

# LEGISLATIVE BUDGET BOARD

## **Marlin Independent School District**

### **Management and Performance Review**

**LEGISLATIVE BUDGET BOARD STAFF  
RESOURCES FOR LEARNING, LLC**

**MARCH 2016**

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**Legislative Budget Board Staff**  
**Resources for Learning, LLC**

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## LEGISLATIVE BUDGET BOARD

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March 1, 2016

Mr. Michael Seabolt  
Superintendent  
Marlin Independent School District

Dear Mr. Seabolt:

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

The report's recommendations will help Marlin ISD 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 Marlin ISD.

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

The Legislative Budget Board engaged Resources For Learning to conduct and produce this review, with LBB staff working in a contract oversight role.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ursula Parks", with a long, sweeping flourish extending to the right.

Ursula Parks  
Director  
Legislative Budget Board

/kk

cc: Roger Nutt  
Debra Levels-McDavid  
Lisa Silvas

Steve Johnson  
Pat Hollins  
Roselyn Dimerson



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## EXECUTIVE SUMMARY

The Texas Legislature created the Texas School Performance Review (TSPR) in 1990 to “periodically review the effectiveness and efficiency of the budgets and operations of school districts” (the Texas Government Code, Section 322.016). The Legislative Budget Board’s (LBB) School Performance Review team conducts comprehensive and targeted reviews of school districts’ and charter schools’ educational, financial, and operational services and programs. The review team produces reports that identify accomplishments, findings, and recommendations based upon the analysis of data and onsite study of each district’s operations. A comprehensive review examines 12 functional areas and recommends ways to cut costs, increase revenues, reduce overhead, streamline operations, and improve the delivery of educational, financial, and operational services. School districts are typically selected for management and performance reviews based on a risk analysis of multiple educational and financial indicators.

To gain an understanding of the school district’s operations prior to conducting the onsite review, the LBB review team requests data from both the district and multiple state agencies, including the Texas Education Agency (TEA), the Texas Department of Agriculture, and the Texas School Safety Center. In addition, LBB staff may implement other methods for obtaining feedback on district operations, including surveys of parents, community members and district and campus staff. While onsite in the district, information is gathered through multiple interviews and focus groups with district and campus administrators, staff, and board members.

Marlin Independent School District (Marlin ISD) is located in Falls County in Marlin, 30 miles southeast of Waco. The

district is served by Regional Education Service Center XII (Region 12), located in Waco. According to the 2010 census, the city of Marlin had a population of 5,967, a decrease of 10.0 percent since the 2000 census. The state legislators for the district are Senator Brian Birdwell and Representative Kyle Kacal.

The district has three instructional campuses, including Marlin High School, Marlin Middle School, and Marlin Elementary School. In school year 2013–14, enrollment totaled 965 students.

Marlin ISD is a high-minority, high-poverty district. In school year 2013–14, 56.6 percent of students were African American, 33.1 percent were Hispanic, 8.5 percent were Caucasian, 0.3 percent were American Indian, 0.3 percent were Asian, 0.1 percent were Pacific Islander, and 1.1 percent were of two or more races. Of Marlin ISD students, 88.4 percent were identified as economically disadvantaged, more than the state average of 60.2 percent, and 65.5 percent were identified as at-risk, more than the state average of 49.9 percent.

### EDUCATIONAL OVERVIEW

Marlin ISD has a history of poor achievement. In accordance with the state accountability system, the district was rated Improvement Required in school years 2013–14 and 2012–13 and Academically Unacceptable in school year 2010–11. In school year 2013–14, the most recent state accountability data available at the time of the review, each campus was also rated Improvement Required. **Figure 1** shows state accountability ratings for the past five years for the district and the individual campuses in accordance with

**FIGURE 1**  
**MARLIN ISD STATE ACCOUNTABILITY RATINGS**  
**SCHOOL YEARS 2009–10 TO 2013–14**

YEAR	DISTRICT	ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL	ASSESSMENT
2009–10	Academically Acceptable	Academically Unacceptable	Academically Acceptable	Academically Acceptable	TAKS
2010–11	Academically Unacceptable	Academically Unacceptable	Academically Unacceptable	Academically Unacceptable	TAKS
2012–13	Improvement Required	Improvement Required	Improvement Required	Met Standard	STAAR
2013–14	Improvement Required	Improvement Required	Improvement Required	Improvement Required	STAAR

NOTE: Accountability ratings were not issued in school year 2011–12 with the implementation of new state assessments.

TAKS=Texas Assessment of Knowledge and Skills; STAAR=State of Texas Assessments of Academic Readiness.

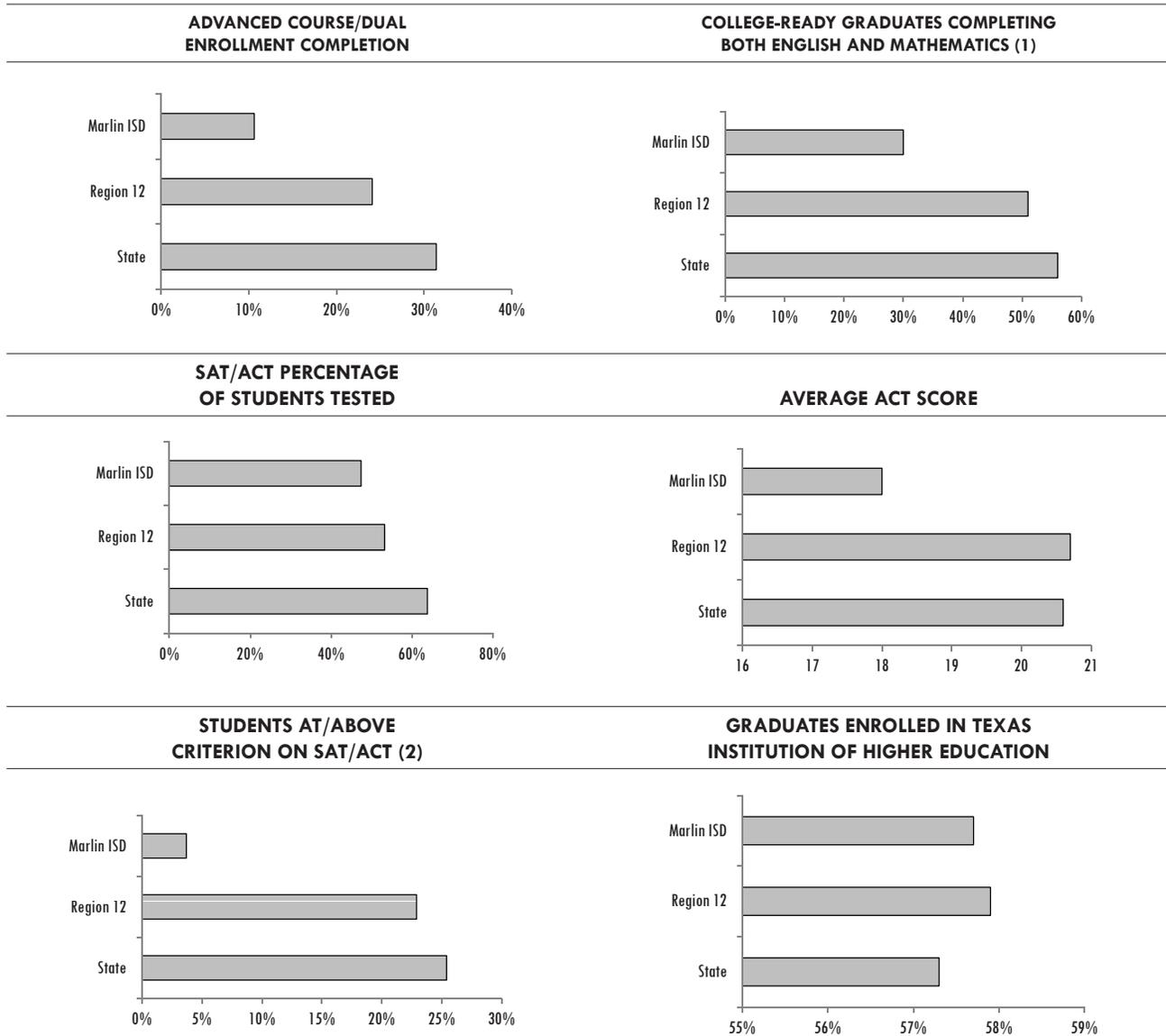
SOURCES: Texas Education Agency, Academic Excellence Indicator System, school years 2009–10 to 2011–12; Texas Academic Performance Report, school years 2012–13 to 2013–14.

the previous system (Exemplary, Recognized, Acceptable or Academically Unacceptable) and the revised system implemented in school year 2012–13 (Met Standard, Improvement Required or Not Rated).

Marlin ISD’s academic performance is lower than regional and state averages. **Figure 2** shows academic measures of

Marlin ISD compared to the averages of other school districts in Region 12 and the state. Marlin ISD’s academic performance is lower than the regional average in all areas, and lower than the state average in all areas except Graduates Enrolled in Texas Institution of Higher Education.

**FIGURE 2  
MARLIN ISD DISTRICT STUDENT ACADEMIC MEASURES COMPARED TO REGION 12 AND STATE  
SCHOOL YEAR 2013–14**



NOTES:

- (1) To be considered college-ready, a graduate must have met or exceeded the college-ready criteria on the Texas Assessment of Knowledge and Skills exit-level test, or the SAT or ACT college admissions tests.
- (2) Criterion refers to the scores on the SAT and ACT. For college admissions tests, the criterion scores are at least 24 on the ACT (composite) and at least 1110 on the SAT (total).

SOURCE: Texas Education Agency, Texas Academic Performance Report, school year 2013–14.

TEA assigned two special education conservators to Marlin ISD in school year 2010–11. In February 2014, the commissioner of education removed one of the conservators. The remaining conservator's role is as a monitor, who continues to focus on issues related to special education services and supporting academic improvement.

Due to Marlin ISD's consistent history of unsatisfactory academic performance, the Texas Education Agency (TEA) announced in September 2015 that it planned to revoke Marlin ISD's accreditation and that the district would be closed effective July 2016. Subsequently, the commissioner of education decided to abate the assignment of the school year 2015–16 accreditation status until the 2016 academic and financial accountability ratings are released. If Marlin ISD receives a preliminary academic accountability rating of Improvement Required or a preliminary financial accountability rating of Substandard Achievement for 2016, TEA will appoint a new board of managers and superintendent. If Marlin ISD receives a final academic accountability rating of Improvement Required or a final financial accountability of Substandard Achievement for 2016, the commissioner will assign a school year 2015–16 accreditation status of Not Accredited–Revoked and order closure of the district.

## FINANCIAL OVERVIEW

In fiscal year 2013, Marlin ISD's preliminary property wealth per weighted average daily attendance (WADA) was \$115,890. This amount places the district lower than, and thus not subject to, the state's primary equalized wealth level (EWL) of \$476,500. When a district's property wealth level is more than the EWL, the state recaptures a portion of wealthy school districts' local tax revenue to assist in financing public education in other districts. This primary EWL applies to a district's tax rates up to \$1.00 per \$100 of valuation. The state's school finance system has a secondary EWL that applies to certain enrichment tax effort of more than \$1.00.

In fiscal year 2013, Marlin ISD's total actual expenditures were approximately \$13.5 million. Marlin ISD's per pupil actual operating expenditures in fiscal year 2013 was \$12,917 compared to the state average of \$8,327. In fiscal year 2013, Marlin ISD spent 50.7 percent of total actual operating expenditures on instruction compared to the state average of 57.2 percent. The instructional expenditures percentage was calculated using the district's total actual operating expenditures that funded direct instructional activities. Texas school districts must account for expenditures by using codes

to indicate the functions for expenditures. Marlin ISD's instructional expenditures included Function 11 (Instruction), Function 12 (Instructional Resources and Media Sources), Function 13 (Curriculum Development and Instructional Staff Development), and Function 31 (Guidance, Counseling, and Evaluation Services.)

## FINDINGS AND RECOMMENDATIONS

The LBB's school performance review team identified significant findings and recommendations based upon the analysis of data and onsite review of the district's operations. Some of the recommendations provided in the review are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed by the school district to determine the level of priority, appropriate timeline, and method of implementation.

### ORGANIZATIONAL EFFECTIVENESS

Marlin ISD lacks an effective organizational structure to support educational, operational, and financial efficiency and accountability.

Marlin ISD does not have a clearly defined reporting structure. The business manager and district instructional coordinator report to the superintendent, but the campus principals and department heads do not have an organizational link to the superintendent. In addition, there are some inconsistencies in the organization. For example, the career and technology director and the special education director report to the superintendent, but the district's organizational documentation shows these positions reporting to the Marlin High School principal. The failure to provide a connection between the superintendent and the positions who lead the campuses and departments may contribute to organizational ineffectiveness in implementing the district's educational, operational and financial goals.

The inconsistency in Marlin ISD's planning efforts also contribute to its poor organizational effectiveness. The district improvement plan (DIP) and campus improvement plans (CIP) are not being effectively used to guide operations. Marlin ISD has developed the plans, but the CIPs consist primarily of information from the DIP and do not address the individual needs of each campus. Neither the district administrators nor the board have been regularly monitoring the implementation of the plans. In addition, to ensure the plans accomplish the appropriate goals and strategies, the

Texas Education Code and board policy requires that the plans be developed by site-based decision-making committees to include district staff, business and community members, and parents. Marlin ISD's committees exclude the key positions of business and community members, and parents. Comprehensive planning provides assurance to district stakeholders that both the administration and the board are striving for improved organizational effectiveness.

Marlin ISD lacks effective organizational management of some of its key financial functions. The district's qualifications for the business manager position are not consistent with high-quality standards. Marlin ISD does not include education and work experience requirements consistent with industry standards in its job description for the business manager position. The business manager is responsible for directing and managing the financial operations and business affairs of the district; this position serves as a financial advisor to the superintendent and the board. As a result of the staff's lack of knowledge and experience to perform financial management activities, Region 12 performs many of the district's financial functions.

Marlin ISD's human resource function is also not cohesively organized or effectively managed. In school year 2013–14, after some staffing shifts that resulted in the HR function not having an administrator, the superintendent and campus administrators assumed some of the HR duties. The superintendent assigned other HR duties to the payroll specialist, and changed the position's title to HR/benefits/payroll specialist. The position also serves as the district's receptionist which requires HR functions to be administered in an open area, creating a potential employee confidentiality risk for discussing HR issues. This organizational structure has also resulted in some HR functions such as new teacher orientation and training being inconsistently administered, a risk given the district's school year 2013-14 significant 52.8 percent teacher turnover rate. Structuring the organization with these conflicting roles results in an increased risk to the district as this key position has the ability to initiate and modify employee files and process a payroll transaction against the entered payroll files.

Finally, organizational effectiveness includes clear job descriptions. Marlin ISD's board policy requires the district to ensure that job descriptions are updated and accessible to staff and supervisors. However, the district's job descriptions have not been revised since school year 2011–12. Failing to maintain updated job descriptions causes confusion among Marlin ISD staff. For example, the job description for the

custodial/maintenance supervisor includes a listing of 17 other transportation responsibilities, but the position does not fulfill these responsibilities. Additionally, bus drivers reported confusion about job titles, job responsibilities, and supervisory relationships.

To improve its organizational effectiveness, the district should:

- establish a clear organizational structure that is consistent with actual reporting practices in the district and links campus leadership to district administration;
- form site-based, decision-making committees at each campus and at the district that align with legal and local policies to ensure that district and campus goals are met;
- revise the job description for the district's business manager position to align expected qualifications and required job experience to industry standards;
- realign duties and responsibilities of the district's Business Office staff to reduce risk for fraud, waste, and abuse, and establish internal controls over financial management activities;
- establish a new human resources specialist position whose primary responsibility is to organize and effectively manage all district HR processes; and
- review and update all district job descriptions annually to ensure alignment with the actual job titles and responsibilities staff perform.

#### **DISTRICT AND DEPARTMENTAL PROCEDURES**

The procedures that guide Marlin ISD operations are inconsistent and ineffective. These include procedures for communication among district leadership, curriculum management, financial oversight, teacher recruitment and retention, and procedures guiding access to the district's business and student information system, Texas Enterprise Information System (TxEIS).

Effective procedures begin with the Marlin ISD Board of Trustees. The board lacks an effective model for communication and oversight of district operations. They have not established a policy review and communication process, and have not established formal expectations for communication with the superintendent. Contract

management procedures is another important area of oversight for the board. For example, with the district's legal services, the district could not produce a written contract or letter of engagement defining the relationship between the board and any attorney or firm providing legal services to the district. This lack of documentation is inconsistent with board policy and makes the tasks of monitoring legal performance and costs challenging.

Having a clearly defined and documented procedure for an effective curriculum management system is critical to the success of any school district. Marlin ISD does not have a formal process for selecting, reviewing, revising, aligning, or evaluating the district's curriculum. Marlin ISD lacks written procedures identifying who is involved in the curriculum process, what actions they should take, nor a specific timeline for review and revision. During onsite interviews, Marlin ISD staff indicated that the district does not have a formal process for selecting the district's curriculum; staff also reported confusion regarding which components of the curriculum system are supposed to be used and how the system is to be implemented in the classroom. Principals reported that they review lesson plans and provide the teachers feedback, but the district has no written procedures to document that this review and monitoring is a standard process. The review team found little evidence of any consistent districtwide attempts to use the student performance data to modify instruction, address areas of weaknesses in performance, or consider additional interventions as needed.

Marlin ISD also lacks adequate Business Office procedures for financial management and does not communicate financial information to district stakeholders. The district has a written document called Business Office Guidelines; however, the business manager has not distributed it to the campuses and departments. In addition, several sections of the guidelines do not meet minimum state and federal requirements, including: standards of conduct, conflicts of interest, vendor performance, sealed bids or sealed requests for proposals, and the vendor list. The lack of knowledge about the district's financial practices can decrease the district's operating efficiency, increase costs, and affect morale.

The ability to attract, recruit, and retain highly qualified teachers is a challenge for Marlin ISD. However, the district lacks a comprehensive plan to effectively attract and retain teachers or identify and address the issues contributing to turnover. The district's teacher turnover rate has increased

from 27.5 percent to 52.8 percent from school years 2009–10 to 2013–14. In school year 2013–14, Marlin ISD's teacher turnover rate was 36.6 percentage points higher than the state average and 34 percentage points higher than the average turnover rate of districts in Region 12. In school year 2013–14, the average number of years teachers had been employed with Marlin ISD was 4.5 years compared to a state average of 7.6 years. Additionally, the district struggles to recruit new teachers. The DIP outlines several teacher recruitment strategies, but district staff could not identify any strategies the district completed during school year 2014–15. Without the implementation of a focused, aggressive recruitment plan and a structured mentoring program to support and foster all new hires, including administrators, the district has not established a culture of academic excellence.

Marlin ISD does not effectively manage user access to its business and student information system, TxEIS, which supports the operational and reporting requirements of the district. The district does not have policies or procedures for changing or reviewing user access to the system. The district also does not keep documentation on security changes to its accounting modules, historical access of student modules, or current user access. Without proper controls of TxEIS, the district is at risk of intentional or unintentional fraud, waste, or abuse of vital student and financial information.

To improve its district and departmental procedures, the district should:

- develop a comprehensive set of written procedures to ensure that board communication and oversight are conducted effectively;
- develop and implement a comprehensive curriculum management plan;
- establish comprehensive written procedures for financial management and improve budgeting and financial management communication with key district staff;
- develop and implement a districtwide strategic plan for the recruitment and retention of highly qualified teachers; and
- develop policies and procedures for managing user access to TxEIS.

**PROGRAMS AND SERVICES**

Marlin ISD has deficiencies in various programs and services that both directly and indirectly impact students, and are managed within multiple operational functions. The deficient areas include the disciplinary alternative education program, food service program, facilities maintenance, custodial services, and the district's transportation program.

Marlin ISD's Disciplinary Alternative Education Program (DAEP) does not provide appropriate instructional delivery services to students assigned to the program. Although documents provided to parents and the public indicate that students will be taught by certified teachers and receive social skills training, there are no certified teachers or counselors assigned to the DAEP; they do not visit or provide direct instruction, and most teachers do not provide assignments to the students. Marlin ISD staff reported that there have been students who have been assigned up to 30 days and teachers never visited them at the DAEP. Additionally, there are no records of daily progress reports being sent to parents.

The food service program is intended to support students' nutritional needs in an effective and efficient manner. Marlin ISD lacks a process to monitor and analyze Food Service Department revenues and expenditures, resulting in significant fiscal losses. The food service supervisor does not participate in the development of the budget for the Food Service Department, and the Business Office does not provide financial information for the Food Service Department. The Food Service Department determines the food cost of the menus before purchasing food, but the department does not consider revenues, labor, or nonfood items, and has experienced significant financial losses. Contributing to these losses is the Marlin ISD practice that allows students to receive more food items than the minimum requirement without paying extra, including selecting one entrée and as many additional items as they like. This practice is costly and potentially wasteful. It is possible to allow the student to make those additional selections at a la carte prices; however, including them with the meal at no cost to the student increases food cost and might increase plate waste.

Maintenance of district facilities provides a comfortable environment for student learning. Marlin ISD lacks an organized and comprehensive facilities maintenance scheduling and tracking system. The system does not have a formal inspection process for completed work. Additionally, the department lacks a process to effectively analyze work order completion times, costs, and staff productivity because

district staff does not complete the fields for recording parts, materials, and labor time. Without this data, the Custodial/Maintenance Department lacks a method to determine the full cost of the maintenance work completed and is unable to track the cost of repair or maintenance for specific building components or systems, the productivity of individual maintenance staff, and completed and pending work order requests.

In addition, Marlin ISD has not evaluated the responsibilities and workload for custodial services to ensure workload equity in all buildings. The district does not define or document custodial responsibilities to ensure that campus administrators understand those responsibilities in their buildings. When new custodians are assigned to an area of responsibility, the custodial/maintenance supervisor provides them with a walk-through of the campus that they will be responsible for cleaning. However, the district does not document these responsibilities in writing. Without documented work responsibilities for each custodian, it is difficult to determine if staffing is adequate and whether work tasks are fairly distributed.

Finally, an effective district transportation program ensures students safely arrive and depart each campus. Marlin ISD has not developed a defined and fiscally supported fleet replacement plan and has not established a methodology for vehicle preventive maintenance. The district lacks a replacement policy or plan to guide the department in the replacement of buses based on either age or mileage. The district also does not track the repair history of buses to ensure that buses requiring frequent repairs are replaced. The department does not use software to track and schedule preventive or reactive maintenance services. Instead, department staff log information and file vendor invoices to track fleet maintenance services. No district staff is assigned to periodically track and analyze bus metrics such as age, mileage, and condition, or to submit replacement requests. Without documentation showing that a bus has been appropriately inspected and maintained on a prescribed interval and that components are timely replaced, the district risks inadequate maintenance documentation.

The transportation program should also include a bus route evaluation and monitoring process, but Marlin ISD does not have this process. The district does not track data on the actual number of students assigned and riding each bus, and may not be effectively using its available seating capacity. Additionally, the district does not track bus run times or student ride times. Without this data, the district cannot

calculate key performance indicators such as capacity utilization and student ride times.

To improve its programs and services, the district should:

- develop and implement a Disciplinary Alternative Education Program that provides timely and effective instruction to students assigned to the program;
- perform a cost-benefit analysis of Food Service Department operations and develop standards for expenditures by category (food, labor, and nonfood) as a percentage of revenue;
- develop a plan to ensure that student meals meet but do not exceed U.S. Department of Agriculture minimum requirements;
- expand the collection of maintenance information to facilitate data analysis in the Custodial/Maintenance Department;
- develop, document, and communicate custodial responsibilities to provide improved guidance to custodial staff and adjust custodial workloads for a fair distribution of labor;

- develop a fleet replacement plan based on age, mileage, and repair history, and ensure funding for bus replacements;
- develop a process for the tracking and scheduling of preventive and reactive maintenance activities; and
- develop an efficient bus routing process.

The chapters that follow contain a summary of the district's accomplishments, findings, and numbered recommendations. Detailed explanations for accomplishments and recommendations follow the summary and include fiscal impacts.

Each chapter concludes with a fiscal chart listing the chapter's recommendations and associated savings or costs for school years 2015–16 through 2019–20. The following figure summarizes the fiscal impact of all 51 recommendations in the performance review.

#### FISCAL IMPACT

	2015–16	2016–17	2017–18	2018–19	2019–20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
Gross Savings	\$72,898	\$72,898	\$72,898	\$72,898	\$72,898	\$364,490	\$0
Gross Costs	(\$13,866)	(\$18,616)	(\$18,616)	(\$18,616)	(\$18,616)	(\$88,330)	(\$141,018)
<b>Total</b>	<b>\$59,032</b>	<b>\$54,282</b>	<b>\$54,282</b>	<b>\$54,282</b>	<b>\$54,282</b>	<b>\$276,160</b>	<b>(\$141,018)</b>



# CHAPTER 1. DISTRICT ORGANIZATION AND MANAGEMENT

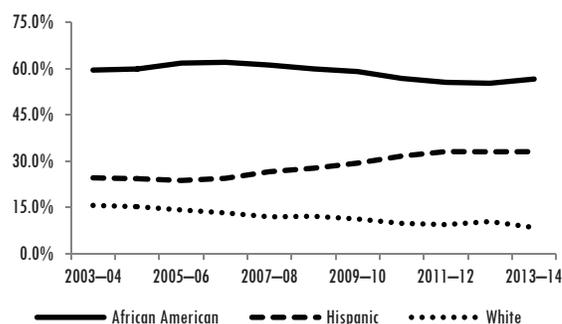
An independent school district's governance structure, staff management, and planning process provide the foundation for effective and efficient education of students. An elected seven-member board of trustees governs most school districts in Texas, ideally working in partnership with the superintendent of schools. The board sets goals, objectives, and policies and approves plans and funding necessary for school district operations. The superintendent is responsible for implementing policy, managing district operations, recommending staffing levels, and allocating the resources to implement district priorities. The board and superintendent collaborate as a leadership team to meet district stakeholder needs.

Marlin Independent School District (ISD) is located in Falls County, Texas, which covers 756 square miles. Marlin, the county seat, is located at the intersection of Texas Highways 6 and 7, about 22 miles southeast of Waco. During school year 2013–14, the district had three campuses: Marlin High School, Marlin Middle School, and Marlin Elementary School. Marlin ISD's student enrollment for school year 2013–14 was 965 students, according to the Texas Education Agency's (TEA) Public Education Information Management System (PEIMS). Of these 965 students, 88.4 percent are classified as economically disadvantaged, 13.8 percent are English Language Learners, and 65.5 percent are considered to be at-risk.

The student population of Marlin ISD has changed significantly in the past 10 years. Marlin ISD's student enrollment dropped more than 30 percent from school years 2003–04 to 2013–14. **Figure 1–1** shows the Marlin ISD student population by ethnicity for school years 2003–04 to 2013–14.

