275 | 4.0% |
| Allotment per Mile | \$0.88 | \$0.88 | \$0.88 | 0.0% |
| Regular Program Allotment | \$261,677 | \$275,624 | \$272,162 | 4.0% |
| Hazardous Route Miles as a Percentage of Regular Program Miles | 4.1% | 1.5% | 2.6% | |

Source: Texas Education Agency, School Transportation Route Services Report, 2000-01 through 2002-03.

Special program transportation allotments are not based on linear density. The allotment rate for each mile for special programs is set by the Legislature. Excluding certain extracurricular trips, transportation for students in special education programs is reimbursable at a state maximum of \$1.08 per route mile.

MFISD has the second-lowest average daily ridership for special programs among the peer districts. However, MFISD has the second-highest special program allotment and number of special program miles. **Exhibit 7-21** shows the special program ridership, miles reported, allotment for each mile, and the total special program allotment for MFISD and the peer districts for 2002-03.

Exhibit 7-21
Special Program Transportation
MFISD and Peer Districts
2002-03

| District | Special Program Average Daily Ridership | Special Program Miles | Allotment Per Mile | Special Program Allotment |
|---------------------|---|-----------------------|--------------------|---------------------------|
| Tuloso-Midway | 87 | 65,827 | \$1.08 | \$71,093 |
| Sheldon | 82 | 145,579 | \$1.08 | \$157,225 |
| LaMarque | 81 | 43,299 | \$1.08 | \$46,763 |
| Hallsville | 69 | 56,330 | \$ 1.08 | \$60,836 |
| Marble Falls | 51 | 114,721 | \$ 1.08 | \$123,899 |
| Aransas County | 42 | 76,752 | \$1.08 | \$82,892 |

Source: Texas Education Agency, School Transportation Route Services Report, 2002-03.

The allotment for each mile and special program miles have either remained the same or almost the same during this period. **Exhibit 7-22** shows information about MFISD's transportation for special programs for 2000-01 through 2002-03.

Exhibit 7-22
MFISD Special Program Transportation
2000-01 through 2002-03

| Category | 2000-01 | 2001-02 | 2002-03 | Percent Change from 2000-01 to 2002-03 |
|---|-----------|-----------|-----------|--|
| Special Program Average Daily Ridership | 59 | 56 | 51 | (13.6%) |
| Special Program Miles | 115,560 | 114,901 | 114,721 | (0.7%) |
| Allotment Per Mile | \$1.08 | \$1.08 | \$1.08 | 0.0% |
| Special Program Allotment | \$124,805 | \$124,093 | \$123,899 | (0.7%) |

Source: Texas Education Agency, School Transportation Route Services Report, 2000-01 through 2002-03.

The district's transportation handbook defines career and technology education (CATE) students as those enrolled in and attending an approved CATE program of instruction that makes it necessary for them to be transported between their school they regularly attend and the training site during the

regular school day. Both regular and special education students are eligible for transportation to attend an approved CATE program at a site other than their regular school for other academic classes as a part of their regular school day.

For school transportation reporting and allotment purposes, students who voluntarily transfer to a school in another attendance zone or district for their entire school day and who also attend CATE classes at that school are not considered eligible CATE students, but may be considered eligible regular or special needs students. The assigned allotment-per-mile is determined on the basis of the district's reported cost-per-mile for providing regular program transportation for the preceding fiscal year.

Only three of the peer districts reported CATE program miles for 2002-03. Hallsville, Sheldon, and Tulo-so-Midway received CATE miles allotments of \$15,092, \$29,656, and \$19,826, respectively. MFISD reported no CATE program miles because all of the programs are located at the high school.

For MFISD and the peer districts, the regular, special, and CATE transportation programs are the only ones operated by the districts that are eligible for state funding. Other transportation programs such as extra and co-curricular and other uses do not generate state funding. The operation costs for transportation do not include capital outlay expenditures such as purchases of buses or other major equipment. MFISD receives 42.5 percent of its operational costs from its transportation allotment. **Exhibit 7-23** shows the total transportation allotment and budgeted transportation operational costs for MFISD and the peer districts.

Exhibit 7-23
Transportation Allotment and Actual Operational Costs
MFISD and Peer Districts
2002-03

| District | Total Allotment | Actual Operational Costs | Allotment as a Percent of Budgeted Operational Costs |
|---------------------|------------------|--------------------------|--|
| Hallsville | \$446,962 | \$874,373 | 51.1% |
| Sheldon | \$617,332 | \$992,439 | 62.2% |
| Marble Falls | \$396,061 | \$932,034 | 42.5% |
| Aransas County | \$335,605 | \$1,175,710 | 28.5% |
| Tulo-so-Midway | \$234,062 | \$1,775,571 | 13.2% |
| LaMarque | \$211,838 | \$698,859 | 30.3% |

Source: Texas Education Agency, School Transportation Route Services Report, 2002-03; Texas Education Agency, PEIMS, 2002-03.

MFISD has the second lowest operations cost-per-mile among its peers and the third-lowest total transportation costs per mile in 2002-03 budgeted costs. Fleet replacement programs and associated costs vary among districts; total costs-per-mile include these capital outlay expenditures. **Exhibit 7-24** shows the operations and total costs-per-mile for MFISD and the peer districts for 2002-03.

Exhibit 7–24
Budgeted Transportation Operations and Total Costs
MFISD and Peer Districts
2002–03

| District | Total Miles | Operations Cost | Operations Cost–per–mile | Total Costs | Total Costs Per Mile |
|---------------------|----------------|------------------|--------------------------|------------------|----------------------|
| LaMarque | 191,997 | \$1,004,620 | \$5.23 | \$1,004,620 | \$5.23 |
| Tuloso–Midway | 217,441 | 735,115 | 3.38 | 793,547 | 3.65 |
| Sheldon | 542,878 | 1,532,343 | 2.82 | 1,830,343 | 3.37 |
| Aransas County | 363,926 | 912,327 | 2.51 | 919,670 | 2.53 |
| Marble Falls | 423,996 | 1,031,685 | 2.43 | 1,293,835 | 3.05 |
| Hallsville | 446,385 | \$927,914 | \$2.08 | \$1,099,536 | \$2.46 |

Source: Texas Education Agency, School Transportation Route Services Report, 2002–03; Texas Education Agency, PEIMS, 2002–03.

Operations costs have increased by 19.8 percent in MFISD for the period 2000–01 through 2002–03. During the same period, total costs–per–mile have increased by 16.9 percent (**Exhibit 7–25**).

Exhibit 7–25
MFISD Operations and Total Transportation Costs
2000–01 through 2002–03

| Category | Actual 2000–01 | Actual 2001–02 | Budget 2002–03 | Percent Change from 2000–01 to 2002–03 |
|--------------------------|----------------|----------------|----------------|--|
| Total Miles | 415,560 | 428,110 | 423,996 | 2.0% |
| Operations Cost | \$861,006 | \$930,055 | \$1,031,685 | 19.8 |
| Operations Cost–per–Mile | \$2.07 | \$2.17 | \$2.43 | 17.4 |
| Total Costs | \$1,084,783 | \$1,212,001 | \$1,293,835 | 19.3% |
| Total Costs–Per–Mile | \$2.61 | \$2.83 | \$3.05 | 16.9 |

Source: Texas Education Agency, School Transportation Route Services Report, 2000–01 through 2002–03; Texas Education Agency, PEIMS, 2000–01 through 2002–03.

Exhibit 7–26 shows the total budgeted transportation costs per rider. Among its peers, MFISD has the highest total costs per rider due to its low linear density.

Exhibit 7–26
Total Budgeted Transportation Costs Per Rider
MFISD and Peer Districts
2002–03

| District | Annual Ridership | Total Costs | Cost Per Rider |
|---------------------|------------------|--------------------|----------------|
| Marble Falls | 276,660 | \$1,293,835 | \$4.68 |
| LaMarque | 242,100 | \$1,004,620 | \$4.15 |
| Sheldon | 507,600 | \$1,830,343 | \$3.61 |
| Aransas County | 302,580 | \$919,670 | \$3.04 |
| Hallsville | 376,560 | \$1,099,536 | \$2.92 |
| Tuloso–Midway | 482,580 | \$793,547 | \$1.64 |

Source: Texas Education Agency, School Transportation Route Services Report, 2002–03; Texas Education Agency, PEIMS, 2002–03.

MFISD’s total transportation costs increased by 19.3 percent from 2000–01 to 2002–03, and the cost per rider increased 9.4 percent. **Exhibit 7–27** shows annual ridership, total transportation costs, and cost per rider for 2000–01 through 2002–03.

Exhibit 7–27
MFISD Total Transportation Costs Per Rider
2000–01 through 2002–03

| Category | Actual Transportation Costs Per Rider 2000–01 | Actual Transportation Costs Per Rider 2001–02 | Budgeted Transportation Costs Per Rider 2002–03 | Percent Change from 2000–01 to 2002–03 |
|------------------|---|---|---|--|
| Annual Ridership | 253,800 | 274,860 | 276,660 | 9.0% |
| Total Costs | \$1,084,783 | \$1,212,001 | \$1,293,835 | 19.3% |
| Cost per Rider | \$4.27 | \$4.41 | \$4.68 | 9.4% |

Source: Texas Education Agency, School Transportation Route Services Report, 2000–01 through 2002–03; Texas Education Agency, PEIMS, 2000–01 through 2002–03.

Total transportation costs include payroll, contracted services, supplies, and other operating and capital outlay expenditures made by the district to support the transportation program. These costs also include programs and services not eligible for reimbursement through the transportation allotment. LaMarque is the only district among the peer districts that contracts its transportation function to an external service company and reports only contracted services expenditures. MFISD has the second-highest total costs for transportation among its peers. **Exhibit 7–28** shows the total transportation costs by category for MFISD and the peer districts.

Exhibit 7–28
Total Budgeted Transportation Costs by Category
MFISD and Peer Districts
2002–03

| District | Payroll | Contracted Services | Supplies | Other Operating | Capital Outlay | Total Costs |
|---------------------|------------------|---------------------|------------------|-----------------|------------------|--------------------|
| Tuloso–Midway | \$538,545 | \$46,500 | \$118,500 | \$31,570 | \$58,432 | \$793,547 |
| Aransas County | \$689,170 | \$12,657 | \$133,000 | \$77,500 | \$7,343 | \$919,670 |
| LaMarque | \$0 | \$1,004,620 | \$0 | \$0 | \$0 | \$1,004,620 |
| Hallsville | \$702,988 | \$21,426 | \$118,900 | \$84,600 | \$171,622 | \$1,099,536 |
| Marble Falls | \$830,735 | \$17,650 | \$144,100 | \$39,200 | \$262,150 | \$1,293,835 |
| Sheldon | \$1,140,575 | \$143,345 | \$154,250 | \$94,173 | \$298,000 | \$1,830,343 |

Source: Texas Education Agency, PEIMS, 2002–03.

MFISD’s total transportation costs have increased from 1998–99 through 2002–03. The increase in transportation supply costs include a significant increase in fuel costs. The decrease in other operating costs is due to comparing actual costs to budgeted costs as MFISD appropriately uses the other operating object to record the allocation of transportation costs to other functions.

The FASRG states, “prior to closing the books for the fiscal year, a school district should determine the cost of transportation for other than regular purposes (i.e., to and from school) and reclassify the appropriate transportation expenditures to other functions. For example, the cost of transporting students for class field trips should be recorded in Function 11, Instruction. The cost of transporting students for co-curricular athletic events should be recorded in Function 36, Co-curricular/ Extracurricular Activities.” Since these entries are not made until the end of the year and are based on actual activities during the course of the year, the budget does not reflect these allocations.

Exhibit 7–29 compares transportation costs by category for 1998–99 through 2002–03.

Exhibit 7–29
MFISD Total Transportation Costs by Category
1998–99 through 2002–03

| Cost Object | Actual Costs 1998–99 | Actual Costs 1999–2000 | Actual Costs 2000–01 | Actual Costs 2001–02 | Budgeted Costs 2002–03 | Percent Change from 1998–99 to 2002–03 |
|---------------------|----------------------|------------------------|----------------------|----------------------|------------------------|--|
| Payroll | \$555,990 | \$660,878 | \$752,208 | \$837,735 | \$830,735 | 49.4% |
| Contracted Services | \$15,839 | \$10,273 | \$23,979 | \$17,683 | \$17,650 | 11.4% |
| Supplies | \$87,374 | \$116,689 | \$119,060 | \$119,100 | \$144,100 | 64.9% |
| Other Operating | (\$55,678) | (\$70,909) | (\$34,241) | (\$44,463) | \$39,200 | (170.4%) |
| Capital Outlay | \$219,659 | \$216,451 | \$223,777 | \$281,946 | \$262,150 | 19.3% |
| Total Costs | \$823,184 | \$933,382 | \$1,084,783 | \$1,212,001 | \$1,293,835 | 57.2% |

Source: Texas Education Agency, PEIMS, 1998–99 through 2002–03.

Exhibit 7–30 shows total transportation costs for MFISD and the peer districts for 1998–99 through 2002–03. MFISD has the third–highest increase in transportation costs among the peer districts.

Exhibit 7–30
Total Transportation Costs
MFISD and Peer Districts
1998–99 through 2002–03

| District | Actual Costs 1998–99 | Actual Costs 1999–2000 | Actual Costs 2000–01 | Actual Costs 2001–02 | Budgeted Costs 2002–03 | Percent Change from 1998–99 to 2002–03 |
|---------------------|----------------------|------------------------|----------------------|----------------------|------------------------|--|
| Aransas County | \$1,060,080 | \$1,215,217 | \$955,623 | \$927,512 | \$919,670 | (13.2%) |
| LaMarque | \$886,524 | \$899,072 | \$890,902 | \$902,596 | \$1,004,620 | 13.3% |
| Hallsville | \$964,023 | \$841,974 | \$853,998 | \$1,128,737 | \$1,099,536 | 14.1% |
| Marble Falls | \$823,184 | \$933,382 | \$1,084,783 | \$1,212,001 | \$1,293,835 | 57.2% |
| Sheldon | \$1,078,499 | \$1,211,785 | \$1,422,905 | \$1,697,128 | \$1,830,343 | 69.7% |
| Tuloso–Midway | \$387,521 | \$464,228 | \$439,728 | \$665,509 | \$793,547 | 104.8% |

Source: Texas Education Agency, PEIMS, 1998–99 through 2002–03.

MFISD and all of the peer districts’ budgeted transportation operations costs as a percent of the total budget exceed the state average of 2.6 percent. MFISD and two of the peer districts have the same percent of transportation operations costs to total budget. **Exhibit 7–31** shows the transportation operations costs budgeted for MFISD, the state, and the peer districts.

Exhibit 7–31
Budgeted Transportation Operations Costs
MFISD, State, and Peer District
2002–03

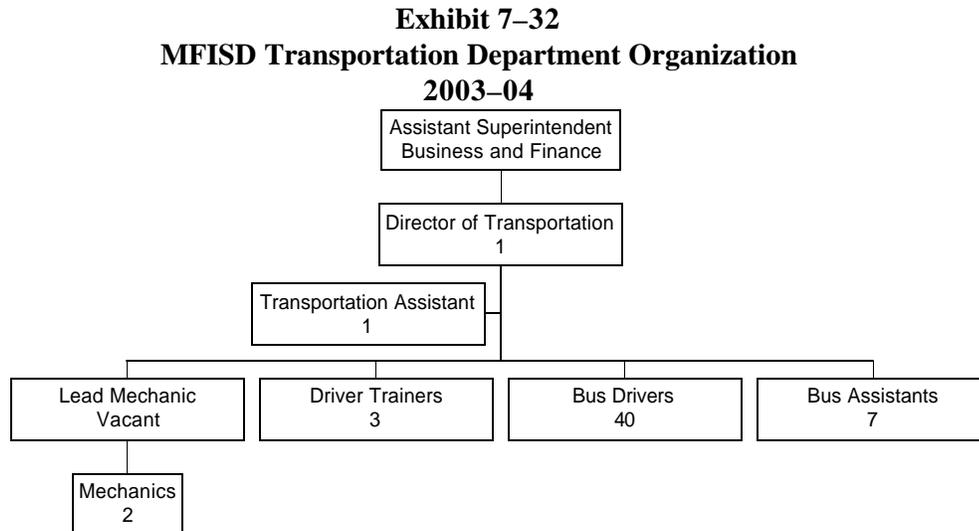
| District | Student Transportation | Percent of Total Budget |
|---------------------|------------------------|-------------------------|
| State | \$788,729,993 | 2.6% |
| Tuloso–Midway | \$735,115 | 3.4% |
| Hallsville | \$927,914 | 3.6% |
| LaMarque | \$1,004,620 | 3.6% |
| Marble Falls | \$1,031,685 | 3.6% |
| Aransas County | \$912,327 | 3.7% |
| Sheldon | \$1,532,343 | 4.2% |

Source: Texas Education Agency, PEIMS, 2002–03.

In 1996–97, the district terminated a contracted agreement with an external transportation provider. Since that time, MFISD has maintained an internal Transportation Department and function. The district cited escalating costs, an aging fleet, and unsuccessful contract negotiations as reasons for ending the contract and bringing the operation back in–house.

MFISD's Transportation Department provides student transportation between home and school and for extracurricular trips during and after the school day. The Transportation Department also maintains and services the district's 43 school buses, other district transportation vehicles, and the general services fleet. The general services fleet includes district vehicles not used for transportation purposes, including maintenance vehicles.

The director of Transportation reports to the assistant superintendent for Business and Finance at the central office. As shown in **Exhibit 7-32**, excluding the assistant superintendent of Business and Finance, the Transportation Department has 55 employees including substitute drivers.



Source: MFISD director of Transportation, September 2003.

The director of Transportation manages the daily operations of the department. The incumbent views his responsibilities as getting MFISD students to and from school and activities safely and on time and operating the department efficiently. The director establishes routes, manages department staff, conducts performance evaluations for department employees, reports transportation information to the state, schedules maintenance, recommends bus replacement, enforces safety standards, and serves as chair of the Transportation Improvement Committee.

The Transportation assistant position supports the director of Transportation by performing daily operations duties and providing clerical support to the director and department. The assistant coordinates extracurricular trips, assists in hiring interviews, maintains driver qualifications, processes time sheets, maintains personnel files, maintains fuel reports, coordinates the random drug testing program, assists the director with routing, and performs some employee relations duties.

One driver-trainer has a regular route; the other two driver-trainers are substitute drivers when a driver is absent or for extracurricular trips during route times. Thirty-five of the district bus drivers have daily regular and special routes; the remaining five serve as substitute drivers for regular, special, and extracurricular routes.

Five of the seven bus assistants are assigned to daily special program routes; two “float” between regular routes, based on the district’s disciplinary needs. There are three groups of regular program drivers; the fourth group comprises the special program drivers and assistants.

MFISD mechanics perform scheduled preventive maintenance and other mechanical repairs on the district’s fleet. The lead mechanic position was vacant at the start of the review, and one of the mechanics was assigned those duties in the interim.

MFISD guarantees hours and benefits for all Transportation employees. Substitute drivers are guaranteed six hours each day, and bus drivers and assistants are guaranteed four hours of work daily. All other employees work eight-hour days. All Transportation employees get full benefits, regardless of hours worked.

MFISD has a Transportation employee handbook that is updated annually by the director of Transportation. The handbook contains information for employees about driver responsibilities, rules for the Transportation complex, radio communications, fueling procedures, dress code, seating charts, student discipline, attendance, routes, and schedules.

The director of Transportation created the Transportation Improvement Committee (TIC) in 2002–03. The director chairs this four-member committee with each member representing a safety group. The TIC was established to consider problems and suggest improvements to the Transportation Department. The TIC reviews the transportation employee handbook annually and plans and organizes social activities such as monthly potluck luncheons and the end-of-the-year celebration. The drivers said TIC gives them a voice in the department and helps boost morale.

FINDING

MFISD uses an incentive program to promote low absenteeism and reward transportation employees for perfect attendance. At the end of the fall semester, all employees with perfect attendance receive a jacket. At the end of the spring semester, all employees with perfect attendance get \$50. Employees who have perfect attendance all year split \$1,000. In 2002–03, four employees had perfect attendance for the year and each received \$250. The incentive program has been in place since 1997.

MFISD’s Transportation employee handbook stresses the importance of daily attendance for the routes to run smoothly and states that drivers and assistants are subject to disciplinary action for excessive absences. MFISD considers absences of more than 10 days to be excessive. MFISD uses performance management and employee recognition and reward strategies to encourage and reward employee attendance.

COMMENDATION

MFISD uses departmental incentives and performance management interventions to increase and reward perfect attendance and reduce bus driver absenteeism.

Routing and Scheduling

MFISD's Transportation Department serves 264 square miles with a fleet of 35 regular buses and eight special program buses. The Transportation Department operated 30 regular routes and five special program routes in 2003–04. All 30 of the regular routes operate one trip in the morning and one trip in the afternoon. The director of Transportation develops routes manually. In addition to daily routes, the Transportation Department operates extracurricular trips. In March 2004, the district reconfigured its projected routes for 2004–05 to include the opening of Spicewood Elementary School and changes in attendance zones. The resulting 31 projected 2004–05 routes are posted on the district's Web site.

FINDING

MFISD provides some duplicative elementary and secondary bus routes since elementary and middle schools begin at the same time and routes are manually developed. Many geographical parts of the district have two buses serving the area at the same time, since MFISD has chosen to split the grade levels for the safety and security of students who ride the bus but starts both elementary schools and the middle school at the same time. The district reports discipline on the buses has improved since grouping elementary and secondary students together. In addition, the director of Transportation said younger students are not subjected to the language and actions of older students, and the community supports this concept.

MFISD transports pre-kindergarten through grade 5 students on one bus and grade 6 through grade 12 on another. The middle school bell time is 8:00 a.m., and the buses deliver students to the school beginning at 7:30 a.m. The high school bell time is 8:30 a.m., and the buses deliver those students to their schools beginning at 7:45 a.m. The elementary bell time is 8:00 a.m., and the buses also deliver the elementary students to schools starting at 7:30 a.m. Running two buses in the respective areas of the district requires MFISD to have two buses and two drivers for each area. The director of Transportation and the Transportation assistant develop the routes manually to correspond to these elementary and secondary transportation needs that are based on changes in student population and attendance zones. The Transportation Department receives updated information on students from parent calls and school notifications and assigns students to routes accordingly. Upon analysis of the 2003–04 routes, ten similar routes are provided for both elementary and secondary routes. Similarly, some of the projected routes for 2004–05 are duplicative between elementary and secondary schools.

With each regular driver guaranteed four hours a day for 178 days at a minimum hourly wage of \$9.30 (178 days X four hours X \$9.30 = \$6,622), the cost to the district is more than \$6,600 in wages. The district also provides full benefits for each of its drivers, totaling \$3,519 per driver. Including benefits and actual wages, the district pays each of its regular drivers \$10,141 annually. Substitute drivers are guaranteed six hours for 178 days at an hourly wage of \$9.30. Substitute drivers also get full benefits. Benefits vary between employee classes; some are calculated as a percentage of base wages.

Kingsville ISD uses different starting times for its elementary schools, middle school, junior high, and high school to reduce the number of buses needed for student transportation. The staggered starting times are spaced to allow each bus to make multiple trips on most routes, saving money while

providing timely transportation for students. This reduces the overall number of buses and drivers needed by the district. In addition, automated routing systems plan new routes and evaluate existing routes according to school start times and using district attendance zones. Routing software consists of a database of students' addresses, school assignments, the walk zone established by the district, bell times, the distances students walk to bus stops, number of students per seat, capacity of buses in the fleet, and maximum student ride time, all of which are automatically factored by the system to develop the most effective routes. System-developed routes are designed to maximize linear density on each route to ensure that the district receives optimal funding from the state.

Tyler ISD (TISD) evaluates its transportation routes daily and shifts routes according to travel needs using automated software. As a result, TISD reports increased ridership and greater confidence in the service provided. The number of riders has increased, and there are fewer routes.

Recommendation 61:

Reevaluate all bus routes using automated routing software, and analyze school starting times.

FISCAL IMPACT

The fiscal impact of this recommendation is based on the initial cost of \$7,000 (\$5,000 for software plus \$2,000 for maintenance and training) to purchase routing software and the related annual maintenance cost provided by a software dealer. Annual maintenance fees remain at \$2,000 for routing software.