In school year 2003–04, 59.5 percent of the students were African American, 24.6 percent were Hispanic, and 15.7 percent were White. Ten years later, 56.6 percent of the students were African American, 33.1 percent of the students were Hispanic, and 8.5 percent were White. The district is governed by a seven-member school board, which consists of five single-member districts and two at large members. As of October 2015, two positions were vacant. **Figure 1–2** shows the board members and their years of service at the time of the review.

**FIGURE 1–1**  
**MARLIN ISD STUDENT ETHNICITY**  
**SCHOOL YEARS 2003–04 TO 2013–14**



SOURCE: Texas Education Agency, Texas Academic Performance Reports, school years 2003–04 to 2013–14.

**FIGURE 1–2**  
**MARLIN ISD BOARD OF TRUSTEES**  
**SCHOOL YEAR 2014–15**

NAME	TITLE	TERM EXPIRATION	YEARS SERVED
Lowanda Washington Sais (1) (2)	President	May 2015	21
Roger Nutt (2)	Vice President	May 2016	17
Tania Baker (1) (2)	Secretary	May 2016	8
Debra Levels-McDavid	Trustee	May 2017	4
Steve Johnson (2) (3)	Trustee	May 2015	9
Lisa Silvas	Trustee	May 2017	1
Rosalyn Dimerson	Trustee	May 2017	1

NOTES:

- (1) The board positions previously occupied by Lowanda Washington Sais and Tania Baker are vacant as of October 2015.
- (2) Board President Lowanda Washington Sais and Board Secretary Tonia Baker resigned their board seats in 2015. Roger Nutt was elected by the board as board president, and Steve Johnson was elected as board vice president.
- (3) Steve Johnson was reelected to the board in May 2015.

SOURCE: Marlin ISD, April 2015.

The board has a combined 60 years of experience, with two members serving more than 15 years, two members having in excess of five years of service, and three with less than five years of service. Since 1987, the district has used a single member/at large governance model. The last four elections have been uncontested. The board meets on the third Tuesday of each month at 6 P.M.

At the time of the review, the district had an interim superintendent who began working in this role in April 2015. A permanent superintendent was subsequently hired in May 2015. The superintendent's role, which is addressed in the section regarding board policy, is to oversee the management and daily operations of the district.

### ACCOMPLISHMENT

- ◆ Marlin ISD coordinated a two-day event at the beginning of school year 2014–15 for all staff to improve school culture and student learning.

### FINDINGS

- ◆ Marlin ISD does not have a clearly defined reporting structure, which contributes to ineffectiveness and inefficiency.
- ◆ Marlin ISD's Board of Trustees lacks an effective model for communication and oversight of district operations.
- ◆ Marlin ISD's district and campus improvement plans are not being effectively used to guide operations.

### RECOMMENDATIONS

- ◆ **Recommendation 1: Establish a clear organizational structure that is consistent with actual reporting practices in the district and links campus leadership to district administration.**
- ◆ **Recommendation 2: Develop a comprehensive set of written procedures to ensure that board communication and oversight are conducted effectively.**
- ◆ **Recommendation 3: Form a site-based decision-making committee at each campus and the district that aligns with legal and local policies to ensure that district and campus goals are being met.**

### DETAILED ACCOMPLISHMENT

#### DISTRICTWIDE PLANNING EVENT

Marlin ISD coordinated a two-day event at the beginning of school year 2014–15 for all staff to improve school culture and student learning.

Marlin ISD previously either participated in a regional convocation at Baylor University with other school districts, or the district coordinated its own event. At the start of school year 2014–15, Marlin ISD expanded on this event with a two-day learning event. The event took place at Texas A&M University before the start of the teacher contract window, and teachers were paid a stipend to compensate them for their participation. Based on a review of the agenda, the primary focus of the event was to improve the culture of the school by inspiring the teachers' thinking. District leadership organized the two-day event and other activities during the previous school year. Event topics included the following:

- Transforming to a Culture of Universal Achievement;
- Llama Training: A Fresh Look at Classroom Management;
- The Guiding Principles of No Excuses University (facilitated by each campus principal);
- The Exceptional Systems of No Excuses University (facilitated by each campus principal);
- Differentiated Parent Support;
- Standards Alignment and Assessment (facilitated by campus principals);
- Data Management (facilitated by campus principals);
- Intervention (facilitated by campus principals); and
- World Changers...Do Something!

Some topics such as transforming to a culture of universal achievement were formatted to be whole-group learning activities to ensure all teachers attending the event heard and learned the same material. Other agenda activities were led by the principals of each campus. The event planners grouped campus teachers together to find answers to questions relative to student achievement. Another element of the agenda was the addition of planned reflection periods during the day. Reflective practice models are reinforced when organizational leaders provide opportunities for staff to contribute to the event in small- or whole-group settings. The data collected

during the reflection sessions can be useful for future planning and for understanding the participants' mindset during the event.

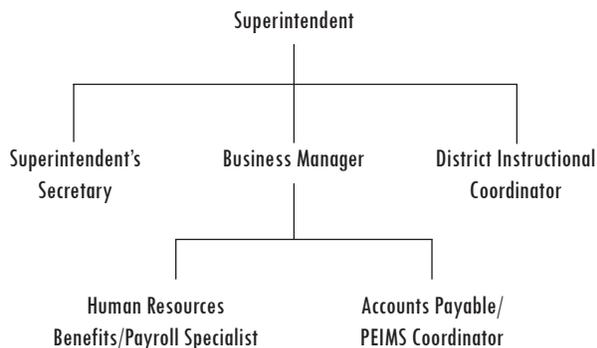
**DETAILED FINDINGS**

**DISTRICT ORGANIZATION (REC.1)**

Marlin ISD does not have a clearly defined reporting structure, which contributes to ineffectiveness and inefficiency.

The organizational charts provided by Marlin ISD show each campus and department within the district on a separate page. The first page of the document, Administration, is shown in **Figure 1-3**. Subsequent pages show the staff assigned to the three campuses. Following campus staff pages are pages that show the organization of the Special Education, Transportation, Maintenance, and Food Service departments.

**FIGURE 1-3  
MARLIN ISD ADMINISTRATION ORGANIZATION  
SCHOOL YEAR 2014-15**



NOTE: PEIMS=Public Education Information Management System.  
SOURCE: Marlin ISD, April 2015.

The organizational chart submitted by the district shows the reporting structure at the campuses and support departments. However, campus principals and department heads are not linked to district administration. Additionally, some staff's understanding of the reporting structure in the district contradicted the organizational charts. For example, the career and technology director and special education director stated that they report directly to the superintendent, which the interim superintendent corroborated. However, the organizational chart shows these positions reporting to the high school principal.

The failure to provide a connection between the superintendent and the individuals who lead the campuses results in an organizational break, which contributes to staff confusion, especially for staff who are new to the district. The district's attainment of goals is driven by campus improvement, and disorganized campus leadership can negatively affect student learning outcomes. Failure to have a clear and direct line between the superintendent and campus and department leadership contributes to organizational ineffectiveness.

One example of this ineffectiveness is Marlin ISD's inconsistent completion of staff performance appraisals. Board Policy DN (LOCAL) requires that all district employees be periodically appraised in the performance of their duties and that an annual conference be held to discuss the evaluation. Campus principals and the directors of the Special Education, Transportation, Maintenance, and Food Service departments reported they had not received written evaluations in the previous three years. These statements were corroborated by the interim superintendent. Without regular job performance evaluation, employees miss the opportunity to receive input from their supervisor which impairs both individual and organizational effectiveness. This finding is described in further detail in the Human Resources chapter of this report.

A 2009 paper from the Bridgespan Group, a nonprofit advisor, identifies decision making and structure as key components of organizational design. When effective decision making and structure are factored into organizational design, the following outcomes can be achieved:

- clear vision and priorities;
- cohesive leadership team;
- clear roles for accountabilities;
- organizational structure that supports objectives;
- organizational and individual talent necessary for success;
- performance measures and incentives aligned to objectives;
- superior execution of programmatic work processes;
- effective and efficient support processes and systems;
- high performance values and behaviors; and
- capacity to change.

Marlin ISD should establish a clear organizational structure that is consistent with actual reporting practices in the district and links campus leadership to district administration. The superintendent should work with the board and staff to revise the organizational structure. **Figure 1-4** shows a potential revised organization. The recommended structure would not require any new positions but would clarify the reporting relationship between central administration and campus and department leadership in the district.

The superintendent must have a clear understanding of the primary and secondary roles and responsibilities of district staff that report directly. This understanding includes elaborating the responsibilities of the existing administrative positions in the district, and should be communicated in writing to staff. The superintendent should hold a meeting of all directly reporting staff to clarify their roles and responsibilities relative to the goals and objectives of the district.

This recommendation could be implemented with existing resources.

**BOARD AND DISTRICT COMMUNICATION SYSTEMS (REC. 2)**

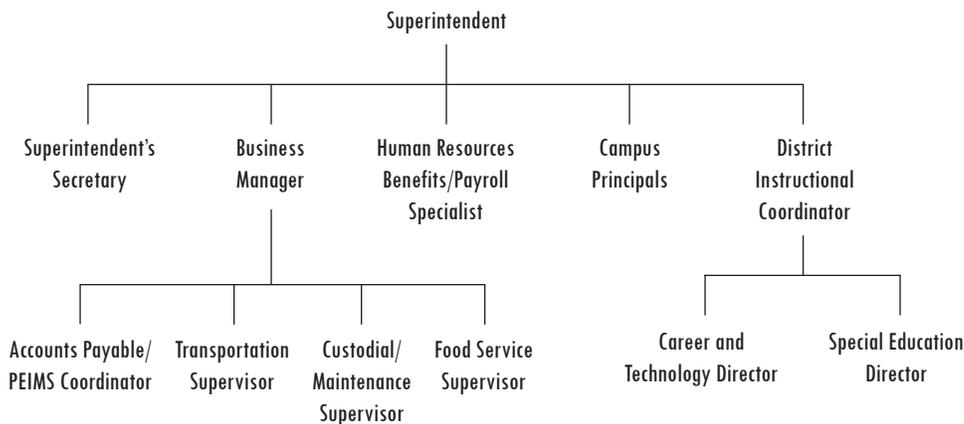
Marlin ISD’s Board of Trustees lacks an effective model for communication and oversight of district operations.

The Marlin ISD Board of Trustees has not established a policy review and communication process. The Texas Association of School Boards (TASB) provides periodic policy updates to districts. The updates are intended to ensure district policy aligns with changes in the law. Board members typically receive meeting agendas and information a few days before the meetings take place. Board members address any questions about this information to the superintendent, who responds, although there is no written record of these exchanges. The district does not maintain written documentation of the process used for policy review or for communicating policy modifications to employees after the board takes action. The district instructional coordinator, the business manager, campus principals, and other leadership are not included in the policy review process.

The board has also not established formal expectations for communication with the superintendent. Communication between the superintendent and board members in the periods between school board meetings consists primarily of undocumented telephone or face-to-face conversations. Emails are the only written record of communication from the superintendent to the board; however, board members reported that telephone conversations, which are undocumented, are the primary means of communication.

The board oversees the hiring and supervision of the superintendent, and is responsible for ensuring that the

**FIGURE 1-4  
MARLIN ISD RECOMMENDED ORGANIZATIONAL STRUCTURE**



NOTE: PEIMS=Public Education Information Management System.  
SOURCE: Legislative Budget Board, School Review Team, April 2015.

superintendent is fulfilling the responsibility of leading the district. The district maintained one contract for a former superintendent dated April 15, 2014, and one evaluation dated February 18, 2014. No other contract or evaluation was on file for the superintendent position. Using the evaluation form, the board is able to provide feedback to the superintendent in 10 areas using a numerical scale and comments. The second area in the evaluation, school or organization morale, included a notation by one of the board members that states, “Still needs goals!” This detail is important because that former superintendent had joined the district in 2012, and the comment suggests the superintendent had not provided the board with goals two years into his contract.

Another important area of oversight for the board relates to legal services and costs. Board Policy BDD (LOCAL), regarding the board’s internal organization attorney, states that the services to be performed by the attorney and the compensation to be paid by the board must be stated in a written contract. Although the district has had a long-standing relationship with one attorney, the district could not produce a written contract or letter of engagement defining the relationship between the board and any attorney or firm providing legal services to the district. The individual whom the district identified as its primary attorney corroborated this lack of documentation. A review of check registers from 2012 to 2015 found multiple references to legal services. One firm was paid \$18,700 during this period. Another firm was paid \$437 from school years 2012–13 to 2014–15, and a third firm was paid \$950 during the same period. These payments total \$20,087 during a three-year period.

Superintendent tenure is also a challenge for Marlin ISD. According to TEA’s *Texas School Directory*, the district has had seven superintendents in the past 10 years. A 2006 study by the American Association of School Administrators reported that the mean tenure for superintendents is five to six years. During the past decade Marlin has had a mean tenure for superintendents of 1.4 years. This rapid change in leadership may contribute to inconsistency in leadership and may be a symptom of poor oversight on the board’s part.

Board Policy BAA (LEGAL), regarding board legal Status, powers, and duties, provides a comprehensive framework of the mandatory powers and duties of the school board. The policy outlines 19 required tasks the board shall accept as elected representatives of the community. **Figure 1–5** shows some of the required tasks in which the board’s practices are not consistent with the policy.

A 2011 article published by the Center for Public Education, “Eight Characteristics of an Effective School Board,” discusses the necessary elements of an effective school board. The eight characteristics identified state that effective school boards do the following:

- commit to a vision of high expectations for student achievement and quality instruction and define clear goals toward that vision;
- have strong, shared beliefs and values about what is possible for students and their ability to learn, and of the system and its ability to teach all children at high levels;
- are accountability-driven, spending less time on operational issues and more time focused on policies to improve student achievement;

**FIGURE 1–5  
MARLIN ISD BOARD PRACTICE COMPARED TO BOARD POLICY  
SCHOOL YEAR 2014–15**

REQUIREMENT	MARLIN ISD
Adopt a vision statement and comprehensive goals for the district and the superintendent, and monitor progress toward those goals.	The district has adopted a vision statement and goals. However, the board does not appear to be consistently monitoring progress. The board held 41 meetings from January 2012 to December 2013, and only one mention was made of progress monitoring on board minutes during this period.
Ensure the superintendent is accountable for achieving performance results, recognize performance accomplishments, and take action as necessary to meet performance goals.	The board is not consistently monitoring and providing feedback on superintendent progress; the previous superintendent was evaluated one time during his three-year tenure.
Publish an annual educational performance report as required pursuant to the Texas Education Code, §39.306.	The district could not provide an annual educational performance report to the review team, nor is there one available on the district’s website.
Publish an end-of-year financial report for distribution to the community each year.	The most recent financial report on the Marlin ISD website is from school year 2011–12.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015.

- have a collaborative relationship with staff and the community and establish a strong communications structure to inform and engage internal and external stakeholders in setting and achieving district goals;
- are data-savvy; they embrace and monitor data, even when the information is negative, and use it to drive continuous improvement;
- align and sustain resources, such as professional development, to meet district goals;
- lead as a united team with the superintendent, each from their respective roles, with strong collaboration and mutual trust; and
- take part in team development and training, sometimes with their superintendents, to build shared knowledge, values, and commitments for their improvement efforts.

An article published in 2008 by the National School Public Relations Association, “Responsible Communication Builds Strong Relationships,” discusses the benefits of regular communication from the board to the community. The article presents the following six concepts intended to address board communication:

- hold yourselves responsible for communicating with and engaging your community;
- recognize communication as an important management function and hold your administration accountable;
- develop a strategic communication plan tied to your district’s mission, goals, and objectives;
- speak with one clear voice on behalf of your students and schools;
- establish a culture of effective, two-way communication and engagement with all stakeholders; and
- demonstrate accountability through effective school governance standards supported by effective communication.

Other districts have implemented best practices in this area. Marble Falls ISD has developed a model of practice that ensures board members receive regular communication from the superintendent between meetings. The superintendent distributes a weekly email message that provides updates on events and news about upcoming events. The Marble Falls

ISD board members reported that the weekly communication is an excellent tool. The superintendent in Marble Falls ISD also uses the local newspapers to communicate with the community by writing a monthly column about district events.

The Marlin ISD Board of Trustees should develop a comprehensive set of written procedures to ensure that board communication and oversight are conducted effectively.

The superintendent should introduce a weekly written form of communication with the board, such as a weekly letter or memo, and ensure that this document is distributed on a specific day and time each week. This correspondence would provide information to board members and contribute to open communication.

The board and the superintendent should also develop and implement an annual community review and goal-setting session. This meeting will allow district leaders to inform community members about school operations and activities. Such an event will require approval from the board as the first step. The second step will be to assign the task to a team of campus employees assembled to develop the event. The event then should be held and an evaluation produced and shared with the board and community.

Finally, the district should develop a written contract for legal services. This contract could be coordinated with the district’s primary legal representative. The agreement should be in the form of a contract or letter of engagement that satisfies board policy.

This recommendation could be implemented with existing resources.

### ***DISTRICT AND CAMPUS IMPROVEMENT PLANS (REC. 3)***

Marlin ISD’s district and campus improvement plans are not being effectively used to guide operations.

State law requires districts to develop campus improvement plans (CIPs) and a district improvement plan (DIP). At the district level, the purpose of the DIP is to guide district and campus staff in the improvement of student performance for all student groups to meet standards for the state student achievement indicators. The CIP is a plan that sets the educational objectives for each campus and notes how resources and time will be allocated in the school year to meet the determined objectives. Marlin ISD has developed two-year CIPs and a DIP, but it has not formed campus and district committees in accordance with board policy. The

district engages in limited progress monitoring at the district and campus levels.

TASB developed three policies to align district practice with state law through the CIPs and DIP. These policies include: Board Policy BQ (LEGAL), regarding the planning and decision-making process; Board Policy BQA (LEGAL), regarding planning and decision making at the district level; and Board Policy BQB (LEGAL), regarding planning and decision making at the campus level. Each of these legal policies also has a local policy, which school boards pass independently of legal policy to authorize districts to align local practices with the statute.

These board policies detail the establishment of district- and campus-level, site-based, decision-making (SBDM) committees by: requiring that these committees include Marlin ISD staff, business and community members, and parents; defining these categories; and requiring at least two-thirds of the Marlin ISD staff to be teachers. The policies also describe required activities that the committees must perform, such as establishing a meeting schedule, disseminating communication to district stakeholders, consulting with the superintendent, developing and evaluating the district improvement plan, reviewing dropout data, and assessing the effectiveness of the local dropout prevention program.

However, the district does not have district- or campus-level committees that comply with these policies. Board meeting agendas, minutes, and other documents do not refer to SBDM committees at the district or campus levels. District and campus staff reported in interviews that the district does not have campus-level committees, as required by policy.

Marlin ISD has been assigned either a TEA conservator or monitor for several years. At the TEA monitor's recommendation, the superintendent formed the District Leadership Team (DLT) in September 2014. The DLT consists of the superintendent, the three campus principals, and the district instructional coordinator. Before this, the district did not appear to engage any progress monitoring of the DIP and CIPs at the district level. Staff reported that the elementary principal has an informal progress-monitoring process. However, no documentation, such as agendas, minutes, or meeting notes details these efforts. This district-level committee does not qualify as an SBDM committee, in accordance with board policy, because it does not include parents or business and community members.

The DIP and CIPs are intended to accomplish goals through strategies and action steps. However, the CIPs consist almost entirely of information taken directly from the DIP and do not address the individual needs of each campus. Each goal has associated objectives and strategies. The DIP contains the required strategies and action steps, but the CIPs vary slightly from this. The plans do not indicate how they were developed and what staff were involved, and little evidence shows how the plans are implemented in the district.

Additionally, the board does not regularly review the progress made in achieving district goals outlined in the DIP. Minutes from the November 2012 board meeting show the board and the superintendent received the CIPs and DIP and voted to approve the plans unanimously. The minutes from Marlin ISD board meetings from January 2012 to December 2014 include only one instance in which the board discussed district goal setting or progress monitoring. A note in the school board minutes from September 2012 states, "the main goal for the board and district is to become academically successful throughout the district." However, no documentation shows that the board discussed the DIP, CIPs, or progress toward the goals and objectives. The board did not request nor did the superintendent provide a progress report about the DIP or CIPs during this meeting.

The Marlin ISD board, superintendent, and district staff do not monitor progress on the DIP and CIPs. Failure to do so results in the district lacking updates on district progress and ultimately hinders the district's improvement. Improvement plans that are boilerplate and do not address specialized needs have limited value. An effective improvement plan provides unique goals for improving an organization. The district is not maximizing its resources by expending time and effort on meeting generic improvement goals that are not tailored to each campus.

Additionally, failure to establish a site-based committee at the district or campus levels is a violation of state law and of district policy. Lack of involvement in the campus and district improvement process by stakeholders impedes progress, and failure to implement law and policy could lead to sanctions from governmental organizations.

TEA and Regional Education Service Center XII (Region 12) provide material intended to assist districts in developing district and campus goals and monitoring progress. TEA publishes a resource guide to SBDM committees for school districts on its TEA website. Region 12 has similar materials and provides direct technical assistance to districts.

Marble Falls ISD developed an SBDM model and process to achieve district goals. The model results in a decision-making process that goes beyond goal setting and includes community stakeholders. Each campus establishes a committee, which includes an administrator, teachers from various grade levels and programs, paraprofessional staff, parents, community, and business representatives. Additionally, the superintendent appoints staff from the central office to each campus committee. The campus committee meets regularly to monitor progress and address campus issues.

Brownsville ISD developed a strategy to address the gap between plan initiation and progress monitoring. Brownsville ISD began by assigning action team leaders and members who were appointed to be responsible for various elements of the district plan. The district developed a calendar of meetings for the action teams, and written and oral reports are provided to the board twice a year. The district records management officer maintained written reports of these meetings as evidence of district progress.

The Marlin ISD superintendent should form a site-based decision-making committee at each campus and the district that aligns with legal and local policies to ensure that district and campus goals are being met.

The superintendent should assign the district instructional coordinator with assembling the SBDM committees and ensuring that their compositions comply with state law and local policy. The district instructional coordinator should then inform the board that these committees have been formed in accordance with board policy and ensure that all SBDM committees receive training in the procedures related to board policies.

The district should develop a schedule of meetings with specific focus on monitoring the progress of the district's goals. The superintendent and board should designate agenda items in future board meetings for goal progress monitoring during the school year.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 1. DISTRICT ORGANIZATION AND MANAGEMENT</b>							
1. Establish a clear organizational structure that is consistent with actual reporting practices in the district and links campus leadership to district administration.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Develop a comprehensive set of written procedures to ensure that board communication and oversight are conducted effectively.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Form a site-based decision-making committee at each campus and the district that aligns with legal and local policies to ensure that district and campus goals are being met.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

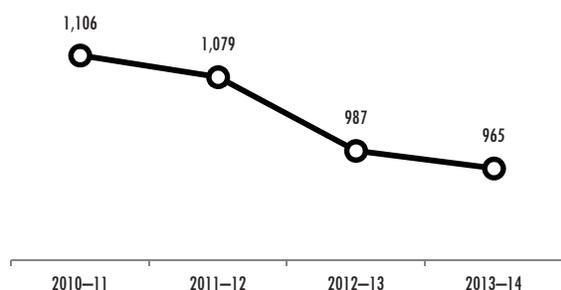
## CHAPTER 2. EDUCATIONAL SERVICE DELIVERY

An independent school district's educational service delivery function is responsible for providing instructional services to Texas students based on state standards and assessments. A school district should identify students' educational needs, provide instruction, and measure academic performance. Educational service delivery can encompass a variety of student groups and requires adherence to state and federal regulations related to standards, assessments, and program requirements.

Managing educational services is dependent on a district's organizational structure. Larger districts typically have multiple staff dedicated to educational functions, while smaller districts have staff assigned to multiple education-related tasks. Educational service delivery identifies district and campus priorities, establishes high expectations for students, and addresses student behavior. The system should provide instructional support services such as teacher training, technology support, and curriculum resources. To adhere to state and federal requirements, an educational program must evaluate student achievement across all content areas, grade levels, and demographic groups.

Marlin Independent School District (ISD) includes three campuses: one elementary campus, one middle school campus, and one high school campus. **Figure 2-1** shows Marlin ISD's student enrollment from school year 2010-11 to 2013-14.

**FIGURE 2-1**  
**MARLIN ISD ENROLLMENT BY SCHOOL YEAR**  
**SCHOOL YEARS 2010-11 TO 2013-14**



SOURCE: Texas Education Agency Snapshots Marlin ISD, school years 2010-11 to 2013-14.

Student enrollment in Marlin ISD decreased during the four-year period shown in **Figure 2-1**. Since school year 2010-11 when the total district enrollment was 1,106 students, enrollment has decreased 13.5 percent. The percentage decrease in enrollment is significantly larger than the 2.3 percent decrease in the total population of the community.

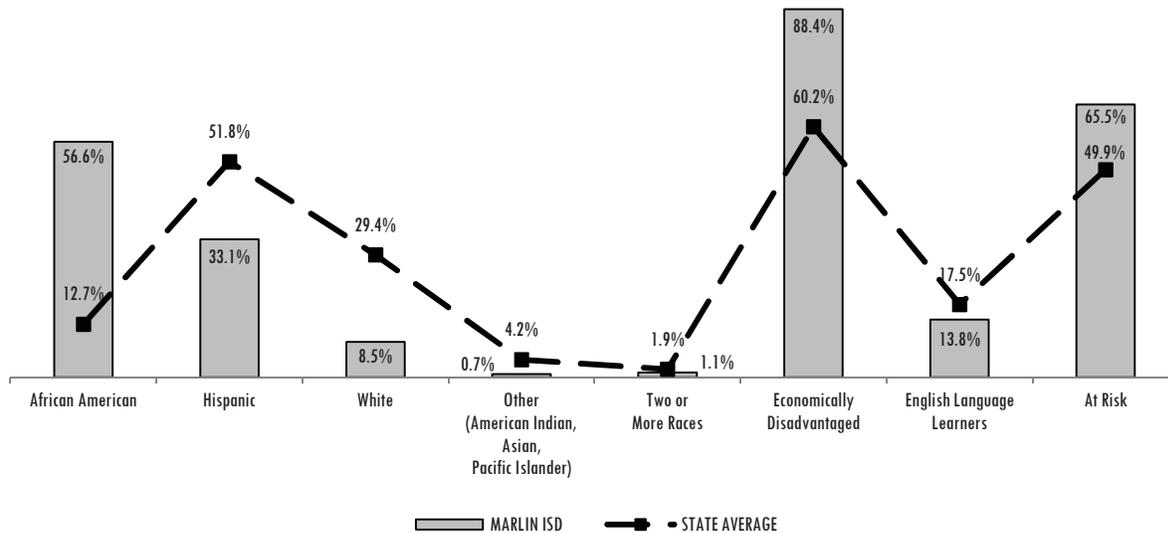
**Figure 2-2** shows the demographics of Marlin ISD students compared to state averages. Marlin ISD has a much larger population of African American students, economically disadvantaged students, and at-risk students than the state as a whole.

**Figure 2-3** shows state accountability ratings for Marlin ISD and identified peer districts from school years 2008-09 to 2013-14. Peer districts are districts similar to Marlin ISD that are used for comparison purposes in this report.

For school years 2008-09 to 2010-11, the state's accountability system identified districts and campuses as Academically Unacceptable, Academically Acceptable, Recognized, or Exemplary. In school year 2011-12, the state of Texas did not issue accountability ratings due to a change in the state assessment instrument from the Texas Assessment of Knowledge and Skills (TAKS) to the State of Texas Assessments of Academic Readiness (STAAR). In school year 2012-13, the new accountability system was based on ratings of Improvement Required or Met Standard. As shown in **Figure 2-3**, Marlin ISD was rated Academically Unacceptable in school year 2010-11 and received the comparable unsatisfactory rating, in accordance with the new rating system, of Improvement Required in school years 2012-13 and 2013-14.

In school year 2013-14, the Texas Education Agency (TEA) reconstituted Marlin Middle School due to chronic low performance and low accountability ratings. The Texas Education Code (TEC), Section 39.107(a)-(d), requires that after a campus has been identified as unacceptable for two consecutive school years, the commissioner shall order the reconstitution of the campus. Reconstitution of a campus includes the institution of a campus intervention team that determines which educators may be retained at that campus. The TEC further specifies that teachers of a subject assessed by an assessment instrument pursuant to TEC, Section

**FIGURE 2–2  
MARLIN ISD STUDENT DEMOGRAPHICS  
SCHOOL YEAR 2013–14**



SOURCE: Texas Education Agency, Academic Performance Report, school year 2013–14.

**FIGURE 2–3  
MARLIN ISD AND PEER DISTRICTS STATE ACCOUNTABILITY RATINGS  
SCHOOL YEARS 2008–09 TO 2013–14**

SCHOOL YEAR	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY CISD
2008–09	Academically Acceptable	Academically Unacceptable	Recognized	Academically Acceptable
2009–10	Academically Acceptable	Academically Acceptable	Recognized	Recognized
2010–11	Academically Unacceptable	Academically Acceptable	Academically Acceptable	Academically Acceptable
2011–12	No Academic Rating Available			
2012–13	Improvement Required	Improvement Required	Met Standard	Met Standard
2013–14	Improvement Required	Improvement Required	Improvement Required	Met Standard

SOURCES: Texas Education Agency, Texas Academic Performance Reports, school years 2012–13 to 2013–14; Academic Excellence Indicator System (AEIS) reports, school years 2008–09 to 2011–12.

39.107(4)(b-1), may be retained only if the campus intervention team determines that a pattern exists of significant academic improvement by students taught by the teacher.

Similarly, in an effort to evaluate a district’s academic and financial efficiency and effectiveness, and to monitor progress toward standards, TEA also assigns accreditation statuses pursuant to TEC, Section 39.052(b) and (c), to each district in the state. Accreditation statuses are based on the following measures:

- State academic accountability ratings;
- Financial Integrity Rating System of Texas (FIRST) ratings;
- Compliance with data reporting requirements;
- Special program effectiveness as measured by the Performance-Based Monitoring Analysis System (PBMAS); and
- Compliance with statutory and regulatory requirements.

**Figure 2–4** shows Marlin ISD’s accreditation status from school years 2010–11 to 2013–14.

As shown in **Figure 2–4**, Marlin ISD was assigned Accredited–Warned status by TEA in school years 2010–11, 2011–12, and 2013–14. The state did not assign accreditation statuses in school year 2012–13 as TEA did not assign academic accountability ratings for 2012–13. The Accredited–Warned status means that a district exhibits serious performance deficiencies that, if not addressed, will potentially result in probation or revocation of the district’s accreditation status. In schools years 2010–11 and 2011–12, the district was given an Accredited–Warned status due to the findings of a special accreditation investigation and related patterns of district performance. Specifically, the special accreditation investigation revealed “significant and systemic weaknesses in Marlin ISD’s academic and special programs, finances, and operations.” In addition, for five consecutive years, Marlin Elementary School has received Academically Unacceptable ratings. Pursuant to receiving the Accredited–Warned status, in a letter from the superintendent to parents and guardians to apprise them of the district’s accreditation status, Marlin ISD purported to address deficiencies through the implementation of “a districtwide plan that addresses student achievement, continuing professional development for professional staff, and ongoing assessment of systematic processes.” After Marlin ISD received an Accredited–Warned status, the district became subject to more intensive state oversight and was required to implement corrective action and appropriate interventions. In addition, districts receiving the Accredited–Warned status may be subject to additional accreditation sanctions.

TEA assigned two conservators to Marlin ISD in school year 2010–11 because of concerns with the district’s special education services related to the special education cooperative Marlin ISD belonged to. According to district staff, when

participating in cooperative services, the district overidentified students for special education at rates that exceeded the state average. With guidance and direction from the TEA conservators, the district initiated a move to sever the agreement with the cooperative, but the Board of Trustees tabled the discussion in December 2011. In fall 2013, the board approved the separation from the cooperative, and as of school year 2014–15, the district handles special education placement and services. On February 14, 2014, the Texas Commissioner of Education removed one of the conservators. The district conservator, now titled a monitor, was originally assigned to the district in 2011 and has continued to focus on issues related to special education services and supporting academic improvement. In the January 2015 TEA compliance visit, Marlin ISD special education services were deemed compliant.

In school year 2012–13, TEA assigned a Professional Service Provider (PSP) to Marlin ISD to assist the campuses in efforts to improve accountability performance. PSPs are experienced educators (e.g., former principals, superintendents, district administrators) who provide technical assistance to campuses with required interventions in the Texas Accountability Intervention System (TAIS). PSPs help low-performing school districts implement the TAIS Framework and serve as a member of the campus intervention team, which is required on campuses with low performance in the state accountability system as stipulated in TEC, Section 39.106(a). The PSP has assisted all three campuses in the TAIS process for the last two years by working with principals and campus leadership teams with data analysis and the development, monitoring, and revision of the respective campus improvement plans, including required targeted plans and the integration of the targeted plans into the campus plans. Moreover, the PSP conducts classroom observations, monitoring, advising, and reporting to TEA.

**FIGURE 2–4  
MARLIN ISD AND PEER DISTRICTS STATE ACCREDITATION STATUS  
SCHOOL YEARS 2010–11 TO 2013–14**

SCHOOL YEAR	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY CISD
2010–11	Accredited – Warned	Accredited	Accredited	Accredited
2011–12	Accredited – Warned	Accredited	Accredited	Accredited
2012–13	No Accreditation Status Available			
2013–14	Accredited – Warned	Accredited	Accredited	Accredited

SOURCE: Texas Education Agency Accreditation Statuses, school years 2010–11 to 2013–14.

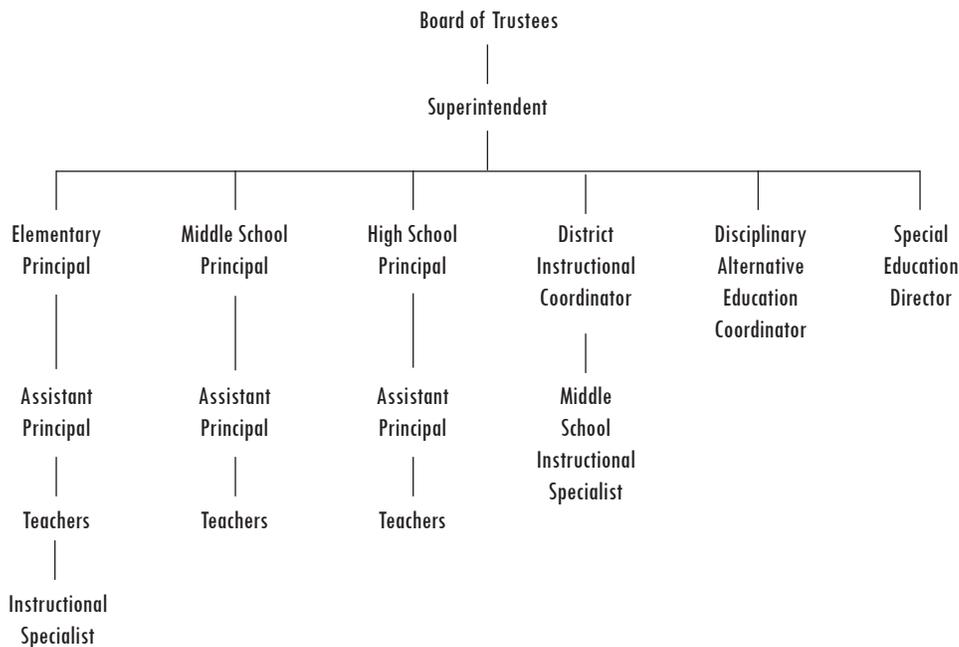
As a result of continued low performance, on March 24, 2015, in a letter from TEA, Marlin ISD was assigned Accredited–Probation status “due to the ratings assigned to the district in the state’s academic accountability rating system.” Specifically, Marlin ISD had been assigned the academic accountability rating of Improvement Required for three consecutive academic years. This downgraded status results in multiple levels of increased supervision, guidance, and support from TEA to avoid the potential assignment of the Not-Accredited-Revoked status, which would mean that TEA no longer recognizes Marlin ISD as a Texas public school district.

TEA announced in September 2015 that it planned to revoke Marlin ISD’s accreditation and that the district would be closed effective July 2016. Subsequently, the commissioner of education decided to abate the assignment of the school year 2015–2016 accreditation status until the 2016 academic and financial accountability ratings are released. If Marlin ISD receives a preliminary academic accountability rating of Improvement Required or a preliminary financial

accountability rating of Substandard Achievement for 2016, TEA will appoint a new board of managers and superintendent. If Marlin ISD receives a final academic accountability rating of Improvement Required or a final financial accountability of Substandard Achievement for 2016, the commissioner will assign a school year 2015–2016 accreditation status of Not Accredited-Revoked and order closure of the district.

Marlin ISD’s organizational structure for educational service delivery has all campus and department leadership reporting directly to the superintendent. The middle school instructional specialist reports to the district instructional coordinator. The two elementary school instructional specialists report to the elementary principal. The two elementary school instructional specialists report to the elementary principal. All assistant principals report directly to the campus principals, and all teachers reported to assistant principals. The district instructional coordinator plans professional development of teachers and assists principals and campus staff with disaggregation of student data. **Figure 2–5** shows Marlin ISD’s organization chart for educational service delivery.

**FIGURE 2–5  
MARLIN ISD ORGANIZATION FOR EDUCATIONAL SERVICE DELIVERY  
SCHOOL YEAR 2014–15**



SOURCES: Legislative Budget Board School Review Team; Marlin ISD; April 2015.

## FINDINGS

- ◆ Marlin ISD lacks an effective curriculum management system.
- ◆ Marlin ISD does not have a formal process to evaluate outcomes of programs and interventions.
- ◆ Marlin ISD lacks a consistent and effective districtwide behavior management system.
- ◆ Marlin ISD's Disciplinary Alternative Education Program does not provide appropriate instructional delivery services to students assigned to the program.
- ◆ Marlin ISD does not offer a comprehensive program to meet the instructional needs of students who are identified as gifted and talented.

## RECOMMENDATIONS

- ◆ **Recommendation 4: Develop and implement a comprehensive curriculum management plan.**
- ◆ **Recommendation 5: Develop a systemic plan for formal program evaluation.**
- ◆ **Recommendation 6: Develop, implement, monitor, and evaluate an effective behavior management system.**
- ◆ **Recommendation 7: Develop and implement a Disciplinary Alternative Education Program that provides timely and effective instruction to students assigned to the program.**
- ◆ **Recommendation 8: Develop and implement a comprehensive gifted/talented program to meet the instructional needs of identified students.**

## DETAILED FINDINGS

### **CURRICULUM MANAGEMENT (REC. 4)**

Marlin ISD lacks an effective curriculum management system.

The district does not have a formal process for selecting, reviewing, revising, aligning, or evaluating Marlin ISD's curriculum. The district also has no written procedures detailing who is involved in the curriculum process, what actions they should take, nor a specific timeline for review and revision.

Marlin ISD's school year 2014–15 District Improvement Plan (DIP) states that the district will implement the district

curriculum consistently in all core content classrooms. To achieve this goal, the DIP states that Marlin ISD will develop a process for curriculum alignment, train all teachers in the use of curriculum, develop a common assessment process, and implement the curriculum with fidelity. The review team found little evidence that the district had developed or implemented any of these strategies.

The review team requested documents from the district relating directly to curriculum, specifically: a curriculum audit; a timeline of the curriculum development cycle; and internal procedures or guides that address the administration, monitoring, or evaluation of the curriculum. The district was not able to provide any of this documentation.

Before school year 2014–15, Marlin ISD used CSCOPE, a curriculum management system produced by a consortium of regional education service centers. CSCOPE included lesson plans and a scope and sequence that provided a schedule specifying when during the school year teachers should provide instruction on specific Texas Essential Knowledge and Skills (TEKS). It also included documents to assist districts with curriculum alignment, instruction, and assessment. The CSCOPE system was modified and the name was changed to TEKS Resource System (TRS). Marlin ISD's school year 2014–15 DIP lists TRS as the official district curriculum. TRS is comparable to CSCOPE in its support documents and schedule, but does not provide the accompanying lesson plans that CSCOPE included.

During onsite interviews, Marlin ISD staff indicated that the district has no formal process for selecting the district's curriculum. Due to a high level of staff turnover in recent years, no one in the district was a part of the process of selecting CSCOPE, nor could anyone describe what that process was. When CSCOPE became TRS, the district continued to use this curriculum management system out of convenience and familiarity, not because of a thorough evaluation to determine if TRS was the best fit for the district.

A lack of understanding is apparent across the district regarding which components of the curriculum system are supposed to be used and how the system is to be implemented in the classroom. The district instructional coordinator said that teachers are supposed to use the system's instructional focus documents (IFD) as a scope and sequence. IFDs include unit plans, academic vocabulary, and concepts that logically group the TEKS into coherent units of instruction. However, during onsite interviews teachers and principals often reported they do not always use the IFDs and instead

use the year at a glance (YAG) as a scope and sequence. The YAG is a quick snapshot of an entire year's instructional plan providing a list of TEKS for a specific grade level subject divided into grading periods. Although the YAG and IFDs are essential parts of the curriculum system, the IFDs assist teachers in determining exactly what is to be taught in each unit with specificity and appropriate level of rigor. The YAG provides a calendar of what should be taught and when. If teachers are not using the IFDs or are not using them appropriately, all students may not be receiving the same level of instruction. For example, the YAG may tell all elementary math teachers that addition is supposed to be taught during a particular six weeks. However, the lesson plans and instruction that elementary teachers provide to students may vary greatly between classrooms if teachers are not certain which concepts of additions should be taught and which key concepts students should have. This variance in teaching can lead to a lack of horizontal alignment of the district's curriculum or problems with the degree to which an assessment matches the corresponding content standards for a subject area at a particular grade level.

The principals at all three campuses indicated that teachers use the YAG to develop lesson plans. The teachers then submit the lesson plans to the campus principal two weeks in advance. Principals review the lesson plans and provide the teachers feedback. Principals report that they are then supposed to monitor the implementation of the lesson plans by conducting walk-throughs. However, Marlin ISD has no written procedures to document that this review and monitoring is a standard process. Additionally, this process is not overseen at the district level and principals are not trained on how this process should be implemented. When interviewed, one principal stated they figured out the process by asking other campus staff, and another principal indicated they used their own curriculum review process they had learned at another district and it just happened to be similar to the one other Marlin ISD other principals were using.

Districts develop processes for curriculum review to effectively ensure a curriculum is aligned within and across grade levels. Marlin ISD, however, has no written procedures for reviewing its curriculum management system. The district instructional coordinator acknowledged the need to develop a formal process for curriculum review and revision; however, at the time of the onsite review, the district had not conducted this process. Interviews with campus administrators and instructional staff indicate that the district has an informal approach to curriculum and instructional practices.

Teachers rely on informal opportunities to discuss what works in the classroom and which resources are most effective. Some teachers use their own resources without a thorough vetting for alignment with the TEKS. The district does not use a consistent process to ensure that all teachers have access to information about available instructional materials and other supplemental resources needed for their classrooms, nor does the district provide adequate opportunities for horizontal and vertical alignment planning.

Marlin ISD uses data collection and data disaggregation to inform campus and district administrators, teachers, and students regarding the gaps between desired outcomes and the results concerning student achievement. The data includes: teacher-made formative assessments; six week tests in reading, writing, math, science, and social studies using test items from released state assessments; and benchmark assessments in reading, writing, math, science, and social studies, also using test items from state-released tests. However, the review team found little evidence of any consistent districtwide attempts to use the student performance data to modify instruction, address areas of weaknesses in performance, or consider additional interventions as needed. In addition, campus administrators and teachers have not been trained on how to use student performance data effectively, a key component for modifying the curriculum to meet student needs. Also, the results of student assessments are compiled by campus administrators and not collaboratively with the district instructional coordinator, instructional specialists or teachers. Without collaborative involvement, especially from teachers, the district may not effectively understand and address the needs of individual students or have a correct basis on which to develop and implement an effective intervention model.

Curriculum is closely aligned to standards, instruction, and assessment and includes best practices and assessment models, and is aligned to staff professional development. Districts develop written curriculum management plans to best meet the instructional needs of the students in the district. These plans are formal processes for how a district's curriculum is selected, reviewed, revised and aligned with assessment and accountability systems. Curriculum plans specify the expectations for students, teachers, aides, administrators, and parents.

The Association for Supervision and Curriculum Development provides guidance and sample operating procedures in *Developing Curriculum Leadership and Design*. The Alaska Department of Education and the Montana

Office of Public Instruction offer models for curriculum development, review, and revision, and guidance for implementation and evaluation of curriculum. At the district level, other examples of districts with effective curricula planning are Texarkana ISD and Ozark Public School District in Ozark, Missouri. Ozark Public School District's planning process for curriculum is tied closely to program evaluation and contains provisions for annual review and revision on a six-year cycle.

Marlin ISD should develop and implement a comprehensive curriculum management plan.

The comprehensive curriculum management plan should include written Standard Operating Procedures (SOPs) to ensure transparency and to standardize the process for managing curriculum. To develop a curriculum management plan with written SOPs, the district should identify a district curriculum committee. The committee should include the district instructional coordinator and administrators and teachers from the elementary, middle, and high school campuses. The committee should evaluate the process that currently exists and identify best practices in curriculum management to adopt in Marlin ISD. The team can review existing curriculum development and management plans from professional organizations and other districts. Collectively, the members of the committee should develop and describe formal steps and a timeline for a district process of curriculum review and revision. When complete, the new curriculum management plan should be presented to the superintendent and the board.

This recommendation could be implemented with existing resources.

#### **PROGRAM EVALUATION (REC. 5)**

Marlin ISD does not have a formal process to evaluate outcomes of programs and interventions.

Marlin ISD has implemented several new programs and initiatives to support district goals, but it lacks a formal process to evaluate outcomes related to these efforts. The absence of formal program evaluations means that the district does not have evidence to inform decisions regarding the continuation or modification of programs. The district provided the following list of programs for each campus:

- elementary school:
  - AR Test;
  - Think Through Math;

- Fun Brain;
- Starfall;
- Gagggle.net;
- Imagine Learning;
- Internet Safety;
- Computer Literacy Lessons;
- Sesame Street;
- ABC YA;
- Turtle Diary;
- PBS Kids;
- Spelling City; and
- EDU Place;
- middle school:
  - AR Test;
  - Think Through Math;
  - Imagine Learning;
  - Gagggle.net;
  - Career Cruising;
  - Music Theory;
  - Project Share; and
  - Writing Coach; and
- high school:
  - Gagggle.net;
  - Career Cruising;
  - Renaissance Learning;
  - Odysseyware; and
  - txMyZone.

The district lacks a formal process to evaluate the success of any of these programs. During onsite interviews, staff indicated that Marlin ISD has no process for surveying teachers or students on which programs work best nor does the district perform any data analysis to see how these programs have affected state test scores or student academic

achievement. The district also uses academic intervention strategies such as supplemental and pullout instruction and No Excuses University (NEU). Neither of these programs was included on the list provided by the district; however, both were discussed by administrative staff, instructional staff, and members of the board.

The district provides interventions and supplemental support for students who struggle academically and perform poorly on state assessments. Marlin ISD has invested considerable effort and fiscal resources on reading intervention at the elementary level. Elementary school interventions involve focus reading groups, intensive reading instruction in which students work on improving reading skills in as many as four class periods per day, and one-on-one tutoring by teacher preparation candidates through a partnership with Tarleton State University. Additionally, instructional interventionists work with elementary students in grades three to five to support reading and math instruction. Although each of these interventions appears to be appropriate, Marlin ISD does not have a plan to evaluate their effectiveness, and thus it is not possible to identify the true outcomes of the interventions.

For the past two years, the elementary school has been implementing NEU. NEU is a program that fosters an environment of high expectations for academic achievement for all students while supporting a college-going culture and holds adults, including parents, in the system accountable for the success of students. The intended outcomes of NEU are higher levels of student achievement and a positive school culture and climate. During onsite interviews, elementary school staff stated that the school has experienced some success with this program regarding student performance and behavior. However, there is no documented evidence available to support the perceived positive outcomes of NEU. The district is planning on extending the NEU concept to all the Marlin ISD campuses starting in school year 2015–16.

Formal evaluation of educational programs serves a number of purposes. As noted in *Designing Schoolwide Programs, Non-Regulatory Guidance*, a U.S. Department of Education report published for Title I schools, schools should:

“Conduct an annual review of the strategies in the schoolwide plan to determine if they are contributing to the desired outcomes either in terms of improvement in student achievement, or increases in other activities that lead to increased student achievement such as greater parental involvement or more high-quality professional development.”

Program assessment strategies for Title I can assist districtwide evaluation. These strategies can serve a range of valuable purposes, including:

- informing internal program management to help school leaders make informed decisions to improve the quality of their program;
- answering stakeholder questions to help them better understand how effectively the school is meeting its stated goals;
- increasing understanding of specific strategies to help the district determine the usefulness of the activities to increase student achievement; and
- promoting interest in and support of a program or activity by illustrating certain strategies, determining whether their outcomes improve student achievement, and increasing support for their use.

Austin ISD has a dedicated research department that evaluates the district’s programs. Although such scope is beyond the resources of small districts such as Marlin ISD, Austin ISD’s evaluation resources and processes provide examples of best practices in school program evaluation. For example, Austin ISD’s 2013–14 District Evaluation Plan lists planned evaluations for the year and includes a short description of the targeted evaluation activities, as shown in **Figure 2–6**.

Additionally, the Educational Testing Service (ETS) developed a resource guide to use as a basis for developing formal processes for evaluating educational programs. In the 2011 publication titled *Evaluating Educational Programs*, ETS outlines the phases of program evaluation: goal setting, measurement selection, implementation in the field setting, analysis, and interpretation and presentation of evidence. This document provides guidance for developing formal processes for evaluating programs and advocates for beginning the evaluation process before implementing programs and interventions.

Marlin ISD should develop a systematic plan for formal program evaluation.

Formalized evaluation will help district decision-making processes. A committee of district staff and stakeholders, preferably an existing committee, should meet and discuss the programs currently being implemented in the district. Marlin ISD’s Districtwide Educational Improvement Committee is a decision-making and advisory group that supports the board and superintendent in matters of

**FIGURE 2–6**  
**AUSTIN ISD EVALUATION COMPONENTS**  
**SCHOOL YEAR 2013–14**

SECTION	CONTENTS
Program Description	One paragraph describing the program being implemented in the schools.
Purpose of Evaluation	Two sentences describing the purpose for evaluating the program.
Evaluation Questions	Three to 10 questions that will help the district determine whether the program is effective.
Fiscal Considerations	Any factors related to money that may affect the evaluation.
Data Collection	Brief description of the data that will be used to measure effectiveness of the program.
Data Analyses	Explanation of how the data will be analyzed.
Timeline	Listing of important dates in the evaluation.
Required Reporting	Brief description of any stakeholders (such as federal government) in addition to the Board of Trustees
Program Support	Brief description of staff who will be involved in the evaluation.

SOURCE: Austin Independent School District, Department of Research and Evaluation Plan of Work, school year 2013–14.

planning, operations, policies and procedures, and it would be a good organizational source for the evaluation of programs. The committee can prioritize programs and develop evaluation plans for each program, using the Austin ISD model shown in **Figure 2–6**. Each evaluation plan should include the following components:

- purpose;
- evaluation questions;
- data sources and data collection procedures;
- timeline;
- methodology for analysis; and
- reporting structure and requirements.

The district should develop a report summarizing the evaluations each year. This report should be used by the district to determine if it should continue with or modify current programs.

This recommendation could be implemented with existing resources.

#### **BEHAVIOR MANAGEMENT (REC. 6)**

Marlin ISD lacks a consistent and effective districtwide behavior management system.

The Marlin ISD board adopted policies designed to ensure that the district adopts and implements a discipline management program to be included in the district improvement plan (DIP). Each school district in Texas is required to have a DIP that is developed, evaluated, and revised annually, in accordance with district policy, by the

superintendent with the assistance of the district-level DIP Committee. Marlin ISD's DIP for school year 2014–15 contained the following behavior goal: Marlin ISD will provide each student a safe and secure school environment in which to learn, with several objectives including the following:

Objective 3B: Implement Positive Behavior Interventions and Supports (PBIS) to address classroom and campus management discipline issues, including bullying, dating violence, and suicide prevention, in a positive and systemic manner, while utilizing the Student Code of Conduct for disciplinary infractions.

PBIS is a systems approach for establishing a continuum of proactive, positive discipline procedures for all students, all staff members, and all settings. Despite the existence of PBIS in district policy, staff reported that it is not consistently implemented with fidelity throughout the district. The majority of staff interviewed were not provided with any professional development for PBIS or any other discipline management techniques. During onsite interviews, one administrator stated Marlin ISD provides minimal training on the implementation and application of PBIS. Further, staff reported that the district is not consistently implementing behavioral management districtwide on campuses or on school buses. The review team found no substantive data to suggest that the PBIS objectives or strategies are part of campus-based planning initiatives or instructional programs.

The middle school principal indicated that she received campus-based PBIS training in school year 2014–15; however, due to extensive disciplinary issues at the middle

school, Marlin ISD determined that PBIS was not being effectively implemented at the campus. The district brought in a PBIS trainer contracted from Regional Education Center XII (Region 12) at midyear to provide additional training, and the middle school began to implement PBIS. Nevertheless, district staff consistently indicated in onsite interviews that disciplinary concerns were still a major problem at the middle school. Overall, staff reported that PBIS “fell through the cracks,” and strategies were not used with regularity at campuses, particularly the middle school.