Savings are conservatively calculated upon consolidation of routes and a reduction in personnel based upon 2003–04 routes and 2004–05 projected routes. To be conservative, these savings reflect a reduction of five drivers assuming each regular driver is guaranteed four hours a day for 178 days at a minimum hourly wage of \$9.30 (178 days X four hours X \$9.30 = \$6,622), plus benefits totaling \$3,519 per driver. Including benefits and actual wages, the district pays each of its regular drivers \$10,141 annually. A reduction of five drivers equates to \$50,705 annually. Total savings equal \$43,705 in the first year and \$48,705 annually thereafter.

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Purchase automated routing system. | (\$5,000) | \$0 | \$0 | \$0 | \$0 |
| Annual maintenance fee. | (\$2,000) | (\$2,000) | (\$2,000) | (\$2,000) | (\$2,000) |
| Reduction of five drivers. | \$50,705 | \$50,705 | \$50,705 | \$50,705 | \$50,705 |
| Net (Cost)/Savings | \$43,705 | \$48,705 | \$48,705 | \$48,705 | \$48,705 |

Supplemental Transportation

MFISD provides supplemental transportation services for extracurricular travel. These services are for student field trips and transportation associated with athletic and University Interscholastic League events. These extracurricular costs are not subject to reimbursement by the state through

transportation allotments; however the district reports mileage for extracurricular transportation to the state in the annual School Transportation Operations Report.

FINDING

MFISD does not recover all the costs associated with providing supplemental transportation services. The Transportation Department bills \$1 per service mile provided in extracurricular trips. Based on the district’s 2001–02 transportation report to the state, the cost–per–mile driven was \$2.47. As a result, the Transportation Department is subsidizing other programs in the district.

The Transportation Department expenditures are reported in function 34, pupil transportation for accounting purposes. The FASRG states, “Function 34, Pupil Transportation, should be used only to account for the cost of transporting students to and from school for the regular instructional day. However, many school districts use school district buses to transport students for reasons other than regular instructional purposes.” MFISD appropriately uses the other operating category to record the allocation of transportation costs to other functions.

Exhibit 7–33 shows extracurricular miles for MFISD from 2000–01 through 2002–03. In 2002–03, 5,465 of these miles were for trips charged to and paid by student activity funds.

Exhibit 7–33
MFISD Extracurricular Miles
2000–01 through 2002–03

| | 2000–01 | 2001–02 | 2002–03 |
|-----------------------|----------------|----------------|----------------|
| Extracurricular Miles | 54,255 | 61,393 | 56,829 |

Source: Texas Education Agency, School Transportation Operations Report, 2000–01 through 2002–03; MFISD, director of Transportation, September 2003.

As a result of not charging the appropriate department or group the actual cost–per–mile, MFISD has overstated its transportation costs in Function 34 and has not obtained full reimbursement from the activity funds. Based on 2001–02 costs of \$2.47 per mile, the district overstated its transportation costs in Function 34 by \$90,247 ($\$2.47 - \$1.00 = \1.47 times 61,393 miles = \$90,247).

Many districts charge the department or group the actual cost–per–mile for extracurricular trips. Those districts ensure that transportation costs are appropriately reported in FASRG’s function 34 and also recover actual costs on field trips and other services paid by students, other funds, or outside groups.

Recommendation 62:

Charge departments and groups the actual cost–per–mile for extracurricular trips.

The director of Transportation should bill extracurricular trips at the actual cost–per–mile as shown in the previous year’s School Transportation Operations Report of the district’s cost–per–mile. This will ensure that MFISD recovers the full costs for trips paid for by students, outside organizations, or other funds, and that the district appropriately reports the costs associated with operating other programs.

FISCAL IMPACT

The fiscal impact of this recommendation is calculated by multiplying the 5,465 miles charged to student activity funds times the differential between the actual cost-per-mile and the charged cost of \$1 per mile. The differential between the amount charged and the actual cost is \$1.47 (\$2.47 – \$1.00 = \$1.47). The annual savings equals \$8,033 (\$1.47 x 5,465 = \$8,033).

| Recommendation | 2004–05 | 2005–06 | 2006–07 | 2007–08 | 2008–09 |
|---|----------------|----------------|----------------|----------------|----------------|
| Charge departments and groups the actual cost-per-mile for extracurricular trips. | \$8,033 | \$8,033 | \$8,033 | \$8,033 | \$8,033 |

Fleet Management

The Transportation Department maintains the district’s entire fleet of 68 vehicles. Five vehicles have been taken out of service due to age or mechanical problems. The bus fleet logged more than 477,000 miles in 2002–03. **Exhibit 7–34** shows the classification and number of vehicles in each program.

Exhibit 7–34
MFISD Vehicles Owned and Maintained
August 2003

| Vehicle Classification | Vehicles Owned | Out of Service | Vehicles Maintained |
|-------------------------------|-----------------------|-----------------------|----------------------------|
| Special Program Buses | 8 | | 8 |
| Regular Program Buses | 40 | 5 | 35 |
| Agriculture Program Vehicles | 2 | | 2 |
| Maintenance Vehicles | 10 | | 10 |
| Sports Utility Vehicles | 5 | | 5 |
| Other Vehicles | 3 | | 3 |
| Total | 68 | 5 | 63 |

Source: MFISD, director of Transportation, September 2003.

**Sports utility vehicles are used by MFISD for extracurricular transportation.*

Exhibit 7–35 shows the age, model, and mileage of the district’s special program buses. The first two digits following the W in the vehicle number identify the seating capacity of the bus.

**Exhibit 7-35
Special Program Buses
August 2003**

| Vehicle Number | Model Year | Make | Mileage |
|-----------------------|-------------------|---------------|----------------|
| W4710 | 1998 | International | 97,431 |
| W4711 | 1999 | International | 83,451 |
| W4712 | 2001 | International | 33,965 |
| W4714 | 2002 | International | 19,660 |
| W4720 | 1990 | International | 167,779 |
| W4752 | 1992 | International | 161,220 |
| W47108 | 1993 | International | 185,002 |
| W47140 | 1995 | International | 125,556 |

Source: MFISD, director of Transportation, September 2003.

Exhibit 7-36 shows the age, model, and mileage of the district's regular program buses. The first two digits in the vehicle number identify the seating capacity of each bus.

**Exhibit 7-36
Regular Program Buses
August 2003**

| Vehicle Number | Year Model | Make | Mileage |
|-----------------------|-------------------|---------------|----------------|
| 65028 | 1986 | International | 200,484 |
| 65031 | 1986 | International | 151,140 |
| 71010 | 1997 | International | 101,411 |
| 71011 | 1997 | International | 94,772 |
| 71012 | 1997 | International | 86,141 |
| 71014 | 1997 | International | 97,076 |
| 71015 | 1998 | International | 92,018 |
| 71016 | 1998 | International | 103,872 |
| 71017 | 1998 | International | 43,042 |
| 71018 | 1999 | International | 81,725 |
| 71019 | 1999 | International | 83,590 |
| 71020 | 1999 | International | 44,762 |
| 71093 | 1986 | International | 151,900 |
| 71096 | 1986 | International | 164,080 |
| 71247 | 1987 | International | 242,078 |
| 71291 | 1989 | International | 191,644 |
| 71650 | 1990 | International | 9,540 |
| 71651 | 1990 | International | 208,871 |

Exhibit 7–36 (continued)
Regular Program Buses
August 2003

| Vehicle Number | Year Model | Make | Mileage |
|-----------------------|-------------------|---------------|----------------|
| 71671 | 1990 | International | 207,722 |
| 71919 | 1993 | International | 125,982 |
| 77001 | 2000 | International | 29,796 |
| 77002 | 2000 | International | 29,366 |
| 77003 | 2000 | International | 24,007 |
| 77004 | 2000 | International | 23,671 |
| 77005 | 2001 | International | 22,774 |
| 77006 | 2001 | International | 52,216 |
| 77007 | 2001 | International | 43,813 |
| 77008 | 2002 | International | 25,156 |
| 77009 | 2002 | International | 27,573 |
| 77010 | 2002 | International | 25,554 |
| 711005 | 1994 | International | 150,814 |
| 711006 | 1994 | International | 143,144 |
| 711260 | 1995 | International | 131,432 |
| 711302 | 1997 | International | 130,901 |
| 84132 | 1997 | Thomas | 108,317 |

Source: MFISD, director of Transportation, September 2003.

Two mechanics and one lead mechanic maintain the district fleet. The director of Transportation uses an industry–standard staffing allocation of 22 to 25 vehicles per mechanic and is waiting to hire another mechanic until the additional work bay is completed. One of the mechanics is serving as lead mechanic due to the retirement of the incumbent.

All vehicles are scheduled for preventive maintenance inspection every 2,500 miles or 60 days, whichever comes first. MFISD mechanics perform oil changes at 5,000–mile intervals. The director of Transportation maintains a vehicle database that tracks last preventive maintenance inspection, next scheduled preventive maintenance service, mileage until next oil change, and other types of maintenance that are scheduled by vehicle mileage.

FINDING

MFISD proactively replaces its buses based on a 15–year replacement cycle to enhance bus safety for students and accurately plan for large budgeted expenditures. The director of Transportation said that the district replaces four buses a year. This has been the practice at MFISD since 1997 when the district terminated its transportation service contract. Compared to the peer districts, MFISD has the largest percentage of buses that are five years or less in age. **Exhibit 7–37** compares the age of the regular fleets for MFISD and the peer districts according to 2001–02 School Transportation Operations Report reports available during fall 2003.

Exhibit 7–37
Age of Regular Bus Fleet
MFISD and Peer Districts
2001–02

| District | 5 Years or Less | Percent of Total | 6 to 10 Years | Percent of Total | More Than 10 Years | Percent of Total | Total |
|---------------------|-----------------|------------------|---------------|------------------|--------------------|------------------|-----------|
| Marble Falls | 20 | 52.6% | 16 | 42.1% | 2 | 5.3% | 38 |
| Aransas County | 11 | 42.3% | 9 | 34.6% | 6 | 23.1% | 26 |
| Sheldon | 12 | 27.3% | 3 | 6.8% | 29 | 65.9% | 44 |
| Hallsville | 13 | 23.2% | 20 | 35.7% | 23 | 41.1% | 56 |
| Tuloso–Midway | 4 | 18.2% | 6 | 27.3% | 12 | 54.5% | 22 |
| LaMarque | 1 | 3.7% | 4 | 14.8% | 22 | 81.5% | 27 |

Source: Texas Education Agency, School Transportation Operations Report, 2001–02.

Exhibit 7–38 compares the age of the special program fleets for MFISD and the peer districts. The information represents the last year (2001–02) the School Transportation Operations Report reports are available from TEA.

Exhibit 7–38
Age of Special Program Bus Fleet
MFISD and Peer Districts
2001–02

| District | 5 Years or Less | Percent of Total | 6 to 10 Years | Percent of Total | More Than 10 Years | Percent of Total | Total |
|---------------------|-----------------|------------------|---------------|------------------|--------------------|------------------|----------|
| Sheldon | 5 | 33.3% | 4 | 26.7% | 6 | 40.0% | 15 |
| Marble Falls | 4 | 44.4% | 2 | 22.2% | 3 | 33.3% | 9 |
| Aransas County | 2 | 28.6% | 5 | 71.4% | 0 | 0.0% | 7 |
| Hallsville | 2 | 40.0% | 2 | 40.0% | 1 | 20.0% | 5 |
| Tuloso–Midway | 2 | 50.0% | 0 | 0.0% | 2 | 50.0% | 4 |
| LaMarque | 0 | 0.0% | 4 | 50.0% | 4 | 50.0% | 8 |

Source: Texas Education Agency, School Transportation Operations Report, 2001–02.

COMMENDATION

MFISD follows a 15–year bus replacement cycle to enhance student safety and accurately project budgeted expenses.

FINDING

MFISD does not maintain an inventory of parts stored in the Transportation warehouse nor does the district conduct a physical inventory during the year.

The director of Maintenance and Transportation said the departmental staff know what parts are kept in inventory but an annual inventory is not completed. One mechanic estimates the parts inventory,

kept in the upstairs storage area in the Transportation building, to be worth approximately \$20,000 and said that the inventory contains most parts needed for regular and daily repairs of the fleet. Because all MFISD buses are International chassis, the number of parts required on hand is fewer than in other maintenance shops.

The FASRG states that, by controlling warehouse inventory, districts are less vulnerable to pilferage and misappropriation of parts. Taking periodic physical inventories and reconciling transportation warehouse records allows districts to establish accountability for the custody of items, to determine future requirements for budgeting and planning, and to maintain accurate records.

Recommendation 63:

Conduct an annual physical inventory of transportation warehouse parts and maintain inventory records.

The director of Transportation and a designated mechanic should inventory all parts stored at the Transportation warehouse. The mechanic should identify, categorize and document all parts and costs as identified through the work order for repair or service. Once the initial inventory is complete, the director of Transportation and a designated mechanic should perform an annual inventory of parts.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Transportation Training

MFISD has three driver–trainers responsible for the bus–driver training program. Each new driver is trained on district policies and procedures; state laws, rules, and regulations; how to drive and maneuver the bus; and pre– and post–trip inspections. The driver–trainers also provide bus safety training for all grade 2 students in the district; This training includes bus rules, bus evacuation, and general bus safety. The director of Transportation teaches the driver certification program.

Inexperienced new drivers receive 20 to 25 hours of pre–employment training and must show that they can drive a school bus properly before the district will hire them. The training is free for the drivers, but they are not paid by MFISD during training, and they must pay for their own commercial driver’s licenses. Experienced, licensed drivers also receive pre–employment training. The training involves a local update and an observation of the driving skills.

In addition to district training, transportation employees can attend Texas Association of Pupil Transportation (TAPT) seminars and workshops at district expense.

MFISD buses were involved in eight accidents from 2000–01 through 2002–03 and only one accident involved another vehicle. **Exhibit 7–39** shows the details of the accidents and driver retraining.

Exhibit 7-39
MFISD Transportation Accident Summary
2000-01 through 2002-03

| Accident | Retraining Required |
|--|---|
| 2000-01 | |
| Bus was rear-ended by another vehicle. | No retraining required. |
| Car rolled into side of bus. | No retraining required. |
| 2001-02 | |
| Bus ran over student's foot when student exited the bus. | Four hours of retraining on loading and unloading procedures. |
| Bus struck another vehicle while turning a corner. | One hour retraining in proper left turns. |
| 2002-03 | |
| Bus backed into a ditch and became stuck. | One hour retraining in proper backing procedures. |
| Bus backed into the perimeter fence in the Transportation yard. | One hour retraining in proper backing procedures. |
| Mirror in the bus broke when the bus backed into the parking space in the Transportation yard. | One hour retraining in proper backing procedures. |
| Bus slid into a ditch during morning route, and a car hit the bus while it was making a right turn on the afternoon route. | Driver left district before retraining. |

Source: MFISD, director of Transportation, September 2003.

FINDING

In response to the number of accidents involving district buses between 2000-01 and 2002-03, to streamline accident review and include a broad range of safety input from all the Transportation Department, the district established an Accident Review Committee (ARC). The ARC is charged in all accidents with identifying the cause, whether the driver was at fault and if retraining is necessary. The committee comprises the three driver-trainers and one driver representative from each of the safety groups. Three of the groups are made up of regular-program drivers and the fourth group is composed of the special-program drivers and assistants.

The director appointed the members of the ARC when the committee was established in 2002-03. In the future, the employees will elect members of the ARC from each safety group.

COMMENDATION

MFISD established an Accident Review Committee including bus drivers to streamline and improve accident analysis.

FINDING

MFISD replaced cell phones issued to its bus drivers with a districtwide radio system in 2002–03 to improve communication efforts in the event of an emergency. The cell phones formerly assigned to MFISD drivers experienced a number of “dead” spots on the routes, which prevented the drivers from communicating with the Transportation office as required. The new radio system allows the drivers to maintain uninterrupted radio communication with the Transportation Department at all locations on the bus routes.

MFISD covers more than 264 square miles and is located in the Texas hill country. The terrain and the sparsely populated area MFISD serves provide a number of challenges for the district, including timely communication. The new radio system was installed in July 2003. The assistant superintendent for Business and Finance said the district expects to recover the cost in two years from the savings achieved by eliminating the cell phones.

The radio system cost the district \$50,240 to install and equip district vehicles with radios. MFISD paid \$6,876 annually for the cell phones issued to district employees.

The ability to communicate is paramount to safety and efficiency within the Transportation Department.

COMMENDATION

MFISD’s Transportation Department replaced cell phones with radios to improve communications.

C. FOOD SERVICE OPERATIONS

The primary mission of a school district’s food service program is to provide an appealing and nutritionally–sound breakfast and lunch to students while operating on a cost–recovery basis. The program should provide meals to the students in a safe, clean, and accessible environment. Several factors can be used to measure the efficiency and evaluate the effectiveness of a school district’s food service operation. Success indicators include providing a high ratio of meals per labor hour (MPLH), minimizing food costs and waste, maximizing student participation in meal programs, providing a variety of meal choices that meet or exceed nutritional standards, reducing the length of time students must wait in line for service, and operating a financially self–sufficient program.

Efficient program management and cost controls allow a district to operate its Food Service program on a break–even basis, thereby preventing the need to drain limited dollars away from classroom instruction and the district’s general fund. In addition to containing costs, successfully managed school food service programs provide customer satisfaction and comply with applicable federal, state, and local board regulations and policies.

The Texas School Food Service Association has identified 10 standards of excellence for evaluating child nutrition programs. The standards state that effective programs should perform the following tasks:

- identify and meet current and future needs through organization, planning, direction, and control;
- maintain financial accountability through established procedures;
- meet the nutritional needs of students and promote the development of sound nutritional practices;
- ensure that procurement practices meet established standards;
- provide appetizing, nutritious meals through effective, efficient systems management;
- maintain a safe and sanitary environment;
- encourage student participation in child nutrition programs;
- provide an environment that enhances employee productivity, growth, development, and morale;
- promote a positive image to the public; and
- measure success in fulfilling regulatory requirements.

MFISD belongs to the Texas Purchasing Consortium. School districts created the Purchasing Consortium in accordance with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code to obtain financial benefits and efficiencies by combining member districts' purchasing power. The consortium must follow state purchasing laws in obtaining approved vendors. About 58 districts in the MFISD's vicinity participate in this program through an inter-local agreement. MFISD makes all food purchases through this cooperative.

In 1990, the district used the Texas Purchasing Consortium to locate a vendor to outsource its food service operations. The Texas Purchasing Consortium annually bids food service outsourcing contracts. MFISD has awarded this bid to Aramark for each of the past 13 years since MFISD began outsourcing its food service operations.

MFISD's 2003-04 food service contract requires the district to pay for all food, labor and direct costs, making all food service employees Aramark employees. In addition to these costs, MFISD must also pay the vendor a general and administrative fee and a management fee for services it provides the district. These services include—but are not limited to—legal services, purchasing and quality control, technical research, dietitian services, test kitchen research and development, marketing, accounting procedures, tax administration, technical supervision, supervisory personnel and regular inspections of audit personnel, general regional support, general national headquarters support, and reimbursable items for direct cost charges.

The general and administrative fee is \$0.08623 per meal served and the management fee is \$0.04847 per meal served. The district bases its calculation of meals served on the actual count of lunch and breakfast meals served under the National School Lunch Program (NSLP), School Breakfast Program (SBP) and summer lunch programs plus all cash sales for each meal equivalent. The district calculates meal equivalents by dividing cash sales for meals not reimbursed by the NSLP, SBP, or the summer lunch programs by the equivalency factor of \$2.1275. The vendor bases any increases in fees in future contracts on changes in the national Consumer Price Index.

The vendor deposits all revenues in the district's Food Service account and then invoices the district monthly for all food, labor, and direct costs incurred plus the general and administrative fees and management fees. **Exhibit 7-40** shows a summary of the district's food service expenditures from 2000-01 through 2002-03.

Exhibit 7-40
MFISD Food Service Expenditures
2000-01 through 2002-03

| Expenditure | 2000-01 | 2001-02 | 2002-03 |
|---|--------------------|--------------------|--------------------|
| Payroll | \$492,854 | \$588,241 | \$618,233 |
| Professional Services/District Labor | 29,197 | 39,324 | 31,855 |
| Food | 473,384 | 474,746 | 434,141 |
| USDA Donated Commodities | 32,789 | 74,582 | 80,811 |
| General Supplies | 98,026 | 122,589 | 115,235 |
| Travel and Subsistence-Employee Only | 3,425 | 2,870 | 2,546 |
| General, Administrative and Management Fees | 75,711 | 89,484 | 90,567 |
| Total | \$1,205,386 | \$1,391,836 | \$1,373,388 |

Source: MFISD, Food Service Department, 2000-01 through 2002-03.

In addition to the fees outlined, the Food Service contract identifies the district's responsibilities:

- provide suitable facilities, completely equipped and ready to operate;
- furnish building maintenance services;
- make all equipment repairs and replacement;
- provide custodial services for cleaning each cafeteria; routinely clean grease traps, ductwork, and fans; and
- remove trash.

The vendor is not responsible for overhead costs and capital replacement.

The majority of MFISD's revenue for food service operation is split between federal and local sources. MFISD participates in the NSLP, SBP, and summer lunch programs. The federal government established the NSLP and SBP to assist school districts with providing breakfasts and lunches.

The NSLP is a federally assisted meal program that operates in public schools and in nonprofit residential child-care institutions. The program provides nutritionally balanced, low-cost or free lunches to children. In 1998, Congress expanded the NSLP to include reimbursement for snacks served to children up to 18 years of age in after-school educational and enrichment programs.

The SBP is a federal entitlement program that provides states with cash assistance for nonprofit breakfast programs in schools. Food and Nutrition Services administers SBP at the federal level. The Texas Department of Agriculture (TDA) serves as the fiscal administrator of the NSLP and SBP. Participating schools must serve breakfasts that meet federal nutrition standards and must provide free and reduced-price breakfasts to eligible children. Participating schools receive cash assistance from the U.S. Department of Agriculture for each meal they serve that meets program requirements. Regulations require that all school meals meet the recommendations of the Dietary Guidelines for

Americans. Breakfasts must provide a fourth of the daily–recommended levels for calories, protein, calcium, iron, and vitamins A and C. Districts submit a claim to TDA for the meals they serve.

Exhibit 7–41 shows the contributions of local, state, and federal funds to the Food Service Department’s revenue from 1997–98 to 2002–03.

Exhibit 7–41
Local, State, and Federal Revenue
1997–98 through 2002–03

| Year | Local | State | Federal | Total Revenues | Federal Revenue as a Percentage of Total | Percentage of Economically Disadvantaged Students |
|-----------|-----------|----------|-----------|--------------------|--|---|
| 1997–98 | \$520,687 | \$10,746 | \$489,828 | \$1,021,261 | 48.0% | 44.0% |
| 1998–99 | \$604,963 | \$11,999 | \$478,555 | \$1,095,517 | 43.7% | 41.7% |
| 1999–2000 | \$625,256 | \$10,907 | \$534,744 | \$1,170,907 | 45.7% | 40.8% |
| 2000–01 | \$634,725 | \$11,229 | \$514,690 | \$1,160,644 | 44.3% | 41.1% |
| 2001–02 | \$702,515 | \$10,745 | \$578,526 | \$1,291,786 | 44.8% | 42.0% |
| 2002–03 | \$645,213 | \$11,225 | \$669,194 | \$1,325,632 | 50.5% | 45.8% |

Source: MFISD, Audited Financial Statements, 2002–03, and Texas Education Agency, PEIMS, 1997–98 through 2002–03.

Exhibit 7–42 shows that for 2002–03, the most recent year with comparable data, MFISD ranked second to last among its peer districts in percentage of revenue from federal sources.