Additionally, TEC, Section 37.001, requires school districts to establish and maintain a student code of conduct with provisions. **Figure 2–7** shows the TEC requirements for a district’s student code of conduct compared to Marlin ISD’s Student Handbook and Student Code of Conduct. Marlin ISD is not meeting all of the TEC, Chapter 37, requirements.

In addition, Board Policy FO (LOCAL) states that the Student Code of Conduct should be posted prominently and displayed at each campus or be made available for review in the principal’s office, on the website, and/or as a hard copy to students, parents, teachers, administrators, and others upon request. Furthermore, FO (LOCAL) outlines the details and conditions related to the following student discipline categories:

- revision process for the Student Code of Conduct;
- accessibility to students, parents, teachers, administrators, and others;
- extracurricular standards of behavior;

- general discipline guidelines;
- corporal punishment guidelines;
- disciplinary records;
- physical restraint; and
- video and audio monitoring and use of recordings.

However, Marlin ISD’s Student Code of Conduct does not contain any of the provisions listed above.

Marlin ISD parents indicated that they were concerned about behavioral management throughout the district. In a survey conducted by the review team, parents were asked if they agreed or disagreed with the following discipline-related statements:

- students feel safe and secure at school;
- school disturbances are infrequent; and
- students receive fair and equitable discipline for misconduct.

For all three of these statements, 50.0 percent of parents indicated that they disagreed or strongly disagreed, while 25.0 percent had no opinion and only 25.0 percent indicated they agreed or strongly agreed.

An analysis of the number of student discipline referrals at each campus has shown a pattern of inconsistent behavioral management across the district. **Figure 2–8** shows Marlin ISD’s student disciplinary referrals for school year 2013–14 compared to school year 2014–15.

**FIGURE 2–7  
MARLIN ISD STUDENT HANDBOOK AND STUDENT CODE OF CONDUCT COMPARED TO THE TEXAS EDUCATION CODE REQUIREMENTS  
SCHOOL YEAR 2014–15**

STATUTE	MARLIN ISD
Specify the circumstances in which a student may be removed from classroom, campus, disciplinary alternative education program (DAEP), school bus, or vehicle owned and operated by the district.	No; only the classroom is addressed
Specify the conditions that authorize or require a principal to transfer a student to the DAEP.	No
Outline conditions in which a student may be suspended.	No
Provide guidelines for setting the length of removal to the DAEP.	No
Address the notification of parents or guardians of a student’s violation of the student code of conduct.	No
Provide for the instructional and behavioral needs of students in special education programs.	No
Provide for the management of students in the classroom, on school grounds, and in a vehicle owned or operated by the district.	No

SOURCES: The Texas Education Code, Chapter 37; Marlin ISD Student Handbook and Marlin ISD Student Code of Conduct, school year 2014–15.

**FIGURE 2–8**  
**MARLIN ISD STUDENT DISCIPLINARY REFERRALS**  
**SCHOOL YEARS 2013–14 TO 2014–15**

SCHOOL	2013–14	2014–15	CHANGE
Elementary	1,780	558	(1,222)
Middle	498	1,434	936
High	1,004	418	(586)
<b>ISD total</b>	<b>3,282</b>	<b>2,410</b>	<b>(872)</b>

NOTE: School year 2014–15 data reflects the number of referrals as of April 2015.

SOURCE: Marlin ISD, April 2015.

Figure 2–8 shows a dramatic decrease in disciplinary referrals at the elementary and high schools and a substantial increase in referrals at the middle school. This inconsistency could be indicative of a lack of understanding or implementation of an adopted districtwide discipline management program. For example, during on-site interviews, high school teachers expressed concern that high school students were not being disciplined or held accountable for their actions. High school staff indicated that discipline management was not a high priority for the campus. In contrast, staff stated that the increase in referrals at the middle school was a result of campus administrators focusing on improving student behavior. The disparity between the number of referrals and the responses from district staff seem to indicate an inconsistent districtwide approach to enforcing disciplinary standards. The way that discipline is dealt with at each campus is subject to variability, as Marlin ISD staff are not trained on discipline management techniques or the fair and equitable assignment of consequences based on student behaviors.

The lack of a consistent and concise behavior management program that sets high expectations for student behavior and provides a clear, appropriate, and consistent set of consequences for misbehavior can impede student success and raising academic achievement. If clear, well-understood policies and procedures are not consistently enforced throughout Marlin ISD, unacceptable behavior will be dealt with inequitably and ineffectively. Without a comprehensive Student Code of Conduct, based on the requirements outlined in TEC Chapter 37, Marlin ISD may not maintain a consistent and concise behavior management program, resulting in the loss of instructional effectiveness and impeding improvement in student academic achievement. Also, if the district does not maximize the PBIS framework, they will not realize the benefits that this research-based program offers.

Arne Duncan, former Secretary of the U.S. Department of Education, recommended the adoption of *Guiding Principles: A Resource Guide for Improving School Climate and Discipline* in a letter to educators. Duncan encouraged educators to “take deliberate steps to create a positive school climate and prevent student misbehavior, ensure that clear, appropriate, and consistent expectations and consequences are in place to prevent and address misbehavior, and cultivate an expectation of continuous improvement driven by data analysis to ensure fairness and equity for all students.”

Morgan ISD, a small district in Bosque County in central Texas, effectively maintains student discipline with a detailed code of conduct that outlines the district’s standards for student behavior and consequences for violating these behaviors, discipline management techniques, prohibited activities, and procedures for removal of a student from and re-entry into school for disciplinary reasons. It also includes a glossary defining and explaining terminology to ensure that both students and parents clearly and consistently understand the terminology.

Marlin ISD should develop, implement, monitor, and evaluate an effective behavior management system.

The superintendent should begin this process by establishing a behavioral management committee. This committee should include selected campus and district administrators, teachers, department heads, counselors, and parents. The committee should then begin drafting a plan for the district’s student behavioral system. To assist the committee in the development of the plan, Marlin ISD should consider the following steps:

- initiate and implement a needs assessment to determine the stakeholder perception as it relates to the district behavior management plan;
- outline the required components of a student code of conduct as described in TEC, Chapter 37, and in district policies to develop a comprehensive Marlin ISD Student Code of Conduct based on requirements;
- review the needs assessment and address appropriate needs to the required components;
- review and evaluate any discipline efforts that are being implemented at various campuses and include these efforts in the district behavior management programs as appropriate; and
- develop a written district behavior management document based on the revised Student Code of Conduct and the findings from the needs assessment.

After the committee has drafted the behavioral management plan, the committee should submit it to the superintendent and board for approval. When the plan is approved, the district should do the following:

- post the behavior management plan on the district website and individual campus websites;
- train all district leaders in the implementation of the district behavior management plan;
- train all teachers and auxiliary staff in the implementation of the district behavior management plan;
- present the plan at campus parent–teacher meetings; and
- review the plan annually and provide trainings at the beginning of each school year.

This recommendation could be implemented with existing resources.

**DISCIPLINARY ALTERNATIVE EDUCATION PROGRAM (REC. 7)**

Marlin ISD’s Disciplinary Alternative Education Program does not provide appropriate instructional delivery services to students assigned to the program.

Marlin ISD’s Disciplinary Alternative Education Program (DAEP) for middle school and high school students is located in the Marlin Elementary School building. It is located in a hallway with three classrooms, one of which is used by the DAEP; the other two classrooms are vacant. The DAEP has a separate outside entrance and is secured from the remainder of the Marlin Elementary School by a locked door. In addition, DAEP students are provided separate restrooms.

The DAEP is staffed by one full-time DAEP coordinator. The coordinator’s job description provides no specific tasks to guide the coordinator’s daily work. Nothing on the job description indicates that it is the responsibility of the coordinator to provide assignments or direct instruction to students at the DAEP.

The DAEP room provides desks facing the wall to accommodate up to 12 students. In addition, the room has three computer workstations for credit recovery students. DAEP students are not permitted access to the computers, which was a directive from the former superintendent. DAEP students also do not have access to other remote real-

time audiovisual transmission or digitally recorded lessons that align to the Texas Essential Knowledge and Skills (TEKS). All grade levels share the single room, regardless of the type of offense or if the offense involved more than one student. For example, if two or more students were involved in a fight, they are placed together in the DAEP room. The DAEP coordinator does not have direct access to an outside phone line to report any emergencies or obtain immediate assistance if a crisis occurs. The available phone is connected to the school secretary who must be available for any outside line to be accessed.

The district has both a Marlin ISD Alternative Education Center Manual and a Marlin ISD Alternative Education Center Student and Parent Contract. The latter document requires parents and students assigned to the DAEP to follow all related policies and procedures. In addition, the documents describe the instructional program offered at the DAEP. **Figure 2–9** shows the daily schedule for all DAEP students.

**FIGURE 2–9  
MARLIN ISD DAEP DAILY SCHEDULE  
SCHOOL YEAR 2014–15**

7:30 A.M.	Breakfast, Advisory, Social Skills
8:00 A.M.	First Period—Mathematics
9:00 A.M.	Second Period—English Language Arts and Reading
10:00 A.M.	Third Period—Electives/Health/Physical Education
11:00 A.M. TO 12:30 P.M.	Fourth Period—Intensive Reading and Mathematics
12:30 P.M.	Lunch
1:00 P.M.	Fifth Period—Social Studies and History
2:00 P.M.	Sixth Period—Social Studies and History
3:00 P.M.	Dismissal

SOURCE: Marlin ISD Alternative Education Center Manual, school year 2014–15.

The documents state that in addition to the academic program, students receive training in the following areas:

- social skills;
- anger management;
- refusal skills;
- conflict management skills;
- improving relationships;
- service learning and community service;

- campus cleanup and beautification;
- Red Ribbon Week drug use prevention program; and
- other projects, as appropriate.

The Marlin ISD Disciplinary Alternative Education Center Manual states that a student's return to his/her home campus will be based on the student's success in academics, behavior as recorded in a daily progress report, and attendance. Each student is assigned to the DAEP for no more than 30 days.

Although documents provided to parents and the public indicate that students will be taught by certified teachers and receive social skills training, there are no certified teachers or counselors assigned to the DAEP. There is no evidence that teachers or counselors visit or provide direct instruction based on the daily schedule provided. During onsite interviews, staff indicated that teachers of record are expected to provide assignments for their individual students and to visit their students before school or during their conference periods; however, there are no written documents directing staff to perform those duties. Interviewees indicated that the expectations that teachers of record provide assignments and visit student daily are not met; in fact, teachers visit inconsistently, if at all. With the exception of the high school math teacher, teachers do not provide assignments. There are no records tracking teacher visits to the DAEP, assignments provided to students, or assignments retrieved from students. Marlin ISD staff reported that there have been students who have been assigned up to 30 days and teachers never visited them at the DAEP. Additionally, there are no records of daily progress reports being sent to parents.

The lack of formal instruction by qualified, certified teachers of record in each content area deprives DAEP students of up to 30 days of instruction. Without instruction and learning opportunities it is likely that DAEP students will be behind other students in coursework when they return to their regular classrooms. This lack of instruction may result in decreased student academic achievement and hinder the students' ability to meet standards on state accountability tests or be promoted to the next grade. Additionally, the lack of counseling and social education for the behavior that caused students to be placed in the DAEP potentially increases their chance of being reassigned to the DAEP.

The National Alternative Education Association outlines best practices for alternative schools in its 2014 publication *Exemplary Practices 2.0: Standards of Quality and Program Evaluation*. The authors of this document state that an

“exemplary nontraditional or alternative school is staffed with effective, innovative, and qualified individuals trained in current research-based teaching methods that facilitate active learning, promote creativity, and encourage self-evaluation.”

The publication further states that effective schools allow teachers to use “instructional practices and curriculum that are rigorous and inclusive, support the needs of second language and disabled students, and are individualized to meet the needs of all learners.” Effective alternative schools also include the following basic components:

- access to the academic and basic curriculum;
- options of curricula that reflect, but are not limited to, those offered in the general education setting;
- instruction that is designed to close gaps of individual students, delivered by teachers who identify and provide appropriate instruction; and
- differentiation in instructional strategies dependent upon individual student needs.

In addition, effective instructional delivery programs include digital or virtual learning opportunities that are aligned to state standards and are rigorous, prescriptive, and assessment-based. Further, effective programs have a counseling program that serves students and ensures the following:

- improvement of academic self-concept;
- improvement in academic skills;
- improvement in affective skills;
- development of an awareness of self, others, and the importance of working effectively in teams;
- acquisition of interpersonal skills to recognize, respect, and appreciate the differences in others; and
- development of a clear understanding of consequences of decisions and choices.

Marlin ISD should develop and implement a Disciplinary Alternative Education Program that provides timely and effective instruction to students assigned to the program.

The superintendent and the district instructional coordinator should begin this process by identifying a group of 10 to 12 stakeholders to form a steering committee that could include administrators, the DAEP coordinator, teachers, counselors, parents, and students. The committee's purpose should be to conduct a strengths, weaknesses, opportunities, and threats

(SWOT) analysis of current DAEP practices to identify specific areas for improvement. The committee should schedule a one-day SWOT analysis activity to complete this assignment. If Marlin ISD determines that a facilitator is needed, they should contact Region 12 for facilitation assistance.

When the analysis is complete, the committee should then make recommended changes to the DAEP and present these changes to the superintendent, curriculum and instruction administrators, DAEP coordinator, and selected parents for review. When the review is complete these changes should be approved by the board and incorporated into both district and campus plans as appropriate.

Based on the results of the analysis, Marlin ISD should also review and revise the DAEP coordinator’s job description to ensure that the design is purposefully implemented and that the coordinator and superintendent are accountable for the implementation.

No fiscal impact is assumed for this recommendation as the district should determine if the assistance of an experienced external SWOT facilitator is needed to effectively perform this analysis, and any costs associated with changes to the program cannot be estimated until changes are identified.

**ADVANCED ACADEMICS (REC. 8)**

Marlin ISD does not offer a comprehensive program to meet the instructional needs of students who are identified as gifted and talented.

**Figure 2–10** shows the number of students identified as gifted and talented (G/T) in Marlin ISD for school years 2009–10 to 2013–14.

**Figure 2–11** shows that during the past five years, the rate of identification for gifted and talented students in Marlin ISD has been below that of the state average. No federal agency collects data on the number of gifted and talented students identified; however, the National Association for Gifted Children (NAGC) notes that districts typically identify from 5.0 percent to 7.0 percent of students. By this measure, the district’s identification of 4.5 percent of students as G/T in school year 2013–14 is low.

Data obtained from onsite interviews and from a review of documents shows that Marlin ISD either does not provide instructional programs targeted to students who have been identified as G/T or cannot describe the services that are provided. Teachers and principals interviewed during the onsite review stated that they did not do anything specific for G/T students. Almost all staff interviewed indicated that the needs of G/T students were not adequately being met.

District and campus staff who responded to the review team survey responded negatively about the G/T program. Nearly half of central administrators, or 44.0 percent, disagreed or strongly disagreed that the district has an effective G/T program, while another 28.0 percent had no opinion. Similarly, 55.0 percent of district staff responded that they disagreed that Marlin ISD has an effective G/T program, while 18.0 percent had no opinion. Of the 13 programs district and campus staff were asked to evaluate in the review team’s survey, the G/T program received the most negative response.

Marlin ISD provides limited G/T services. The district has no specific supports or instructional opportunities for G/T students. The district instructional coordinator stated that

**FIGURE 2–10  
MARLIN ISD GIFTED AND TALENTED EDUCATION  
SCHOOL YEARS 2009–10 TO 2013–14**

SCHOOL YEAR	TOTAL ENROLLMENT	GIFTED AND TALENTED	PERCENTAGE OF ENROLLMENT	STATE PERCENTAGE
2009–10	1,100	39	3.5%	7.6%
2010–11	1,106	61	5.5%	7.7%
2011–12	1,079	60	5.6%	7.7%
2012–13	987	50	5.1%	7.7%
2013–14	965	43	4.5%	7.6%

SOURCES: Texas Education Agency, Texas Academic Performance Reports, school years 2012–13 and 2013–14; Academic Excellence Indicator System (AEIS) reports, school years 2009–10 to 2011–12.

**FIGURE 2–11**  
**MARLIN ISD ADVANCED ACADEMIC INDICATORS BY STATE, REGION, AND DISTRICT**  
**SCHOOL YEAR 2013–14**

MEASURE	STATE	REGION 12	MARLIN ISD
STAAR percentage at Postsecondary Readiness Standard	41.0%	26.0%	<b>17.0%</b>
STAAR percentage at Advanced Standard	15.0%	12.0%	<b>2.0%</b>
Recommended High School Program/Distinguished Achievement Program graduates (annual rate)	81.6%	77.0%	<b>54.4%</b>
Advanced course/dual enrollment completion	31.4%	24.1%	<b>10.6%</b>
College-ready graduates (English and math)	56.0%	51.0%	<b>30.0%</b>
Advanced Placement (AP)/International Baccalaureate (IB) students tested	22.1%	15.0%	<b>14.4%</b>
AP/IB percentage of examinees with at least one AP or IB score at or above the criterion score	50.9%	42.7%	<b>0.0%</b>
SAT/ACT students tested	63.8%	53.2%	<b>47.4%</b>
SAT/ACT percentage of examinees who scored at or above the criterion score on either test	25.4%	22.9%	<b>3.7%</b>

SOURCE: Texas Education Agency, Texas Academic Performance Report, school year 2013–14.

Marlin ISD uses the Test of Non-Verbal Intelligence (TONI) to assess students for G/T. The TONI is an assessment of nonverbal intelligence and is intended to measure a student's abstract problem-solving ability. At the time of onsite review, Marlin ISD used the TONI–2. The TONI–3 is now available and the district plans to use the new version. However, with the exception of the district instructional coordinator, staff were not able to articulate the process used to identify students who may be G/T. A principal stated that, since employment in the district, only one parent had requested to have their child tested to be placed into G/T, and that the principal was unsure of how to proceed. In addition, using nonverbal intelligence as the sole determining factor for inclusion in G/T services may place many students within the district at a disadvantage, especially those who may have disabilities. The instrument the district uses to screen for G/T also does not indicate the area(s) in which a student is gifted (e.g., intellectual, creative, or artistic). Thus, teachers may not have sufficient information to provide supplemental instruction or programming for G/T students.

Marlin ISD's school year 2014–15 DIP states that one of the district's goals is to "review the current services provided to gifted and talented students, including the identification process and, if necessary, develop a three-year improvement plan designed to enhance services and programs offered." The district has had this same goal in its DIP for each of the previous four years. However, during the onsite review there was no indication from staff or within district documents that any efforts have been taken to achieve this goal.

The Texas State Plan for the Education of G/T students specifies the requirements for G/T and provides guidance to schools for the development and delivery of G/T programs and services. The state plan is divided into five sections: Student Assessment, Service Design, Curriculum and Instruction, Professional Development, and Family/Community Involvement. Furthermore, within each section, the plan differentiates between programs that are in compliance, recommended, or exemplary, based upon the implementation of the G/T standards in the district's plan. The extent to which Marlin ISD is in compliance with state requirements is unclear because the district does not have a documented district plan. However, based upon the data that was available at the time of the review, Marlin ISD does not comply with the minimum requirements for G/T students identified in the state plan in any of the five sections.

Advanced academic indicators provide some perspective on how successful the district is at identifying and educating gifted and talented students. These indicators include how many students are achieving advanced scores on state assessments and college entrance exams. **Figure 2–11** shows advanced academic indicators for Marlin ISD students compared to students in Region 12 and statewide.

As shown in **Figure 2–11**, Marlin ISD students perform below state and regional averages for all college readiness indicators.

The NAGC has developed the prekindergarten to grade 12 Gifted Education Programming Standards. These standards provide guidance for the development and delivery of

comprehensive programs and services for G/T students. NAGC provides additional resources, such as an assessment and planning tool for aligning G/T programs and services to K–12 G/T standards, and a guide to plan and implement high-quality standards in G/T programs. Effective districts use these resources to guide the development and implementation of a comprehensive G/T program.

Killeen ISD operates a commendable G/T program. G/T students at the elementary level are served in “cluster classes” that allow for accelerated instruction in areas of talent. The district also provides Gifted Resource Rooms for enrichment and independent study. G/T students at the middle school level are served through course offerings in the core areas of English, math, science, and social studies. Teaching strategies and the pace and complexity of the course materials distinguishes these G/T courses from regular course offerings. High school students are offered special humanities courses in English and social studies in addition to AP coursework.

Marlin ISD should develop and implement a comprehensive gifted/talented program to meet the instructional needs of identified students.

The district should use NAGC’s gifted programming standards guide as a starting point for seeking to improve their G/T programs. NAGC has developed a snapshot survey

of G/T programming effectiveness factors that districts could use for self-assessment. The district instructional coordinator and the special education director should begin with these standards and complete an internal analysis, focusing first on the elementary level. The following activities should be completed:

- review the standards and resources developed by NAGC;
- develop a G/T program model for the district, including program standards, objectives, assessment and screening procedures, a plan for professional development, and an evaluation plan;
- solicit stakeholder input on the model and revise as necessary;
- submit the plan to the board for adoption;
- implement the model;
- evaluate implementation;
- revise the model based on evaluation; and
- monitor and revise as needed.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015–16	2016–17	2017–18	2018–19	2019–20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 2. EDUCATIONAL SERVICE DELIVERY</b>							
4. Develop and implement a comprehensive curriculum management plan.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5. Develop a systemic plan for formal program evaluation.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6. Develop, implement, monitor, and evaluate an effective behavior management system.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7. Develop and implement a Disciplinary Alternative Education Program that provides timely and effective instruction to students assigned to the program.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8. Develop and implement a comprehensive gifted/talented program to meet the instructional needs of identified students.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## CHAPTER 3. FINANCIAL MANAGEMENT

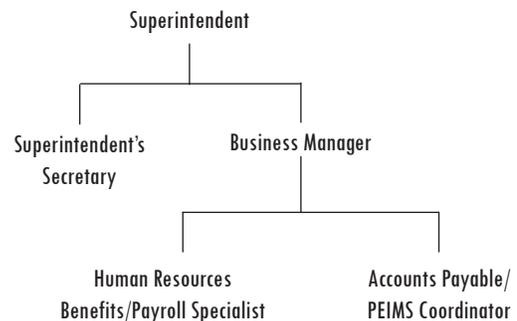
An independent school district's financial management function administers a district's financial resources and plans for its priorities. Administration may include budget preparation, accounting and payroll, administrative technology, tax appraisal and collection, and auditing. Planning may include aligning a district's budget with its district and campus priorities, allocating resources, and developing a schedule with milestones.

Financial management is dependent on a district's organizational structure. Larger districts typically have staff dedicated to financial functions, while smaller districts have staff with multiple responsibilities. Budget preparation and administration are critical to overall district operations. Financial management includes budget development and adoption, oversight of expenditure of funds, and involvement of campus and community stakeholders in the budget process. Managing accounting and payroll includes developing internal controls and safeguards, reporting of account balances, and scheduling disbursements to maximize funds. Management of this area includes segregation of duties, use of school administration software systems, and providing staff training. Texas state law requires all school districts to have an external auditor review the district's compliance with established standards and practices. The audit provides an annual financial and compliance report, an examination of the expenditure of Federal Funds, and a report to management on internal accounting controls.

The Marlin Independent School District (ISD) Business Office reports to the superintendent and is staffed by the business manager, the superintendent's secretary, the accounts payable/Public Education Information Management System (PEIMS) coordinator, and the human resources (HR)/benefits/payroll specialist. **Figure 3-1** shows the organizational structure of the Business Office.

The business manager has been in this position since November 2014. The business manager is responsible for directing and managing all of the district's financial and business affairs, including accounting, payroll, purchasing, risk management, and tax collection. The superintendent's secretary is responsible for providing administrative support to the superintendent and the Board of Trustees. The human resources/benefits/payroll specialist is responsible for

**FIGURE 3-1**  
**MARLIN ISD BUSINESS OFFICE ORGANIZATION**  
**SCHOOL YEAR 2014-15**



NOTE: PEIMS=The Texas Education Agency's Public Education Information Management System.  
SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, 2015.

maintaining and processing personnel and benefits changes and payroll. The accounts payable/PEIMS coordinator is responsible for managing the district's accounts payable activities and coordinating the collection and reporting of district PEIMS data to the Texas Education Agency (TEA).

Marlin ISD uses Texas Enterprise Information System (TxEIS), a state-sponsored financial management system and student administration software package for financial management, human resources, purchasing, and reporting. For fiscal year 2015, Marlin ISD adopted a budget of \$10.8 million, including revenue of \$7.5 million in state funding, \$2.3 million in property tax funding, \$599,080 in federal funding, and \$289,850 in other local funding. **Figure 3-2** shows Marlin ISD's approved budgets for fiscal years 2012 to 2015.

Instruction expenditures comprise 43.5 percent (\$4.7 million) of the district's fiscal year 2015 budget. The second largest expenditure in the fiscal year 2015 budget is facilities maintenance and operations at 13.8 percent (\$1.5 million). In fiscal year 2012, Marlin ISD increased the local district tax rate to \$1.04 for maintenance and operations and \$0.115 for debt service for a total of \$1.155 per \$100 of valuation. **Figure 3-3** shows Marlin ISD tax rates for fiscal years 2012 to 2015.

**FIGURE 3–2  
MARLIN ISD APPROVED BUDGETS  
FISCAL YEARS 2012 TO 2015**

CATEGORY	2012 BUDGET	2013 BUDGET	2014 BUDGET	2015 BUDGET
<b>Revenue</b>				
Local Tax Collections	\$2,272,325	\$2,281,582	\$2,339,681	\$2,349,983
State	\$8,128,388	\$8,164,909	\$7,305,779	\$7,585,549
Federal	\$733,240	\$642,561	\$646,713	\$599,080
Other Local	\$640,722	\$561,175	\$568,275	\$249,850
<b>Total Revenue</b>	<b>\$11,774,675</b>	<b>\$11,650,227</b>	<b>\$10,860,448</b>	<b>\$10,784,462</b>
<b>Expenditures</b>				
11 Instruction	\$4,178,737	\$4,393,539	\$4,125,595	\$4,716,217
12 Library and Media Services	\$139,339	\$112,605	\$111,385	\$120,169
13 Curriculum and Staff Development	\$122,096	\$13,827	\$12,355	\$10,122
21 Instructional Leadership	\$78,548	\$219,754	\$219,490	\$308,552
23 School Leadership	\$681,055	\$651,290	\$560,137	\$620,763
31 Guidance and Counseling Services	\$232,031	\$179,973	\$188,436	\$186,207
32 Social Work Services	\$67,369	\$116,374	\$119,905	\$133,794
33 Health Services	\$78,331	\$67,652	\$70,005	\$75,861
34 Student Transportation	\$566,099	\$445,177	\$403,581	\$397,712
35 Food Services	\$743,939	\$627,359	\$618,000	\$543,854
36 Cocurricular Activities	\$593,251	\$544,046	\$403,605	\$440,827
41 General Administration	\$704,200	\$757,286	\$586,870	\$598,929
51 Facilities Maintenance and Operations	\$1,572,360	\$1,464,885	\$1,327,974	\$1,494,946
52 Security and Monitoring	\$72,150	\$79,600	\$19,600	\$18,100
53 Data Processing Services	\$375,229	\$310,033	\$300,745	\$296,214
61 Community Service	\$2,435	\$2,931	\$1,900	\$1,987
71 Principal on Long-term Debt	\$742,655	\$745,445	\$749,865	\$745,208
93 Shared Services	\$858,804	\$876,032	\$470,000	
99 Other Intergovernmental Charges	\$111,300	\$111,200	\$115,000	\$130,000
<b>Total Expenditures</b>	<b>\$11,919,928</b>	<b>\$11,719,008</b>	<b>\$10,404,448</b>	<b>\$10,839,462</b>

NOTE: Categories for expenditures show the Texas Education Agency’s Public Education Information Management System function codes.  
SOURCE: Marlin ISD, Approved Adopted Budgets, fiscal years 2012 to 2015.