Exhibit 7–42
Food Service Department Actual Revenue
MFISD and Peer Districts
2002–03

| District | Local Revenue | State Revenue | Federal Revenue | Total Revenue | Federal Revenue as a Percentage of Total |
|---------------------|------------------|-----------------|------------------|--------------------|--|
| Sheldon | \$521,308 | \$56,752 | \$1,035,020 | \$1,613,080 | 64.2% |
| La Marque | \$572,561 | \$11,174 | \$1,137,298 | \$1,721,033 | 66.1% |
| Hallsville | \$600,151 | \$10,347 | \$486,524 | \$1,097,022 | 44.3% |
| Aransas County | \$462,720 | \$10,152 | \$776,975 | \$1,249,847 | 62.2% |
| Tuloso–Midway | \$529,060 | \$8,083 | \$555,719 | \$1,092,862 | 50.8% |
| Marble Falls | \$645,213 | \$11,225 | \$669,194 | \$1,325,632 | 50.5% |

Source: MFISD and peer districts, Audited Financial Statements, 2002–03.

Exhibit 7–43 shows that three peer districts received more revenue per student than MFISD in 2002–03.

Exhibit 7–43
Food Service Department Revenues
MFISD and its Peer Districts
2002–03

| | La Marque | Marble Falls | Aransas County | Sheldon | Tuloso–Midway | Hallsville |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Local | \$572,561 | \$645,213 | \$462,720 | \$521,308 | \$529,060 | \$600,151 |
| State | 11,174 | 11,225 | 10,152 | 56,752 | 8,083 | 10,347 |
| Federal | 1,137,298 | 669,194 | 776,975 | 1,035,020 | 555,719 | 486,524 |
| Total Revenue | \$1,721,033 | \$1,325,632 | \$1,249,847 | \$1,613,080 | \$1,092,862 | \$1,097,022 |
| Enrollment | 3,883 | 3,632 | 3,371 | 4,177 | 3,220 | 3,761 |
| Revenue per Student | \$443 | \$365 | \$371 | \$386 | \$339 | \$292 |

Source: MFISD and Peer Districts, Audited Financial Statements, and Texas Education Agency, AEIS, 2002–03.

The vendor manages all five of the district’s cafeterias. **Exhibit 7–44** shows each school’s enrollment in 2002–03.

Exhibit 7–44
Enrolled Students by School
2002–03

| School | Total Students Enrolled |
|----------------------------|-------------------------|
| Marble Falls Primary | 682 |
| Highland Lakes Elementary | 561 |
| Marble Falls Elementary | 510 |
| Marble Falls Middle School | 833 |
| Marble Falls High School | 1,046 |

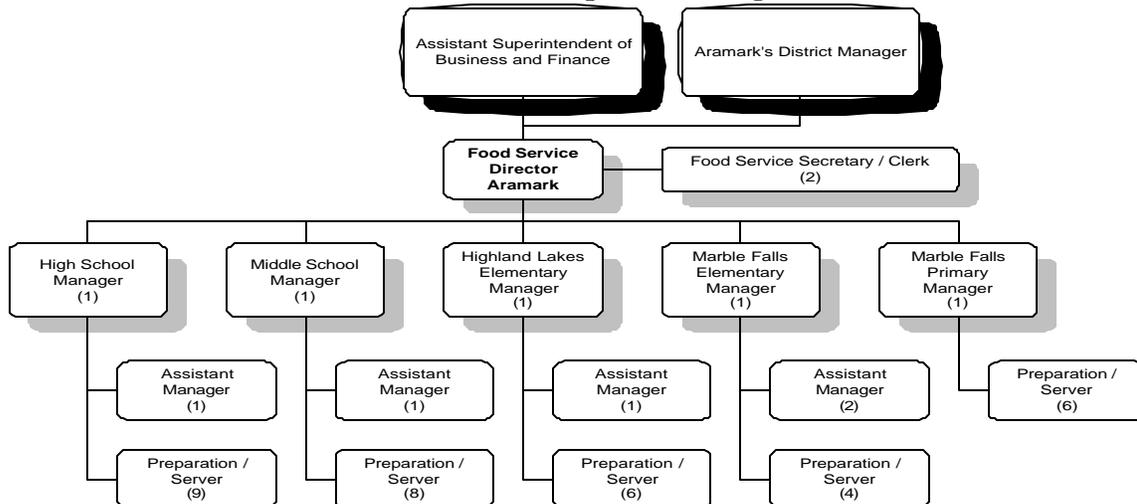
Source: Texas Education Agency, AEIS, 2002–03.

With the completion of Spicewood Elementary School in May 2004, the vendor will begin managing an additional cafeteria in August 2004.

The vendor’s Food Service director manages the Food Service Department. In addition to managing MFISD’s Food Service Department, the Food Service director also manages food service operations at Johnson City ISD. Johnson City ISD and MFISD each pay a portion of the Food Service director’s salary. The Food Service director has 12 years experience managing school food service operations and has been managing MFISD’s Food Service Department since January 2003.

The Food Service director reports to both the district’s assistant superintendent of Business and Finance and the vendor’s district–level manager. Five employees are managers who directly oversee the daily operations in each of the five cafeterias. **Exhibit 7–45** shows the organizational structure of MFISD’s Food Service Department.

Exhibit 7-45
MFISD Food Service Department Organization



Source: MFISD, Food Service Department, September 2003.

The cafeteria managers are responsible for counting cash and preparing deposits. The managers count cash three times before creating the deposit slips. The cafeteria managers reconcile the deposits daily with the point-of-sale system reports. Managers place the cash in a sealed impact bag and deliver it with the reconciled reports to the Food Service director to make the deposits. Upon delivery, the Food Service director conducts random audits of the deposits to ensure accuracy. Otherwise, the deposit bags remain sealed until the Food Service director delivers the deposits to the bank.

Exhibit 7-46 illustrates MFISD's 2003-04 meal prices and compares them to the NSLP and SBP reimbursement rates.

Exhibit 7-46
MFISD Meal Pricing
Compared to NSLP and SBP Reimbursement Rates
2003-04

| Meal Type | Student Free Meal | Student Reduced-Price Meal | Student Paid | Adult Paid |
|--|-------------------|----------------------------|-----------------|-----------------|
| Breakfast | | | | |
| 2003-04 Cash Meal Prices | \$0.00 | \$0.30 | \$0.80 | \$1.10 |
| Federal Reimbursement | \$1.20 | \$0.90 | \$0.22 | \$0.00 |
| Total Breakfast Individual Meal Revenues | \$1.20 | \$1.20 | \$1.02 | \$1.10 |
| Federal Reimbursement Rate for Free Students | \$1.20 | \$1.20 | \$1.20 | \$1.20 |
| More or (Less) Than Reimbursement | \$0.00 | \$0.00 | (\$0.18) | (\$0.10) |
| Lunch Elementary Schools | | | | |
| 2003-04 Cash Meal Prices | \$0.00 | \$0.40 | \$1.60 | \$2.50 |
| Federal Reimbursement | \$2.19 | \$1.79 | \$0.21 | \$0.00 |
| USDA Commodity Assistance | \$0.16 | \$0.16 | \$0.16 | \$0.00 |
| Total Elementary Lunch Individual Meal Revenues | \$2.35 | \$2.35 | \$1.97 | \$2.50 |
| Federal Reimbursement Rate for Free Students | \$2.35 | \$2.35 | \$2.35 | \$2.35 |
| More or (Less) Than Reimbursement | \$0.00 | \$0.00 | (\$0.38) | \$0.15 |
| Lunch Middle and High Schools | | | | |
| 2003-04 Cash Meal Prices | \$0.00 | \$0.40 | \$1.85 | \$2.50 |
| Federal Reimbursement | \$2.19 | \$1.79 | \$0.21 | \$0.00 |
| USDA Commodity Assistance | \$0.16 | \$0.16 | \$0.16 | \$0.00 |

Exhibit 7-46 (continued)
MFISD Meal Pricing
Compared to NSLP and SBP Reimbursement Rates
2003-04

| Meal Type | Student Free Meal | Student Reduced-Price Meal | Student Paid | Adult Paid |
|--|-------------------|----------------------------|-----------------|------------|
| Total Middle and High School Lunch Individual Meal Revenues | \$2.35 | \$2.35 | \$2.22 | \$2.50 |
| Federal Reimbursement Rate for Free Students | \$2.35 | \$2.35 | \$2.35 | \$2.35 |
| More or (Less) Than Reimbursement | same | \$0.00 | (\$0.13) | \$0.15 |

Source: National School Lunch and School Breakfast Program, Reimbursement Rates, 2003-04, and MFISD, Food Service director.

Exhibit 7-47 shows the various meal prices for MFISD and its peer districts for 2003-04.

Exhibit 7-47
Meal Prices
MFISD and Peer Districts
2003-04

| District | Hallsville | Tuloso-Midway | Aransas County | La Marque | Sheldon | Marble Falls |
|--------------------------------------|------------|---------------|----------------|-----------|---------|---------------|
| Breakfast (All Schools) | | | | | | |
| Student Reduced-Price | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| Student Paid | \$0.85 | \$0.60 | \$0.75 | \$0.80 | \$0.70 | \$0.80 |
| Adult Paid | \$1.00 | \$0.75 | \$1.00 | \$1.10 | \$1.50 | \$1.10 |
| Lunch Elementary Schools | | | | | | |
| Student Reduced-Price | \$0.40 | \$0.40 | \$0.40 | \$0.40 | \$0.40 | \$0.40 |
| Student Paid | \$1.40 | \$1.10 | \$1.50 | \$1.50 | \$1.25 | \$1.60 |
| Adult Paid | \$2.50 | \$2.25 | \$2.00 | \$2.35 | \$2.50 | \$2.50 |
| Lunch Middle and High Schools | | | | | | |
| Student Reduced-Price | \$0.40 | \$0.40 | \$0.40 | \$0.40 | \$0.40 | \$0.40 |
| Student Paid | \$1.60 | \$1.25 | \$1.75 | \$1.75 | \$1.50 | \$1.85 |
| Adult Paid | \$2.50 | \$2.25 | \$2.00 | \$2.35 | \$2.50 | \$2.50 |

Source: Peer District and MFISD, Food Service Departments, 2003-04.

Exhibit 7-48 illustrates the bell schedules for the breakfast and lunch periods at all MFISD schools.

Exhibit 7-48
MFISD Meal Serving Times
2003-04

| Campus | Breakfast Service | | Lunch Service | |
|----------------------------|-------------------|-----------|---------------|-----------|
| | Start Time | Stop Time | Start Time | Stop Time |
| Marble Falls High School | 7:30 AM | 8:35 AM | 11:49 AM | 12:34 PM |
| | | | 1:24 PM | 2:09 PM |
| Marble Falls Middle School | 7:30 AM | 8:00 AM | 11:40 AM | 12:15 PM |
| | | | 12:30 PM | 1:00 PM |
| | | | 1:15 PM | 1:50 PM |

Exhibit 7–48 (continued)
MFISD Meal Serving Times
2003–04

| Campus | Breakfast Service | | Lunch Service | |
|---------------------------|-------------------|-----------|---------------|-----------|
| | Start Time | Stop Time | Start Time | Stop Time |
| Highland Lakes Elementary | 7:30 AM | 7:50 AM | 11:10 AM | 11:40 AM |
| | | | 11:20 AM | 11:50 AM |
| | | | 11:30 AM | 12:00 PM |
| | | | 11:50 AM | 12:20 PM |
| | | | 12:00 PM | 12:30 PM |
| | | | 12:10 PM | 12:40 PM |
| Marble Falls Elementary | 7:30 AM | 8:00 AM | 11:05 AM | 11:35 AM |
| | | | 11:30 AM | 12:00 PM |
| | | | 11:45 AM | 12:15 PM |
| | | | 12:25 PM | 12:55 PM |
| Marble Falls Primary | 7:15 AM | 8:00 AM | 10:45 AM | 11:20 AM |
| | | | 11:45 AM | 12:20 PM |
| | | | 12:25 PM | 1:00 PM |

Source: MFISD, Bell Schedules, 2003–04.

The Food Service Department operates using a combination of conventional and convenience production processes to prepare and serve meals. A conventional system uses raw ingredients and all reusable dishes. A convenience system uses processed food items in disposable dishes. The Food Service Department prepares most meals from scratch, using some processed food items and disposable dishes. With the exception of the primary school, the district also uses the food court concept to offer a la carte salads, potato bars, burgers, and pizza. These specialty items are used in combination to qualify for matching funds for the NSLP’s Type A lunch. The Type A lunch must include a meat, two vegetables (or a vegetable and a fruit), a bread, and milk.

In addition to providing Food Service for the cafeterias, the vendor also provides catering services for special events and has a catering agreement with the pre-kindergarten Head Start Program. The Food Service director has implemented a “Catering Fare” order form that clients can submit to the Food Service Department within five days of an event. The order form lists prices for breakfast items, specialty trays, and refreshments. Food Service Department staff log these catering events in a register and deposit money received as cash sales in the Food Service Department’s bank account.

The U.S. Department of Agriculture (USDA) conducted a School Nutrition Dietary Assessment Study in 1992 and determined that, while school lunches met or exceeded 33 percent of the Recommended Daily Allowances for key nutrients, 38 percent of calories were provided by fat, a level that exceeded recommendations. As a result, the USDA developed the School Meals Initiative for Healthy Children (SMI). USDA published its final ruling in 1995; the ruling directed schools to develop menus that provided sufficient amounts of six key nutrients and meet the recommendations of Dietary Guidelines for Americans.

In 1997, the Texas Department of Human Services Special Nutrition Programs (SNP) conducted a statewide review of 132 private schools and 62 residential childcare institutions participating in NSLP. The Department of Human Services conducted the review with the goal to identify and establish a baseline for nutrient content of meals and initiate SMI technical support. SNP contracted with six registered dietitians who were trained in assessment techniques to make one-day site visits and

review production records, menus, child nutrition labels, nutrition facts, and standardized recipes. Overall, the schools and institutions participating in this study met or exceeded SMI standards for calories, protein, vitamins, and minerals provided in meals but failed to meet the goal of serving 30 percent or less of calories from fat and 10 percent or less from saturated fat.

SMI mandates that all school districts meet the nutrient standards established by the USDA for fat and energy (caloric) content. The same initiative encourages child nutrition services departments to participate directly in nutrition education and team nutrition programs.

The Centers for Disease Control (CDC) has classified obesity as a national epidemic, and the Surgeon General issued a related publication, *Call to Action to Prevent and Decrease Overweight and Obesity*. The increasing consumption of junk food and carbonated beverages by children is being blamed for an alarming increase in obesity and Type II diabetes. Both of these conditions are increasing among Texas school children, and concern with obesity and Type II diabetes has become a public health crisis in the state. The CDC identified schools as one of the key settings for public health strategies to address these concerns. The USDA has launched efforts to foster healthy school nutrition environments that support proper nutrition to improve the quality of students' dietary intake. To further these efforts, the Child Nutrition Program issued a policy memorandum in 2002 that emphasized the requirements that prohibit serving Food of Minimal Nutritional Value (FMNV) in school eating.

Effective in 2001–02, the Texas Education Code (TEC) Section 38.014 requires each school district to participate in appropriate training to implement a coordinated health program in every elementary school in the district. Nutrition programs used in the training must be approved by TEA, and two available programs are *CATCH: A Coordinated Approach to Child Health* and *The Great Body Shop*. Both programs compliment guidelines for the NSLP and the SBP and provide opportunities for coordination of effort between staff in district Food Service departments and health and instructional departments.

MFISD complies with the new federal and state guidelines regarding the placement of vending machines and the availability of FMNV. The district placed its vending machines outside cafeterias and keeps the machines locked during meal times. The middle school keeps its vending machines locked until the end of the school day.

FINDING

To improve overall operations, safety, marketing, personnel management and communication and to prepare for future growth, the district's Food Service director created a strategic plan for the Food Service Department and developed a safety program including monthly training for all departmental staff. The departmental strategic plan includes objectives, goals, implementation plans, timelines, and performance measurements. The strategic plan also contains a component specifying which personnel are responsible for completion of a given task. The Food Service director developed the strategic plan to serve as a blueprint for operations and to guide the department in future planning and decision-making efforts. Clear direction and visible goals allow staff to measure progress and performance as planned objectives are achieved.

The Food Service director implemented a safety program that includes a *Food Safety Handbook for Food Service Employees*. Sections of the handbook cover many valuable safety topics:

- Preventing Hazards in Food;
- How to Limit Cross Contamination;
- Personal Hygiene;
- Time and Temperature Controls;
- Sanitation;
- Hazard Analysis and Critical Control Points (HACCP);
- Cuts and Knife Handling;
- Slips, Trips and Falls; and
- Lifting Techniques to Save Your Back.

The Food Service director also provides monthly training sessions on safety topics that include cross-contamination and hand washing, as well as departmental issues such as menu planning and the point-of-sale system.

COMMENDATION

The MFISD Food Service Department created a strategic plan, a safety program, and provides monthly staff training to improve overall operations, safety, management, and communication efforts.

FINDING

MFISD employs multiple strategies throughout the year to proactively identify students eligible for free and reduced-price meal benefits. At the beginning of the school year, family identification forms are sent home with every student. Family identification forms allow parents to complete one form for all their children instead of submitting multiple forms reducing overall paperwork and helping district staff reduce processing time. Also, if a student is identified as eligible for meal benefits the district then identifies all students in the same family as eligible for free and reduced-price benefits. The district also accepts certification of students who are already receiving benefits from the Texas Department of Human Services through the Temporary Assistance for Needy Families (TANF) program as qualifying criteria for free and reduced-price meal benefits.

During the year MFISD staff follow-up with phone calls and letters to parents of children the district believes to be eligible for meal benefits if forms are not returned at the start of the year. The same follow-up and contact procedures are employed when students that were eligible in the previous school years do not return a form for the current year.

Aggressive strategies to identify all eligible students for free and reduced-price meal benefits ensure that the district is receiving proper supplemental funding for economically disadvantaged students. More importantly, students are receiving the benefits through eligibility for daily meals supplied by the district.

COMMENDATION

MFISD employs multiple strategies throughout the year to proactively identify students eligible for free and reduced-price meal benefits.

FINDING

MFISD does not monitor all existing performance measures in the food service contract or monthly vendor invoices. The vendor's Food Service director provides weekly and monthly reports providing information on the progress of the Food Service operation to the assistant superintendent of Business and Finance. However, MFISD does not have a process in place to ensure that district staff evaluate these monthly food service reports and compare them to performance measures specified in the actual food service contract and submitted invoices.

Paragraph 16, Section E, of the 2003–04 contract specifies that the vendor will provide an anticipated 697,443 National School Lunch and Breakfast Program meals and Meal Equivalents for the school year. This performance measure specifies that each lunch and breakfast served count as one meal. Paragraph 2, Section H, identifies the meal equivalency factor for adult and a la carte sales as \$2.1275 in cash sales equal to one meal. The weekly and monthly reports provided by the director of Food Service include total meals prepared. Examining the 2002–03 reports shows a total of 658,528 meals were sold in the district. The contract specifies that if the vendor does not reach its number of meals goal that the district and the vendor can renegotiate the administrative and management fees MFISD pays per meal.

Monthly operating reports separate total meals into three categories—student breakfasts, student lunches, and equivalent meals. According to Paragraph 2, Section L, of the contract, a meal equivalent is, “a meal provided by ARAMARK determined by dividing the total of cash receipts, other than from sales of National School Lunch and Breakfast Program and Nutritional Summer Lunch Program meals or Cash Equivalents by the Equivalency Factor.”

The monthly operating report for October 2002–03 Equivalent Meal Category claims 26,965 meals; however when the cash sales of \$42,259 are divided by the equivalency factor of \$2.1275, the calculated Equivalent Meal Category is 19,863 meals, or a difference of 7,102 meals. When the administration and management fee per meal are added together the district pays \$0.13493 per meal, multiplied by the 7,102 meals in excess the district paid an additional \$958 for the October 2003 period. A review of all monthly reports shows an excess, of meals claimed and subsequent charges of \$6,386 or an average excess billing of \$639 per month.

Paragraph 16, Section A of the Food Service contract states that, “all cash receipts shall be turned over to the District for deposit in the District's food service account.” However, the Food Service director, who is employed by the vendor and is not an MFISD employee, makes the daily cash deposits.

Performance measures are often included in contracts to provide a quantitative method to assess the level of service provided by a vendor and ensure minimum acceptable performance. While performance measures are a useful tool, they are of little effect if not monitored by the district.

Recommendation 64:

Establish a process to monitor all existing and future performance measures in the Food Service contract and review all invoices for contract compliance.

The assistant superintendent of Business and Finance should review the monthly invoices submitted to the district and verify that all calculations are correct according to the terms of the contract. If discrepancies are found, the district should then notify the vendor and ensure that MFISD is not invoiced inappropriately. The assistant superintendent of Business and Finance should monitor other performance measures to ensure that the Food Service Department is providing the minimum acceptable level of service to MFISD under the terms of the current contract.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD has no input into the staffing levels of the food service operation under the terms of the contract and, compared to industry standards, overall productivity is below Meals Per Labor Hour (MPLH) industry standards. The method identified in the contract to define a meal also favors the vendor rather than the district when compared to industry standards. One industry standard uses MPLH to quantify the efficiency of school Food Service operations. The MPLH calculation compares the number of labor hours used to prepare and serve a meal to the number of meal equivalents served. Industry standards often equate one lunch to one meal and three breakfasts to one meal. However, MFISD's contract specifies each breakfast as a whole meal in addition to each lunch as one meal. Similarly, the equivalency factor used to measure a la carte and cash sales are established in the contract as \$2.1275, lower than the \$3.00 industry standard for a meal equivalency standard.

Exhibit 7-49 shows the MPLH industry standards for conventional and convenience systems. The review team used these standards to evaluate the MFISD staffing levels. The cafeteria average of 735 meals served calls for an industry standard of 17 MPLH when using the low productivity measurement of the conventional system.

Exhibit 7-49
Recommended MPLH
For Conventional and Convenience Kitchens

| Number of Equivalents | Meals Per Labor Hour (MPLH) | | | |
|--------------------------|-----------------------------|----------------------|---------------------|----------------------|
| | Conventional System | | Convenience System | |
| | Low Productivity | High Productivity | Low Productivity | High Productivity |
| Up to 100 | 8 | 10 | 10 | 12 |
| 101 – 150 | 9 | 11 | 11 | 13 |
| 151 – 200 | 10-11 | 12 | 12 | 14 |
| 201 – 250 | 12 | 14 | 14 | 15 |
| 251 – 300 | 13 | 15 | 15 | 16 |
| 301 – 400 | 14 | 16 | 16 | 18 |
| 401 – 500 | 14 | 17 | 18 | 19 |
| 501 – 600 | 15 | 17 | 18 | 19 |
| 601 – 700 | 16 | 18 | 19 | 20 |
| 701 – 800 | 17 | 19 | 20 | 22 |
| 801 – 900 | 18 | 20 | 21 | 23 |
| 901 up | 19 | 21 | 22 | 23 |

Source: School Food Service Management for the 21st Century, 5th Edition.

Exhibit 7-50 gives the average daily Meals Per Labor Hour (MPLH) for 2002-03 according to the monthly operating reports and the terms of the contract.

Exhibit 7-50
Average Daily Meals Per Labor Hour (MPLH)
2002-03

| | Average Daily Meals | Average Daily Hours Worked | Average Daily MPLH |
|--------------------|---------------------|-------------------------------|--------------------|
| Districtwide | 3,673 | 285.0 | 13 |
| Cafeteria Average* | 735 | 57.0 | 13 |

Source: MFISD, Vendor Monthly Operating Reports, 2002-03.

**Note: Vendor invoices provide districtwide totals only; cafeteria averages are district totals divided by five cafeterias.*

As shown in **Exhibit 7-50**, the district's average MPLH is 13 using the contracted equivalency factor of \$2.1275. This is higher than expected if the industry standard of \$3.00 were used as a measure of productivity since the number of meals served would be reduced while the hours worked would remain the same.

Exhibit 7-51 outlines the meals served in 2002-03.

Exhibit 7-51
MFISD Meals Served
2002-03

| 2002-03 | Breakfast | Lunch | Equivalent Meals | Total Meals for the Month | Serving Days | Average Daily Meals |
|-------------------------|------------------|----------------|-------------------------|----------------------------------|---------------------|----------------------------|
| Aug. 22 through Sep. 25 | 14,496 | 45,821 | 32,049 | 92,366 | 24 | 3,849 |
| Sep. 26 through Oct. 23 | 13,495 | 40,130 | 26,965 | 80,590 | 20 | 4,030 |
| Oct. 24 through Nov. 20 | 14,007 | 40,392 | 23,010 | 77,409 | 20 | 3,870 |
| Nov. 21 through Dec. 25 | 12,662 | 36,148 | 19,153 | 67,963 | 19 | 3,577 |
| Dec. 30 through Jan. 22 | 6,948 | 21,338 | 11,693 | 39,979 | 11 | 3,634 |
| Jan. 23 through Feb. 19 | 13,405 | 38,643 | 21,112 | 73,160 | 20 | 3,658 |
| Feb. 20 through Mar. 26 | 12,310 | 35,112 | 21,614 | 69,036 | 18 | 3,835 |
| Mar. 27 through Apr. 23 | 12,477 | 34,894 | 17,789 | 65,160 | 18 | 3,620 |
| Apr. 24 through May 21 | 16,130 | 37,352 | 22,160 | 75,642 | 20 | 3,782 |
| May 23 through June 25 | 3,922 | 9,441 | 3,860 | 17,223 | 6 | 2,871 |
| Total | 119,852 | 339,271 | 199,405 | 658,528 | 176 | 36,726 |
| Average | 11,985 | 33,927 | 19,941 | 65,853 | 18 | 3,673 |

Source: MFISD, Food Service Department, Vendor Monthly Operating Reports, 2002-03.

Exhibit 7-52 shows the serving days, total hours worked, and average daily hours worked districtwide for the Food Service Department in 2002-03 according to the monthly operating reports.

Exhibit 7–52
MFISD Serving Days and Hours Worked
2002–03

| 2002–03 | Serving Days | Total Hours Worked for Month | Average Daily Hours Worked |
|-------------------------|---------------------|-------------------------------------|-----------------------------------|
| Aug. 22 through Sep. 25 | 24 | 7,549.0 | 314.5 |
| Sep. 26 through Oct. 23 | 20 | 5,814.4 | 290.7 |
| Oct. 24 through Nov. 20 | 20 | 5,869.0 | 293.5 |
| Nov. 21 through Dec. 25 | 19 | 5,459.2 | 287.3 |
| Dec. 30 through Jan. 22 | 11 | 3,205.1 | 291.4 |
| Jan. 23 through Feb. 19 | 20 | 5,889.4 | 294.5 |
| Feb. 20 through Mar. 26 | 18 | 5,278.3 | 293.2 |
| Mar. 27 through Apr. 23 | 18 | 5,014.8 | 278.6 |
| Apr. 24 through May 21 | 20 | 5,612.8 | 280.6 |
| May 23 through June 25 | 6 | 1,606.6 | 267.8 |
| Total | 176 | 51,298.6 | |
| Average | 18 | 5,129.9 | 285.0 |

Source: MFISD, Food Service Department, Vendor Monthly Operating Reports, 2002–03.

Many districts outsourcing Food Service operations include industry standard performance measures in vendor contracts, including staffing levels. In many of these districts, adherence to industry standards such as MPLH, provide administrators with a way to effectively gauge staffing and productivity levels for use in monthly and annual reports to the board and when reviewing contracts for overall cost–effectiveness.

Recommendation 65:

Include industry–staffing measures in the contract for the Food Service operation.

The district should negotiate staffing levels into the terms of the next contract to effectively help to increase overall MPLH productivity and include industry standard performance measures.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district is not allocating money it earns from its soft drink agreement to the Food Service Department. Texas incorporated USDA requirements into their guidelines for exclusive beverage contracts in March 1999. The guidelines state that if districts include Child Nutrition products in an exclusive beverage contract, any rebates, commissions, scholarship fund contributions, or other payments to the school district or to district-related organizations must be reimbursed to the nonprofit Child Nutrition Program account on a prorated basis. School districts must comply with these guidelines for the current and subsequent school years and must maintain appropriate documentation (See Reference 7 CFR 210.14 and OMB Circular A-87, Attachment A, and OMB Circulars A-102 and A-110). Compliance with the policy was in effect as of August 1999.

For Child Nutrition Program reimbursement purposes, the total contributions of cash and other assets received by the district under the exclusive beverage contract include all of the following cash payments:

- lump-sum payments;
- scholarship fund amounts;
- student attendance incentives;
- sales promotion bonuses; and
- sponsorship fee values and other cash payments.

Districts determine the allocation of these contributions by adding purchases by students and staff to district purchases and sales under the exclusive beverage contract. The districts then divide this total by the total purchases (or sales) by the Child Nutrition Program under the contract.

MFISD's Food Service Department has not received reimbursement from districtwide commission payments for sales of vending products outside the program since the beginning of the agreement in 1996. USDA requires schools to make these reimbursements. Currently, the district deposits the commission payments for sales of vending products in each school's activity fund. The district deposits approximately \$1,200 in commissions in the high school activity funds each year. The middle school activity fund earns \$800 each year; the elementary schools earn a combined \$500 for their activity funds. The district has not allocated this commission to the Food Service Department.

MFISD's agreement with the soft drink vendor earned the district \$50,000 in an up-front deposit to the Local Athletic Service and Support Organization (LASSO). LASSO is a 501(c) (3) corporation that the district established to provide athletic facilities for MFISD. LASSO used the money to build a girl's softball field, restroom, and a concession facility. MFISD was also able to generate \$500 for scholarships through its agreement with the soft drink vendor.

Recommendation 66:

Allocate the proper share of income from the exclusive beverage contract to the Food Service Department.

This change will bring the district into compliance with USDA requirements. The Food Service director and the assistant superintendent of Business and Finance should review the Texas Department of Agriculture's Competitive Food Policy and Exclusive Beverage Contract information at <http://www.agr.state.tx.us/foodnutrition/policy/arm/excbev.pdf>. MFISD can use the sample contract contained in the policy to make the next contract award for vending services. Though this would not secure new funds for the district, the proper disbursement of this income would ensure the Food Service Department receives the appropriate funds.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MFISD does not have a Food Service fund balance policy to ensure an adequate fund balance is available to support the Food Service Department's needs. School districts establish fund balances—also called reserve balances—to serve as savings accounts to pay for emergency expenses and provide funding for large purchases such as equipment replacement or upgrades. The Food Service director prepares monthly activity reports for administrative review that include charts illustrating actual versus forecasted figures for total costs, total sales, and total meals served. However, these reports do not include financial statements with actual and projected fund balance information. MFISD's Food Service Department fund balance has varied from \$26,535 in 1999–2000, \$1,308 in 2000–01, \$2,260 in 2001–02, to \$15,320 or 1.2 percent of total revenues in 2002–03.

The assistant superintendent of Business and Finance annually requests a prioritized equipment replacement list from the Food Service director. The district then replaces equipment from the available fund balance at the end of the year. However, an ending fund balance of \$1,308 in 2000–01 and \$2,260 for 2001–02, precluded many purchases from the prioritized list in those years (**Exhibit 7–53**).

Exhibit 7-53
MFISD Food Service Department
Revenues and Expenditures
1999-2000 through 2002-03

| | 1999-2000 | | 2000-01 | | 2001-02 | | 2002-03 | | Percent change from 1999-2000 through 2002-03 |
|---|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|---|
| | Actual Amounts | Percent of Revenue | |
| Revenue | | | | | | | | | |
| Local and Intermediate Sources | \$625,256 | 51.0% | \$634,725 | 51.1% | \$702,514 | 49.8% | \$645,213 | 48.7% | 3.2% |
| State Program Revenues | 10,907 | 0.9 | 11,229 | 0.9 | 10,745 | 0.8 | 11,225 | 0.8 | 2.9 |
| Federal Program Revenues | 590,640 | 48.1 | 596,572 | 48 | 698,110 | 49.5 | 669,194 | 50.5 | 13.3 |
| Total Revenue | 1,226,803 | 100 | 1,242,526 | 100 | 1,411,369 | 100 | 1,325,632 | 100 | 8.1 |
| Expenditures | 1,200,268 | 97.8 | 1,267,753 | 102 | 1,410,417 | 99.9 | 1,312,572 | 99.0 | 9.4 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 26,535 | 2.2 | (25,227) | (2.0) | 952 | 0.1 | 13,060 | 1.0 | (50.8) |
| Beginning Fund Balance (September 1) | 0 | | 26,535 | | 1,308 | | 2,260 | | . |
| Ending Fund Balance (August 31) | \$26,535 | 2.2% | \$1,308 | 0.1% | \$2,260 | 0.2% | \$15,320 | 1.2% | (42.3%) |

Source: MFISD, Audited Financial Reports, 1999-2000 through 2002-03.

*Totals may not add to 100 percent due to rounding.

From 1999-2000 to 2001-02, the Food Service Department steadily increased revenues but at a slower rate than the increase in expenditures. The Food Service Department's revenues in 2002-03 declined from the 2001-02 amounts.

Many districts closely monitor the impact that every decision has on their Food Service fund balance. These districts present the board with fund balance impact statements so that the board is aware of the financial consequences of their decisions. Monthly financial reports highlight the fund balance and contain a revised projection for the ending fund balance based on current revenue and expenditure patterns.

Recommendation 67:

Develop a Food Service fund balance policy and fund balance management plan.

The assistant superintendent of Business and Finance should work with the Food Service director to create a fund balance policy and monitoring plan including related management reports to present to the board for approval. The policy and management plan should clearly explain the Food Service fund balance; the purpose of the fund balance; and the roles and responsibilities of the assistant

superintendent of Business and Finance, the Food Service director, board members, external auditor, and any other key personnel involved in the process. In addition, it should also require that every agenda item concerning the Food Service Department's budgeted expenditures contain a fiscal impact statement so the board will know the projected impacts of their decision options.

One of the essential elements of the plan should be to keep the board continuously informed about the status of the fund balance. In every board packet, the superintendent should include a summary of the beginning fund balance, the revenues received during the month, the month's expenditures, and the ending fund balance. The report should explain any significant events that have had a major impact on the fund balance during that month. This will ensure that the board and district administration are always aware of the financial position of the Food Service Department.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Food Service vendor does not consistently meet the Dietary Guidelines for Americans' recommendation to limit the calories of fat in all menus and is not in compliance with its contract with the district. The vendor's contract states that it must comply with USDA regulations. The dietary regulations specify that food served at a school in the course of a week should not contain more than 30 percent total fat and more than 10 percent saturated fat.

The Food Service director uses the Nutrikids menu planning software to obtain recipes and create the monthly menus. The Nutrikids system provides the vendor the ability to analyze menus by calories and the percentage of fat, protein, and carbohydrates. The vendor uses this aspect of the software and generates reports; however, upon review of sample reports from September and October 2003 prior to the new Food Service director's tenure, **Exhibit 7-54** shows the percentage of total fat content for the sample menu review at each of the district's five cafeterias.

Exhibit 7-54
Review of MFISD Cafeteria Menus
September and October 2003

| School | Menu Date | Total Fat as a Percentage of Calories | Week Average |
|--|--------------------|---------------------------------------|--------------|
| Marble Falls High School (one menu) | October 1, 2003 | 31.9% | 29.9% |
| | October 2, 2003 | 25.1 | |
| | October 3, 2003 | 34.8 | |
| | October 4, 2003 | 27.9 | |
| | October 5, 2003 | 29.6 | |
| Marble Falls Middle School (one menu) | October 6, 2003 | 34.7 | 30.2 |
| | October 7, 2003 | 29.8 | |
| | October 8, 2003 | 33.8 | |
| | October 9, 2003 | 30.6 | |
| | October 10, 2003 | 22.2 | |
| Highland Lakes Elementary Marble Falls Elementary (two menus – one for each school)* | September 8, 2003 | 41.4 | 35.8* |
| | September 9, 2003 | 32.9 | |
| | September 10, 2003 | 32.4 | |
| | September 11, 2003 | 31.9 | |
| | September 12, 2003 | 40.5 | |
| Marble Falls Primary (one menu) | September 8, 2003 | 43.5 | 34.4 |
| | September 9, 2003 | 31.9 | |
| | September 10, 2003 | 28.6 | |
| | September 11, 2003 | 29.7 | |
| | September 12, 2003 | 38.1 | |

Source: Random sample of menus provided by MFISD Food Service Department, October 2003.

**Note: This represents two violations since these elementary schools simultaneously used the same menu.*

The USDA publishes a copy of the established guidelines on their website at <http://www.fns.usda.gov/cnd/menu/menu.planning.NSLP.htm>. Many districts continuously review food service reports containing fat content to ensure cafeteria managers serve meals that adhere to federal guidelines. Many districts with outsourced food service agreements coordinate with their providers to institute corrective action if violations are identified.

Recommendation 68:

Ensure consistent compliance with nutritional guidelines established by the United States Department of Agriculture.

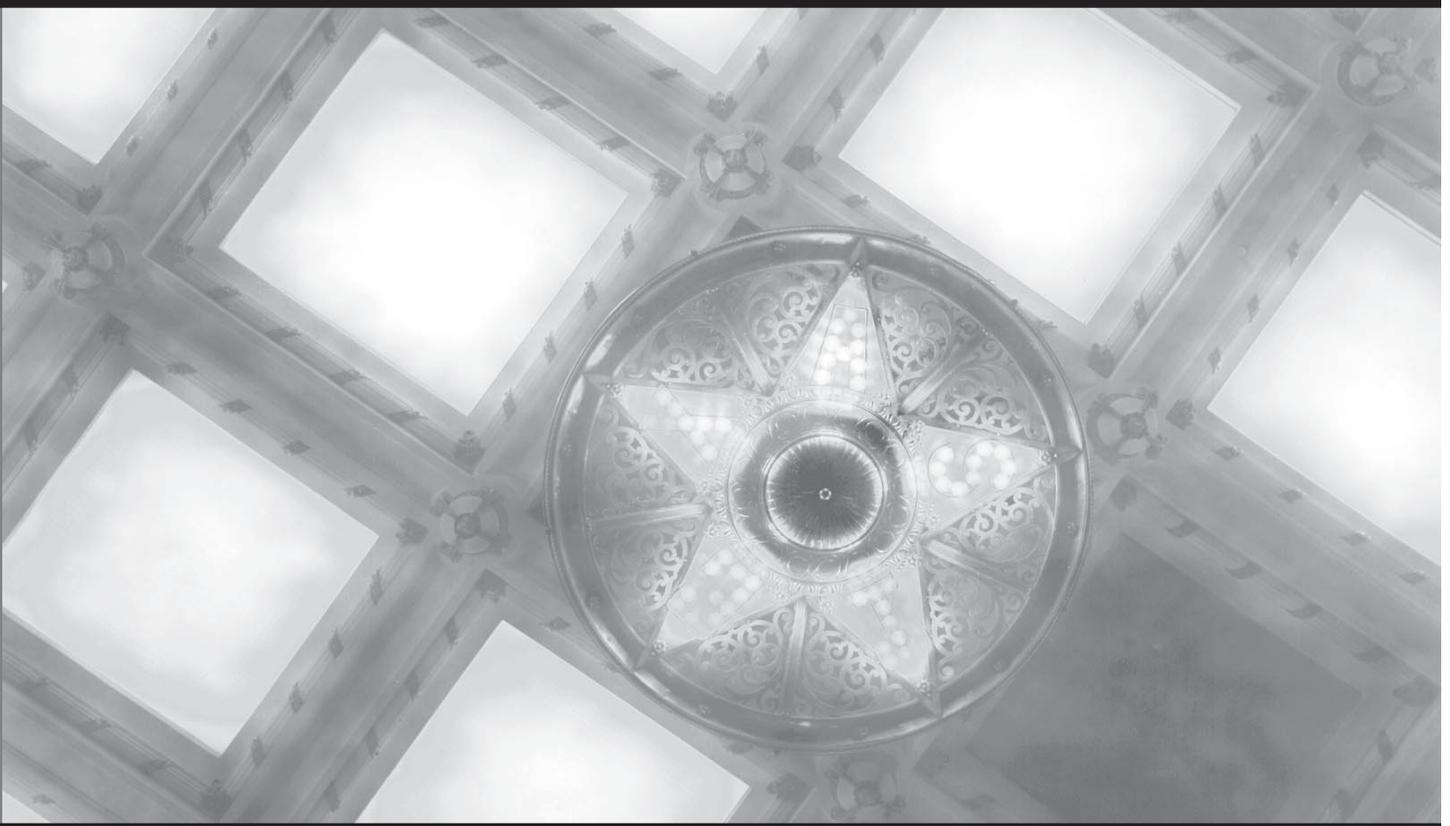
School principals should monitor monthly menus including total and saturated fat contents to ensure cafeteria managers adhere to USDA nutritional fat content guidelines. Principals should notify the assistant superintendent of Business and Finance if any weekly averages exceed the specified guidelines. The assistant superintendent of Business and Finance should immediately contact the Food Service director and the vendor to ensure corrective action is taken to bring the vendor into compliance with paragraph one of the existing contract.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

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Appendices



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PUBLIC FORUM AND FOCUS GROUP COMMENTS

Marble Falls Independent School District Management and Performance Review

The narrative comments below are the actual comments from the public forum held on September 8, 2003 in the Marble Falls Independent School District. The comments do not reflect the findings or opinions of the Legislative Budget Board (LBB) or the review team.

DISTRICT ORGANIZATION AND MANAGEMENT

- I have been in this district one year now. I have seen very little, but I know we need a superintendent. So not much to comment upon there. Site-Based Decision-Making: I was previously involved in this type of program in another district. I haven't heard much about it here. I would like to see the district get settled with a superintendent and more board members who can offer the time and devotion their office demands (in reference to board member who is leaving because member wasn't prepared for all the demands.)
- In reviewing individual programs and assessing value and success, etc,—get reviews in early spring (get reports from all players).
- Our schools should adopt some sound business strategies for survival.
- School board training should be a requirement.
- Anonymous teacher (employee) feedback should be normal, regular, expected and accepted.
- CEJC and DEIC are committees that meet to discuss what administration had already decided. They get the blame if decisions of administration are poor. They are advisory but are only heard if they support administration.
- Paperwork is a load for teachers. Much of planning time is spent creating, gathering, and disaggregating information for administrators. There has been no reduction in paperwork.
- We appear to be going to PDA's with more paperwork requirements. I know this is administration's decision, but we have few objective administrators and there was at one time a statement that teachers would have input before a decision was made. There is no opportunity for teachers to give feed back to administration. If teachers can grow from constructive criticism, so can principals.
- This board is, unfortunately, not nearly as qualified as the previous board. They seem to have a micro-managerial and political agenda rather than an agenda designed to address the best interests of the students and community. Examples of this are the discussion to do away with tuition and the brouhaha over the nursery at the high school. Tuition: the district will never get enough new students, raising the ADA money, to make up the difference in loss of tuition. And now you're going to have a community committee make this decision? That is complete abdication of your responsibility; that is a decision for the board to make. What's going on? Do board members have friends not in the district who want their children to go to school in Marble Falls? High School Nursery: this isn't the late 50s, early 60s. As much as we wish it were different now, it's not, and society has changed. It's much better to help these girls now, rather than have them and their children on welfare later. Give them a chance to complete their education, with the help of the nursery. You cannot shove them off a cliff and then not even provide them a rope to climb back up. Also, remember that many of the babies belong to teachers. And the fact that this topic is being handled by another committee, headed

by a person who doesn't even live in the district, is another total abdication of responsibility. This is a school board decision, but the board is again bowing to political pressure and not keeping in mind what is best for the children. The board has also obviously hired a superintendent who will do what they tell him to do, and apparently has no ideas or valuable input of his own to help the board make informed decisions. For the past twelve years Marble Falls has had a good, and improving, school system. Please, don't stand by and watch the entire entity "fall off the cliff."

- It appears to me organization and management and planning are excellent. Everything may not go perfectly, all the time, but there seems to be detailed efforts to make right things happen.
- School board members should be required to attend training.
- Site-Base Decision-Making has served well in many instances, but it needs to continue. It needs to be effective and administrators need to participate willingly.
- My feelings on the State Audit. I am truly saddened over the perceived need to audit this school district. It is with a matter of pride and professionalism that this district is run; part of the confidence that most employees in this district have comes from the diligence, focus, tenacity, and true devotion that the administration at the school level, as well as the district level, have. Word has it that this audit is costing the state somewhere around the \$100,000 range and if the company that is hired intends to continue being hired for future audits of school districts, it is imperative that the witch-hunt begin. That will not mean that the mistake was intentional...but it will end up sounding that way. I am also concerned over the validity of the suggestions this company has made to other school districts as well as the feasibility of those suggestions. Sad to say that the fine-tooth combing has begun here as well as to the tune of exorbitant expense and the waste of countless man hours in preparation for the visit, particularly at the beginning of school in August when things are the most jam-packed. While the state is spending \$100,000 a pop at doing these audits, our Texas Eleven (make that Ten) are basking in Albuquerque wasting even more time and money from our state. Teachers are being asked to help finance even more of our insurance, which this \$100,000 would have gone a long way to cover! One just has to ask the question: What are you thinking? I am anxious to see the recommendations of this audit. I am anxious to see if any reasonable suggestions are made. And I am anxious to see the community's reaction to a fine district providing a great educational experience for kids. I am confident that we will have a solidly and profoundly positive report from the State.
- Former superintendent and assistant superintendent were great. They made wonderful improvements—coaches who can really teach, better principals, better classroom management. Current interim curriculum director talks a lot but doesn't produce much. Cancels meetings at the last minute. Current superintendent lets the board walk over him – micro-managed by the board. He doesn't seem to have an opinion on anything. Site-Based committees have been working well for many years. The only problem is finding out when the high school committee meets and who is on it. Most campus committees have a regular meeting day (second Tuesday, third Thursday, etc.) but high school does not.
- Board meetings are stages for dog and pony shows from school principals rather than business matters.
- Director of federal programs and curricular director are very nice people who love kids. However, they do a lot of paper shuffling and visiting, with not much to show for it
- In the past (March 31, 2002) board education was planned just before many new board members were coming on board. It was an excellent session. Too bad the new board members didn't get in on it! Too bad too that they didn't get together with another school to cut the expense.

- Prior boards were not too open to suggestion/ideas from outsiders/teachers; tried to micromanage. So glad to have a new superintendent!
- Site-Based Decision-Making has worked well most of the time.
- Site-Based Decision-Making is usually run by principals (or Central Office) personnel— not enough input from staff/community and what is, is largely ignored.
- MFISD is extremely supportive and solicitous of comments and suggestions in the planning process. The CEIC and DEIC processes ensure a focus on critical issues...yet individualization by campus and constituent's need is encouraged. Resource allocation attempts to follow rather than lead the process. Where funds are not available through local sources, strong efforts are made to secure funds through grants.
- I have seen and received email that shows the past board did not understand open meetings act. How does a "retreat" fit into open meetings act?
- I have high hopes for our schools under the new superintendent. My few observations show much promise—certainly more than the last two we had. I have been a member of CEIC and DEIC and both had successes and failures. As I stated in one of the other areas, I am very concerned with the state report that we are below in spending for student instruction. That is our purpose. Previous school boards have not been very supportive of teachers. With low spending on instruction and non-supportive board members, teachers face an uphill battle.
- Our district is a wonderful place to work, and a wonderful place to have your child educated. I know that our recent board turnover and change in leadership was multifaceted in cause and reason. The reviewers need to know that the two people most noisy and negative both live outside our district (and believe me, "their" district is not having a picnic right now!). This is a small town, and sometimes politics and factions get in the way of clear thinking. By and large, the community is positive and supportive of our district, students, and employees. To measure management take a look at MFISD. Look at students learning, teachers teaching. Visit a Special Education room and see children learning to read. Go hear our elementary school choir. Stop in at the one-act play rehearsal at the high school. On Friday night, go to our home football game, because everyone is there. Walk the nature trail the students built at HLES. Step in and watch the Starlettes practice. These things are a school—the things the children are doing, learning, and enjoying. When you measure us with this yardstick, you'll see the real picture. MFISD is a positive and successful place for children to learn in all 12 of your areas!
- There is no long-range plan. Even the Boy Scouts have recognized that the growth in north and west of Austin and are looking at facilities in Llano county to service this growth. The introduction of Chili's, Home depot, etc. should tell us that growth, explosive growth, is coming. We don't have an awareness of the future, let alone a plan to address it.
- The PEP (Parenting Education Program) being located at the high school sends a very mixed message with stated district emphasis of abstinence. Providing food, diaper, excessive absences and other "perks" just exacerbates this perception.
- Falls Career High School is just wrong on multiple levels. Sold as a dropout recovery and way to keep high school from being charged with dropouts. Not a separate entity so any dropouts count against high school. Very few dropouts recovered. Mainly used to "graduate" those who won't put forth the effort in regular classes. Falls does not have adequate chain of command/organizational structure. Random rules and exceptions abound (for both staff and students). Spending close to \$500,000 per year to get 10 dropouts!