**FIGURE 3–3  
MARLIN ISD TAX RATES  
FISCAL YEARS 2012 TO 2015**

FISCAL YEAR	MAINTENANCE	DEBT SERVICE	TOTAL
2015	\$1.04	\$0.115	\$1.155
2014	\$1.04	\$0.115	\$1.155
2013	\$1.04	\$0.115	\$1.155
2012	\$1.04	\$0.115	\$1.155

SOURCE: Marlin ISD Tax Rate Statements, fiscal years 2012–15.

School districts use their general funds to pay for operating expenditures related to daily operations. A school district’s general fund balance is the difference between its total assets and liabilities. **Figure 3–4** shows Marlin ISD’s general fund balance for fiscal years 2010 to 2014. The optimum fund balance shown is calculated from a worksheet supplied by TEA based on projected cash flow and expenditures.

**Figure 3–4** shows that Marlin ISD maintains a positive fund balance in its general fund. In fiscal year 2013, Marlin ISD was required to pay \$2.0 million in questioned costs to TEA

**FIGURE 3–4**  
**MARLIN ISD FUND BALANCE, FISCAL YEARS 2010 TO 2014**

FISCAL YEAR	OPTIMUM FUND BALANCE CALCULATION	ACTUAL FUND BALANCE	DISTRICT VARIANCE
2010	\$7,870,255	\$6,714,517	(\$1,155,738)
2011	Not included in annual financial report	\$6,715,830	N/A
2012	\$4,445,524	\$6,594,700	\$2,149,176
2013	\$4,435,524	\$4,669,452	\$233,928
2014	Not included in annual financial report	\$5,238,825	N/A

NOTE: Optimal fund balances were not established by the district in 2011 or 2014.  
SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD Annual Financial Reports, fiscal years 2010–14.

for failure to submit documentation of time and effort used to drawdown grant funds. The district repaid these funds to TEA from its existing fund balance. Questioned costs are costs that are unallowable or unallocable to a grant fund and must be repaid from local funds. The payment of the questioned costs significantly reduced Marlin ISD's fund balance.

Texas school districts receive two financial accountability ratings. The School Financial Integrity Rating System of Texas (FIRST) indicates the quality of a district's financial management practices. The second financial accountability rating, the Comptroller of Public Accounts' Financial Allocation Study for Texas (FAST), is an average of the composite academic progress percentile and the district's spending index. Districts with the lowest spending, relative to similar districts, and the most academic progress receive

the highest scores. Each district is assigned a FAST rating of one to five stars, indicating its success in combining cost-effective spending with the achievement of measurable student academic progress. Five stars indicate the strongest relative progress combined with the lowest relative spending.

Two nonfinancial accountability ratings evaluate how the district is performing academically. The accountability rating measures academic performance and has two ratings, either Met Standard or Improvement Required. The accreditation status evaluates the combination of financial and academic performance ratings. TEA calculates the accreditation status using the academic accountability rating and financial ratings from FIRST. **Figure 3–5** shows Marlin ISD's school year 2013–14 accountability ratings compared to peer districts. Peer districts are Texas school districts similar to Marlin ISD that are used for comparison purposes.

## FINDINGS

- ◆ Marlin ISD qualifications for the business manager position are not consistent with high quality standards.
- ◆ The Marlin ISD Business Office lacks internal controls over transactional processing.
- ◆ Marlin ISD lacks adequate safeguards to protect items stored in the district's vault.
- ◆ Marlin ISD does not periodically perform audits of district financial activities to evaluate accounting systems and ensure policies and procedures are followed.
- ◆ Marlin ISD lacks adequate Business Office procedures for financial management and does not communicate financial information to district stakeholders.

**FIGURE 3–5**  
**MARLIN ISD ACCOUNTABILITY RATINGS COMPARED TO PEER DISTRICTS SCHOOL YEAR 2013–14**

DISTRICT	FIRST RATING	FAST SPENDING INDEX	FAST RATING	ACCOUNTABILITY RATING	ACCREDITATION STATUS 2014–15
Marlin ISD	Above Standard Achievement	Very High	2.0	Improvement Required	Accredited-Probation
Nixon-Smiley CISD	Above Standard Achievement	Average	2.5	Met Standard	Accredited
Natalia ISD	Superior Achievement	Average	3.0	Improvement Required	Accredited
Bloomington ISD	Superior Achievement	Low	2.5	Improvement Required	Accredited–Warned

NOTE: School Financial Integrity Rating System of Texas (FIRST) is based on data from the year before the issuance of a rate.  
SOURCES: Texas Education Agency School FIRST report, school year 2013–14; Comptroller of Public Accounts Financial Allocation Study for Texas (FAST) report, school year 2013–14.

**RECOMMENDATIONS**

- ◆ **Recommendation 9: Revise the job description for the district’s business manager position to align expected qualifications and required job experience to industry standards.**
- ◆ **Recommendation 10: Realign duties and responsibilities of the district’s Business Office staff to reduce risk for fraud, waste, and abuse, and establish internal controls over financial management activities.**
- ◆ **Recommendation 11: Implement controls to secure the items stored in the district’s vault.**
- ◆ **Recommendation 12: Perform periodic internal audits of financial activities to ensure district policies and procedures are followed.**
- ◆ **Recommendation 13: Establish comprehensive written procedures for financial management and improve budgeting and financial management communication with key district staff.**

**DETAILED FINDINGS**

**BUSINESS MANAGER QUALIFICATIONS (REC. 9)**

Marlin ISD qualifications for the business manager position are not consistent with high quality standards.

Marlin ISD does not include education and work experience requirements consistent with industry standards in its job description for the business manager position. The business manager is responsible for directing and managing the financial operations and business affairs of the district and serves as a financial advisor to the superintendent and the board. According to onsite interviews, the business manager lacks the knowledge and experience to perform financial management activities for the district. As a result, Regional Education Service Center XII (Region 12) performs many of the financial management functions for Marlin ISD, including bank reconciliations and cash flow forecasting. Region 12 also manages the district’s investments, and performs the drawdowns from federal grants. Marlin ISD paid Region 12 \$222,600 in fiscal year 2014 and \$157,916 as of April 2015 for fiscal year 2015 for these and other services. **Figure 3–6** shows the business manager duties performed or reviewed by Region 12.

**FIGURE 3–6  
MARLIN ISD BUSINESS MANAGER DUTIES PERFORMED OR REVIEWED BY REGION 12  
SEPTEMBER 2014 TO APRIL 2015**

MAJOR DUTIES	PERFORMED BY BUSINESS MANAGER	PERFORMED OR REVIEWED BY REGION 12	NOT PERFORMED
Evaluate accounting procedures, systems and controls; recommend improvements			X
Maintain a continuous auditing program for all funds			X
Ensure accounting systems comply with applicable laws			X
Develop cash flow analysis		X	
Maintain district investment portfolio	X		
Oversee monthly bank reconciliations	X	X	
Prepare and enter budget adjustments, additions and deletions	X	X	
Review and approve all purchase orders and check requests	X		
Prepare budget and develop long-term and short-term objectives	X	X	
Plan and conduct needs assessments for improving business operations			X
Develop estimates for student enrollment, staffing needs, facilities and maintenance needs, capital needs, and other costs	X	X	
Provide leadership to achieve cost-effective practices throughout the district	X		

**FIGURE 3–6 (CONTINUED)**  
**MARLIN ISD BUSINESS MANAGER DUTIES PERFORMED OR REVIEWED BY REGION 12**  
**SEPTEMBER 2014 TO APRIL 2015**

MAJOR DUTIES	PERFORMED BY BUSINESS MANAGER	PERFORMED OR REVIEWED BY REGION 12	NOT PERFORMED
Implement policies established by federal, state and local laws, rules, and regulations	N/A		
Compile and maintain all reports, records, and other documentation required	X		
Prepare monthly financial statements		X	
Publish comprehensive annual financial report	N/A		
Develop semiannual TEA financial submission	X	X	
Prepare monthly, quarterly, and final grant reports		X	
Maintain current and accurate inventory of fixed and movable assets	X		
Supervise maintenance of timely replacement of cost-asset listing for insurance	N/A		
Organize and conduct sales to dispose of surplus and salvage items	N/A		
Supervise opening of bids, tabulations, and preparation of written recommendations	X		
Prepare, review, and revise Business Office job descriptions	N/A		
Develop training options and/or improvement plans for employees			X
Evaluate job performance of employees			X
Recruit, train, and supervise personnel and make sound recommendations relative to personnel placement, assignment, retention, discipline, and dismissal	X		
Demonstrate awareness of district and community needs and initiate activities to meet those needs	X		

NOTES: Regional Education Service Center XII (Region 12) services that are listed are based on interview data acquired during the onsite review. Additional services may be provided by Region 12, which were not provided during the interviews. N/A activities are annual in nature and had not been performed for fiscal year 2015 at the time of the school review.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD job descriptions, June 2015.

As shown in **Figure 3–6**, many of the major duties of the business manager position are performed by both the business manager and Region 12. According to onsite interviews with district staff, Region 12 is teaching the business manager how to perform these functions, and all duties identified are reviewed by Region 12 before they become final.

**Figure 3–7** shows Marlin ISD business manager qualifications and the qualifications listed for school district business manager jobs that were posted on the Texas Association of School Administrators website at the time of the review. As shown, only one other school district, Garrison ISD, accepts a bachelor’s degree in education or school administration for the business manager position. Most school districts require

an accounting or finance degree to qualify for the business manager position.

When administration does not methodically develop job competencies in job descriptions, the district fails to search for and hire applicants who have experience and skills and are the best choices for executing their responsibilities. This practice often leads to costly employee turnover because employees cannot perform the duties and responsibilities for which they were hired. In addition, a district’s failure to hire qualified applicants can lead to increased costs to contract with external vendors to perform financial management tasks that staff is unable to perform. School districts develop and use job descriptions with high minimum requirements to ensure that the district recruits highly qualified applicants for

**FIGURE 3–7  
MARLIN ISD BUSINESS MANAGER QUALIFICATIONS**

QUALIFICATION	MARLIN ISD	HILLSBORO ISD	GARRISON ISD	WAEOLDER ISD	DAINGERFIELD- LONE STAR ISD	SAN BENITO ISD
Bachelor's degree in education administration	X					
Bachelor's degree in school administration			X			
Bachelor's degree in business-related field	X	X	X	X	X	
Bachelor's degree in accounting		X	X		X	
Master's degree			X			X
Advanced technical knowledge of school finance, budgeting, accounting systems, and economics	X	X		X	X	X
Working knowledge of financial applications and accounting	X	X		X	X	X
Strong communication, public relations, and interpersonal skills	X	X		X	X	X
5 years' experience in school business management or public organization	X				X	
4 years' experience in a school district business office		X				
3 years' experience in school business management or related field			X			
TASBO or CPA certification preferred, or ability to earn certification			X		X	

NOTES:

- (1) San Benito duties are performed by a chief financial officer position. The remaining ISDs show business manager positions.
- (2) TASBO=Texas Association of School Business Officials.
- (3) CPA=Texas Comptroller of Public Accounts.

SOURCES: Marlin ISD job descriptions, June 2015; Texas Association of School Administrators, April 2015.

the positions it posts. Comprehensive job descriptions capture the district's expectations for the minimum educational level, the skills needed to perform the job effectively, and the job experience the district deems important so that the applicant understands and can fulfill the responsibilities inherent in the job.

The International School Business Management Professional Standards and Code of Ethics developed by the Association of School Business Officials International states that "school business officials must be able to demonstrate, understand, and comprehend the principles associated with school finance, budgeting, financial planning, accounting, auditing, financial reporting, cash management, investments, and debt management for school business operations." The document provides the following standards for the areas of budgeting and financial planning, accounting, auditing, financial reporting, cash management, investment, and debt management:

**BUDGETING AND FINANCIAL PLANNING**

The school business official understands and demonstrates the ability to:

- prepare a budget calendar to meet the time constraints of budget preparation;
- use multiple approaches to determine reliable enrollment and personnel projections;
- forecast anticipated expenditures by program;
- identify various methods of budget analysis and management;
- apply statistical process control techniques for budgetary analysis;
- apply the legal requirements for budget adoption;
- prepare revenue projections and estimates of expenditures for school sites and districtwide budgets;

- recognize and explain internal and external influences on the budget;
- maximize state/national aide for the district;
- communicate the relationship between programs, revenues, and appropriations of the school district to the stakeholders;
- develop multiyear budgets that serve as a communications tool for the stakeholders;
- develop a financial model to monitor a school district's financial health; and
- analyze comparable data of other school districts.

#### *ACCOUNTING, AUDITING, AND FINANCIAL REPORTING*

The school business official understands and demonstrates the ability to:

- obtain the services of an internal and external auditor;
- establish and verify compliance with finance-related legal and contractual provisions;
- communicate the relationship between programs, revenues, and appropriations of the school district to the stakeholders;
- prepare, analyze, and report financial statements and supporting discussion documents to the board throughout the fiscal year;
- prepare a corrective action plan from the information conveyed in the annual audit report to improve financial tracking and reporting and internal controls, and to guide the implementation of the plan;
- apply concepts and standards of accounting relevant to the district's location;
- adhere to the accounting standards-setting governing body and prepare financial statements in accordance with the standards as issued by that body; and
- report the financial status of the district to the appropriate state agency in the appropriate regulatory format, which may be on a generally accepted accounting basis or on a customized or regulated basis of reporting.

#### *CASH MANAGEMENT, INVESTMENT, AND DEBT MANAGEMENT*

The school business official understands and demonstrates the ability to:

- select professional advisors or contractors, such as bond counsel, rating agencies, financial advisors, and underwriters;
- use lease purchasing and partner with other jurisdictions such as municipalities, counties, and other school districts;
- develop or recommend investment policies for the governing board to include investment objectives such as maximizing investment income and preserving the investment principal;
- develop specifications for the selection of banking and other financial services;
- apply the concept of compensating balances;
- comprehend procedures and legal constraints for cash collection and disbursement;
- calculate the yields and understand the risks of various investment options legally available to a school district;
- apply various methods of cash forecasting;
- apply appropriate types of short-term debt financing instruments available to school districts; and
- analyze monthly internal transfers and loans.

The Texas Association of School Boards (TASB) is a voluntary, nonprofit, statewide educational association that serves and represents local Texas school districts. TASB provides members with model job descriptions that are designed to be edited and revised to accurately reflect local job assignments, qualifications, and working conditions.

Marlin ISD should revise the job description for the district's business manager position to align expected qualifications and required job experience to industry standards. To implement this recommendation, the superintendent should revise the job description to include qualifications and skills that reflect the International School Business Management Professional Standards and Code of Ethics, and change the education requirement for the business manager position to

an accounting or finance degree. The superintendent should submit the revised job description to the board for approval. Upon approval, the district should compare the current business manager position's qualifications and experience to the revised job description requirements and take appropriate action as needed.

This recommendation could be implemented with existing resources.

### **INTERNAL CONTROLS (REC. 10)**

The Marlin ISD Business Office lacks internal controls over transactional processing. The district has not established adequate controls to assure appropriate segregation of duties in accounts payable and payroll processes. Segregation of duties refers to the division or segregation of key duties and responsibilities among different staff to reduce the risk of error or fraud. According to the U.S. Government Accountability Office, proper segregation of duties includes separating the responsibilities for authorizing transactions, processing and recording transactions, reviewing transactions, and handling any related assets so that no single position controls all key aspects of a transaction.

In Marlin ISD, the HR/benefits/payroll specialist processes personnel pay record changes and additions. The HR/benefits/payroll specialist also runs timecards and supplemental pay processes and reconciles payroll to the employee list. If the files reconcile, the HR/benefits/payroll specialist submits the payroll process in the district's accounting system. If the files do not reconcile, the HR/benefits/payroll specialist makes the appropriate adjustments, such as changes to pay rates or employee time worked, and then submits the payroll process in the district's accounting system. After the HR/benefits/payroll specialist submits the payroll process, she notifies the superintendent's secretary and the business manager to enter their passwords. Depending on who is available, either the business manager or the superintendent's secretary enters a password to complete the payroll process.

Neither the business manager nor the superintendent's secretary review payroll transactions to ensure accuracy. The lack of controls over the payroll process increases the risk for fraud because the HR/benefits/payroll specialist has the ability to initiate and modify employee files and process a payroll transaction against the entered payroll files. For example, the payroll process could allow the HR/benefits/payroll specialist to initiate a new direct deposit for an existing employee, increase the employee's pay, and divert the

increased amount to another account. Because no supervisory review of the payroll transactions occurs, this type of fraud could go undetected.

The Business Office accounts payable processes also lack adequate segregation of duties. The accounts payable/PEIMS coordinator enters and modifies vendors in the district's accounting system and processes accounts payable every month. The accounts payable/PEIMS coordinator reconciles invoices to packing slips or emails for received goods and services. The accounts payable/PEIMS coordinator reviews the pending vendor disbursement report generated in TxEIS and reconciles the report to the pending invoices. If no discrepancies show in the reconciliation, the accounts payable/PEIMS coordinator submits the vendor disbursement process in the district's accounting system. The accounts payable/PEIMS coordinator notifies the superintendent's secretary and the business manager to enter their passwords. Whichever individual is available enters a password, and checks generate with the required two signatures. No supervisory review of accounts payable processes exists to ensure that payments to vendors are accurate, authorized, and complete. Because no review process is in place, the accounts payable/PEIMS coordinator has the opportunity to establish vendors, modify purchase orders, and process vendor payments. This unreviewed practice could result in fraudulent payments to vendors or an opportunity for collusion between the accounts payable/PEIMS coordinator and a vendor.

In addition to a lack of segregation of duties, the review team identified several other internal control weaknesses. Authorized signatory officials are individuals allowed to sign and authorize payments from the district's bank accounts. Marlin ISD does not have procedures for changing authorized signatory officials with financial institutions. As a result, at the time of the onsite review, checks issued by the district had signatures of the former business manager and former superintendent. Former employees should not be authorized signatory officials. Marlin ISD did not provide the authorized officials list for bank accounts; however, if the former employees are not authorized officials, then Marlin ISD risks the bank not making payment on valid debts paid by the district.

Another internal control weakness identified during the onsite review is the district's maintenance of a debit card for the district's bank account in the former district superintendent's name. The district keeps the card in its vault and continues to use it. The superintendent's secretary uses

the debit card to book travel for board members and staff. During the former superintendent's tenure, the card was used to pay for food, travel, and other costs. Debit card reconciliations were not provided, thus the nature of the charges were not identified, such as whether the charges were for training or in-service meeting meals, materials or other supplies, or part of reimbursable travel. Business Office staff could not provide any information on the authorization of the debit card, purchasing restrictions, or card daily purchase limit.

The lack of segregation of duties between payroll and accounts payable transaction processing increases the risk for fraud, waste, and abuse. Improperly segregating duties could allow unauthorized or inaccurate changes to be made to purchases and payments. The lack of internal controls over the debit card, such as reconciliations, authorizations, and daily purchase limits, could result in large cash losses, because the district's debit card draws funds from the district's local maintenance account. Likewise, the practice of issuing checks with signatures of former employees could cause a potential signatory issue, the results of which can be cash losses for the district, vendor disputes, and problems with the district's depository agreement. For example, with access to the checks in the district's vault, former employees could obtain and issue checks on the district's account. The Association of Certified Fraud Examiners (ACFE) estimates the average fraud is \$145,000 per occurrence and a potential projected global fraud loss of nearly \$3.7 trillion in 2013. ACFE's *Report to the Nations on Occupational Fraud and Abuse*, 2014, shows that most fraud activities are perpetrated by individuals working in accounting, operations, sales, executive management, customer service, purchasing, and finance departments.

Segregation of duties strengthens internal control by reducing the risk of both erroneous and fraudulent actions. When key functions cannot be separated, a detailed supervisory review of related activities is required as a compensating control activity. Proper segregation of duties ensures that one position cannot complete end-to-end transactions without oversight. Internal controls help school districts work more efficiently and effectively, ensure compliance, improve reporting, and safeguard public resources.

TEA's *Financial Accountability System Resource Guide* (FASRG) describes the rules of financial accounting for school districts, charter schools, and education service centers. FASRG is adopted by the Texas Administrative Code, Title 19, Section 109.41. The FASRG Financial

Accountability and Reporting Update 14 provides standards and best practices for financial management and internal controls. FASRG provides general and specific guidance on the fundamental principles of an effective system of internal control and addresses the following topics:

- internal control defined;
- common types of control procedures;
- internal control check list; and
- suggested areas for consideration of the internal control.

The U.S. Government Accountability Office issued a revised *Standards for Internal Control in the Federal Government*, also referred to as the Green Book, in 2014. The report is an effective tool for local governments to evaluate the internal control system. The Green Book provides a framework for establishing and monitoring internal controls throughout the organization.

Marlin ISD should realign duties and responsibilities of the district's Business Office staff to reduce risk for fraud, waste, and abuse, and establish internal controls over financial management activities. To implement this recommendation, the superintendent and business manager should:

- Segregate the HR responsibilities from the payroll responsibilities. The district should eliminate the human resources/benefits/payroll specialist position to prevent a single position from managing both employee data entry and payroll. The district should develop a part-time payroll clerk position to handle payroll duties. The district should reassign HR duties, including the management of personnel additions, terminations, changes to pay or benefits, and duties related to addressing personnel issues. The Human Resources chapter of this report discusses the development of an HR specialist position that would assume the HR duties;
- Establish a review process for accounts payable and payroll transactions. Both the payroll and accounts payable processes should have appropriate oversight to mitigate potential overpayments and fraudulent payments. The approval process should include a review of the employee roster and vendor file, timesheets, and purchase orders to ensure the files match before approval. The review should also check for atypical transactions or frequent small transactions unfamiliar to the approver. Furthermore, the district

should discontinue the practice of sharing approver passwords. If additional approvers are needed, the district should ensure proper segregation of duties, and user access in the accounting system should be updated accordingly;

- Notify the bank of the new signature authorities. The district should change the signatories on all accounts and update check signatures in the district's accounting system. The Business Office and superintendent should complete the signatory and authorization forms for all financial institutions. The business manager should establish procedures to address changes in authorizations. The business manager should present the policy and procedures to the board for approval;
- Destroy the debit card. If the district requires a way to make nominal purchases, it should acquire a general-purpose purchase card such as Visa or MasterCard; and
- Document all current district financial management practices and evaluate the potential for fraud, waste, and abuse. The superintendent and business manager should evaluate the district's current practices to identify internal control weaknesses and develop strategies to realign duties and responsibilities. The superintendent and business manager should use the FASRG and the Green Book to design, implement, and operate internal controls, such as segregation of duties and checks and balances over transactional processing that will safeguard resources.

The fiscal impact assumes that the district eliminates the HR/benefits/payroll specialist position. This would result in a reduction in salaries and benefits of \$46,640 (\$44,840 annual salary + \$1,800 annual benefits). The fiscal impact also assumes the district will develop a part-time payroll clerk position at an annual cost of \$14,364. This cost assumes that the median pay rate for the payroll clerk is \$18.90 per hour, as published in the TASB District Personnel Survey. The cost also assumes that part-time employees do not receive benefits, and that this position will work for 20 hours per week, 38 weeks per year (\$18.90 per hour x 20 hours per week x 38 weeks per year = \$14,364). The recommendation would result in an annual savings of \$32,276 (\$46,640 existing salary and benefits – \$14,364 new cost).

#### **VAULT SECURITY (REC. 11)**

Marlin ISD lacks adequate safeguards to protect items stored in the district's vault.

Marlin ISD uses a vault in the central administration building to store items including: the district purchase cards, a cash box, cash collected from campus activities and extracurricular events, blank checks, personnel records, and PEIMS records. The business manager, the accounts payable/PEIMS coordinator, and the superintendent's secretary are the only individuals who have the access code to the vault.

The vault is located in an office behind the main entrance to the central administration building. The accounts payable/PEIMS coordinator's office is located in the same room as the vault. The superintendent's secretary's office is located adjacent to the room where the vault is located; the HR/benefits/payroll specialist's desk is located in the central office entryway. The district's practice is to leave the vault and the office housing the vault unlocked during business hours. A staff member has a line of sight to the vault at all times; however, staff acknowledged that if staff were busy or distracted, a visitor could access the vault.

The practice of leaving the vault open during the day places the cash and purchase cards stored in the vault at risk of theft. Leaving the vault open during the day could also result in the loss of privacy data such as names, addresses, Social Security numbers, pay, and other personal information. Data breaches and losses are very costly due to legal fees to defend the district, potential credit or other monitoring for affected staff, increased insurance costs, loss of personnel, and difficulty recruiting staff or vendors. A district's liability insurance typically covers claims related to wrongful termination, discrimination, sexual harassment, and retaliation. These policies also cover employment-related misconduct to some extent, such as invasion of privacy or defamation. The district may be liable for costs related to lawsuits regarding loss or exposure of sensitive personnel information.

The U.S. Privacy Act of 1974 requires that federal agencies safeguard personally identifiable information. The Privacy Act is also applicable to federal funding. Texas does not have any specific laws related to the privacy of information, other than the Texas Business and Commerce Code, Section 521.052, which states that "a business shall implement and maintain reasonable procedures, including taking any

appropriate corrective action, to protect from unlawful use or disclosure any sensitive personal information collected or maintained by the business in the regular course of business.” Section 521.053 requires the disclosure of any breach of system security to any individual whose sensitive personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The Texas Office of the Attorney General (OAG) has provided guidance to state agencies regarding the disclosure of employee information. For example, AG Decision 684 issued in 2009 states that agencies cannot disclose to the public employees’ bank account information, credit card data, or fingerprints.