EDUCATIONAL SERVICES DELIVERY AND PERFORMANCE

- I have three high school students. These days, so much depends upon their ranking. We moved here from a previous district wherein the rankings were given almost as frequently as progress reports and report cards. Here, it has been more difficult. Lower priority? Smaller district? \$\$ I don't know the reason. Also, AP classes – Marble Falls has an overall better AP program than our previous district (Corpus Christi ISD) but AP classes are offered in bunches (at the same time). My students have been forced to choose between several classes because so many were scheduled at one time and so few at other times. I do not believe that MFISD does a commendable job in meeting my students' needs for the courses they need.
- I have two of my five children in the GT program. My oldest (grade 11) said she doesn't notice much about being in the program and my other GT child has 10 in her Language Arts class and she and the other students are very aware that a GT program is in place. I am pleased with the program either way. On behalf of my other children, I know that gifts and talents of many varieties exist in all students. I love it when I see a teacher who understands this. A great teacher can turn a roomful of C- miscreants into B+ learners
- The TAKS test was a big transition in Texas. MFISD took great steps towards preparing staff and students for this endeavor. Well-done Marble Falls! The transition was smooth and less stressful because of planning ahead!
- About rankings again—why is it so important to students? For students applying to certain colleges – rankings can mean in or out. For a goal-oriented high school student, the lack of knowing this information can be stressful. Once they know where they stand, they can relax and focus on studies again.
- Even with the changeover in administration our schools deliver excellent programs. It appears the changeover is too visible and each wave of change causes problems. But if the state would quit writing new goals and missions and techniques and method – maybe the classroom instructors could teach. The classroom teacher is overwhelmed with reporting and communicating.
- My two students are average students and I feel they are left out at times. All emphasis seems to be on Gifted and Talented or Special Education. No in-between.
- What Gifted and Talented program? After primary and some middle school, there is no GT program. GT is not just more of the same work; it's challenging the students to think in a different way. And it cannot be adequately addressed in a classroom with all different levels of students. I know, I know, inclusion. But it doesn't work for GT. Thank goodness we have Peggy Little and Falls High School. This is catching the kids who have fallen through the cracks, who cannot, for whatever reason, be successful in a normal high school environment. It needs to remain, as it is—independent. It's much better to have this set-up now and graduate these kids from high school (even though it is an unusual form of high school) rather than having to use public tax monies to support them later. Same goes exactly for the high school nursery. As much as we'd like, this isn't 1960—society has changed. Help make them independent now, rather than having to help them indefinitely later.
- Excessive number of coaches and athletic personnel. The high school has 25 coaches—four teach no classes and four teach one class. The number of students in athletic programs does not warrant the dedication of 25 percent of the teaching resources. On the website and at numerous locations you can find athletic schedules and calendars. Where's the UIL academic calendar?
- Inadequate resources dedicated to GT programs. There are over 100 dedicated professionals assigned for the 400 least capable students in our district. How many are dedicated to the 400 best and brightest? I am not suggesting a reduction in the support of our least capable, but they

are not going to be the ones who cure cancer, solve AIDS or win Nobel prizes in Peace or Economics. We as a nation have to realized how to use our assets most productively. GT program is rolled into AP instead of being stand-alone. Teachers don't recognize GT credo of differentiated and integrated work. Most just assign more work. We support athletics with pep rallies, letter jackets, honors on the sports pages...how do we recognize and reward those students who are not in those programs, but still put forth effort?

- Too many computers. More emphasis on making it look pretty than make right. Students type and spell check papers, but don't know the difference in "their" and "there", "right" and "write" etc.
- Gifted and Talented has grown into a wonderful program. My daughters were in the GT program years ago, it's much better now. The new GT coordinators are so great for the kids and are really serving their needs. This is long overdue.
- The PEP program at the high school is a great success, saving dropouts and helping teenage mothers graduate, while teaching parenting skills.
- The Special Education director is top notch. She is well versed in the law, what's best for kids, and how to deal with parents. Dr. Maughn is a very caring person who does a wonderful job.
- Falls High School is a terrific addition to MFISD to recover dropouts, and help the kids who cannot succeed in the regular high school. Peggy Little is wonderful.
- AP at the high school: 1) class sizes are getting too large, 2) classes are not offered if "not enough" students sign up. However, there are lots of small Special Education and ESL classes! Why do the "other" kids always get short-changed? 3) Summer assignments should not be part of AP courses, make them work harder during the year—to a college level. 4) AP courses not covering proper material (in some cases) particularly math/science. My son (2003 graduate) got 4s on AP English, History, Computer Science and Economics tests. He got a one on Chemistry and Calculus—math and science are his strengths! This is a National Merit Commended Scholar and Valedictorian. Something was wrong with the classes/teacher!
- There is way too much time and emphasis on TAKS for kids who don't need time wasted on preparing for an easy test. GT students should not have to stop their learning process to be held back for those who need time on basic skills— particularly in GT classes (pre-AP/AP).
- A speaker from Lubbock Texas, spoke to high school kids about sexual abstinence. Fortright and informative—kids listened. Parents did not object to his bold approach about sexual conduct. Great program.
- The primary/elementary level needs small classes to get these kids going. Maybe that is an important consideration in deciding where to spend tax dollars. Everyone considers their program important, but not much works for a child if they can't read.
- I understand the need for including Special Education children in regular classes. But from a teacher's point of view, if you have a class of 28 and some are Special Education, some ESL, some regular and a couple a little faster, it is impossible to meet their needs. Someone gets left behind.
- My first concern with this district was the poor performance given completely adequate funding. Board meetings start with interesting, positive reports of the education process. Research of the web showed that it was not the money. That is why I wanted TSPR.
- Sometimes I think we're trying to offer too many electives (cost effective?).
- TAKS —teaching the curriculum will cover what's needed for TAKS.
- Middle school desperately needs an effective ESL program (I think our new teacher may be just what we've needed.)
- GT and bilingual are understaffed and under funded. There are not enough personnel to service these areas at elementary and middle school or high school level.

- We moved here seven years ago from Humble. My kids “basically” repeated a year—this district is that far behind. My 8th grader (at the time) acted as substitute for algebra class as the sub couldn’t. What is worse, he had to do the lesson plan!
- The middle school offered a GT course that could have been wonderful, “Mars Mission”. But they assigned it to a first year teacher/coach.
- I am concerned that the state indicated that we are under spending for student instruction. Goodness—what are we here for? Seems some could come from administration and sports and be put into classroom instruction. I know that TAKS are important, but I feel higher-level thinking, science, etc, may be suffering because of all the time spend on TAKS.
- I see many positive activities going on in MFISD. The high schoolers consistently are awarded academic scholarships—both local and statewide. The TAKS/TAAS performance is a focus, and everyone worked to improve scores. A real area of strength is the Special Education department. The LIFE program at Highland Lakes elementary was a “Best Practice” a year ago. The Special Education director, Susan Maughn, is a great model for child-focused Special Education. She leads the staff to provide good inclusion, resources, and therapy services, in the environment appropriate to the child. The bilingual program is also strength, with focus on education first for all children regardless of their native language. I also feel that the school counselors are all so vitally important in the lives of our students. Counselors here help in so many ways, and our children benefit from their services. The EPIC school is very good, and has helped many students get back in step. Falls High, the career school, is helping keep kids in school and graduate. Finally, the PEP program is making it possible for mothers and fathers who are also high schoolers to attend school and to graduate. I am thankful this program is here.
- A wonderful program was the teacher exchange the Marble Falls Elementary School did with Mexico. Four teachers from here went to interior Mexico to study Mexican education then four teachers came here from Mexico. With so many Hispanic children moving to Texas, the teachers have to learn to make the process of moving into a new culture easier for children. Texas teachers also learn to let Hispanic children continue to embrace their own heritage and teach Texas kids about Mexico.

COMMUNITY INVOLVEMENT

- I think the school board and administration (principals and support staff) do an excellent job of keeping the community informed. [They are] very good with media. Dr. Warren should be a real asset.
- So good, when asked. This meeting should have been publicized better. We might get some good feedback if we asked the employees of the district (maybe you have already, or in another setting.) Businesses like to be involved—so many sponsorships! Marble Falls Schools are our “life blood.” When asked, the business community will serve.
- Sadly, I believe Marble Falls ISD is lacking in parental involvement. I know many schools and districts share this unfortunate trait. I would begin changing this by looking at it from the classroom level and then building up from there. So many parents feel so excluded and alienated from their child’s teachers and classrooms. Why? The “drop ‘em off and leave” attitude and the “do not enter the classroom to pick up your child until the bell rings” attitude. These are actually excellent opportunities for teachers and parents to develop a bond and that parent can then be empowered with knowledge of what is going on in the classroom. Various activities and events can be discussed (reminders of PTA meetings, or “can you help in the library,” or “your child loves it when you come into the classroom”...) Please encourage schools to allow their teachers discretion in this matter. More parents means more power!

- Unfortunately, this board unlike the prior one, seems to have a split personality—they want to micromanage everything, and yet completely abdicate all of their responsibilities on hard problems by setting up unnecessary community committees. Examples of this are the committees set up to study the high school nursery and the committee to be set up to study tuition. The high school nursery is headed by person who doesn't even live in the district. Huh? These are board decisions, even if the board would rather not make them. Community involvement is great and we need all we can get. Let just keep it to tasks it can handle, and not have the community making decisions that are the responsibility of the board.
- Many parents feel that their voice is not heard, especially if they are employed by the district.
- Funding information (budget) used to be on file at MF Public Library; but not anymore. [It is] inconvenient to review records at Central Office when they close at 5 PM.
- There is a law of diminishing returns and that has been reached on the primary campus. Parents do contribute greatly on one level, but when pre-school age children are screaming, running up and down the halls, disrupting classes etc., a diminished atmosphere for educating the students is created. To please parents the principal is changing students all year long. There is not a standard for these disruptions, just a wild-hair of the parent. Each day there is a huge amount of “papers” sent home with students. Not student work or teacher/parent communication but announcements for Girl Scouts, Boy Scouts, soccer, etc. When an important correspondence does go home, the parent overlooks it. The quality of sent-home papers should be more closely monitored by the school. As a business owner, as well as a teacher, I sometimes feel taken advantage of by the school. I want to support school functions but am constantly being expected to “pony-up” for too many extracurricular activities.
- There are many parents, business members and retired people on various committees. There are many volunteers in all schools, including high school, after school tutoring. Many businesses donate to the school. The back to school new teacher breakfast has donations for all new employees. The local businesses employ students in the work program. The only suggestion I have is to make the time and place of site-based committees more public in the paper and on the website. The former superintendent and assistant (curriculum) were very involved in Rotary, Boys and Girls Club, and many other organizations.
- Volunteers at the high school are not encouraged. The atmosphere is not as if assistance is welcomed or needed. We have volunteers who want to help, but when offered, it isn't accepted. Maybe the new principal will change this. There are so many rules in place that it makes it hard for parents to constructively help other than stuffing envelopes and making copies. We want to help teachers, tutor, etc.
- Wish someone would give us the magic wand to get more of our parents involved! We've tried and tried. Great business/school partnerships.
- As a former DEIC member, I know that the committee tried to involve the community with little success. Various methods were tried but it seemed to be a losing battle. Campus programs seem to be more accepted.
- As a parent, I was encouraged to participate in anything and everything. I went on field trips, helped with choir and drama. I chaperoned on numerous overnight trips. And what a lovely enjoyable time everyone had. The students were just wonderful, and the faculty so impressive. I ended up working for the district! My daughter graduated, and she went on to TSU with a scholarship. Without this school-community family, things would not be the same. The communication is very good; the superintendent emails teachers every week. We also get “Board Highlights” by email. The newspaper carried a lot of school news—menus, honor roll, happenings, sports and the superintendent's column. The local businesses are strong supporters: from band to football to Highlands Lakes' nature trail, the community supports our children and schools.

PERSONNEL MANAGEMENT

- I came to Marble Falls to become part of a community that supports its teachers and schools. Marble Falls took a big step several years ago in offering competitive salaries to teachers. As a result, I believe students will benefit greatly from the increased influx of highly qualified teachers. Having a larger pool of applicants competing in Marble Falls will increase the district's reputation. As a substitute, I know many teachers spend great amounts of time and money attending developmental courses with regards to their field.
- Turnover of staff is way too high. Several teachers have been hired without credentials and then could not pass the exam and had to leave. Part-time teachers are discouraged, but in our community there are many who could teach part-time and do it well, but do not need the money and don't want full-time employment. Salaries are lower than other area districts; eliminate the high number of Special Education, extra coaches and administration and pay teachers more.
- Why two band teachers at middle and high school for small number of students? Other larger school (5A) with an orchestra as well, doesn't have two.
- We don't need so many football coaches. I hope they are not all receiving extra pay!
- I had to use worker's comp last school year. Mary Ratliff walked me through the process and I felt very cared for and taken care of. No hassle, no problems.
- The benefits are great, I wish the teachers could do TEA retirement and social security too.
- Positions are not always posted before filled. Many are filled or the motions are made to have applicants come in when in fact the position has been "promised" to an individual. Staff development is not appropriate for all staff. Special areas are left floundering with no development directed at their areas, i.e., PE, music, and art.
- I wonder if the system is top-heavy and coach-heavy. I know that administrators are necessary but it appears we have lots. Same for coaches.
- This is hearsay: 1) in the past, teachers were moved around if they didn't tow the line, 2) good teachers are given extra work until they leave the district. Hopefully this will change with the new board and superintendent.
- Teachers who have "maxed out" (20+ years) were ignored salary-wise regarding raises for a long time.
- Middle school desperately needs to be able to hire more classroom teachers (history and science).
- Staff development—this year for the first time our computer training (actually setting up our grade books) was useful!
- The school recruits at many kinds of colleges and special recruiting events. Our day care on the high school campus is a successful recruiting tool for teachers with babies.
- The district's recent decision to "privatize" the retirement for part-time employees is a disgrace. This may save the district \$60,000 (not having to pay the employees portion of Social Security), but preys on those least able.
- No rationalization in the growth of certain areas and the compensation (level of those employees) high school athletic department has full-time secretary why not math or science? Full time purchasing agent at high school?

FACILITIES USE AND MANAGEMENT

- The Highland Lakes School is a big asset to MFISD. The new Spicewood Campus will be a wonderful addition to the district and to that community. Those children will no longer have to ride the bus for 1-2 hours. The previous board is to be commended for planning these two expansion campuses. All the schools are kept clean and in good repair.

- Thanks to the district for the expansion at Highland Lakes Elementary. Although only 5 years old, the school has become too small already – but the district saw, in advance, the need and met it at exactly the right time. We’re ready to move in ahead of schedule!
- Middle school’s two-story building has a horrible air conditioning unit! Rooms often need fans or heaters to be comfortable enough to hold class in.
- Great custodial service. In the past, maintenance has been slow to respond to things. Its’ getting better with Michael Phillips in charge.
- Tennis courts lights on North/South are waste of taxpayer’s money and proposed East/West facing courts are not smart. The district reasoning is that when the stadium is built, some courts will be lost and will be faced East/West due to limitations of space. No tennis facility that has competitive play puts courts facing East/West due to sunrise and sunset. Lights on North/South must be relocated because those lights interfere with competitive play on courts that run north /South (lights are in players eyes.) Courts are always North/South; lights for the courts are on East/West side of courts.
- Facilities need to be more readily available for public use. Have been trying to get this in place many years especially in Granite Shoals (and soon Spicewood) for Adult Education and other programs. Many low-income families could benefit, as they do not have transportation to get to Marble Falls.
- I do believe that several facilities have been tested for mold and mold was found, yet the reports were never released outside of Central Office to either the school board or the public.
- Custodial help is hard to find and retain. They seem to be overworked and do not stay long. The primary campus needs lots of work. The principals and teachers have done their very best to beautify it and make it work. It still needs help. Maybe all students should be moved to another campus and that building used for storage.
- I question the need for all the building they have been doing. I am concerned we are setting ourselves up to not be able to maintain the buildings we are building.
- I believe the teen moms need education, but I think it should be away from the general population.
- I am new to MFISD and I am please to see that my five children are all in classrooms – not portable buildings.
- High school needs the new gym—way to go MFHS!
- Marble Falls and surrounding areas seem to plan for growth in this area!
- New schools are being built to accommodate the more rural communities. But why doesn’t the high school have a stadium? Support our Mustangs!
- School board meetings do not have an adequate PA system, including speakers. Excessive noise from the air handlers makes it impossible for much of audience to hear. By design?
- No energy awareness/energy conservation plan. (This includes fleet usage. Vehicles travel excessively.)
- Set-aside touted for new stadium, in spite of voters turning down new athletic facility twice.

ASSET AND RISK MANAGEMENT

- So glad someone who is knowledgeable takes the time to handle our insurance – which plans, cost comparisons, etc. (and so glad to have dental available.)
- I don’t know much about the health insurance at MFISD, but I have overheard a few teachers remarking that they though it was quite high! I hope our teachers and their families are well taken care of in that way. They deserve it and so much more!

FINANCIAL MANAGEMENT

- School taxes are too high considering the expansion of taxable properties in the last 10 years. We are in danger of sending our monies elsewhere if we can't get better distribution of monies (Robin Hood).
- With a tax rate as high as we have in the district, why do we (teachers and schools) have fundraisers to supply student necessities (air conditioning for gym on primary campus, etc.)? The district hawks money constantly. Sending young children (7, 8 years) out into the community to collect money seems unnecessary and not related to the educational process. There is an inequity of funds to the campuses. Why does Highland Lakes receive more dollars per student than the elementary or primary campuses? The primary campus is not in compliance with fire marshal standards. We have had several fires (electrical) in the last couple of years.
- Many "out of district" students attend MFISD without paying tuition. How do we control this problem?
- Financial Management in MFISD is a strong area. As a teacher, I have watched the district work to maintain its finances. In the face of a huge mold problem, they remained stable and strong financially. Kudos to Mike Fletcher and staff.
- Wouldn't it be nice if teachers were paid what they are worth? Realistically, since we can't afford to do that, it would be nice to see a little more money in the paycheck. Having said that, we teachers do recognize that the district has to strike a balance. I am very happy overall; I have never worked anywhere that treats its personnel as well as MFISD. This truly is a family; we care for each other, support each other, and work as a team. I am proud to be an employee of MFISD.
- I am concerned about out-of-district students attend our school district without paying tuition: poor methods to determine residency, members of the administration involved in illegal attendance (son lived in house another family claimed at residence), people that lie pay no tuition, honest people pay tuition. With a new board and superintendent, things may be changing.
- Budgeting is a secret event – we get between \$500-\$1000 cut annually in each department or grade level. I realize that the money may be cut from the State, but for example, the district spends too much on football and not enough on other sports (tennis, golf) or academic programs.
- All information is made available to anyone who asks— many copies have been made for two persistent women. There are regular reports at board meetings.
- The budget director is a great guy and very involved with the kids. He willingly shares information and will explain anything to anyone. I don't know much about risk management and bond issuance, but I know the recent bonds were sold at a better rate than originally thought.
- Mike Fletcher works miracles.
- Although retiring teachers cannot be paid for unused leave, seems as if the district would save money in the long run by paying, say, a \$25 "stipend" per day not used – that would encourage us not to frivolously use our days and the district pay the substitute while they also pay us (even when we're not there). Other districts have this "attendance stipend" and save tons of money.
- The district has been unwilling to enforce policy on requiring all out of district students to pay tuition. There is not a procedure to check accuracy of addresses. In addition, the policy of allowing school taxes to offset tuition to public schools and not private is discriminatory.

- Budgeted income and expenses have been consistently understated. My review indicated differences due to governmental grants expected and not received. I believe you will find Texas CPA and AICPA agree all income and expenses should be shown if there is a reason to believe it will happen.
- Taxes are excessive for the return. The return may be measured by TEA standards of Unacceptable, Acceptable Recognized and Exemplary. Previous school superintendent stated parents are happy with students getting by.
- Build two buildings out of O and M (operations and maintenance) funds and then borrow money to paint doors, fix carpet, and lay linoleum. This is the same as taking a 30-year mortgage out on your house to buy groceries. Similarly, they took “found money” out of the last bond issues (to build HLD) and bought over \$100,000 worth of computers. We still have 26 years to go on the bond payment; how many of those computers are viable even now?

PURCHASING AND WAREHOUSE SERVICES

- I just know they get bids when the law says to; they try to do business locally, and try to get the best (not always the lowest) bid.
- I understand the bidding/contract purchase process, but I also think we waste a great deal of money when we have to buy from certain suppliers only and some other company has the identical product for half or less.
- When MFISD goes out for bids on maintenance items, what is the procedure and is it followed when the successful bidder is unable to supply goods/services?

FOOD SERVICES

- I substitute teach on all but the high school campus and I see a great number of students who eat “cafeteria food” and they seem to get plenty of food (that they will eat!) and I believe it is well-balanced as well. My sixth grader eats lunch at 1:15, somewhat late, but teachers and faculty are allowing for “healthy” snacks during some of their classes so this compensates for the lateness! That is appreciated!
- Excellent quality of food—careful consideration for kid’s “wants”—but needs education on nutrition.
- Former food service director (Mr. Walker) was fabulous. He did so many nice things for the kids and the staff. Very pleasant to deal with and nice to parents. His replacement seems to be very much like him.
- Food is good, but too high in fat.

STUDENT TRANSPORTATION

- Bless our transportation department! They are great with the kids and in accommodating teachers with last minute requests. I wish teachers who submit bus requests would get some sort of notification that transportation received our request. We never know – and a couple of times if the teacher has not called a couple of days before the event, just to double-check, there would have been no buses!
- Bus director is great! Willing to drive a route whenever there’s a need. Personable. Good program. Good guy.
- How do you not have children getting on the bus at 6:30 a.m. for high school classes starting at 8:35 a.m.? It is a long day for the kids and they are tired in class.
- Safety on buses is an issue, especially with junior high and high school students. Incidents in the past have included sexual harassment and bullying and inappropriate contact between

older students (in front of younger ones). Busses take too long to deliver younger students to outlying areas (Spicewood and Smithwick). Some K-first graders getting off the bus at 5:00 PM.

COMPUTERS AND TECHNOLOGY

- I think MFISD is on the leading edge of technology (training and actual use within the district). I haven't asked the classroom teachers, but I've had 3 children go through this district and their experiences here are serving them well (technology).
- I am glad to see more computers in the schools. I like to see the PowerPoint programs that the students are using for projects and reports. Marble Falls is becoming more innovative in instructional technology. All teachers have email addresses using their first initial.last name@mfisd something,—I do not know but maybe 4 of the 30+ teachers (I have 5 children) I don't know their first name! Could finding email addresses be a little simpler? Sometimes I get online but the website is not always as current as it could be. Maybe MFISD could use an update in that area. Overall MFISD is growing rapidly—I have been pleased with the district's attempts (and successes of course) to keep up the pace.
- This department is “out of control.” Thirty servers (computer) for 4-school system this size shows that someone does not know what they are doing. Spending almost \$500,000 a year is another indication of no control.
- This district is cutting edge. I worked for another district recently, and not only was technology a “thing of the future,” most students had no access to a computer. I rate MFISD technology in the top slot!
- Excessive number of servers for current and future needs. Technology will be obsolete by time it is used.
- We have many computers and many great software additions. Several new technology classes have been added. Students are using computers in all grades, not just for games.
- Middle school computers labs have only 24 computers and often three or four of those don't work and our classes having 28 plus students. We're really not able to serve our students as we should.
- Our technology helpers are great! Bless Judy Pipers and her patience.
- I question the amount of money and number of people in the technology department. It seems way too big for a school this size.
- Not enough training for teachers. Teachers are shown a program one time or twice a year and are expected to know how to run the computer program.
- The district has three separate databases. This is costly, disorganized and never very accurate. It is rare for us to be able to get grades in on time in the upper grades. A single master database with filters for “need to know” options would be much more efficient.
- Parents should have an option to enter their own data online instead of paper forms. This would provide better accuracy and eliminate the need for a separate data entry task. We are presented with dozens of forms at the beginning of the year to fill out for each student. Most of this info is repetitive. The more you fill out, the messier the handwriting which makes the manual data entry process even worse. A single computerized form that puts info into a single district database would make this much better.
- An online system would allow prior year info to be displayed and a single check “no changes” could be implemented.
- I do the directory for the high school and the entry “won't be complete until December” as they have not hired anyone extra to do this (~ 25 hours work). The PTO is having to pay to get this entry done in a timely manner! Ridiculous!

- As a retired teacher, I can say that more computers are needed. I worked at the elementary level. These kids need more computers in the classroom for individual and class work.

SAFETY AND SECURITY

- I am new to MFISD – one thing I have noticed that I appreciate is the local law community is highly active and visible at the schools. Student’s discipline policies are clear and well defined. I feel secure and at peace sending my five kids to the high school, middle school and elementary school.
- We don’t need drug testing or a “Drug Czar.” The kids being tested are the ones least at-risk, they are the ones who participate and have to keep their grades and behavior to higher standards. This money could be better spent on education or supervision of ISS, etc. The teachers, coaches etc. know who the on-campus violators are and they need to be unafraid to notify the on-campus officer or principals. If the locker room smells like pot isn’t this indication that proper supervision by PE teachers is not being done? We don’t need an administrator just for this!
- Since the district has employed a security person at the high school, security has improved. The dress code change has improved behavior to some degree, but is not a panacea contrary to the belief of some in our community. The EPIC center has really made a positive difference in the perception of AEP for the students, two to three years ago, AEP placement was a badge of honor to some students, now it AEP is perceived as a negative place (and I think that is a good change!) Overall, the schools are safe. My own daughter has never felt afraid and that is most important. The relationships with teachers in our district is really what makes the foundation for safety. If there are strong teachers who make strong bonds with children, then the school is safer as a result – and this stands the test in MFISD.
- Student discipline has been very poor the past several years due to principal’s “hands being tied” by the former superintendent. Hopefully it will improve under Dr. Warren.
- Drug testing is a terrible interruption to core academic classes; wish it could be done during PE (I am glad we are testing, however!)
- EPIC was great. Well run, etc. two years ago, last year it was not.
- Law enforcement agencies have been very uncooperative with school district in sharing information about students in trouble.
- Safe and Drug Free Schools Coordinator does nothing except drug testing. He is overpaid!
- Alternative Education— if this means Falls High School— is wonderful! Falls High School is one of the best success stories in the district.
- Too many discipline problems at middle school level. Not enough supervision. The answer they have when there is a problem is to call the police instead of having a strong program in place to begin with.

DISTRICT ADMINISTRATIVE AND SUPPORT STAFF SURVEY RESULTS

Marble Falls Independent School District Management and Performance Review

(n=104)

The review team received survey responses from 104 Marble Falls Independent School District (MFISD) administrators and support staff. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. In addition, this was a useful tool in drawing comparisons between the perception and opinions of the district staff versus other stakeholders.

Note: Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

1.

| Gender (Optional) | Female | Male | No Response |
|-------------------|--------|-------|-------------|
| | 78.7% | 21.3% | 0.0% |

2.

| Ethnicity (Optional) | African American | Anglo | Asian | Hispanic | Other | No Response |
|----------------------|------------------|-------|-------|----------|-------|-------------|
| | 2.1% | 85.1% | 1.1% | 5.3% | 1.1% | 5.3% |

3.

| How long have you been employed by X ISD? | 1-5 years | 6-10 years | 11-15 years | 16-20 years | 20+ years |
|---|-----------|------------|-------------|-------------|-----------|
| | 46.8% | 27.7% | 10.6% | 7.5% | 5.3% |

4.

| Are you a(n): | a. administrator | b. clerical staffer | c. support staffer | No Response |
|---------------|------------------|---------------------|--------------------|-------------|
| | 11.7% | 31.9% | 48.9% | 7.5% |

5.

| How long have you been employed in this capacity by Marble Falls ISD? | | | | | |
|---|-------|------------|-------|-------------|------|
| 1-5 years | 50.0% | 6-10 years | 26.6% | 11-15 years | 8.5% |
| 16-20 years | 6.4% | 20+ years | 3.2% | No Answer | 5.3% |

PART B: SURVEY QUESTIONS

A. District Organization and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 1. The school board allows sufficient time for public input at meetings. | 9.6% | 37.2% | 38.3% | 13.8% | 1.1% |
| 2. School board members listen to the opinions and desires of others. | 9.6% | 38.3% | 35.1% | 12.8% | 4.3% |
| 3. The superintendent is a respected and effective instructional leader. | 14.9% | 18.1% | 53.2% | 10.6% | 3.2% |
| 4. The superintendent is a respected and effective business manager. | 13.8% | 22.3% | 52.1% | 7.5% | 4.3% |
| 5. Central administration is efficient. | 24.5% | 41.5% | 10.6% | 19.2% | 4.3% |
| 6. Central administration supports the educational process. | 30.9% | 40.4% | 13.8% | 8.5% | 6.4% |
| 7. The morale of central administration staff is good. | 20.2% | 40.4% | 29.8% | 7.5% | 2.1% |

B. Educational Service Delivery and Performance Measurement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 8. Education is the main priority in our school district. | 29.8% | 45.7% | 7.5% | 10.6% | 6.4% |
| 9. Teachers are given an opportunity to suggest programs and materials that they believe are most effective. | 18.1% | 38.3% | 33.0% | 8.5% | 2.1% |
| 10. The needs of the college-bound student are being met. | 13.8% | 36.2% | 37.2% | 10.6% | 2.1% |
| 11. The needs of the work-bound student are being met. | 8.5% | 40.4% | 35.1% | 11.7% | 4.3% |
| 12. The district has effective educational programs for the following: | | | | | |
| a. Reading | 24.5% | 53.2% | 16.0% | 6.4% | 0.0% |
| b. Writing | 18.1% | 50.0% | 19.2% | 11.7% | 1.1% |
| c. Mathematics | 18.1% | 55.3% | 19.2% | 6.4% | 1.1% |
| d. Science | 17.0% | 52.1% | 22.3% | 8.5% | 0.0% |
| e. English or Language Arts | 19.2% | 55.3% | 20.2% | 4.3% | 1.1% |
| f. Computer Instruction | 20.2% | 55.3% | 20.2% | 4.3% | 0.0% |
| g. Social Studies (history or geography) | 18.1% | 53.2% | 22.3% | 4.3% | 2.1% |
| h. Fine Arts | 16.0% | 52.1% | 24.5% | 6.4% | 1.1% |
| i. Physical Education | 22.3% | 51.1% | 21.3% | 5.3% | 0.0% |
| j. Business Education | 11.7% | 52.1% | 30.9% | 5.3% | 0.0% |
| k. Vocational (Career and Technology) Education | 14.9% | 43.6% | 28.7% | 8.5% | 4.3% |
| l. Foreign Language | 12.8% | 47.9% | 28.7% | 9.6% | 1.1% |

B. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 13. The district has effective special programs for the following: | | | | | |
| a. Library Service | 17.0% | 56.4% | 19.2% | 7.5% | 0.0% |
| b. Honors/Gifted and Talented Education | 12.8% | 54.3% | 18.1% | 13.8% | 1.1% |
| c. Special Education | 30.9% | 48.9% | 8.5% | 9.6% | 2.1% |
| d. Head Start and Even Start programs | 29.8% | 43.6% | 22.3% | 3.2% | 1.1% |
| e. Dyslexia program | 12.8% | 28.7% | 39.4% | 18.1% | 1.1% |
| f. Student mentoring program | 11.7% | 34.0% | 39.4% | 12.8% | 2.1% |
| g. Advanced placement program | 12.8% | 43.6% | 35.1% | 8.5% | 0.0% |
| h. Literacy program | 17.0% | 44.7% | 29.8% | 8.5% | 0.0% |
| i. Programs for students at risk of dropping out of school | 17.0% | 39.4% | 25.5% | 12.8% | 5.3% |
| j. Summer school programs | 16.0% | 59.6% | 13.8% | 8.5% | 2.1% |
| k. Alternative education programs | 13.8% | 42.6% | 26.6% | 13.8% | 3.2% |
| l. "English as a second language" program | 19.2% | 52.1% | 22.3% | 4.3% | 2.1% |
| m. Career counseling program | 8.5% | 42.6% | 39.4% | 8.5% | 1.1% |
| n. College counseling program | 12.8% | 42.6% | 36.2% | 7.5% | 1.1% |
| o. Counseling the parents of students | 8.5% | 35.1% | 28.7% | 22.3% | 5.3% |
| p. Drop out prevention program | 11.7% | 38.3% | 35.1% | 10.6% | 4.3% |
| 14. Parents are immediately notified if a child is absent from school. | 9.6% | 36.2% | 28.7% | 19.2% | 6.4% |
| 15. Teacher turnover is low. | 6.4% | 28.7% | 24.5% | 29.8% | 10.6% |
| 16. Highly qualified teachers fill job openings. | 14.9% | 39.4% | 24.5% | 16.0% | 5.3% |
| 17. Teacher openings are filled quickly. | 19.2% | 35.1% | 30.9% | 12.8% | 2.1% |
| 18. Teachers are rewarded for superior performance. | 5.3% | 23.4% | 35.1% | 34.0% | 2.1% |
| 19. Teachers are counseled about less than satisfactory performance. | 5.3% | 29.8% | 46.8% | 14.9% | 3.2% |
| 20. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes. | 17.0% | 55.3% | 18.1% | 6.4% | 3.2% |
| 21. The student-to-teacher ratio is reasonable. | 10.6% | 52.1% | 16.0% | 19.2% | 2.1% |
| 22. Students have access, when needed, to a school nurse. | 35.1% | 53.2% | 7.5% | 3.2% | 1.1% |
| 23. Classrooms are seldom left unattended. | 27.7% | 45.7% | 19.2% | 5.3% | 2.1% |

C. Personnel Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 24. District salaries are competitive with similar positions in the job market. | 5.3% | 30.9% | 23.4% | 30.9% | 9.6% |
| 25. The district has a good and timely program for orienting new employees. | 21.3% | 51.1% | 14.9% | 10.6% | 2.1% |
| 26. Temporary workers are rarely used. | 4.3% | 30.9% | 38.3% | 23.4% | 3.2% |
| 27. The district successfully projects future staffing needs. | 9.6% | 37.2% | 34.0% | 14.9% | 4.3% |
| 28. The district has an effective employee recruitment program. | 11.7% | 33.0% | 41.5% | 11.7% | 2.1% |
| 29. The district operates an effective staff development program. | 13.8% | 45.7% | 25.5% | 12.8% | 2.1% |
| 30. District employees receive annual personnel evaluations. | 25.5% | 54.3% | 12.8% | 7.5% | 0.0% |
| 31. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion. | 5.3% | 25.5% | 26.6% | 34.0% | 8.5% |
| 32. Employees who perform below the standard of expectation are counseled appropriately and timely. | 7.5% | 24.5% | 40.4% | 19.2% | 8.5% |
| 33. The district has a fair and timely grievance process. | 8.5% | 19.2% | 55.3% | 12.8% | 4.3% |
| 34. The district's health insurance package meets my needs. | 10.6% | 43.6% | 22.3% | 16.0% | 7.5% |

D. Community Involvement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 35. The district regularly communicates with parents. | 16.0% | 51.1% | 16.0% | 11.7% | 5.3% |
| 36. The local television and radio stations regularly report school news and menus. | 14.9% | 58.5% | 19.2% | 6.4% | 1.1% |
| 37. Schools have plenty of volunteers to help student and school programs. | 11.7% | 43.6% | 16.0% | 23.4% | 5.3% |
| 38. District facilities are open for community use. | 13.8% | 51.1% | 27.7% | 6.4% | 1.1% |

E. Facilities Use and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 39. Parents, citizens, students, faculty, staff, and the board provide input into facility planning. | 9.6% | 36.2% | 29.8% | 20.2% | 4.3% |
| 40. The architect and construction managers are selected objectively and impersonally. | 9.6% | 23.4% | 54.3% | 10.6% | 2.1% |
| 41. Schools are clean. | 16.0% | 67.0% | 3.2% | 12.8% | 1.1% |
| 42. Buildings are properly maintained in a timely manner. | 11.7% | 58.5% | 9.6% | 14.9% | 5.3% |
| 43. Repairs are made in a timely manner. | 8.5% | 47.9% | 12.8% | 23.4% | 7.5% |
| 44. Emergency maintenance is handled promptly. | 13.8% | 60.6% | 13.8% | 11.7% | 0.0% |

F. Financial Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 45. Site-based budgeting is used effectively to extend the involvement of principals and teachers. | 11.7% | 39.4% | 38.3% | 9.6% | 1.1% |
| 46. Campus administrators are well trained in fiscal management techniques. | 8.5% | 40.4% | 39.4% | 10.6% | 1.1% |
| 47. The district's financial reports are easy to understand and read. | 6.4% | 28.7% | 44.7% | 18.1% | 2.1% |
| 48. Financial reports are made available to community members when asked. | 8.5% | 37.2% | 44.7% | 8.5% | 1.1% |

G. Purchasing and Warehousing

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 49. Purchasing gets me what I need when I need it. | 11.7% | 48.9% | 27.7% | 8.5% | 3.2% |
| 50. Purchasing acquires the highest quality materials and equipment at the lowest cost. | 9.6% | 42.6% | 31.9% | 12.8% | 3.2% |
| 51. Purchasing processes are not cumbersome for the requestor. | 11.7% | 41.5% | 31.9% | 12.8% | 2.1% |
| 52. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment. | 6.4% | 43.6% | 35.1% | 13.8% | 1.1% |
| 53. Students are issued textbooks in a timely manner. | 16.0% | 54.3% | 21.3% | 7.5% | 1.1% |
| 54. Textbooks are in good shape. | 11.7% | 55.3% | 25.5% | 5.3% | 2.1% |
| 55. The school library meets student needs for books and other resources for students. | 18.1% | 59.6% | 16.0% | 5.3% | 1.1% |

H. Safety and Security

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 56. Gangs are not a problem in this district. | 10.6% | 40.4% | 20.2% | 22.3% | 6.4% |
| 57. Drugs are not a problem in this district. | 1.1% | 10.6% | 21.3% | 47.9% | 19.2% |
| 58. Vandalism is not a problem in this district. | 2.1% | 25.5% | 19.2% | 43.6% | 9.6% |
| 59. Security personnel have a good working relationship with principals and teachers. | 9.6% | 50.0% | 36.2% | 3.2% | 1.1% |
| 60. Security personnel are respected and liked by the students they serve. | 8.5% | 36.2% | 43.6% | 8.5% | 3.2% |
| 61. A good working arrangement exists between the local law enforcement and the district. | 12.8% | 60.6% | 21.3% | 3.2% | 2.1% |
| 62. Students receive fair and equitable discipline for misconduct. | 9.6% | 41.5% | 12.8% | 21.3% | 14.9% |

I. Computers and Technology

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 63. Students regularly use computers. | 29.8% | 56.4% | 11.7% | 1.1% | 1.1% |
| 64. Students have regular access to computer equipment and software in the classroom. | 23.4% | 53.2% | 18.1% | 3.2% | 2.1% |
| 65. Teachers know how to use computers in the classroom. | 18.1% | 58.5% | 16.0% | 6.4% | 1.1% |
| 66. Computers are new enough to be useful for student instruction. | 22.3% | 53.2% | 20.2% | 2.1% | 2.1% |
| 67. The district meets student needs in computer fundamentals. | 21.3% | 52.1% | 22.3% | 3.2% | 1.1% |
| 68. The district meets students needs in advanced computer skills. | 16.0% | 44.7% | 30.9% | 8.5% | 0.0% |
| 69. Teachers and students have easy access to the Internet. | 26.6% | 51.1% | 20.2% | 2.1% | 0.0% |

TEACHER SURVEY RESULTS

Marble Falls Independent School District Management and Performance Review

(n=144)

The review team received survey responses from 144 MFISD teachers. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. This data was used to gain a more complete picture of the working environment within the district. This data was also used to gain an indication of gaps in perception between the faculty, staff, and central office personnel.

Note: Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

1.

| Gender (Optional) | Female | Male | No Response |
|--------------------------|---------------|-------------|--------------------|
| | 74.3% | 20.8% | 4.9% |

2.

| Ethnicity (Optional) | African American | Anglo | Asian | Hispanic | Other |
|-----------------------------|-------------------------|--------------|--------------|-----------------|--------------|
| | 0.0% | 88.9% | 0.7% | 3.5% | 0.7% |

3.

| How long have you been employed by Marble Falls ISD? | 1-5 years | 6-10 years | 11 –15 years | 16-20 years | 20+ years |
|---|------------------|-------------------|---------------------|--------------------|------------------|
| | 47.9% | 20.1% | 7.6% | 11.8% | 11.1% |

4.

| What grade(s) do you teach this year? | | |
|--|----------------------|-----------------------|
| Pre-Kindergarten | Fourth Grade | Ninth Grade |
| 4.2% | 13.2% | 24.3% |
| Kindergarten | Fifth Grade | Tenth Grade |
| 13.9% | 11.8% | 27.8% |
| First Grade | Sixth Grade | Eleventh Grade |
| 16.0% | 11.1% | 28.5% |
| Second Grade | Seventh Grade | Twelfth Grade |
| 16.0% | 14.6% | 26.4% |
| Third Grade | Eighth Grade | |
| 16.0% | 13.2% | |

PART B: SURVEY QUESTIONS

A. District Organization and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 1. The school board allows sufficient time for public input at meetings. | 11.8% | 48.6% | 27.8% | 9.0% | 2.8% |
| 2. School board members listen to the opinions and desires of others. | 9.0% | 46.5% | 25.7% | 16.7% | 2.1% |
| 3. School board members work well with the superintendent. | 4.9% | 34.7% | 51.4% | 7.6% | 1.4% |
| 4. The school board has a good image in the community. | 4.2% | 52.1% | 22.9% | 18.8% | 2.1% |
| 5. The superintendent is a respected and effective instructional leader. | 2.1% | 18.8% | 75.7% | 2.8% | 0.7% |
| 6. The superintendent is a respected and effective business manager. | 3.5% | 20.1% | 74.3% | 2.1% | 0.0% |
| 7. Central administration is efficient. | 9.0% | 65.3% | 10.4% | 11.8% | 3.5% |
| 8. Central administration supports the educational process. | 14.6% | 66.0% | 9.7% | 6.3% | 3.5% |
| 9. The morale of central administration staff is good. | 11.1% | 57.6% | 27.1% | 3.5% | 0.7% |

B. Educational Service Delivery and Performance Measurement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 10. Education is the main priority in our school district. | 26.4% | 54.9% | 4.2% | 13.2% | 1.4% |
| 11. Teachers are given an opportunity to suggest programs and materials that they believe are most effective. | 18.1% | 62.5% | 9.0% | 9.7% | 0.7% |
| 12. The needs of the college-bound student are being met. | 9.7% | 56.9% | 21.5% | 9.7% | 2.1% |
| 13. The needs of the work-bound student are being met. | 5.6% | 42.4% | 21.5% | 25.7% | 4.9% |
| 14. The district provides curriculum guides for all grades and subjects. | 16.0% | 56.9% | 9.7% | 14.6% | 2.8% |
| 15. The curriculum guides are appropriately aligned and coordinated. | 16.0% | 56.3% | 15.3% | 9.7% | 2.8% |
| 16. The district's curriculum guides clearly outline what to teach and how to teach it. | 11.8% | 50.7% | 12.5% | 20.8% | 4.2% |
| 17. The district has effective educational programs for the following: | | | | | |
| a. Reading | 24.3% | 59.7% | 6.9% | 6.9% | 2.1% |
| b. Writing | 13.2% | 64.6% | 9.0% | 13.2% | 0.0% |
| c. Mathematics | 13.2% | 63.9% | 9.0% | 11.1% | 2.8% |
| d. Science | 11.1% | 60.4% | 12.5% | 15.3% | 0.7% |

B. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| e. English or Language Arts | 17.4% | 69.4% | 7.6% | 5.6% | 0.0% |
| f. Computer Instruction | 11.1% | 70.1% | 11.1% | 6.3% | 1.4% |
| g. Social Studies (history or geography) | 11.1% | 65.3% | 12.5% | 9.7% | 1.4% |
| h. Fine Arts | 13.9% | 62.5% | 11.1% | 9.7% | 2.8% |
| i. Physical Education | 16.0% | 65.3% | 11.8% | 6.9% | 0.0% |
| j. Business Education | 9.7% | 40.3% | 42.4% | 6.9% | 0.7% |
| k. Vocational (Career and Technology) Education | 11.1% | 36.8% | 38.2% | 9.0% | 4.9% |
| l. Foreign Language | 7.6% | 44.4% | 30.6% | 13.9% | 3.5% |
| 18. The district has effective special programs for the following: | | | | | |
| a. Library Service | 13.9% | 58.3% | 13.9% | 12.5% | 1.4% |
| b. Honors/Gifted and Talented Education | 7.6% | 59.0% | 15.3% | 13.9% | 4.2% |
| c. Special Education | 13.9% | 65.3% | 9.0% | 9.0% | 2.8% |
| d. Head Start and Even Start programs | 0.0% | 45.1% | 38.9% | 2.1% | 0.7% |
| e. Dyslexia program | 4.2% | 32.6% | 28.5% | 26.4% | 8.3% |
| f. Student mentoring program | 7.6% | 41.7% | 29.2% | 18.7% | 2.8% |
| g. Advanced placement program | 11.8% | 52.1% | 29.9% | 5.6% | 0.7% |
| h. Literacy program | 8.3% | 45.1% | 36.1% | 10.4% | 0.0% |
| i. Programs for students at risk of dropping out of school | 8.3% | 43.1% | 25.0% | 21.5% | 2.1% |
| j. Summer school programs | 12.5% | 59.7% | 13.2% | 13.2% | 1.4% |
| k. Alternative education programs | 9.0% | 50.7% | 25.0% | 11.1% | 4.2% |
| l. "English as a second language" program | 9.0% | 59.0% | 16.7% | 13.9% | 1.4% |
| m. Career counseling program | 3.5% | 41.7% | 38.9% | 15.3% | 0.7% |
| n. College counseling program | 4.2% | 47.9% | 33.3% | 12.5% | 2.1% |
| o. Counseling the parents of students | 1.4% | 37.5% | 34.0% | 22.9% | 4.2% |
| p. Drop out prevention program | 4.9% | 37.5% | 36.8% | 19.4% | 1.4% |
| 19. Parents are immediately notified if a child is absent from school. | 5.6% | 42.4% | 20.8% | 25.0% | 6.3% |
| 20. Teacher turnover is low. | 5.6% | 31.9% | 11.1% | 38.2% | 13.2% |
| 21. Highly qualified teachers fill job openings. | 9.0% | 54.9% | 14.6% | 16.7% | 4.9% |
| 22. Teacher openings are filled quickly. | 9.0% | 68.1% | 13.9% | 8.3% | 0.7% |
| 23. Teachers are rewarded for superior performance. | 1.4% | 18.8% | 18.1% | 47.2% | 14.6% |
| 24. Teachers are counseled about less than satisfactory performance. | 5.6% | 43.8% | 27.1% | 21.5% | 2.1% |
| 25. Teachers are knowledgeable in the subject areas they teach. | 14.6% | 71.5% | 6.3% | 6.3% | 1.4% |

B. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 26. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes. | 9.0% | 56.3% | 13.2% | 13.9% | 7.6% |
| 27. The student-to-teacher ratio is reasonable. | 7.6% | 65.3% | 9.0% | 16.0% | 2.1% |
| 28. Classrooms are seldom left unattended. | 26.4% | 61.1% | 6.9% | 4.9% | 0.7% |