Marlin ISD should implement controls to secure the items stored in the district’s vault. Business Office staff should discontinue the practice of leaving the vault unlocked during business hours. The superintendent and the business manager should evaluate current practices and develop and implement measures to reduce the risk of unauthorized access to the vault. The superintendent and business manager should establish policies and procedures that describe the approved use of the vault, including when the vault is to remain open and which district personnel are authorized to open the vault.

This recommendation could be implemented with existing resources.

#### **FINANCIAL ACTIVITY AUDIT FUNCTION (REC.12)**

Marlin ISD does not periodically perform audits of district financial activities to evaluate accounting systems and ensure policies and procedures are followed.

The business manager is responsible for performing periodic audits of district financial activities. According to the business manager’s job description, the position’s major duties and responsibilities are to evaluate accounting procedures, systems, and controls in all district departments; recommend improvements in their processes, implementation, and maintenance; maintain a continuous audit program for all funds; and assist the district’s independent and internal auditors in conducting the annual or periodic audit. However, Business Office staff stated that the business manager does not perform audits or review procedures, systems, and controls related to financial activities. The business manager reported a lack of awareness that performing these audits was in the job description.

Failure to periodically audit district financial activities increases the risk for fraud, waste, and abuse. The purpose of

audits is to assess the adequacy of internal controls and the level of risk the district assumes due to noncompliance with the district’s policies and procedures. Periodic audits allow districts to identify noncompliance that causes delays in delivery of business services and additional costs due to inefficiencies. Furthermore, audits allow districts to identify noncompliance that puts the district at risk of inappropriate use of funds. In fiscal year 2013, TEA questioned Marlin ISD’s use of \$2.0 million in Federal Funds due to the district’s failure to file appropriate documentation. An internal review of time and effort documentation may have helped Marlin ISD identify and correct this deficiency and potentially avoid the payment of questioned costs.

FASRG describes common types of control procedures that management can use to review district financial activities and monitor internal controls. Some of these procedures include the following:

- controls over unauthorized access and obligations;
- controls over authorized access and obligations;
- reconciliations and comparisons of assets to records;
- analytical reviews;
- authorization and approval;
- reviews of output; and
- transactional reviews.

Other districts have implemented processes for internal audits or reviews of financial processes and controls. Taft ISD conducts a periodic audit review of student activity funds. Taft ISD’s accounts payable clerk performs unannounced reviews of each school activity fund at least once per semester. During the review, the clerk uses a review form to record the campus name, the check register range reviewed, and receipt numbers reviewed. The clerk checks to determine for each disbursement whether a check request was completed, principal’s signature is present, requestor’s signature is present, original receipt or invoice is present, and sales tax paid. The clerk also writes notes on each exception and submits the review form to the assistant superintendent for business for review. The assistant superintendent for business reviews and approves the review sheet and sends the campus an e-mail regarding the results and any required follow-up and appropriate action.

Marlin ISD should perform periodic internal audits of financial activities to ensure district policies and procedures

are followed. The business manager should implement periodic reviews of various departments, functions, and activities to provide management assurance that district practices meet the intent and purpose of policies and procedures and discourage staff from deviating from policies and procedures.

The business manager should begin by conducting a risk assessment of financial management processes. The business manager could develop a risk assessment or coordinate with Region 12 to conduct the risk assessment. Depending on the number of processes identified and the associated level of risk, the business manager should conduct two to four reviews annually. The business manager should develop an annual audit plan showing the name and type of processes to review in the current fiscal year, and the last time the process was reviewed. High-risk areas or areas with significant changes to systems or personnel should be included in the annual audit plan. The business manager should provide the results and conclusion of reviews to the campus or department, superintendent, and the board.

This recommendation could be implemented with existing resources.

**BUSINESS OFFICE GUIDELINES (REC.13)**

Marlin ISD lacks adequate Business Office procedures for financial management and does not communicate financial information to district stakeholders.

The district does not have written procedures to guide all financial management functions. Marlin ISD has a written document called Business Office Guidelines; however, the business manager has not distributed the guidelines to the campuses and departments. In addition, the procedures contained in this document do not meet all federal and state requirements for procurements. For example, the Business Office Guidelines state that the purchasing policy applies to all funds, including federal and state sources; however, several sections of the guidelines do not meet the minimum requirements of the U.S. Code of Federal Regulations (CFR), Title 2, Chapter II, Part 200, regarding procurement standards (2 CFR 200), nor FASRG. **Figure 3-8** shows the Marlin ISD Business Office Guidelines and federal and state guidelines.

Marlin ISD is also not compliant with its local policy governing acquisitions. Board Policy DBD (LOCAL), regarding employment restrictions and conflicts of interest, states that an employee shall not have a personal financial interest, a business interest, or any other obligation that in any way conflicts with the proper discharge of assigned duties and responsibilities or that conflicts with the district’s best interest. As shown in **Figure 3-8**, the Business Office Guidelines do not address organizational conflicts of interest, nor do they address procedures for the maintenance of conflict disclosure statements for all district staff members involved in acquisitions. This practice not only does not comply with 2 CFR 200 or FASRG, but it also results in a

**FIGURE 3-8  
MARLIN ISD BUSINESS OFFICE GUIDELINES ANALYSIS  
SCHOOL YEAR 2014-15**

TOPIC	2 CFR 200 FEDERAL STANDARDS FOR PROCUREMENT	FASRG	MARLIN ISD BUSINESS OFFICE GUIDELINES AND DISTRICT PRACTICES
Standards of Conduct	The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.	Ethics relating to conflicts of interest, financial interests in firms conducting business with the school district, kickbacks and gratuities, and improper use of a position or confidential information should be clearly communicated throughout the school district.	Not consistent with FASRG. The district does not clearly communicate the ethics policy throughout the school district.
	The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity.	Additionally, school district personnel should be made aware of the penalties for violations of purchasing laws and ethics which may include criminal prosecution and loss of employment opportunities.	Not consistent with FASRG. The district does not clearly communicate the penalties for violations of purchasing laws and ethics throughout the school district.

**FIGURE 3–8 (CONTINUED)**  
**MARLIN ISD BUSINESS OFFICE GUIDELINES ANALYSIS**  
**SCHOOL YEAR 2014–15**

TOPIC	2 CFR 200 FEDERAL STANDARDS FOR PROCUREMENT	FASRG	MARLIN ISD BUSINESS OFFICE GUIDELINES AND DISTRICT PRACTICES
Conflicts of Interest	<p>The non-federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.</p> <p>If the non-federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest.</p>	<p>School districts are subject to the Texas Local Government Code, Chapter 176, which requires school districts to file conflict disclosure statements for staff involved in acquisitions that have a conflict of interest. If an employee is involved in administering, directing, or authorizing a transaction funded by a federal program, that employee and members of the employee's immediate family cannot have a financial interest in a vendor associated with transactions funded by the federal program.</p>	<p>Not consistent with FASRG. The district does not maintain conflict disclosure statements for district staff members involved in acquisitions.</p> <p>Not consistent with 2 CFR 200. The Business Office Guidelines do not address standards of conduct covering organizational conflict of interest. The district does not have an organizational conflict of interest policy.</p>
Vendor Performance	<p>The non-federal entity must ensure that all prequalified lists of persons, firms, or products that are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-federal entity must not preclude potential bidders from qualifying during the solicitation period.</p>	<p>Recommended analyses of vendor performance include the following: compliance with contractual terms for prices; timeliness; and accuracy of product delivery. Whenever problems are encountered with a vendor, (i.e., a vendor fails to deliver certain items or delivery does not meet specifications), it is important to document the problem, noting the date and an accurate description of the problem. The vendor should then be contacted by telephone and told specifically how the school district wants the problem corrected. The school district should keep a record of all phone calls, including the dates and what was discussed. If the problem is not resolved or continues, written notification should be given to the vendor stating the problem, the corrective action required, and that the vendor's failure to correct the problem will be considered a breach of contract and could result in the cancellation of the contract. This record of information about vendor performance is very important in the evaluation of the vendor.</p>	<p>Not consistent with 2 CFR 200 and FASRG: The Business Office Guidelines do not have procedures to ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. The district does not maintain vendor performance files, thus it cannot evaluate respondents based on performance.</p>

**FIGURE 3–8 (CONTINUED)  
MARLIN ISD BUSINESS OFFICE GUIDELINES ANALYSIS  
SCHOOL YEAR 2014–15**

TOPIC	2 CFR 200 FEDERAL STANDARDS FOR PROCUREMENT	FASRG	MARLIN ISD BUSINESS OFFICE GUIDELINES AND DISTRICT PRACTICES
Sealed Bids or Sealed Requests for Proposals	If sealed bids are used, the following requirements apply: Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time before the date set for opening the bids. For state, local, and tribal governments, the invitation for bids must be publically advertised. If procurement by competitive proposals is used, the following requirements apply: (1) requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical; and (2) proposals must be solicited from an adequate number of qualified sources.	The advertisement for bids, description in the request for bids of item(s), work and/or services, and specific terms and conditions must be done in a manner that stimulates competition and obtains the lowest practical price. A Request for Proposals (RFP) is a part of the competitive sealed proposal process and should contain several key elements: newspaper advertisement and notice to proposers.	Not consistent with 2 CFR 200 and FASRG. The Business Office Guidelines do not address advertisement of solicitations.
Vendor List	N/A	The school district should compile an approved vendor list. This list includes the names and addresses of vendors and the products and services they offer. Vendors are encouraged to submit their names for inclusion on the list and are asked to complete an application form. The purchasing department maintains the vendor list, analyzing and updating periodically. The list is distributed to campuses and departments within the school district so that school district employees are aware of the approved vendors.	Not consistent with FASRG. The district does not analyze or update the vendor list periodically. The district does not distribute the vendor list to district purchasers so that district purchasers are aware of the approved vendors.

NOTE: Marlin ISD policies which are in alignment are not shown in this figure.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD Business Office Guidelines, school year 2014–15; U.S. Code of Federal Regulations, Title 2, Chapter II, Part 200, Procurement Standards (2 CFR 200); Texas Education Agency’s Financial Accountability System Resource Guide (FASRG), June 2015.

risk that procurements will not be consistent with district policy. For example, while onsite, the review team found that the boys’ teams athletic director is directly involved in the solicitation and selection of a vendor with whom he has a familial relationship. The district’s failure to file conflict disclosure statements for all employees involved in acquisitions may have resulted in this conflict of interest remaining unidentified.

Without adequate written procedures, the district relies on oral communication to communicate financial management policies and procedures such as cash management, purchasing, budgeting, and requesting disbursements for

school-sponsored activities or activity funds. The Business Office also does not provide regular reporting to key district staff. Campus administrators and department heads stated they previously had access to reporting and financial information, such as the annual approved budget, remaining budget balances, funding codes, and departmental financial reports, but they no longer have access to that information.

During onsite interviews, district staff expressed a need for additional written procedures, guidelines, and training on financial management procedures. Staff also indicated that information and communication at all levels of the organization is limited. Staff members follow directions

given by the superintendent without full knowledge of how the activities affect other areas of the organization. For example, district staff purchase items based on the superintendent's direction, using the funding source as directed without knowledge of potential restrictions on funds. Purchasers may not be familiar with federal or state grant funding restrictions, capitalization policy for purchases more than \$5,000, the available budgets, or if the purchase will exceed the Board Policy CH (LOCAL) purchase aggregation limit of \$25,000. Board Policy CH (LOCAL) regards purchasing and acquisition. The district instructional coordinator and the special education director are responsible for grant funding. Specifically, they are responsible for acquiring grants and tracking grant funding, grant expenditures, and fund balances. However, they reported in interviews that they did not receive adequate written procedures or training related to federal or state grant funding procurement requirements.

Key district staff, such as campus administrators, the technology coordinator, and department heads with budgetary oversight indicated they are confused about the financial condition of the district. Their understanding of the district's financial position is that there is a lack of funds available for basic supplies, even though the district maintains a large fund balance. A fund balance is the amount of cash available for district use. Fund balances can consist of funds available for general use and funds restricted for a particular use. Marlin ISD staff expressed frustration in interviews that the district has a fiscal year 2014 fund balance of \$5.2 million, yet campus staff are told there is not enough funding to procure needed supplies and materials. Teachers and other staff indicated they are unable to procure standard supplies such as diplomas, toner, and pencils due to lack of funding. District staff is also frustrated by the length of time taken to process requests and receive supplies or disbursements.

District staff reported confusion about district financial management practices including budgeting, procurement, cash collection, and disbursements. District, campus, administrative, and supervisory staff do not receive financial management training on the budgeting process, acquisition requirements, how to submit requisitions or invoices for goods or services, district funding or fund control codes, or legal or local policy regarding financial management practices at the district. The Business Office staff receives various technical training such as industry accounting standards, TEA financial accountability standards, PEIMS, and grant

fund requirements; however, there is no training on current district processes or cross training of Business Office staff.

When district staff responsible for purchasing and budgeting do not understand the current financial condition of the district, or the acquisition requirements for different funding types, the district cannot ensure costs align with funding requirements. This practice increases the risk that unallowable or unallocable costs will be charged to grants or other funding sources with restrictions on their use. Additionally, the lack of knowledge about the district's financial condition and policies can decrease the district's operating efficiency, increase costs, and affect morale.

Karnack ISD has an updated business procedures manual that covers all areas of its business operations, contains business forms and instructions, and includes student activity fund procedures. The business procedures manual communicates policies and procedures to district employees, describes procedures as they are performed, and serves as a useful training tool for employees. The business manager and superintendent update the campus accounting and procedure manual annually. The business manager also reviews the procedures contained in the manual with new employees that have been assigned business-related responsibilities and provides a copy of the manual to the employee for a reference guide.

The international organization Government Finance Officers Association recommended practice on documentation of accounting policies and procedures states, "A well-designed and properly maintained system of documenting accounting policies and procedures enhances both accountability and consistency. Procedures should be described as they are actually intended to be performed rather than in some idealized form. The resulting documentation also can serve as a useful training tool for staff." By having documented business procedures, Karnack ISD is able to provide a smooth transition for employees assigned to new jobs, use the manual as a training tool for new district employees, provide a consistent method for processing transactions, hold employees accountable, and communicate expectations for complying with district accounting policies and procedures.

Marlin ISD should establish comprehensive written procedures for financial management and improve budgeting and financial management communication with key district staff. The superintendent and business manager should first evaluate the existing Business Office Guidelines document to determine its accuracy and consistency with district practices.

The superintendent and business manager should then identify practices that should be changed and internal controls that should be established. After the superintendent and business manager have documented district practices and implemented an effective internal system, the business manager can draft comprehensive procedures that address Business Office, campus, and administrative activities, and determine if it is more efficient to amend the Business Office Guidelines or to develop a new comprehensive document.

The business manager should obtain feedback on the draft from Business Office staff and key district management staff. The business manager should present the final document to the board for approval. The district should train Business Office and key district staff on the new financial management procedures. Training should also address new roles and responsibilities.

The superintendent and business manager should improve budgeting and financial management communication with district staff. The budget development process is a good time

to share information on the district’s financial condition and share the district’s long-term and short-term financial goals and targets. The superintendent and the business manager can share student enrollment figures, staffing goals, and revenue expectations. This information helps budgeters understand how their budgets and spending affect the district’s overall financial health, and the communication provides guidelines for establishing the budget for the upcoming year. This information should also be shared with staff at mid-year, when the district has completed the mid-year forecast and is beginning to look at budget adjustments for the remainder of the year. The business manager should also provide training on the financial management policies and procedures for key district staff. Training should occur annually or when changes are implemented. The business manager could conduct this training during an in-service event.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015–16	2016–17	2017–18	2018–19	2019–20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 3. FINANCIAL MANAGEMENT</b>							
9. Revise the job description for the district’s business manager position to align expected qualifications and required job experience to industry standards.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10. Realign duties and responsibilities of the district’s Business Office staff to reduce risk for fraud, waste, and abuse and establish internal controls over financial management activities.	\$32,276	\$32,276	\$32,276	\$32,276	\$32,276	\$161,380	\$0
11. Implement controls to secure the items stored in the district’s vault.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12. Perform periodic internal audits of financial activities to ensure district policies and procedures are followed.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13. Establish comprehensive written procedures for financial management and improve budgeting and financial management communication with key district staff.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$32,276</b>	<b>\$32,276</b>	<b>\$32,276</b>	<b>\$32,276</b>	<b>\$32,276</b>	<b>\$161,380</b>	<b>\$0</b>

## CHAPTER 4. ASSET AND RISK MANAGEMENT

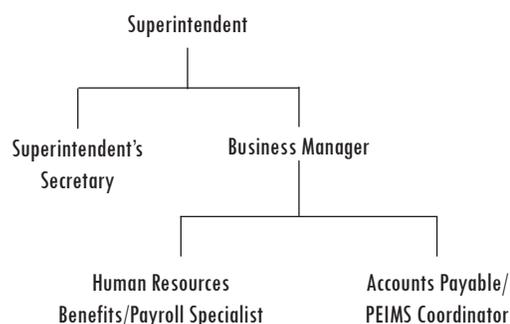
An independent school district's asset and risk management function controls costs by ensuring that it is adequately protected against significant losses with the lowest possible insurance premiums. This protection includes the identification of risks and methods to minimize their impact. Risks can include investments, liabilities, capital assets, and insurance.

Managing assets and risk is dependent on the organizational structure of the district. Larger districts typically have staff dedicated to asset and risk management, while smaller districts assign staff these responsibilities as a secondary assignment. Managing investments includes identifying those with maximum interest-earning potential while safeguarding funds and ensuring liquidity to meet fluctuating cash flow demands. Forecasting and managing revenue includes efficient tax collections to allow a district to meet its cash flow needs, earn the highest possible interest, and estimate state and federal funding. Capital asset management should identify a district's property (e.g., buildings, vehicles, equipment) and protect it from theft and obsolescence. Insurance programs cover employees' health, workers' compensation, and district liability.

In Marlin Independent School District (ISD), the superintendent is responsible for the district's risk management activities and the business manager is responsible for asset management. The business manager supervises two staff in the Business Office. According to the job description for the position, the business manager directs and manages the district's financial and business affairs, including accounting, payroll, purchasing, risk management, and tax collection. The business manager also serves as "the chief financial advisor to the superintendent and Board of Trustees." **Figure 4-1** shows the organization of the Business Office.

Marlin ISD uses Texas Enterprise Information System (TxEIS), a state-sponsored financial management system and student administration software package. The district uses TxEIS to manage financial transactions including recording cash deposits and issuing disbursements, such as checks and direct deposits. TxEIS also has a Public Education Information Management System (PEIMS) component that generates all state-mandated reports, provides support for optical character recognition (OCR), and contains a parent-/teacher-/student-focused set of applications.

**FIGURE 4-1**  
**MARLIN ISD BUSINESS OFFICE ORGANIZATION**  
**SCHOOL YEAR 2014-15**



SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, June 2015.

The local bank serves as a depository for the district's cash, clearing, and sinking fund accounts. The district has five bank accounts. Two are clearing accounts, one is an investment account, one is the interest and sinking fund account, and one is the local maintenance (general fund) account. Clearing accounts are used to disburse set amounts of cash with limited risk and liability, where cash is moved into the clearing account two to three days before disbursement. The district has a finance clearing account and a payroll clearing account. Investment accounts are used to earn interest on idle cash. Interest and sinking accounts are used to fund debt service requirements, such as loan and bond payments. The district uses a local maintenance account to perform general cash management activities. The business manager performs reconciliations for district accounts and activity funds with assistance from external consultants from Regional Education Service Center XII (Region 12).

Marlin ISD uses TexPool to manage investments. TexPool is a local government investment pool established on behalf of Texas entities whose investment objectives are preservation and safety of principal, liquidity, and yield consistent with the Texas Government Code, Chapter 2256 (referred to as the Public Funds Investment Act). The Texas Comptroller of Public Accounts (CPA) oversees TexPool. The financial services company Federated Investors is the service provider to the pools. Federated Investors manages the assets, provides participant services, and arranges for all custody and other functions in support of the pools' operations, in accordance with a contract with the CPA.

Marlin ISD’s long-term debt includes bonds payable and capital leases. In school year 2006–07 the district issued tax bonds for the construction of school facilities. The district uses fund balances and revenue received from property taxes, interest, and state funding to meet the debt service requirements on bonds payable. The district has School Facilities Lease Revenue Bonds with a maturity date of 2018. The district uses the general fund to pay principal and interest expenses of these bonds. **Figure 4–2** shows Marlin ISD’s outstanding bonds as of fiscal year 2014.

Marlin ISD is enrolled with the Texas Political Subdivisions Joint Self-Insurance Fund (TPS), a self-insurance program that provides local governments with insurance. TPS provides workers’ compensation and property and casualty coverage as a self-funded pool. TPS members are school districts, counties, cities, and other political subdivisions in Texas. TPS bases contributions, which are the amount payable by each member, on the rated manual contribution affected by a factor for individual loss experience, and the member’s share of total expenses. This calculation means that the district only pays for its own loss coverages, so the more losses the district experiences the higher its contribution to the self-funded plan. TPS provides a variety of training and resources to members. Marlin ISD takes advantage of the training and resources provided by TPS to improve safety and reduce operational risk.

Marlin ISD has general liability insurance in effect for school year 2014–15 with general coverage of \$1.0 million and a deductible of \$1,000. The district has educator liability coverage of \$3.0 million and a deductible of \$5,000 in effect for school year 2014–15. Educator liability covers the school against losses related to teacher, staff, and administrator misconduct. Marlin ISD’s educator liability coverage also

includes claims for the legal defense of the district up to \$100,000 and an aggregate of \$300,000 of lifetime coverage. The district also carries crime insurance coverage, which protects the district for losses up to \$100,000 for staff dishonesty and \$50,000 for forgery or alteration. Marlin ISD has business and automobile coverage of \$100,000 with a deductible of \$500 in effect for school year 2014–15. Marlin ISD’s vehicle coverage includes liability, medical claims, and gap insurance to cover the difference between the purchase price of a new vehicle and its depreciation value.

Marlin ISD offers staff health insurance through Teacher Retirement System of Texas (TRS) Active Care, which is administered through Aetna. Caremark is Marlin ISD’s pharmacy benefit provider. Marlin ISD’s staff is eligible to participate in a cafeteria plan for pretax benefits, pursuant to the U.S. Internal Revenue Code, Section 125. This cafeteria plan authorizes eligible staff to pay certain insurance premiums on a pretax basis (e.g., disability, accidental death and dismemberment, cancer and dread disease, dental and additional term life insurance). The district pays \$150 toward each staff’s health insurance.

**FINDINGS**

- ◆ Marlin ISD does not have adequate controls over cash management.
- ◆ Marlin ISD does not use a cash flow forecast to ensure that adequate funds are available to meet the district’s cash requirements nor to develop investment strategies for idle cash.
- ◆ Marlin ISD does not have an effective process for disposing of capital assets, including assets from shared services agreements.

**FIGURE 4–2  
MARLIN ISD LONG-TERM DEBT AND BONDS  
FISCAL YEAR 2014**

ACCOUNT	BEGINNING BALANCE	RETIREMENTS	ENDING BALANCE	DUE WITHIN ONE YEAR
Bonds Payable	\$1,670,000	\$320,000	\$1,350,000	\$325,000
Capital Leases	\$1,540,000	\$295,000	\$1,245,000	\$310,000
<b>Total</b>	<b>\$3,210,000</b>	<b>\$615,000</b>	<b>\$2,595,000</b>	<b>\$635,000</b>

NOTE: School Facilities Lease Revenue Bonds are categorized as Capital Leases.  
SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD Annual Financial Report, 2014.

## RECOMMENDATIONS

- ◆ **Recommendation 14: Develop written cash management procedures and segregate key duties over cash processing and reconciliation to ensure that cash is handled consistently and appropriately across the district.**
- ◆ **Recommendation 15: Develop procedures for using cash flow forecasts to monitor the district's cash requirements and to maximize interest earnings on idle cash.**
- ◆ **Recommendation 16: Develop policies and procedures to guide staff on the proper disposal of capital assets, including assets from shared services agreements.**

## DETAILED FINDINGS

### CASH MANAGEMENT (REC. 14)

Marlin ISD does not have adequate controls over cash management.

The Marlin ISD Business Office does not have written procedures for cash management and operations. The district relies on oral communication to ensure that district staff understand cash management procedures. A variety of district staff handle cash for field trips, fundraisers, and other district authorized activities. Positions that handle cash include teachers, principals, activity sponsors, campus secretaries, athletic coaches, and gate attendants. Due to the lack of written cash management procedures, practices for handling cash vary. Some staff hold cash on their persons or in their desk drawers until all funds are collected, while others turn in cash to the campus secretaries periodically throughout the day or at the end of the day. The campus secretaries will either deliver the cash to the business manager at the end of the day the cash is collected or on the next day. Cash received by the campus secretaries is held in their offices or an office lockbox until it is taken to the business manager for deposit. The campus secretary retains the cash at the campus if the event for which funds are collected occurs within about a week. This hold is due to the length of time required to receive a check from the Business Office, which according to campus staff could take 10 days or more. Sponsors for district-authorized activities are district staff who oversee a campus-level club or committee. Sponsors deliver cash to the business manager periodically as it is collected.

The lack of written procedures for cash management results in inconsistent operations across the district. According to onsite interviews, district staff are confused about cash handling procedures, which results in cash held at various secure and unsecure locations in the district. Without written procedures regarding how to handle cash, each campus, teacher, and sponsor handle cash differently. In some instances, cash is deposited when received by staff. In other cases, staff collect cash and use the cash to pay for activities in lieu of depositing the cash and requesting a check from the Business Office. Inconsistent cash management fosters an opportunity for loss or mismanagement.

In addition to a lack of written procedures to guide cash management, Marlin ISD lacks adequate segregation of duties over cash processing and reconciliation activities. When campus secretaries or activity sponsors have cash to deposit, they bring the cash to the central administration office, count the cash with the business manager, and complete the cash deposit form. The campus secretaries or activity sponsors and the business manager sign the deposit form. The business manager takes the deposit to the bank the same day or leaves the cash in the district vault overnight. Campus secretaries and activity sponsors that collect and deliver cash to the Business Office are not provided with reports on the balance of the funds into which they deposit cash. The business manager is the only individual who collects and deposits cash brought to the Business Office. The business manager is solely responsible for reconciling the bank accounts and activity funds and for reporting all cash accounts to the superintendent, school board, and sponsors. Bank reconciliations and cash transactions are not reviewed by a third party, which could result in missing funds not being identified if theft, loss, or errors occur. This lack of oversight results in an internal control weakness because the business manager should not process cash receipts and perform cash reconciliation activities. Because the business manager is responsible for collecting and depositing cash, but the position submitting funds does not receive a report on the balance of or transactions against funds, the district has fostered an opportunity for fraud and theft to occur.