C. Personnel Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 29. District salaries are competitive with similar positions in the job market. | 5.6% | 60.4% | 7.6% | 22.2% | 4.2% |
| 30. The district has a good and timely program for orienting new employees. | 18.8% | 59.7% | 9.7% | 10.4% | 1.4% |
| 31. Temporary workers are rarely used. | 7.6% | 49.3% | 22.2% | 18.8% | 2.1% |
| 32. The district successfully projects future staffing needs. | 6.9% | 42.4% | 29.2% | 20.1% | 1.4% |
| 33. The district has an effective employee recruitment program. | 5.6% | 43.8% | 36.1% | 12.5% | 2.1% |
| 34. The district operates an effective staff development program. | 4.9% | 63.9% | 9.7% | 17.4% | 4.2% |
| 35. District employees receive annual personnel evaluations. | 23.6% | 70.8% | 2.1% | 0.7% | 2.8% |
| 36. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion. | 2.1% | 14.6% | 20.8% | 47.2% | 15.3% |
| 37. Employees who perform below the standard of expectation are counseled appropriately and timely. | 5.6% | 36.1% | 31.3% | 23.6% | 3.5% |
| 38. The district has a fair and timely grievance process. | 2.8% | 34.0% | 56.3% | 6.3% | 0.7% |
| 39. The district's health insurance package meets my needs. | 6.3% | 51.4% | 8.3% | 21.5% | 12.5% |

D. Community Involvement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 40. The district regularly communicates with parents. | 15.3% | 68.8% | 5.6% | 10.4% | 0.0% |
| 41. The local television and radio stations regularly report school news and menus. | 14.6% | 51.4% | 22.2% | 8.3% | 3.5% |
| 42. Schools have plenty of volunteers to help student and school programs. | 9.0% | 47.2% | 10.4% | 27.8% | 5.6% |
| 43. District facilities are open for community use. | 15.3% | 63.2% | 13.9% | 5.6% | 2.1% |

E. Facilities Use and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 44. The district plans facilities far enough in the future to support enrollment growth. | 6.9% | 55.6% | 13.2% | 22.2% | 2.1% |
| 45. Parents, citizens, students, faculty, staff, and the board provide input into facility planning. | 3.5% | 51.4% | 18.1% | 25.7% | 1.4% |
| 46. The architect and construction managers are selected objectively and impersonally. | 2.1% | 27.8% | 66.0% | 2.1% | 2.1% |
| 47. The quality of new construction is excellent. | 4.2% | 38.9% | 41.7% | 11.8% | 3.5% |
| 48. Schools are clean. | 16.7% | 66.7% | 6.9% | 8.3% | 1.4% |
| 49. Buildings are properly maintained in a timely manner. | 7.6% | 54.2% | 8.3% | 20.1% | 9.7% |
| 50. Repairs are made in a timely manner. | 4.2% | 49.3% | 6.9% | 29.2% | 10.4% |
| 51. Emergency maintenance is handled promptly. | 10.4% | 59.7% | 8.3% | 18.1% | 3.5% |

F. Financial Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 52. Site-based budgeting is used effectively to extend the involvement of principals and teachers. | 9.0% | 54.9% | 16.7% | 16.0% | 3.5% |
| 53. Campus administrators are well trained in fiscal management techniques. | 5.6% | 52.8% | 33.3% | 6.9% | 1.4% |
| 54. Financial resources are allocated fairly and equitably at my school. | 6.9% | 55.6% | 17.4% | 15.3% | 4.9% |

G. Purchasing and Warehousing

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 55. Purchasing gets me what I need when I need it. | 3.5% | 68.1% | 9.0% | 16.7% | 2.8% |
| 56. Purchasing acquires the highest quality materials and equipment at the lowest cost. | 4.2% | 48.6% | 26.4% | 18.8% | 2.1% |
| 57. Purchasing processes are not cumbersome for the requestor. | 3.5% | 50.0% | 16.0% | 26.4% | 4.2% |
| 58. Vendors are selected competitively. | 5.6% | 41.0% | 42.4% | 8.3% | 2.8% |
| 59. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment. | 4.9% | 51.4% | 14.6% | 22.2% | 6.9% |
| 60. Students are issued textbooks in a timely manner. | 13.2% | 70.8% | 7.6% | 6.9% | 1.4% |
| 61. Textbooks are in good shape. | 9.0% | 67.4% | 12.5% | 10.4% | 0.7% |
| 62. The school library meets students needs for books and other resources. | 13.9% | 64.6% | 4.9% | 13.2% | 3.5% |

H. Food Services

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 63. The cafeteria's food looks and tastes good. | 13.9% | 52.1% | 16.7% | 10.4% | 6.9% |
| 64. Food is served warm. | 14.6% | 64.6% | 12.5% | 6.3% | 2.1% |
| 65. Students eat lunch at the appropriate time of day. | 11.8% | 73.6% | 8.3% | 6.3% | 0.0% |
| 66. Students wait in food lines no longer than 10 minutes | 13.2% | 54.2% | 18.8% | 13.9% | 0.0% |
| 67. Discipline and order are maintained in the school cafeteria. | 11.1% | 69.4% | 9.0% | 8.3% | 2.1% |
| 68. Cafeteria staff is helpful and friendly. | 25.0% | 65.3% | 8.3% | 1.4% | 0.0% |
| 69. Cafeteria facilities are sanitary and neat. | 22.2% | 69.4% | 6.9% | 0.7% | 0.7% |

I. Safety and Security

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 70. School disturbances are infrequent. | 9.0% | 63.2% | 6.3% | 18.1% | 3.5% |
| 71. Gangs are not a problem in this district. | 6.3% | 54.9% | 21.5% | 15.3% | 2.1% |
| 72. Drugs are not a problem in this district. | 2.1% | 14.6% | 18.8% | 45.1% | 19.4% |
| 73. Vandalism is not a problem in this district. | 4.2% | 34.0% | 18.1% | 38.2% | 5.6% |
| 74. Security personnel have a good working relationship with principals and teachers. | 6.3% | 40.3% | 50.0% | 2.1% | 1.4% |
| 75. Security personnel are respected and liked by the students they serve. | 3.5% | 32.6% | 58.3% | 5.6% | 0.0% |
| 76. A good working arrangement exists between the local law enforcement and the district. | 11.8% | 67.4% | 18.1% | 2.1% | 0.7% |
| 77. Students receive fair and equitable discipline for misconduct. | 4.2% | 52.1% | 6.3% | 27.1% | 10.4% |
| 78. Safety hazards do not exist on school grounds. | 4.9% | 56.9% | 12.5% | 21.5% | 4.2% |

J. Computers and Technology

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 79. Students regularly use computers. | 19.4% | 66.0% | 4.2% | 9.7% | 0.7% |
| 80. Students have regular access to computer equipment and software in the classroom. | 11.8% | 56.3% | 5.6% | 22.2% | 4.2% |
| 81. Teachers know how to use computers in the classroom. | 11.8% | 72.9% | 6.3% | 8.3% | 0.7% |
| 82. Computers are new enough to be useful for student instruction. | 16.0% | 72.9% | 4.2% | 4.2% | 2.8% |
| 83. The district meets students needs in classes in computer fundamentals. | 14.6% | 69.4% | 7.6% | 6.9% | 1.4% |

J. Computers and Technology (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 84. The district meets student needs in classes in advanced computer skills. | 7.6% | 54.2% | 24.3% | 11.8% | 0.0% |
| 85. Teachers and students have easy access to the Internet. | 20.8% | 70.1% | 4.2% | 4.2% | 0.7% |

PARENT SURVEY RESULTS

Marble Falls Independent School District Management and Performance Review

(n=77)

The review team received survey responses from 77 parents of students of MFISD. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum.

Note: Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

1.

| Gender (Optional) | Female | Male | No Response |
|--------------------------|---------------|-------------|--------------------|
| | 68.83% | 24.68% | 6.5% |

2.

| Ethnicity (Optional) | African American | Anglo | Asian | Hispanic | Other | No Response |
|-----------------------------|-------------------------|--------------|--------------|-----------------|--------------|--------------------|
| | 1.3% | 71.43% | 1.3% | 14.29% | 3.9% | 7.79% |

3.

| How long have you lived in Marble Falls ISD? | 0-5 years | 6-10 years | 11 years or more | No Response |
|---|------------------|-------------------|-------------------------|--------------------|
| | 42.9% | 29.9% | 24.7% | 2.6% |

4.

| What grade level(s) does your child(ren) attend? | | |
|---|----------------------|-----------------------|
| Pre-Kindergarten | Fourth Grade | Ninth Grade |
| 3.9% | 23.4% | 18.2% |
| Kindergarten | Fifth Grade | Tenth Grade |
| 15.6% | 18.2% | 9.1% |
| First Grade | Sixth Grade | Eleventh Grade |
| 11.7% | 18.2% | 13.0% |
| Second Grade | Seventh Grade | Twelfth Grade |
| 15.6% | 20.8% | 14.3% |
| Third Grade | Eighth Grade | |
| 11.7% | 18.2% | |

PART B: SURVEY QUESTIONS

A. District Organization and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|--------------------|-----------------|--------------------------|
| 1. The school board allows sufficient time for public input at meetings. | 9.1% | 28.6% | 37.7% | 20.8% | 3.9% |
| 2. School board members listen to the opinions and desires of others. | 10.4% | 29.9% | 36.3% ⁶ | 16.9% | 6.5% |
| 3. The superintendent is a respected and effective instructional leader. | 6.5% | 22.1% | 50.6% | 16.9% | 3.9% |
| 4. The superintendent is a respected and effective business manager. | 6.5% | 20.8% | 55.8% | 13.0% | 3.9% |

B. Educational Service Delivery and Performance Measurement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 5. The district provides a high quality of services. | 10.4% | 52.0% | 16.9% | 19.5% | 1.3% |
| 6. Teachers are given an opportunity to suggest programs and materials that they believe are most effective. | 7.8% | 48.1% | 29.9% | 10.4% | 3.9% |
| 7. The needs of the college-bound student are being met. | 6.5% | 33.8% | 33.8% | 20.8% | 5.2% |
| 8. The needs of the work-bound student are being met. | 3.9% | 32.5% | 45.5% | 13.0% | 5.2% |
| 9. The district has effective educational programs for the following: | | | | | |
| a. Reading | 19.5% | 63.6% | 3.9% | 10.4% | 2.6% |
| b. Writing | 14.3% | 67.5% | 7.8% | 9.1% | 1.3% |
| c. Mathematics | 15.6% | 66.2% | 7.8% | 9.1% | 1.3% |
| d. Science | 14.3% | 67.5% | 13.0% | 3.9% | 1.3% |
| e. English or Language Arts | 19.5% | 64.9% | 9.1% | 5.2% | 1.3% |
| f. Computer Instruction | 15.6% | 63.6% | 10.4% | 7.8% | 2.6% |
| g. Social Studies (history or geography) | 10.4% | 71.4% | 9.1% | 7.8% | 1.3% |
| h. Fine Arts | 11.7% | 55.8% | 19.5% | 9.1% | 3.9% |
| i. Physical Education | 19.5% | 61.0% | 10.4% | 7.8% | 1.3% |
| j. Business Education | 6.5% | 31.2% | 48.1% | 13.0% | 1.3% |
| k. Vocational (Career and Technology) Education | 6.5% | 35.1% | 49.4% | 7.8% | 1.3% |
| l. Foreign Language | 9.1% | 40.3% | 32.5% | 14.3% | 3.9% |

B. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 10. The district has effective special programs for the following: | | | | | |
| a. Library Service | 10.4% | 54.6% | 24.7% | 9.1% | 1.3% |
| b. Honors/Gifted and Talented Education | 9.1% | 46.8% | 22.1% | 16.9% | 5.2% |
| c. Special Education | 9.1% | 37.7% | 46.8% | 3.9% | 2.6% |
| d. Head Start and Even Start programs | 13.0% | 31.2% | 49.4% | 3.9% | 2.6% |
| e. Dyslexia program | 5.2% | 9.1% | 71.4% | 5.2% | 9.1% |
| f. Student mentoring program | 3.9% | 31.2% | 49.4% | 14.3% | 1.3% |
| g. Advanced placement program | 6.5% | 40.3% | 33.8% | 14.3% | 5.2% |
| h. Literacy program | 7.8% | 29.9% | 53.3% | 6.5% | 2.6% |
| i. Programs for students at risk of dropping out of school | 5.2% | 20.8% | 59.7% | 11.7% | 2.6% |
| j. Summer school programs | 7.8% | 33.8% | 45.5% | 7.8% | 5.2% |
| k. Alternative education programs | 6.5% | 27.3% | 49.4% | 13.0% | 3.9% |
| l. "English as a second language" program | 5.2% | 31.2% | 58.4% | 3.9% | 1.3% |
| m. Career counseling program | 3.9% | 20.8% | 54.6% | 15.6% | 5.2% |
| n. College counseling program | 5.2% | 23.4% | 46.8% | 20.8% | 3.9% |
| o. Counseling the parents of students | 5.2% | 28.6% | 37.7% | 23.4% | 5.2% |
| p. Drop out prevention program | 5.2% | 10.4% | 66.2% | 14.3% | 3.9% |
| 11. Parents are immediately notified if a child is absent from school. | 3.9% | 37.7% | 27.3% | 20.8% | 10.4% |
| 12. Teacher turnover is low. | 6.5% | 26.0% | 37.7% | 19.5% | 10.4% |
| 13. Highly qualified teachers fill job openings. | 7.8% | 36.4% | 22.1% | 26.0% | 7.8% |
| 14. A substitute teacher rarely teaches my child. | 2.6% | 40.3% | 14.3% | 36.4% | 6.5% |
| 15. Teachers are knowledgeable in the subject areas they teach. | 7.8% | 68.8% | 14.3% | 7.8% | 1.3% |
| 16. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes. | 9.1% | 58.4% | 19.5% | 11.7% | 1.3% |
| 17. Students have access, when needed, to a school nurse. | 20.8% | 64.9% | 11.7% | 1.3% | 1.3% |
| 18. Classrooms are seldom left unattended. | 9.1% | 44.2% | 33.8% | 11.7% | 1.3% |
| 19. The district provides a high quality education. | 10.4% | 46.8% | 15.6% | 24.7% | 2.6% |
| 20. The district has a high quality of teachers. | 10.4% | 53.3% | 16.9% | 15.6% | 3.9% |

C. Community Involvement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 21. The district regularly communicates with parents. | 10.4% | 52.0% | 13.0% | 20.8% | 3.9% |
| 22. District facilities are open for community use. | 9.1% | 39.0% | 39.0% | 11.7% | 1.3% |
| 23. Schools have plenty of volunteers to help student and school programs. | 9.1% | 35.1% | 24.7% | 24.7% | 6.5% |

D. Facilities Use and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 24. Parents, citizens, students, faculty, staff, and the board provide input into facility planning. | 5.2% | 33.8% | 32.5% | 27.3% | 1.3% |
| 25. Schools are clean. | 16.9% | 66.2% | 9.1% | 6.5% | 1.3% |
| 26. Buildings are properly maintained in a timely manner. | 15.6% | 54.6% | 15.6% | 10.4% | 3.9% |
| 27. Repairs are made in a timely manner. | 10.4% | 50.7% | 23.4% | 13.0% | 2.6% |
| 28. The district uses very few portable buildings. | 7.8% | 36.4% | 16.9% | 27.3% | 11.7% |
| 29. Emergency maintenance is handled expeditiously. | 11.7% | 35.1% | 45.5% | 5.2% | 2.6% |

E. Asset and Risk Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 30. My property tax bill is reasonable for the educational services delivered. | 5.2% | 27.3% | 24.7% | 31.2% | 11.7% |
| 31. Board members and administrators do a good job explaining the use of tax dollars. | 5.2% | 27.3% | 24.7% | 31.2% | 11.7% |

F. Financial Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 32. Site-based budgeting is used effectively to extend the involvement of principals and teachers. | 3.9% | 28.6% | 61.0% | 5.2% | 1.3% |
| 33. Campus administrators are well-trained in fiscal management techniques. | 6.5% | 23.4% | 58.4% | 9.1% | 2.6% |
| 34. The district's financial reports are easy to understand and read. | 3.9% | 18.2% | 53.3% | 18.2% | 6.5% |
| 35. Financial reports are made available to community members when asked. | 3.9% | 24.7% | 61.0% | 10.4% | 0.0% |

G. Purchasing and Warehousing

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 36. Students are issued textbooks in a timely manner. | 13.0% | 64.9% | 11.7% | 9.1% | 1.3% |
| 37. Textbooks are in good shape. | 13.0% | 66.2% | 10.4% | 7.8% | 2.6% |
| 38. The school library meets student needs for books and other resources. | 13.0% | 61.0% | 6.5% | 15.6% | 3.9% |

H. Food Services

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 39. My child regularly purchases his/her meal from the cafeteria. | 14.3% | 53.3% | 6.5% | 14.3% | 11.7% |
| 40. The school breakfast program is available to all children. | 11.7% | 64.9% | 14.3% | 6.5% | 2.6% |
| 41. The cafeteria's food looks and tastes good. | 9.1% | 45.5% | 10.4% | 22.1% | 13.0% |
| 42. Food is served warm. | 9.1% | 57.1% | 18.2% | 11.7% | 3.9% |
| 43. Students have enough time to eat. | 5.2% | 46.8% | 2.6% | 29.9% | 15.6% |
| 44. Students eat lunch at the appropriate time of day. | 6.5% | 45.5% | 6.5% | 33.8% | 7.8% |
| 45. Students wait in food lines no longer than 10 minutes | 7.8% | 35.1% | 24.7% | 20.8% | 11.7% |
| 46. Discipline and order are maintained in the school cafeteria. | 10.4% | 59.7% | 16.9% | 10.4% | 2.6% |
| 47. Cafeteria staff is helpful and friendly. | 22.1% | 54.6% | 13.0% | 6.5% | 3.9% |
| 48. Cafeteria facilities are sanitary and neat. | 16.9% | 67.5% | 11.7% | 1.3% | 2.6% |

I. Transportation

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 49. My child regularly rides the bus. | 19.5% | 32.5% | 13.0% | 19.5% | 15.6% |
| 50. The bus driver maintains discipline on the bus. | 9.1% | 26.0% | 36.4% | 18.2% | 10.4% |
| 51. The length of the student's bus ride is reasonable. | 3.9% | 37.7% | 28.6% | 11.7% | 18.2% |
| 52. The drop-off zone at the school is safe. | 15.6% | 50.7% | 24.7% | 1.3% | 7.8% |
| 53. The bus stop near my house is safe. | 11.7% | 45.5% | 29.9% | 2.6% | 10.4% |
| 54. The bus stop is within walking distance from our home. | 11.7% | 50.7% | 26.0% | 11.7% | 0.0% |
| 55. Buses arrive and depart on time. | 10.4% | 48.1% | 28.6% | 6.5% | 6.5% |
| 56. Buses arrive early enough for students to eat breakfast at school. | 9.1% | 26.0% | 45.5% | 9.1% | 10.4% |
| 57. Buses seldom break down. | 10.4% | 41.6% | 40.3% | 6.5% | 1.3% |

I. Transportation (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 58. Buses are clean. | 13.0% | 32.5% | 48.1% | 2.6% | 3.9% |
| 59. Bus drivers allow students to sit down before taking off. | 11.7% | 40.3% | 35.1% | 9.1% | 3.9% |
| 60. The district has a simple method to request buses for special events. | 7.8% | 19.5% | 67.5% | 3.9% | 1.3% |

J. Safety and Security

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 61. Students feel safe and secure at school. | 15.6% | 61.0% | 3.9% | 13.0% | 6.5% |
| 62. School disturbances are infrequent. | 14.3% | 54.6% | 7.8% | 18.2% | 5.2% |
| 63. Gangs are not a problem in this district. | 13.0% | 42.9% | 16.9% | 20.8% | 6.5% |
| 64. Drugs are not a problem in this district. | 5.2% | 14.3% | 19.5% | 42.9% | 18.2% |
| 65. Vandalism is not a problem in this district. | 6.5% | 35.1% | 9.1% | 37.7% | 11.7% |
| 66. Security personnel have a good working relationship with principals and teachers. | 10.4% | 39.0% | 44.2% | 6.5% | 0.0% |
| 67. Security personnel are respected and liked by the students they serve. | 7.8% | 40.3% | 41.6% | 9.1% | 1.3% |
| 68. A good working arrangement exists between the local law enforcement and the district. | 13.0% | 50.7% | 29.9% | 5.2% | 1.3% |
| 69. Students receive fair and equitable discipline for misconduct. | 7.8% | 36.4% | 24.7% | 19.5% | 11.7% |
| 70. Safety hazards do not exist on school grounds. | 6.5% | 44.2% | 29.9% | 16.9% | 2.6% |

K. Computers and Technology

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 71. Teachers know how to teach computer science and other technology-related courses. | 10.4% | 54.6% | 22.1% | 10.4% | 2.6% |
| 72. Computers are new enough to be useful to teach students. | 9.1% | 64.9% | 19.5% | 5.2% | 1.3% |
| 73. The district meets student needs in computer fundamentals. | 11.7% | 57.1% | 16.9% | 11.7% | 2.6% |
| 74. The district meets student needs in advanced computer skills. | 11.7% | 40.3% | 28.6% | 13.0% | 6.5% |
| 75. Students have easy access to the Internet. | 9.1% | 55.8% | 23.4% | 7.8% | 3.9% |

PRINCIPAL AND ASSISTANT PRINCIPAL SURVEY RESULTS

Marble Falls Independent School District Management and Performance Review

(n=3)

The review team received survey responses from 3 principals and assistant principals in MFISD. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum.

Note: Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

| | | | |
|-----------------------------|-------------|---------------|--------------------|
| 1. Gender (Optional) | Male | Female | No Response |
| | | 66.7% | 33.3% |

| | | | | | | |
|--------------------------------|--------------|-------------------------|-----------------|--------------|--------------|--------------------|
| 2. Ethnicity (Optional) | Anglo | African American | Hispanic | Asian | Other | No Response |
| | 66.7% | 0.0% | 0.0% | 0.0% | 0.0% | 33.3% |

| | | | | | |
|--|------------------|-------------------|--------------------|--------------------|------------------|
| 3. How long have you been employed by Marble Falls ISD? | 1-5 years | 6-10 years | 11-15 years | 16-20 years | 20+ years |
| | 66.7% | 0.0% | 0.0% | 0.0% | 33.3% |

| | | | | | |
|--|---------------------|-----------------|-------------------|---------------------|--------------------|
| 4. What grades are taught in your school? | Pre K to 5th | K to 6th | 7th to 9th | 10th to 12th | No Response |
| | 0.0% | 0.0% | 66.7% | 0.0% | 33.3% |

PART B: SURVEY QUESTIONS

A. District Organization and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 1. The school board allows sufficient time for public input at meetings. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 2. School board members listen to the opinions and desires of others. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 3. School board members understand their role as policymakers and stay out of the day-to-day management of the district. | 0.0% | 0.0% | 33.3% | 66.7% | 0.0% |
| 4. The superintendent is a respected and effective instructional leader. | 33.3% | 0.0% | 66.7% | 0.0% | 0.0% |
| 5. The superintendent is a respected and effective business manager. | 0.0% | 33.3% | 66.7% | 0.0% | 0.0% |

A. District Organization and Management (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 6. Central administration is efficient. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 7. Central administration supports the educational process. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 8. The morale of central administration staff is good. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

B. Educational Service Delivery and Performance Measurement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|--------|------------|----------|-------------------|
| 9. Education is the main priority in our school district. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 10. Teachers are given an opportunity to suggest programs and materials that they believe are most effective. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 11. The needs of the college-bound student are being met. | 0.0% | 66.7% | 33.3% | 0.0% | 0.0% |
| 12. The needs of the work-bound student are being met. | 0.0% | 66.7% | 33.3% | 0.0% | 0.0% |
| 13. The district provides curriculum guides for all grades and subjects. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 14. The curriculum guides are appropriately aligned and coordinated. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 15. The district's curriculum guides clearly outline what to teach and how to teach it. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 16. The district has effective educational programs for the following: | | | | | |
| a. Reading | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| b. Writing | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| c. Mathematics | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| d. Science | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| e. English or Language Arts | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% |
| f. Computer Instruction | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| g. Social Studies (history or geography) | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| h. Fine Arts | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| i. Physical Education | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| j. Business Education | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| k. Vocational (Career and Technology) Education | 0.0% | 66.7% | 33.3% | 0.0% | 0.0% |
| l. Foreign Language | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 17. The district has effective special programs for the following: | | | | | |
| a. Library Service | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| b. Honors/Gifted and Talented Education | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| c. Special Education | 0.0% | 100.0% | | 0.0% | 0.0% |
| d. Head Start and Even Start programs | 0.0% | 33.3% | 66.7% | 0.0% | 0.0% |
| e. Dyslexia program | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| f. Student mentoring program | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| g. Advanced placement program | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| h. Literacy program | 0.0% | 66.7% | 33.3% | 0.0% | 0.0% |

B. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|--------|------------|----------|-------------------|
| i. Programs for students at risk of dropping out of school | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| j. Summer school programs | 0.0% | 100.0% | 0.0% | | 0.0% |
| k. Alternative education programs | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| l. "English as a second language" program | 0.0% | 33.3% | 0.0% | 66.7% | 0.0% |
| m. Career counseling program | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| n. College counseling program | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| o. Counseling the parents of students | 0.0% | 100.0% | 0.0% | | 0.0% |
| p. Drop out prevention program | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 18. Parents are immediately notified if a child is absent from school. | 0.0% | 33.3% | 33.3% | 33.3% | 0.0% |
| 19. Teacher turnover is low. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 20. Highly qualified teachers fill job openings. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 21. Teachers are rewarded for superior performance. | 0.0% | 33.3% | 0.0% | 66.7% | 0.0% |
| 22. Teachers are counseled about less than satisfactory performance. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 23. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 24. Students have access, when needed, to a school nurse. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 25. Classrooms are seldom left unattended. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |

C. Personnel Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|--------|------------|----------|-------------------|
| 26. District salaries are competitive with similar positions in the job market. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 27. The district has a good and timely program for orienting new employees. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 28. Temporary workers are rarely used. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 29. The district successfully projects future staffing needs. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 30. The district has an effective employee recruitment program. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 31. The district operates an effective staff development program. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 32. District employees receive annual personnel evaluations. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 33. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion. | 0.0% | 0.0% | 66.7% | 33.3% | 0.0% |
| 34. Employees who perform below the standard of expectation are counseled appropriately and timely. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

C. Personnel Management (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|--------|------------|----------|-------------------|
| 35. The district has a fair and timely grievance process. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 36. The district's health insurance package meets my needs. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |

D. Community Involvement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 37. The district regularly communicates with parents. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 38. Schools have plenty of volunteers to help student and school programs. | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 39. District facilities are open for community use. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |

E. Facilities Use and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|--------|------------|----------|-------------------|
| 40. Parents, citizens, students, faculty, staff, and the board provide input into facility planning. | 0.0% | 33.3% | 33.3% | 33.3% | 0.0% |
| 41. Schools are clean. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 42. Buildings are properly maintained in a timely manner. | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 43. Repairs are made in a timely manner. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 44. Emergency maintenance is handled promptly. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |

F. Financial Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|--------|------------|----------|-------------------|
| 45. Site-based budgeting is used effectively to extend the involvement of principals and teachers. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 46. Campus administrators are well-trained in fiscal management techniques. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 47. Financial resources are allocated fairly and equitably at my school. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

G. Purchasing and Warehousing

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 48. Purchasing gets me what I need when I need it. | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 49. Purchasing acquires high quality materials and equipment at the lowest cost. | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 50. Purchasing processes are not cumbersome for the requestor. | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |

G. Purchasing and Warehousing (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 51. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment. | 0.0% | 0.0% | 33.3% | 66.7% | 0.0% |
| 52. Students are issued textbooks in a timely manner. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 53. Textbooks are in good shape. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 54. The school library meets students needs for books and other resources. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

H. Food Services

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|--------|------------|----------|-------------------|
| 55. The cafeteria's food looks and tastes good. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 56. Food is served warm. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 57. Students have enough time to eat. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 58. Students eat lunch at the appropriate time of day. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 59. Students wait in food lines no longer than 10 minutes | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 60. Discipline and order are maintained in the school cafeteria. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 61. Cafeteria staff is helpful and friendly. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 62. Cafeteria facilities are sanitary and neat. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

I. Transportation

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 63. The drop-off zone at the school is safe. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 64. The district has a simple method to request buses for special events. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 65. Buses arrive and leave on time. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 66. Adding or modifying a route for a student is easy to accomplish. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |

J. Safety and Security

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|--------|------------|----------|-------------------|
| 67. Students feel safe and secure at school. | 0.0% | 33.3% | 0.0% | 66.7% | 0.0% |
| 68. School disturbances are infrequent. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 69. Gangs are not a problem in this district. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 70. Drugs are not a problem in this district. | 0.0% | 0.0% | 33.3% | 66.7% | 0.0% |
| 71. Vandalism is not a problem in this district. | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 72. Security personnel have a good working relationship with principals and teachers. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 73. Security personnel are respected and liked by the students they serve. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |

J. Safety and Security (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 74. A good working arrangement exists between local law enforcement and the district. | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% |
| 75. Students receive fair and equitable discipline for misconduct. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 76. Safety hazards do not exist on school grounds. | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |

K. Computers and Technology

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 77. Students regularly use computers. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 78. Students have regular access to computer equipment and software in the classroom. | 0.0% | 66.7% | 0.0% | 33.3% | 0.0% |
| 79. Computers are new enough to be useful for student instruction. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 80. The district meets students needs in computer fundamentals. | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 81. The district meets student needs in advanced computer skills. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |
| 82. Teachers know how to use computers in the classroom. | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% |
| 83. Teachers and students have easy access to the Internet. | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% |

STUDENT SURVEY RESULTS

Marble Falls Independent School District Management and Performance Review

(n=322)

The review team received survey responses from Marble Falls ISD students. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. This data was used to gain a more complete picture of the learning environment within the district.

Note: Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

| | | | | |
|-----------|--------------------------|---------------|-------------|--------------------|
| 1. | Gender (Optional) | Female | Male | No Response |
| | | 53.7% | 41.0% | 5.3% |

| | | | | | | | |
|-----------|-----------------------------|-------------------------|--------------|--------------|-----------------|--------------|--------------------|
| 2. | Ethnicity (Optional) | African American | Anglo | Asian | Hispanic | Other | No Response |
| | | 2.8% | 62.4% | 1.2% | 17.4% | 7.8% | 8.4% |

| | | | | |
|-----------|-------------------------------------|---------------|---------------|--------------------|
| 3. | What is your classification? | Junior | Senior | No Response |
| | | 52.5% | 44.7% | 2.8% |

PART B: SURVEY QUESTIONS

A. Educational Service Delivery and Performance Measurement

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 1. The needs of the college-bound student are being met. | 4.7% | 50.3% | 23.3% | 17.1% | 4.7% |
| 2. The needs of the work-bound student are being met. | 6.8% | 46.0% | 30.8% | 12.7% | 3.7% |
| 3. The district has effective educational programs for the following: | 8.7% | 65.2% | 14.6% | 9.9% | 1.6% |
| a. Reading | 9.0% | 67.4% | 12.4% | 9.3% | 1.9% |
| b. Writing | 14.0% | 62.4% | 11.5% | 9.6% | 2.5% |
| c. Mathematics | 13.4% | 70.5% | 11.5% | 4.0% | 0.6% |
| d. Science | 13.0% | 69.3% | 9.9% | 5.6% | 2.2% |
| e. English or Language Arts | 11.5% | 59.6% | 16.2% | 10.3% | 2.5% |

A. Educational Service Delivery and Performance Measurement (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| f. Computer Instruction | 18.3% | 67.7% | 9.6% | 3.7% | 0.6% |
| g. Social Studies (history or geography) | 15.5% | 58.4% | 18.0% | 6.5% | 1.6% |
| h. Fine Arts | 12.4% | 54.4% | 21.4% | 8.4% | 3.4% |
| i. Physical Education | 6.5% | 56.5% | 29.2% | 5.6% | 2.2% |
| j. Business Education | 7.1% | 55.9% | 29.5% | 4.4% | 3.1% |
| k. Vocational (Career and Technology) Education | 4.7% | 50.3% | 23.3% | 17.1% | 4.7% |
| l. Foreign Language | 12.1% | 48.5% | 17.7% | 15.8% | 5.9% |
| 4. The district has effective special programs for the following: | 9.9% | 49.4% | 28.0% | 10.6% | 2.2% |
| a. Library Service | 9.9% | 47.8% | 32.6% | 8.1% | 1.6% |
| b. Honors/Gifted and Talented Education | 10.6% | 43.8% | 42.6% | 2.2% | 0.9% |
| c. Special Education | 4.0% | 37.9% | 39.4% | 13.7% | 5.0% |
| d. Student mentoring program | 19.3% | 55.9% | 21.4% | 1.9% | 1.6% |
| e. Advanced placement program | 5.6% | 36.7% | 32.9% | 17.7% | 7.1% |
| f. Career counseling program | 6.2% | 33.9% | 30.8% | 20.2% | 9.0% |
| g. College counseling program | 21.4% | 60.6% | 9.9% | 5.9% | 2.2% |
| 5. Students have access, when needed, to a school nurse. | 11.8% | 55.9% | 15.8% | 14.0% | 2.5% |
| 6. Classrooms are seldom left unattended. | 5.6% | 47.5% | 22.7% | 18.9% | 5.3% |
| 7. The district provides a high quality education. | 7.1% | 42.9% | 25.8% | 18.6% | 5.6% |
| 8. The district has high quality of teachers. | 9.9% | 49.4% | 28.0% | 10.6% | 2.2% |

B. Facilities Use and Management

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 9. Schools are clean. | 7.5% | 51.2% | 13.4% | 22.1% | 5.9% |
| 10. Buildings are properly maintained in a timely manner. | 8.7% | 53.7% | 17.4% | 16.5% | 3.7% |
| 11. Repairs are made in a timely manner. | 5.3% | 37.3% | 18.3% | 27.0% | 12.1% |
| 12. Emergency maintenance is handled timely. | 5.3% | 48.5% | 33.9% | 8.7% | 3.7% |

C. Purchasing and Warehousing

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 13. There is enough textbooks in all my classes. | 8.7% | 50.3% | 7.5% | 27.6% | 5.9% |
| 14. Students are issued textbooks in a timely manner. | 8.1% | 65.8% | 14.9% | 8.4% | 2.8% |
| 15. Textbooks are in good shape. | 9.0% | 47.5% | 17.4% | 18.3% | 7.8% |
| 16. The school library meets students needs for books and other resources. | 9.0% | 54.7% | 22.7% | 9.9% | 3.7% |

D. Food Services

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 17. The school breakfast program is available to all children. | 10.9% | 45.3% | 35.4% | 6.2% | 2.2% |
| 18. The cafeteria's food looks and tastes good. | 4.4% | 31.1% | 20.2% | 28.3% | 16.2% |
| 19. Food is served warm. | 6.2% | 48.1% | 22.7% | 16.2% | 6.8% |
| 20. Students have enough time to eat. | 9.3% | 41.3% | 10.9% | 21.1% | 17.4% |
| 21. Students eat lunch at the appropriate time of day. | 5.0% | 43.8% | 11.5% | 23.0% | 16.8% |
| 22. Students wait in food lines no longer than 10 minutes. | 3.4% | 18.0% | 13.7% | 37.3% | 27.6% |
| 23. Discipline and order are maintained in the schools cafeteria. | 4.0% | 52.2% | 23.3% | 12.7% | 7.8% |
| 24. Cafeteria staff is helpful and friendly. | 11.2% | 54.7% | 16.5% | 11.8% | 5.9% |
| 25. Cafeteria facilities are sanitary and neat. | 6.2% | 58.4% | 21.1% | 9.3% | 5.0% |

E. Transportation

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|--|----------------|-------|------------|----------|-------------------|
| 26. I regularly ride the bus. | 5.3% | 14.9% | 37.3% | 18.9% | 23.3% |
| 27. The bus driver maintains discipline on the bus. | 3.4% | 17.1% | 68.0% | 6.8% | 4.7% |
| 28. The length of my bus ride is reasonable. | 2.2% | 15.5% | 69.3% | 7.1% | 5.9% |
| 29. The drop-off zone at the school is safe. | 6.5% | 26.4% | 63.4% | 2.5% | 1.2% |
| 30. The bus stop near my house is safe. | 5.9% | 23.0% | 66.8% | 2.5% | 1.9% |
| 31. The bus stop is within walking distance from our home. | 5.3% | 20.8% | 67.1% | 3.4% | 3.4% |
| 32. Buses arrive and depart on time. | 3.7% | 18.9% | 68.3% | 6.2% | 2.8% |
| 33. Buses arrive early enough for students to eat breakfast at school. | 5.0% | 22.1% | 68.9% | 1.9% | 2.2% |
| 34. Buses seldom break down. | 3.1% | 16.2% | 69.9% | 6.8% | 4.0% |
| 35. Buses are clean. | 1.9% | 18.3% | 66.5% | 9.6% | 3.7% |
| 36. Bus drivers allow students to sit down before taking off. | 3.1% | 20.5% | 66.8% | 5.6% | 4.0% |

F. Safety and Security

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| 37. I feel safe and secure at school. | 4.4% | 63.7% | 14.6% | 13.4% | 4.0% |
| 38. School disturbances are infrequent. | 3.4% | 47.5% | 21.4% | 22.1% | 5.6% |
| 39. Gangs are not a problem in this district. | 14.9% | 50.3% | 20.2% | 10.3% | 4.4% |
| 40. Drugs are not a problem in this district. | 2.2% | 18.0% | 17.1% | 26.7% | 36.0% |
| 41. Vandalism is not a problem in this district. | 2.5% | 23.6% | 20.8% | 35.1% | 18.0% |
| 42. Security personnel have a good working relationship with principals and teachers. | 5.9% | 45.3% | 39.4% | 6.5% | 2.8% |

F. Safety and Security (continued)

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 43. Security personnel are respected and liked by the students they serve. | 5.3% | 34.5% | 32.0% | 19.3% | 9.0% |
| 44. A good working arrangement exists between the local law enforcement and the district. | 5.9% | 42.9% | 42.2% | 6.5% | 2.5% |
| 45. Students receive fair and equitable discipline for misconduct. | 5.3% | 36.0% | 24.2% | 20.2% | 14.0% |
| 46. Safety hazards do not exist on school grounds. | 2.5% | 26.4% | 38.8% | 24.5% | 7.8% |

G. Computers and Technology

| Survey Questions | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|-----------------------|--------------|-------------------|-----------------|--------------------------|
| 47. Students have regular access to computer equipment and software in the classroom. | 5.3% | 49.7% | 11.2% | 23.9% | 9.9% |
| 48. Teachers know how to use computers in the classroom. | 5.3% | 59.9% | 16.2% | 11.8% | 6.8% |
| 49. Computers are new enough to be useful for student instruction. | 7.8% | 63.0% | 16.5% | 9.0% | 3.7% |
| 50. The district offers enough classes in computer fundamentals. | 6.2% | 60.9% | 18.3% | 10.3% | 4.4% |
| 51. The district meets student needs in advanced computer skills. | 7.1% | 52.8% | 26.1% | 10.6% | 3.4% |
| 52. Teachers and students have easy access to the Internet. | 11.8% | 61.8% | 14.0% | 8.1% | 4.4% |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|--|--|
| Chapter 1 Educational Service Delivery and Community Support (continued) | | | | | | | |
| 11. Establish an education foundation. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 12. Develop a database to track volunteers and share information among schools. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 13. Develop and implement a formal community education program evaluation. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 1 Total | (\$81,333) | (\$80,433) | (\$18,933) | (\$19,233) | (\$18,933) | (\$218,865) | (\$10,000) |
| Chapter 2 Financial Management | | | | | | | |
| 14. Immediately revise and repost the job vacancy notice for the assistant superintendent of Business and Finance position to include a current and complete job description for all assigned functional areas. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 15. Draft detailed written business procedures, and review and update annually. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 16. Hire an internal auditor to report directly to the board. | (\$55,882) | (\$60,962) | (\$60,962) | (\$60,962) | (\$60,962) | (\$299,730) | \$0 |
| 17. Develop an external auditor request for proposal policy to ensure that new external auditors are hired at least every five years. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 18. Establish budget preparation guidelines in accordance with legal requirements to better solicit staff and community input. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 19. Prepare a formal budget document including executive summary and other narrative information to support and explain the district's budget. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 20. Charge the market rate for faculty daycare services. | \$15,200 | \$15,200 | \$15,200 | \$15,200 | \$15,200 | \$76,000 | \$0 |
| 21. Improve district oversight and monitoring of the outsourced tax functions. | \$271,857 | \$271,857 | \$271,857 | \$271,857 | \$271,857 | \$1,359,285 | \$0 |
| Chapter 2 Total | \$231,175 | \$226,095 | \$226,095 | \$226,095 | \$226,095 | \$1,135,555 | \$0 |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|--|------------------|------------------|------------------|------------------|------------------|--|--|
| Chapter 3 Safety and Security | | | | | | | |
| 22. Construct fences to reduce access to elementary school playgrounds. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (\$12,213) |
| 23. Annually evaluate all drug programs in the district for effectiveness. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 24. Ensure availability of Material Safety Data Sheets at all district facilities and that hazardous chemicals are properly controlled. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 25. Strengthen procedures for visitor check-in, check-out, and identification. | (\$705) | (\$705) | (\$705) | (\$705) | (\$705) | (\$3,525) | \$0 |
| 26. Establish a standard districtwide badge system and enforce its use to improve security. | (\$500) | (\$500) | (\$500) | (\$500) | (\$500) | (\$2,500) | (\$5,000) |
| 27. Establish an on-going tracking system for the total and type of discipline problems, increase behavior management training, and evaluate the effectiveness of the pilot behavior management program. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 28. Reorganize the Student Code of Conduct to promote quick identification of expectations, behaviors, and disciplinary consequences. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 3 Total | (\$1,205) | (\$1,205) | (\$1,205) | (\$1,205) | (\$1,205) | (\$6,025) | (\$17,213) |
| Chapter 4 Contracts, Purchasing and Asset Management | | | | | | | |
| 29. Ensure that district service or product agreements include valid contracts and develop written guidelines for creating, managing and monitoring contracts. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (\$199) |
| 30. Establish a process to track and ensure district compliance with procurement laws on aggregate purchases. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|--|------------------|------------------|------------------|------------------|------------------|--|--|
| Chapter 4 Contracts, Purchasing and Asset Management (continued) | | | | | | | |
| 31. Create a purchasing procedure manual and provide training to district staff on purchasing procedures. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 32. Implement policies and procedures limiting the use of open purchase orders and credit cards. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 33. Implement sound internal controls for cash management. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 34. Prepare and update a monthly cash flow projection worksheet and invest idle funds in the institution paying the highest interest. | \$19,793 | \$19,793 | \$19,793 | \$19,793 | \$19,793 | \$98,965 | \$0 |
| 35. Comply with board-approved investment policies. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 36. Develop operating procedures for all student activity and miscellaneous funds to ensure safekeeping of district funds. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 37. Request the tax collector to wire-transfer collections to maximize district interest earnings. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 38. Develop and implement a comprehensive safety program to control workers' compensation claims and improve the safety of district employees. | \$0 | \$93,474 | \$93,474 | \$93,474 | \$93,474 | \$373,896 | \$0 |
| 39. Conduct annual inventories of the district's fixed assets. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 4 Total | \$19,793 | \$113,267 | \$113,267 | \$113,267 | \$113,267 | \$472,861 | (\$199) |
| Chapter 5 District Organization and Staff Management | | | | | | | |
| 40. Provide board members with adequate information that is organized and analyzed enabling them to make informed business decisions. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|--|------------------|------------------|------------------|------------------|------------------|--|--|
| Chapter 5 District Organization and Staff Management (continued) | | | | | | | |
| 41. Establish clear and concise performance measures for the superintendent and conduct mid-year and year-end evaluations. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 42. Post the board agenda in community meeting locations prior to the meeting and produce and distribute a brochure on how to participate at board meetings. | (\$3,140) | (\$3,140) | (\$3,140) | (\$3,140) | (\$3,140) | (\$15,700) | \$0 |
| 43. Annually provide a training session to board members regarding parliamentary procedures. | (\$350) | (\$350) | (\$350) | (\$350) | (\$350) | (\$1,750) | \$0 |
| 44. Clearly document minutes to include all board discussion and board actions. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 45. Conduct a board self-evaluation annually. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 46. Reorganize and consolidate the central administration along functional lines. | (\$50,230) | (\$50,230) | (\$50,230) | (\$50,230) | (\$50,230) | (\$251,150) | \$0 |
| 47. Use staffing allocation formulas to determine the appropriate number of positions within each campus and eliminate excess positions. | \$146,160 | \$338,536 | \$447,694 | \$447,694 | \$447,694 | \$1,827,778 | \$0 |
| 48. Develop a pay-for-performance compensation plan and implement in annual phases. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 5 Total | \$92,440 | \$284,816 | \$393,974 | \$393,974 | \$393,974 | \$1,559,178 | \$0 |
| Chapter 6 Computers and Technology | | | | | | | |
| 49. Develop a comprehensive technology staffing formula. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 50. Improve the technology problem-reporting process using consistent procedures and more of the work order management system's features. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|--|------------------|------------------|------------------|------------------|------------------|--|--|
| Chapter 6 Computers and Technology (continued) | | | | | | | |
| 51. Expand the “State of Technology” report to include the total cost of technology and submit annually to the superintendent and the board. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 52. Create an annual training assessment plan for technology trainers. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 53. Develop a plan to meet TEA’s short-term goal of a 4 to 1 student-to-computer ratio. | (\$75,450) | (\$75,450) | (\$76,456) | \$0 | \$0 | (\$227,356) | \$0 |
| 54. Adopt a technology equipment replacement policy, plan, and procedures to replace obsolete computers. | (\$103,244) | (\$213,272) | (\$82,790) | (\$56,336) | \$0 | (\$455,642) | \$0 |
| 55. Survey students, parents, administrators, and auxiliary positions to identify technology needs. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 56. Develop an action plan to utilize the distance-learning program to benefit students, staff, or board members. | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$25,000 | \$0 |
| 57. Standardize computer lab scheduling tools and routinely monitor and report computer lab usage to administration. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 6 Total | (\$173,694) | (\$283,722) | (\$154,246) | (\$51,336) | \$5,000 | (\$657,998) | \$0 |
| Chapter 7 Support Services | | | | | | | |
| 58. Include a financial plan for prioritized current and deferred maintenance needs in the district's Five-Year Improvement Plan. | (\$61,473) | (\$61,473) | (\$61,473) | (\$61,473) | (\$61,473) | (\$307,365) | \$0 |
| 59. Amend existing board policy to require board approval for any change orders above \$25,000. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 60. Adhere to district custodial staffing formulas and reduce staff accordingly. | \$141,469 | \$141,469 | \$141,469 | \$141,469 | \$141,469 | \$707,345 | \$0 |

Marble Falls ISD Costs/Savings Recommendations (continued)

| Recommendation | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 5-Year (Costs) or Savings | One Time (Costs) or Savings |
|---|------------------|------------------|------------------|------------------|------------------|--|--|
| Chapter 7 Support Services (continued) | | | | | | | |
| 61. Reevaluate all bus routes using automated routing software, and analyze school starting times. | \$48,705 | \$48,705 | \$48,705 | \$48,705 | \$48,705 | \$243,525 | (\$5,000) |
| 62. Charge departments and groups the actual cost-per-mile for extracurricular trips. | \$8,033 | \$8,033 | \$8,033 | \$8,033 | \$8,033 | \$40,165 | \$0 |
| 63. Conduct an annual physical inventory of transportation warehouse parts and maintain inventory records. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 64. Establish a process to monitor all existing and future performance measures in the Food Service contract and review all invoices for contract compliance. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 65. Include industry-staffing measures in the contract for the Food Service operation. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 66. Allocate the proper share of income from the exclusive beverage contract to the Food Service Department. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 67. Develop a Food Service fund balance policy and fund balance management plan. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 68. Ensure consistent compliance with nutritional guidelines established by the United States Department of Agriculture. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Chapter 7 Total | \$136,734 | \$136,734 | \$136,734 | \$136,734 | \$136,734 | \$683,670 | (\$5,000) |
| Gross Savings | \$656,217 | \$942,067 | \$1,051,225 | \$1,051,225 | \$1,051,225 | \$4,751,959 | \$0 |
| Gross Costs | (\$432,307) | (\$546,515) | (\$355,539) | (\$252,929) | (\$196,293) | (\$1,783,583) | (\$32,412) |
| Total | \$223,910 | \$395,552 | \$695,686 | \$798,296 | \$854,932 | \$2,968,376 | (\$32,412) |

| | |
|----------------------|----------------------|
| Total Savings | \$4,751,959 |
| Total Costs | (\$1,815,995) |
| Net Savings | \$2,935,964 |