The risk posed by the lack of controls over cash management is increased because the district does not bond the positions in the district that handle cash. A bond is a type of insurance over an individual that covers losses related to lost, missing, or stolen cash. Typically, school districts bond cash handlers and staff involved in cash management activities to reduce the risk of losses resulting from theft, embezzlement, or

forgery. It was unclear if the district's crime insurance covers all staff regardless of position held.

Internal controls help organizations work more efficiently and effectively, ensure compliance, improve reporting, and safeguard public resources. The Texas Education Agency's (TEA) *Financial Accountability System Resource Guide* (FASRG) describes the rules of financial accounting for school districts, charter schools, and education service centers. The FASRG is adopted by the Texas Administrative Code, Section 109.41. FASRG module Financial Accountability and Reporting Update 14 (FAR14) provides standards and best practices for financial management and internal controls in Texas school districts. FASRG also provides sample documentation of best practices from Texas school districts. The minimum standards for cash management and operations are:

- segregation of duties:
  - segregation between collecting and depositing functions from those for recording cash receipts and general ledger entries;
  - segregation between disbursement approval from disbursement, voucher preparation, and purchasing functions; and
  - segregation between preparing and approving bank account reconciliations from other cash functions;
- timely collection and deposit of all cash;
- control check signing machines as to signature plates and usage;
- procedures to immediately notify financial institutions that check signers are no longer authorized to sign;
- proper authorization of financial accounts;
- procedures to authorize, receive, disburse, and record cash accurately and promptly; and
- implement effective controls over account reconciliation.

The U.S. Government Accountability Office (GAO) issued revised *Standards for Internal Control in the Federal Government*, referred to as the Green Book, which is a tool for local governments to evaluate and implement an effective internal control system. The Green Book provides checklists for establishing and monitoring the segregation of duties,

control environment, and control activities for cash management. The Green Book also provides a framework for developing a risk assessment and continuous monitoring.

Marlin ISD should develop written cash management procedures and segregate key duties over cash processing and reconciliation to ensure that cash is handled consistently and appropriately across the district. To implement this recommendation, the business manager and superintendent should document cash management practices throughout the district. After these processes are documented, the business manager and superintendent should evaluate the process for the potential for fraud, waste, and abuse. Through this process, the business manager and superintendent could identify areas in cash management processes where internal controls should be established or strengthened. The district could use the Green Book and FASRG, FAR14, to develop and implement controls, such as oversight activities and segregation of duties to mitigate identified risks. For example, the business manager should not process cash receipts and perform cash reconciliation activities. The district should reassign one of these duties. After operational changes are made, the business manager and superintendent should document new cash management policies and procedures and disseminate written procedures to all district staff that process cash. The business manager should provide training to all district staff that handle cash through an in-service event.

This recommendation could be implemented with existing resources.

#### **CASH FLOW FORECASTING (REC. 15)**

Marlin ISD does not use a cash flow forecast to ensure that adequate funds are available to meet the district's cash requirements nor to develop investment strategies for idle cash.

Region 12 generates cash flow forecasts for Marlin ISD and sends these forecasts to the superintendent quarterly. The forecast provided to the review team varied from actual receipts and payments by 10 percent. A 10 percent variance is a standard used to determine the accuracy of forecasts. Typically, forecasts with less than a 10 percent variance are considered accurate. Forecasts with more than a 10 percent variance usually require adjustments to variables used in the forecast. In many districts, the superintendent, business manager, and school board use the forecast variance to determine the accuracy of the forecast and estimate the amount of cash more or less than the forecast needed to meet

cash requirements. However, according to onsite interviews, Marlin ISD does not use the cash flow forecasts provided by Region 12 to manage the district's cash needs. The business manager stated that the district does not use the cash forecast to predict cash shortfalls, and the district is not aware of cash shortfalls until they occur. For example, the district experienced a cash shortfall in school year 2014–15. After the district identifies a cash shortfall, the district transfers cash from the sinking fund to the general fund. The use of the sinking fund to cover cash shortfalls may affect the district's ability to pay its debt service obligations. The business manager and interim superintendent did not provide information about how cash management issues, such as cash shortages, are shared with the school board.

Figure 4–3 shows each of Marlin ISD's bank accounts, and indicates whether the account is interest-bearing, the rate of interest, the average daily balance, and the balance as of March 2, 2015. Marlin ISD maintains a large fund balance of more than \$6.7 million in its local maintenance account, which is the general fund. Although the district has a TexPool account, which is an investment account that can be used to earn interest on idle cash, the district does not actively manage idle cash. The district can make deposits and withdrawals to TexPool on any business day, increasing the liquidity of the account. However, Marlin ISD maintains a low fund balance of \$73,049 in the investment account, even though additional idle cash may be held in the general fund.

School districts forecast cash flow for several reasons. Districts need to ensure they have enough cash to meet their payroll and purchasing obligations on time while avoiding late fees

or other service charges. Overpayment or underpayment by the state often occurs because the school financing system uses a complex formula to estimate district allocations, based on historical enrollment data. The formula consists of several variables, including estimable factors such as average daily attendance, full-time-equivalent students, weight factors for student counts, basic allotment per pupil, and an index factor for cost of education. TEA makes initial, near-final, and final determinations of funding. At the end of the fiscal year, TEA settles up any discrepancies with school districts. If TEA overestimates funding projections, districts must repay the agency. If TEA underestimates, districts receive additional funding. Schools do not repay overestimated payments or recapture underestimated payments in the current fiscal year. TEA will increase or decrease subsequent disbursements, based on the variance between the final determination and actual allotments for the previous year. Districts use cash flow projections to inform the school board of potential TEA overpayments or underpayments, assisting the district to anticipate the subsequent repayments to the state or additional payments to the district in future state allotments.

Many school districts also use cash flow forecasts to determine when and how they might invest idle cash to increase interest earnings. The cash flow forecast identifies idle cash and cash requirements on a monthly basis for each school year. However, Marlin ISD does not use the cash flow forecast to maximize interest-earning potential on idle cash. The district does not review the cash flow forecast or compare the forecast to actual expenditures to determine the accuracy of the forecast. The district leaves the bulk of cash in its local maintenance account with an interest rate of 0.5 percent.

**FIGURE 4–3**  
**MARLIN ISD ACCOUNT BALANCES**  
**MARCH 2, 2015**

ACCOUNT	INTEREST-BEARING	ANNUAL RATE OF INTEREST PAID	AVERAGE DAILY BALANCE	BALANCE ON MARCH 2, 2015
Marlin ISD local maintenance	Yes	0.5%	\$6,832,017	\$6,788,563
Marlin ISD interest and sinking account	Yes	0.5%	\$159,262	\$144,049
Marlin ISD finance clearing account (1)	No	0.0%		
Marlin ISD payroll clearing account (1)	No	0.0%		
TexPool—Marlin ISD (2)	Yes	24.5%	N/A	\$73,049

NOTES:

- (1) Clearing accounts do not maintain balances.
- (2) TexPool is the local government investment pool overseen by the Texas Comptroller of Public Accounts. TexPool statements do not contain average annual balances due to the fluctuation of earnings based on financial market conditions. The TexPool balance reflects the current value of investment activities. The daily average rate of interest for the TexPool account is 0.06 percent; converted to an annual rate, it is 24.5 percent [1.0006 365 -1x100].

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD bank statements.

Because the district does not conduct cash flow forecasting, the district is forgoing opportunities to maximize interest returns on its investments. Furthermore, if the district does not use the cash forecast to predict cash shortages, it may not be able to pay debt and other obligations.

Best practices dictate that school districts use cash flow forecasts to monitor their cash positions and ensure adequate funds are available to meet cash requirements. This monitoring helps ensure that district administrations can anticipate the need to borrow funds to meet their financial obligations in advance of the actual need. Monitoring their cash positions provides districts with adequate time to make decisions regarding expenditure reduction or to decide on the borrowing method that will reduce the total cost to the district.

The Government Finance Officers Association (GFOA), an international professional association, defines a cash forecast as “an estimate of cash receipts and cash disbursements during a given period.” When used as a cash management guide, forecasting can help to maximize use of funds by allowing the district to determine what amount of the portfolio should remain liquid and how much can be used for investment.

Clear Creek ISD uses cash flow projections to manage cash requirements and potential shortfalls. Each month, the Finance Department prepares easy-to-read cash flow projections for the school board. Clear Creek ISD uses cash flow projections to inform the school board of potential TEA overpayments or underpayments, assisting the district to anticipate the subsequent repayments to the state or additional payments to the district in future state allotments.

Marlin ISD should develop procedures for using cash flow forecasts to monitor the district’s cash requirements and to maximize interest earnings on idle cash. The business manager should develop a process to generate monthly cash flow statements. The business manager should perform a variance analysis at the end of the month to determine if the variance is within 10 percent. If the variance is larger than 10 percent, the business manager should evaluate the cash forecast inputs to determine where changes should be made for the forecast to be more accurate. The superintendent and business manager can use the cash flow forecast to plan and evaluate expenditures for the month and delay nonvital purchases if needed. They can also use the cash flow forecast to manage idle cash and increase the interest earned on idle cash.

This recommendation could be implemented with existing resources.

#### **CAPITAL ASSETS (REC. 16)**

Marlin ISD does not have an effective process for disposing of capital assets, including assets from shared services agreements.

Capital assets are items with a value of \$5,000 or more. Capital assets typically consist of land and buildings (real property), technology, furniture, and equipment. Marlin ISD uses the software package Fixed Asset Management Program (FAMP) from a third-party vendor to record, track, and manage capital assets and pilferable items. Pilferable items are low-cost items such as laptop computers, tablet computers, and cameras that are subject to loss if not monitored. FAMP assists school districts and local governments with capital asset reporting and depreciation requirements that comply with the national Governmental Accounting Standards Board (GASB) Statements. FAMP provides ongoing system support, historical and replacement cost research, annual reinventory, and general ledger reconciliations.

Marlin ISD’s capital assets are primarily vehicles and maintenance equipment. The district also has technology, music, and food service items, such as refrigerators. School districts maintain a list of capital and pilferable items to account for assets purchased with district funds. Marlin ISD does not identify its real property, such as land, buildings, and improvements on its capital inventory list. The Business Office maintains asset inventory lists to ensure district accountability, usage, and transparency regarding assets.

TEA’s state-issued and federal grants require permission to dispose or transfer capital assets purchased with grant funds. Assets may be considered state-funded or federally funded if the district cannot demonstrate that assets from shared services arrangements are purchased with general funds. Marlin ISD does not have procedures for disposing of capital assets. The business manager and district staff interviewed were unfamiliar with any processes or procedures related to the disposal expectations of capital assets. The business manager and district staff indicated that the district had not disposed of any assets recently. Failure to request permission to transfer assets purchased with federal special education funds results in a risk that TEA could question those costs if assets are not properly disposed. Questioned costs are unallowable costs or unallocable costs charged to a grant and must be repaid with local funds.

**Figure 4–4** shows district funds by code and the value of district assets held in those accounts. Fund codes are accounting codes prescribed by TEA and published in FASRG, FAR14, Section 1.4 Accounting Codes. Vehicles primarily use fund code 750 Internal Service Fund. Assets with no assigned fund code are primarily pilferable assets. Other assets included in the category of no assigned fund code include buses, audio/visual equipment, kitchen assets, maintenance assets, and a piano. Most remaining assets use fund code 199 General Fund, with few assets assigned to other specific revenue funds.

**FIGURE 4–4**  
**MARLIN ISD ASSETS BY TEXAS EDUCATION AGENCY**  
**FUND CODES**  
**SCHOOL YEAR 2014–15**

FUND CODE	AMOUNT
1-199 General Fund	\$332,377
102 Education Service Center State Support	\$71,075
211 ESEA, Title I, Part A—Improving Basic Programs	\$1,543
244 Career and Technical—Basic Grant	\$1,023
266 ARRA of 2009, Title XIV, State Fiscal Stabilization Fund (effective fiscal years 2008 and 2009)	\$10,084
414 Texas Reading Initiative/Texas Reading, Math, and Science Initiative	\$9,278
429 State-funded Special Revenue Funds	\$12,495
437 Shared Services Arrangements—Special Education	\$23,595
698 Capital Projects Funds—Locally Defined	\$3,513
750 Internal Service Funds	\$1,103,368
999 Unknown	\$14,918
None Assigned	\$3,832,628
<b>Total of Assets</b>	<b>\$5,415,897</b>

NOTES:

- (1) ESEA=The U.S. Elementary and Secondary Education Act of 1965, Title I, Part A; ARRA=the federal American Recovery and Reinvestment Act of 2009.
- (2) Assets with no assigned fund code are primarily pilferable assets. Other assets included in the category of no fund code assigned include buses, audio/visual equipment, kitchen assets, maintenance assets, and a piano.

SOURCE: Capital Asset Inventory List provided by Marlin ISD, March 2015.

As shown in **Figure 4–4**, fund code 437 Shared Services Arrangements—Special Education is assigned to assets worth \$23,595. These assets include a sign language communicator device, riding lawn mower, and 48-port computer network switch. Marlin ISD was formerly the fiscal agent of its shared

services arrangement (SSA); however, the district no longer belongs to the SSA. The fiscal agent is the member of the SSA who is responsible for the fiscal activities of the cooperative, such as performing acquisitions, submitting grant applications and modifications, completing and submitting PEIMS financial and student reporting and managing the assets of the cooperative. Although Marlin ISD is no longer a member of an SSA, it has capital assets from the arrangement that are used in the district's special education program. TEA requires the district to get permission to transfer assets purchased using state or federal funding from the SSA to its own special education program. Typically, if an asset from an SSA is sold or transferred, the market value of the asset must be returned to the federal or state grant maker, depending on the terms of the grant. However, Marlin ISD does not have procedures to guide staff on the proper disposal of capital assets or assets from shared services agreements. The business manager and district staff interviewed were unfamiliar with any processes or procedures related to the disposal expectations of capital assets. The business manager and district staff indicated that the district had not disposed of any assets recently.

FASRG, FAR14, provides standards and best practices for acquiring, tracking, and disposing of capital assets in Texas school districts. FASRG also provides sample documentation of best practices from Texas school districts. Best practices include acquisition processes for capital assets that identify the funding source (federal, state, or local), and the useful life of the asset and program(s) that will utilize the asset. Another best practice is to have mechanisms for identifying and tracking capital assets, including their respective locations and conditions. To safeguard assets that are capable of repurposing for other district programs and prevent unauthorized dispositions, some districts require approvals for the disposition of capital assets. The appropriate process for disposing of capital assets is dependent on the funding source. Federal and state grant funding require approval for the disposition of capital assets. Federal and state grant funding allow assets to be repurposed to meet other program needs. For assets purchased with federal funding, which are not repurposed, the district must pay the federal government for any gains earned on those sales.

Marlin ISD should develop policies and procedures to guide staff on the proper disposal of capital assets, including assets from shared services agreements.

The business manager should develop policies and procedures that define capital assets and describe the process that the

school or department should follow to acquire and dispose of capital assets. The business manager should use TEA's *Grant Management Resources Guide* and the U.S. Code of Federal Regulations, Title 2, Chapter II, Part 200, to develop procedures for acquiring and disposing of capital assets purchased with grant funds.

The business manager should consider best practices used in acquiring and disposing of capital assets. The business

manager can refer to Region 12's resources to identify best practices of peer districts. Best practices encourage the use of flowcharts and the forms needed to manage fixed assets within the policies and procedures. The document should also be posted to the district's website.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 4. ASSET AND RISK MANAGEMENT</b>							
14. Develop written cash management procedures and segregate key duties of cash processing and reconciliation to ensure that cash is handled consistently and appropriately across the district.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15. Develop procedures for using cash flow forecasts to monitor the district's cash requirements and to maximize interest earnings on idle cash.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16. Develop policies and procedures to guide staff on the proper disposal of capital assets, including assets from shared services arrangements.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## CHAPTER 5. PURCHASING

An independent school district's purchasing function is responsible for providing quality materials, supplies, and equipment in a timely, cost-effective manner. Purchasing includes identification and purchase of supplies, equipment, and services needed by the district, as well as the storage and distribution of goods.

School districts in Texas are required to follow federal and state laws and procedures applicable to purchasing. The purpose of competitive bidding requirements found in the Texas Education Code (TEC), Section 44.031, is to stimulate competition, prevent favoritism, and secure the best goods and services needed for district operations at the lowest possible price. The Texas Education Agency (TEA) developed a comprehensive purchasing module in the *Financial Accountability System Resource Guide* (FASRG), which is available as a resource for district purchasing.

Marlin Independent School District (ISD)'s board policies provide a framework for the district's guidelines and procedures for acquisitions. Marlin ISD's board policy grants the authority to make purchases of less than \$25,000 to the superintendent or a delegate. The Board of Trustees also allows the superintendent to determine the purchasing method for each acquisition. Acquisitions must adhere to Marlin ISD Board Policy CH (LEGAL), regarding purchasing and acquisition. According to this policy, the district is only responsible for purchases made in accordance with the adopted budget, state law, board policy, and district purchasing procedures.

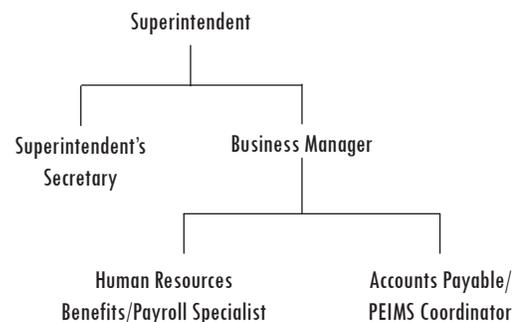
Marlin ISD board policy CH (LEGAL) incorporates TEC, Section 44.031, requirements as guidelines for acquisitions. Section 44.031 requires competitive bidding for purchases \$50,000 or more in the aggregate for each 12-month period of the district's fiscal year. Marlin ISD Board Policy CH (LOCAL) establishes a threshold of \$25,000 for purchases that can be made without board approval.

Marlin ISD uses a disbursed purchasing method for acquisitions. Each department and campus has multiple purchasers, who submit purchase order requests to purchase goods and services as needed. District staff use the Texas Enterprise Information System (TxEIS) to make purchases. TxEIS is a state-sponsored financial management and student administration software package. The system has an

approved chain of command established for each purchaser to gain permission. The chain of command includes the purchaser's supervisor, campus principal, instructional coordinator, or technology coordinator. The business manager and superintendent approve all requests. The district does not actively participate in purchasing cooperatives or make extensive use of online resources to facilitate acquisitions.

The overall acquisition responsibility lies with the superintendent for oversight and with the Business Office for transactional processing. **Figure 5-1** shows the organization of the Business Office.

**FIGURE 5-1**  
**MARLIN ISD BUSINESS OFFICE ORGANIZATION**  
**SCHOOL YEAR 2014-15**



NOTE: PEIMS=The Texas Education Agency's Public Education Information Management System.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015.

Marlin ISD does not have a warehouse to receive goods. The Business Office receives goods and the superintendent's secretary or Business Office staff distributes goods to each purchaser. Vendors provide services at various sites around the district based on the services procured. The accounts payable/Public Education Information Management System (PEIMS) coordinator receives the shipping document provided with the delivered goods. The accounts payable/PEIMS coordinator enters goods as received in the accounting system from the shipping document. The accounts payable/PEIMS coordinator enters services as received when the purchaser notifies the coordinator that the service is complete. The accounts payable/PEIMS coordinator matches the

invoice to the purchase order to finalize the acquisition process.

## ACCOMPLISHMENT

- ◆ Marlin ISD maintains effective controls over purchase card use and reconciliation activities.

## FINDINGS

- ◆ Marlin ISD lacks adequate internal controls over the purchasing process.
- ◆ Marlin ISD lacks effective processes to guide the ordering, tracking, and distribution of instructional materials.

## RECOMMENDATIONS

- ◆ **Recommendation 17: Develop a written, comprehensive district purchasing procedures manual that includes processes for vendor management and contract management.**
- ◆ **Recommendation 18: Assign the duties to order, track, and distribute instructional materials for the district to the instructional coordinator position.**

## DETAILED ACCOMPLISHMENT

### PURCHASE CARDS

Marlin ISD maintains effective controls over purchase card use and reconciliation activities. Marlin ISD uses purchase cards for nominal acquisitions, which are purchases that are less than \$500. The district maintains purchase cards for fleet fuel, maintenance, office supplies, a wholesale shopping club, and a large retail chain. Purchasers who need to make nominal purchases with a quick delivery submit a purchase order for the card/vendor. The district routes the purchase request through the purchaser's chain of command, the business manager, and the superintendent for approval. After the superintendent approves the requisition, the system assigns a purchase order number.

The purchaser takes a physical copy of the purchase order to the accounts payable/PEIMS coordinator to sign out the purchase card. After making the purchase, the purchaser must return the purchase card and provide a receipt. The accounts payable/PEIMS coordinator enters the goods as received and paid in the district's accounting system. At the end of the month, the accounts payable/PEIMS coordinator reconciles each purchase card statement to the purchase

order and receipts. The accounts payable/PEIMS coordinator uses the purchase card reconciliation to validate the accounts payable vendor payment.

In small school districts with limited administrative and accounting staff, it could be difficult to manage a disbursed credit card system. Larger school districts have adequate resources to implement a robust purchase card program. The Marlin ISD purchase card process includes effective internal controls over this high-risk area without limiting flexibility or increasing costs. The oversight of the Marlin ISD process reduces the risk of fraud, waste, and abuse without increasing administrative burden.

## DETAILED FINDINGS

### INTERNAL CONTROLS (REC. 17)

Marlin ISD lacks adequate internal controls over the purchasing process.

### LACK OF WRITTEN PROCEDURES

Marlin ISD has a new business manager and an interim superintendent who are unfamiliar with the district's existing procurement policies and practices. The district does not have written procedures that document the purchasing process and does not provide adequate training for district staff that makes purchases. Although Marlin ISD has Business Office Guidelines that contain acquisition policies such as the aggregation requirements, the guidelines do not contain purchasing procedures. Furthermore, district purchasers do not have copies of the Business Office Guidelines, and the interim superintendent and business manager are the only staff with access to this document. According to onsite interviews, district staff learn the unwritten purchasing procedures through oral communication. The Business Office does not conduct annual or periodic training for purchasers. The Business Office does not communicate changes to procurement regulations, local acquisition policies, vendor lists, and approved purchasing schedules to purchasers.

To procure goods and services, purchasers obtain quotes from one or more vendors and typically use the approved vendor list. Purchasers then enter the quote as a requisition in the district's accounting system and submit the requisition to their supervisors for approval. Supervisors approve the purchase requisition in the accounting system, which sends the request to the next-level approver. Ultimately, the business manager and superintendent make the final two approvals.

Due to the lack of written purchasing procedures, district purchasers are not aware of the specific requirements for various types of purchases. Purchasers sometimes are not aware of the funding source used for the procurement. Purchasers are also confused about how long to retain purchasing documents. District purchasers retain procurement documentation for various lengths of time. For example, the maintenance staff retains purchasing documentation that dates back many years, while some campus staff do not follow a retention period. Furthermore, purchasers maintain documentation in different forms from paper to electronic and scanned copies of data. When purchasers are unaware of both the funding sources for procurements and the applicable retention periods, a risk results that required purchasing documentation is mismanaged. Procurement retention periods may vary based on the funding source. For example, most recipients of state and federal grants from TEA must keep all grant-related documentation for three years from the end of the final payment.

#### **VENDOR LIST**

Marlin ISD's business manager is responsible for compiling and maintaining the vendor list. The former business manager compiled the existing list for fiscal year 2015. Any vendor could be added to Marlin ISD's vendor list by sending a catalog or quote sheet and contract information. Because a former employee prepared this information, the district's business manager could not provide information on how the vendor list is maintained, how often it is reviewed or updated, or how the list is communicated to district purchasers.

Due to the lack of written procedures and limited communication from the Business Office, district purchasers are unclear about how to use the approved vendor list, which vendors to contact for quotes, and the number of quotes required. District purchasers inconsistently use the approved vendor list due to confusion about the required process. For example, maintenance and facilities staff indicated they use the vendor list exclusively, while campus staff indicated they use it when applicable. The technology coordinator was not familiar with the vendor list, but instead uses the Texas Multiple Award Schedule, which is the Texas Department of Information Resources contracting vehicle.

#### **CONTRACT MANAGEMENT**

Marlin ISD does not perform contract management activities. Contract management activities include defining acquisition strategy, acquisition analysis, aggregation reviews,

and establishing blanket purchase orders to reduce overall costs to the district. Contract management activities can help districts manage resources more efficiently by ensuring purchases are at or below market costs, made to responsible vendors, and meet procurement regulations for each funding source. Although the business manager is responsible for purchasing and acquisitions, the district does not have a specific position assigned to perform contract management activities. Instead of submitting a requisition for approval before obtaining quotes, district purchasers complete the acquisition process before they receive approval for the purchase. Because the district uses a disbursed purchasing method, purchasers do not consider the aggregation requirements pursuant to TEC, Section 44.031, when making purchases. At no point in the acquisition process does the district perform vendor or commodity analysis to determine if purchases made across the district meet the aggregation limits. This lack of review means that the district could be noncompliant with its own board policy or with Section 44.031.

Marlin ISD's Business Office does not perform periodic reviews of purchases made throughout the district to ensure the district follows acquisition and retention policies. Periodic reviews identify infractions of federal, state, and local policy in acquisition activities to include conflict of interests, procurement aggregation, and records retention. Periodic reviews also encourage staff to follow district policy because staff are aware of the additional oversight of their activities.

The lack of internal controls over the purchasing process increases the risk that Marlin ISD could be noncompliant with its local policy governing acquisitions, and with federal and state purchasing guidelines. District purchasers use different procurement strategies and methods for each procurement. The district does not monitor purchases to ensure they meet state and local purchase aggregation requirements. Purchasers do not use the same standard for quotes or consistently maintain supporting documentation.

The lack of a specific position to oversee purchasing has resulted in confusion among purchasers, which has led to inefficient and ineffective procurement activities. Small school districts often have limited administrative and accounting staff and use a disbursed purchasing methodology to reduce costs and administrative burdens. However, without a consistent process for contract management, the district risks noncompliance with purchasing guidelines, local policy, and funding restrictions. For example, if Marlin ISD does not meet purchasing guidelines on purchases made

with federal or state grant funds, those expenditures may result in questioned costs from TEA. Questioned costs are unallowable costs or unallocable costs charged to a grant. Marlin ISD might have to use local funds to pay questioned costs.

FASRG describes the rules of financial accounting for school districts, charter schools, and education service centers. FASRG's Module 3 provides standards and best practices, including sample documentation, for purchasing. Module 3 addresses the acquisition process, purchasing responsibilities, purchasing ethics, competitive bidding, and cooperative purchasing.

Effective districts realize that oversight of the purchasing process could reduce the overall cost of acquisitions. For example, participating in cooperatives streamlines the acquisition function, provides access to a greater variety of goods and services, and assists the district to obtain competitive pricing and purchasing terms. The exchange of information between the Business Office and purchasers is critical to an effective purchasing system. Training is a key component of the free flow of information. Effective districts conduct training periodically throughout the year for all staff involved in the purchasing process. Many school districts include purchasing training in in-service classes, academies, continuing education programs, and departmental meetings. TEA recommends the following training topics:

- ethics;
- conflicts of interest;
- kickbacks and gratuities;
- improper use of a position or confidential information to purchasers including penalties for violations of purchasing laws and ethics;
- local purchasing policies, which should incorporate federal and state requirements;
- monitoring the aggregated costs of goods and services to ensure compliance with procurement methods;
- types of procurement strategies for small and large purchases;
- district procurement procedures;
- updates to policies, procedures, or practices; and
- maintenance of purchasing files in accordance with federal and state laws.

McAllen ISD's Purchasing Department received recognition for best practices in school district purchasing. McAllen ISD performs best practices in various areas such as organization, policies and procedures, contract operations, staff training and certification, warehousing, use of technology, communication, and management of cooperative programs. McAllen ISD uses the following successful purchasing practices:

- develop a set of purchasing policies adopted by the district's board that follow applicable laws and guidelines;
- establish administrative procedures to implement policies that reflect step-by-step purchasing guidelines for central office staff and school administrators;
- clearly communicate policies and procedures to potential vendors and the general public, and follow them without deviation;
- reengineer purchasing processes to make them as streamlined as possible;
- automate the requisitioning, purchase order, and receiving processes to the fullest extent possible;
- eliminate all but the most critical approval signatures needed to maintain an adequate level of control;
- institute blanket purchase orders, which have predetermined volume pricing for delivery throughout the year and catalog purchasing where appropriate;
- eliminate or significantly reduce the number of emergency purchase orders by redefining them to truly mean an emergency, rather than simply that someone forgot or wanted to circumvent the system; and
- make use of a controlled credit or debit card system for spot purchases.

Marlin ISD should develop a written, comprehensive purchasing procedures manual that includes processes for vendor management and contract management. The business manager should analyze the existing Business Office Guidelines to determine whether to include purchasing procedures as a revision to that document, or to establish the purchasing procedures in a new, separate document. The procedures should address the acquisition process, purchasing responsibilities, purchasing ethics, competitive bidding, and

cooperative purchasing. The business manager should conduct a survey of district purchasers to understand the procedures used throughout the district. After consolidation of purchaser responses, the business manager should use the FASRG Module 3 sample procedures to begin drafting written procurement procedures. The business manager should share the resulting draft document with purchasers to obtain feedback concerning the practicality of procedural changes. The business manager should incorporate purchaser feedback into the final procedures document. The final draft of written procedures should be reconciled for consistency with relevant statutes, regulations, and board policies.

To improve vendor management, the business manager should perform the following activities:

- develop districtwide acquisition strategies;
- review requisitions to ensure purchases meet the \$25,000 aggregation limits;
- review purchases to ensure acquisitions were performed in accordance with district policy and federal and state guidelines;
- perform random periodic reviews of supporting documentation to ensure purchasers maintain adequate documentation;
- manage participation in cooperative agreements;
- analyze procurement activities to identify better procurement methods that generate cost savings;
- compile and maintain vendor performance files; and
- train district staff regarding procurement guidelines.

Finally, the district should implement controls over its contract management function. For example, the business manager should create and maintain contract files on major acquisitions such as contracts for the depository bank, legal services, external auditing services, and any MOUs.

The district should use the FASRG Module 3 as a guideline for procurement best practices. The written procedures should describe the district's actual procurement practices and be consistent with relevant statutes, regulations, and board policies. Any discrepancies between actual district practices and best practices, relevant statutes, regulations, and board policies should be resolved. The district should review written procedures annually and update as changes occur.

Marlin ISD should implement a procurement training program. Training should begin with the district's policies and procedures for all staff members involved in acquisitions. The district should conduct at least one training annually, lasting two to four hours, to address the complete acquisition process for all new staff and existing staff who have not received acquisition training. The district should conduct at least one training quarterly, lasting one hour, for all staff involved in acquisitions to address any changes to policies, procedures, or updates to vendor lists, schedules, or other procurement vehicles.

No fiscal impact is assumed for the procurement training costs, because the Business Office has included training costs in its departmental budget. Therefore, this recommendation could be implemented with existing resources.

#### **INSTRUCTIONAL MATERIALS (REC. 18)**

Marlin ISD lacks effective processes to guide the ordering, tracking, and distribution of instructional materials.

Instructional materials coordinators manage textbook operations in most school districts. However, in Marlin ISD, the superintendent manages most aspects of textbook operations. Marlin ISD's organizational charts and job descriptions do not show a clear line of responsibility for ordering, tracking, and maintaining textbooks. During onsite interviews, district staff indicated that the superintendent is responsible for ordering instructional materials, the district instructional coordinator is responsible for ensuring the academic adequacy of instructional materials considered for purchase, and the business manager is responsible for the procurement based on the superintendent's instructions. When the superintendent determines a need for additional materials, the district instructional coordinator reviews the selection to ensure it meets the State Board of Education (SBOE) requirements, and the business manager makes the purchase.

The superintendent, district instructional coordinator, and business manager are all new in their positions; consequently, they could not provide any additional information about how the district receives, tags, and tracks the materials, and they have not established a process moving forward. According to onsite interviews, each campus maintains a textbook inventory and is responsible for lost or missing instructional materials. Administrators indicated that the superintendent is responsible for oversight of textbook operations, from ordering to collecting funds for lost or missing materials. The district was unable to provide a

textbook and instructional material inventory or a distribution or collection list of textbooks and instructional materials. The district was unable to provide any written procedures to track textbooks and collect funds for lost or missing instructional materials. The interim superintendent was unable to provide any additional information on textbook operations.

The span of control over textbooks exists solely with the superintendent; this results in a significant internal control deficiency over textbook operations. The superintendent determines when, what, and how many instructional materials to purchase, regardless of need or funding. Furthermore, the superintendent determines how, if at all, the district would collect textbook losses. Because no additional district staff participates in textbook operations or monitors the instructional materials allotment (IMA) that the district receives from the state, the district does not have assurance of efficient use of the IMA funds.

Effective districts understand that internal controls include a system of checks and balances to safeguard assets and resources. Checks and balances over textbook operations help the district's management and the board to ensure the effective use of resources. FASRG standards for textbook operations, such as policies, procedures, and management accountability over textbook operations, include the following:

- establish procedures to budget instructional supplies and materials by campus;
- provide opportunities for campus input and allow various opportunities to use the funds;
- ensure equity per pupil, grade level, and subject matter;
- provide resources for supplemental instructional materials and supplies;
- initiate and maintain a comprehensive instructional materials inventory;
- accurately report all instructional materials by campus; and
- properly account for funds to replace books.

Clear Creek ISD holds principals accountable for missing textbooks to reduce textbook losses. Principals pay for missing textbooks from the principals' activity funds, a school-level account separate from general funds. The district

monitors textbook losses at the end of the first semester and invoices the campus for the losses. The Business Services and Support Department receives copies of the invoices to collect from the campus.

Clear Creek ISD principals employ various methods to reduce losses and collect the money from students for lost textbooks. For instance, one high school performs a thorough audit of textbooks with the assistance of two teachers at the end of the school year. At the secondary level, the teachers remind students to bring their books. Teachers check books at nine-week intervals or at a time determined by each campus. Some teachers permit students to pay for lost textbooks through an extended payment plan. Other teachers use classroom books from textbook vendors rather than select ancillary materials. Some campuses purchase used replacement textbooks at a discount from used textbook vendors. The Clear Creek ISD textbook coordinator stated that campuses with stability and continuity in the principal position have the greatest success in reducing textbook losses because they enforce procedures, minimizing losses.

Organizations such as the Instructional Materials Coordinators' Association of Texas (IMCAT) provide training and assistance to members. These organizations can be a good resource for districts. For example, IMCAT provides updated resources and information concerning changes required by TEA and new legislative mandates.

Marlin ISD should assign the duties to order, track, and distribute instructional materials for the district to the instructional coordinator position. The superintendent and business manager should review and approve purchases consistent with the district's procurement policy. The district instructional coordinator and superintendent should develop written procedures for textbook operations. The instructional coordinator reports directly to the superintendent and is part of the administrative team.

The district instructional coordinator should develop written procedures to order, track, and distribute instructional materials using training resources as a guide. The instructional coordinator should share the draft document with campus principals and assigned campus coordinators to obtain feedback concerning the practicality of procedural changes and should incorporate this feedback into the final procedures document. The instructional coordinator should reconcile the final draft of the written procedures for consistency with relevant statutes, regulations, and board policies. This position should incorporate a practice to update procedures

as statutes, regulations, and board policies change. Marlin ISD should become a member of an organization such as the IMCAT to stay abreast of changes to IMA requirements. IMCAT training typically occurs in the summer to support planning and purchasing of instructional materials for the upcoming school year.

The fiscal impact assumes the district would become a member of an organization such as IMCAT. The fee for IMCAT training and membership is \$95 per year for the Instructional Materials 101 training session.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 5. PURCHASING</b>							
17. Develop a written, comprehensive district purchasing procedures manual that includes processes for vendor management and contract management.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18. Assign the duties to order, track, and distribute instructional materials for the district to the instructional coordinator position.	(\$95)	(\$95)	(\$95)	(\$95)	(\$95)	(\$475)	\$0
<b>TOTAL</b>	<b>(\$95)</b>	<b>(\$95)</b>	<b>(\$95)</b>	<b>(\$95)</b>	<b>(\$95)</b>	<b>(\$475)</b>	<b>\$0</b>



## CHAPTER 6. HUMAN RESOURCES MANAGEMENT

An independent school district's human resources function is responsible for the management of staff. This function is critical because compensation and benefits account for approximately 80 percent of the average Texas school district's total budget. Human resource management is dependent on the organizational structure of the district. Larger districts may have staff dedicated to human resource management, while smaller districts assign staff these responsibilities as a secondary assignment.

Human resource management includes: compensation and benefits; recruitment, hiring, and retention; administrative planning and duties; records management; staff relations and grievances; and staff evaluations. These functions are defined by either compliance-based or strategic-based responsibilities. Compliance-based responsibilities include assuring an organization is following federal, state, and local labor laws in areas such as benefits, compensation and hours worked, records management, mandatory leave, discrimination, medical privacy, safety, termination, and eligibility to work. Strategic-based responsibilities include recruiting and retention, compensation and benefits, and staff relations.

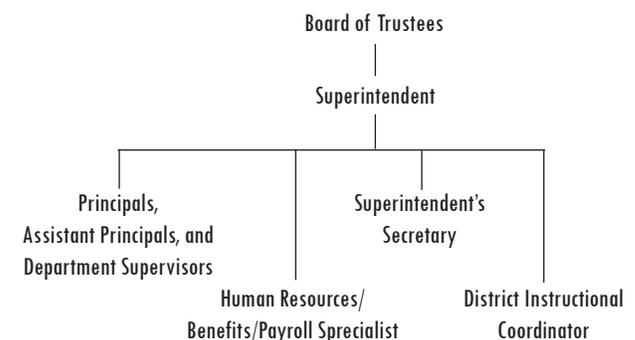
In school year 2013–14, Marlin Independent School District (ISD) employed 82.2 full-time-equivalent teachers to provide educational services to 965 students.

Marlin ISD distributes human resources (HR) responsibilities among administrative office staff, district principals, and department supervisors. The superintendent oversees the recruitment and retention of staff, and also authorizes HR decisions, such as overseeing hiring and employment terminations, accepting resignations, and approving job postings. According to the Marlin ISD District Improvement Plan (DIP) for school years 2013–14 to 2014–15, the superintendent also reviews and updates the hiring manual that the district published in 2011 and provides training to principals on the procedures contained in that manual. The human resources/benefits/payroll specialist carries out the day-to-day HR responsibilities. This specialist oversees the hiring process, initiates and maintains staff files, determines salaries based on years of experience, and manages leave. Principals and department supervisors review applications, interview applicants, and recommend hires as part of their HR duties. Their job descriptions also require them to prepare, review, and update job descriptions in an assigned

area. Assistant principals also assist with setting up interviews, overseeing substitutes, and managing compensatory time that auxiliary staff such as office clerks or custodial staff accrue. The district instructional coordinator organizes staff development for teachers, annually distributes job descriptions for employee reviews and signatures, and manages the staff mentoring program. The superintendent's secretary also assists with HR processes by posting district jobs, reviewing and updating the employee handbook, reconciling pay for district substitute teachers, and overseeing leave taken in accordance with the U.S. Department of Labor Family and Medical Leave Act.

**Figure 6–1** shows Marlin ISD's organization chart for HR responsibilities.

**FIGURE 6–1  
MARLIN ISD ORGANIZATION FOR HUMAN RESOURCES  
SCHOOL YEAR 2014–15**



SOURCES: Legislative Budget Board School Review Team; April 2015; Marlin ISD, Staff Interviews, April 2015.

A school district's largest expenditure is staff costs. In school year 2013–14, Marlin ISD employed 166 full-time equivalent staff at the district's three campuses and administrative building. The three campuses in Marlin ISD are Marlin Elementary School, Marlin Middle School, and Marlin High School.

**Figure 6–2** shows Marlin ISD's payroll expenditure as a percentage of all funds compared to peer districts. Peer districts are districts similar to Marlin ISD that are used for comparison purposes in this report.

**Figure 6–2** shows that Marlin ISD’s payroll expenditures were the third highest compared to its peer districts for school year 2013–14. Marlin ISD’s payroll percentage of 70.7 percent represents the highest percentage among its peer districts and is higher than the state average of 62.3 percent. The district also employs the least number of staff among its peer districts except for Bloomington ISD.

**Figure 6–3** shows information on base salaries for Marlin ISD compared to those of peer districts. The figure shows that Marlin ISD’s average salaries for total staff, total teaching staff, total administrative staff, and total professional staff are the lowest in each category when compared to peer districts.

**FIGURE 6–2  
MARLIN ISD PAYROLL ACTUAL EXPENDITURES AS A PERCENTAGE OF ALL FUNDS COMPARED TO PEER DISTRICTS  
SCHOOL YEAR 2013–14**

	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY CISD
Total Expenditures (in millions)	\$9.7	\$12.3	\$11.8	\$14.6
Payroll Expenditures (in millions)	\$6.8	\$5.6	\$7.6	\$8.7
Payroll Percentage	70.7%	45.6%	64.4%	59.5%
Staff	166.0	122.5	176.6	179.3
Enrollment	965	915	1,097	1,055

SOURCE: Texas Education Agency, Actual Financial Data for School Year 2013–14.

**FIGURE 6–3  
MARLIN ISD AVERAGE BASE SALARIES COMPARED TO PEER DISTRICTS  
SCHOOL YEAR 2013–14**

EMPLOYEE	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY CISD
Total staff	\$34,197	\$36,384	\$34,754	\$37,672
All teachers	\$39,823	\$44,423	\$43,532	\$46,436
Prekindergarten	\$36,060	\$49,730	\$44,047	\$49,265
Kindergarten	\$36,288	\$38,550	\$44,919	\$44,449
Elementary (grades 1 to 6)	\$46,301	\$42,088	\$37,494	\$44,559
Secondary (grades 7 to 12)	\$41,286	\$53,113	\$47,058	\$55,553
Total support staff	\$40,700	\$39,938	\$57,293	\$52,007
Librarian	\$28,990	\$44,780	NA	NA
Other noninstructional district staff	\$42,827	\$39,108	NA	\$73,272
Total administrative staff	\$68,050	\$95,259	\$80,086	\$85,517
Principal	\$70,830	\$78,577	\$70,417	\$88,566
Superintendent	\$125,000	\$154,000	\$117,000	\$131,310
Total professional staff	\$42,367	\$47,040	\$46,755	\$50,725
Educational aide	\$16,836	\$19,771	\$16,404	\$17,090
Auxiliary staff	\$21,263	\$19,405	\$21,748	\$21,119

NOTE: NA – This information was not available.

SOURCE: Texas Education Agency Public Education Information Management System, Standard Reports, school year 2013–14.

## FINDINGS

- ◆ Marlin ISD's human resource function is not cohesively organized or effectively managed.
- ◆ Marlin ISD lacks uniform and consistent hiring practices, which results in confusion among staff and places the district at risk of not complying with federal and state laws.
- ◆ Marlin ISD's compensation plan for noninstructional staff does not facilitate recruiting for positions that are difficult to fill.
- ◆ Marlin ISD does not update district job descriptions to reflect staff's existing job assignments, resulting in confusion among supervisors and staff.
- ◆ Marlin ISD has an ineffective performance evaluation system for noninstructional staff and does not consistently evaluate this staff annually, in violation of district policy and state requirements.
- ◆ Marlin ISD lacks a comprehensive plan to effectively attract, recruit, and retain highly qualified teachers.

## RECOMMENDATIONS

- ◆ **Recommendation 19: Establish a new human resources specialist position whose primary responsibility is to organize and effectively manage all district human resources processes.**
- ◆ **Recommendation 20: Develop and implement written procedures that guide district hiring processes in compliance with state and federal laws and regulations.**
- ◆ **Recommendation 21: Develop and implement a compensation plan that provides designated pay scales for all district staff.**
- ◆ **Recommendation 22: Review and update all district job descriptions annually to ensure alignment with the actual job titles and responsibilities staff perform.**
- ◆ **Recommendation 23: Develop written procedures to manage the district's performance evaluation program in accordance with board policies and state requirements.**
- ◆ **Recommendation 24: Develop and implement a districtwide strategic plan for the recruitment and retention of highly qualified teachers.**

## DETAILED FINDINGS

### **HUMAN RESOURCE FUNCTIONS (REC. 19)**

Marlin ISD's human resources function is not cohesively organized or effectively managed.

Before school year 2013–14, Marlin ISD employed a human resources director and a personnel assistant to oversee the district's HR functions. However, in December 2012, the director of human resources retired, and later that year, the personnel assistant resigned. Marlin ISD opted not to replace these positions. Instead, the director of curriculum and the business manager, with the assistance of the newly hired payroll specialist, assumed some of the district's HR duties. These duties included administering job performance evaluations, setting salaries, and writing instructions for campus administrators to explain hiring steps and the interview process. The curriculum director and business manager resigned before school year 2013–14.

In school year 2013–14, the superintendent assumed the HR duties that required his approval such as accepting resignations, approving job postings, approving principals' and supervisors' recommendations for new hires, and approving salaries. The superintendent informally assigned other HR duties to the payroll specialist and changed the payroll specialist's title to human resources/benefits/payroll specialist. Campus administrators and district supervisors also assist with HR duties by reviewing applications and participating in the interview process, however these staff have not received HR training. The district instructional coordinator and HR/benefits/payroll specialist informally share the responsibility of staff development, including the new-hire orientation process. However, the responsibility of coordinating new-hire orientation does not appear on any job description the district provided to the review team.

Onsite interviews with district staff indicated that new staff may not receive required trainings. For example, staff reported that new-hire orientation occurs once each year. New hires hired into the district midyear must wait for training when the district offers it at the beginning of the next school year. The district does not have a process to track midyear hires to ensure they attend new-hire orientation at the start of the next school year.

In addition to HR duties, the HR/benefits/payroll specialist serves as the district's receptionist. These duties require the HR/benefits/payroll specialist to greet visitors, answer and direct telephone calls, and perform HR and payroll duties while sitting at a desk in the foyer of the administration

building. The HR/benefits/payroll specialist also reports to two supervisors. For payroll specialist duties, the position reports to the business manager, and for HR responsibilities, the position informally reports to the superintendent. It is not clear from onsite interviews which supervisor oversees the position's receptionist responsibilities.

By assigning the HR/benefits/payroll specialist with payroll and HR responsibilities, Marlin ISD has not established proper segregation of certain responsibilities. For example, the HR/benefits/payroll specialist inputs new staff information into the Texas Enterprise Information System (TxEIS), the district's HR and financial management system. The HR/benefits/payroll specialist then calculates new staff salaries without written guidance or rules and inputs the salary amount for payroll administration into the financial management system. According to job duties submitted by the district, the HR/benefits/ payroll specialist performs the following payroll responsibilities using TxEIS:

- changes payroll frequency;
- establishes and manages leave records;
- establishes and maintains employee professional credentials and certification;
- establishes and manages salary tables, records, and grant records;
- manages salary and tax deduction tables;
- maintains salary calculations and employee calendars;
- processes payrolls;
- establishes and maintains job, contract, and payroll tables for current and next-year budgets;
- exports and imports HR files;
- runs HR reports for all reporting functions; and
- maintains employee retirement records.

**Figure 6–4** shows the job duties that the Marlin ISD HR/benefits/payroll specialist performs and shows those responsibilities, in bold type, that put the district at risk when performed by the same position.

As shown in **Figure 6–4**, authorizing the same position to input new hires and also have access to input their salaries, including inputting final check payoff calculations when staff leave the district, is an example of poor internal controls.

Separation of these kinds of duties reduces the opportunity for any position in the district to perpetrate and hide errors or to commit fraud, such as the improper use of funds or altering financial data or records.

Requiring the HR/benefit/payroll specialist to work in a public area jeopardizes the confidentiality of existing and potential employee documents such as teacher evaluations, social security numbers, transcripts, and criminal history background checks. In addition, the federal Family Educational Rights and Privacy Act requires that academic transcripts of job applicants be kept confidential, and the Texas Government Code, Section 411.085, prohibits disclosure of criminal history record information. These laws include penalties for entities that disclose confidential information protected by federal and state laws.

Organizations that establish effective internal controls ensure that separate HR employees are responsible for entering and reviewing payroll data. School districts typically assign an employee in the business office with the responsibility of entering salary information into the district's information system after a business office supervisor receives authorizing signatures that approve the action.

Many HR organizations provide school districts with guidance related to positions that manages HR duties. Marlin ISD is a member of two organizations, the Texas Association of School Boards (TASB) and the Texas Association of School Business Officials (TASBO), which provide such assistance.

Marlin ISD should establish a new human resources specialist position whose primary responsibility is to organize and effectively manage all district human resources processes.

By removing payroll responsibilities from the position primarily responsible for HR, the district can ensure the proper segregation of payroll and HR duties. In addition, separating payroll and HR duties ensures that Marlin ISD's payroll practices follow proper guidelines for developing internal controls to protect the district from possible fraud. The recommended elimination of the HR/benefits/payroll specialist position and the reassigning of the payroll duties are described further in the Financial Management chapter of this report. The district should assign the receptionist duties to another Marlin ISD employee. The district should provide the HR specialist with a private workspace to reduce the possibility of disclosure of confidential employee documents in compliance with information privacy laws.

**FIGURE 6–4  
MARLIN ISD HUMAN RESOURCES/BENEFITS/PAYROLL SPECIALIST JOB DUTIES  
SCHOOL YEAR 2014–15**

PAYROLL SPECIALIST	HUMAN RESOURCES (HR)	RECEPTIONIST
<b>Control payroll preparation and production</b>	Oversee resignations, postings, applications, interviews, hiring, and background check process; verify years of experience of new hires for salary determinations	Screen and greet visitors to the district, directing them to the appropriate office
<b>Input payroll data into the Texas Enterprise Information System (TxEIS) and ensure accuracy of data and calculations</b>	<b>Administer district compensation plan and set salary of new hires with superintendent approval</b>	Answer telephone calls and direct the calls to appropriate staff
Process payment of all liabilities generated through payroll, including Teacher Retirement System (TRS) deposits and insurance	<b>Use TxEIS to input new hire and salary information for payroll administration</b>	Take messages, as necessary, if voice mail is unavailable
Communicate with administrative staff regarding payroll-related issues	Verify proper certification and licenses of new hires	
<b>Communicate with HR and business services to process hiring, leave, terminations, and other employment-related issues</b>	Check certification and assignment information to verify highly qualified status	
Compile, maintain, and file all physical and computerized payroll reports, records, and other required documents	Initiate and maintain staff files for all employees	
	Assist with new employee orientation	
	Organize the issuance of professional contracts and letters of reasonable assurance to at-will employees	
	Administer employee benefits, including open enrollment	
	Maintain service records for all employees and file records	
	<b>Use TxEIS to input final check payoff calculations when employees leave the district</b>	

SOURCES: Legislative Budget Board School Review Team onsite interviews, April 2015; Marlin ISD, staff interviews, April 2015.

The district should also schedule and budget for ongoing HR training for the HR specialist. A beneficial training that TASB provides in conjunction with the Texas Association of School Personnel Administrators is the Texas School HR Administrators Academy. The superintendent and the new HR specialist should attend this two-day training program. The training would not incur an overnight stay because Marlin is located less than two hours’ drive from the training site. The program provides training by experienced attorneys and human resource administrators and consultants. This training addresses the following topics:

- human resource staff’s responsibilities;
- legal issues that HR staff face;

- resources for HR staff;
- recruitment and hiring practices;
- staff records management;
- management of teacher certification and the federal No Child Left Behind Act (NCLB) requirements;
- compensation and benefits; and
- leaves and absences.

The fiscal impact assumes the district would establish a part-time HR specialist position. The addition of an HR specialist is estimated to cost \$13,771. This cost assumes that the

median pay rate for the HR specialist is \$18.12 per hour, as published in TASB's District Personnel Survey. The cost also assumes that part-time employees do not receive benefits, and that this position would work for 20 hours per week, 38 weeks per year at \$18.12 per hour, for a total annual cost of \$13,771. The fiscal impact also assumes a one-time cost of \$1,084 for registration fee for the two positions to attend the \$450 per person Texas School HR Administrative Academy, plus a \$36 per-person per diem for two days of training for both staff, and the \$40 cost of fuel for one district vehicle.

### **HR PROCEDURES (REC. 20)**

Marlin ISD lacks uniform and consistent hiring practices, which results in confusion among staff and places the district at risk of not complying with federal and state laws.

Marlin ISD publishes district board policies on its website and maintains a hard copy in the administrative office. The 2014–15 Employee Handbook explains district policy that affects employees. Marlin ISD covers its employment practices in the district's legal and local board policies. These include Board Policies DC (LEGAL and LOCAL) for general employment practices, such as job posting and application processes; Board Policies DCD (LEGAL and LOCAL) for at-will employees; and Board Policies DAA (LEGAL and LOCAL) and DAB (LEGAL and LOCAL) for employment practices that protect individuals from disparate treatment. However, the employee handbook lacks a table of contents that would assist district staff in efficiently locating pertinent information. During onsite interviews, district staff indicated that Marlin ISD lacks written operating procedures to provide administrators and supervisors with specific instructions on how to implement recurring assigned HR activities. For example, no written procedures outline the process to interview applicants to fill employee vacancies, despite the fact that it is a recurring activity for district leadership.

Marlin ISD's school years 2013–14 to 2014–2015 DIP references the district's hiring manual that was published in 2011, but the manual was not available at the time of the onsite review. The DIP stated that the superintendent should train principals on hiring procedures, but district principals said that they had not received HR training. During onsite interviews, district employees stated that the district has only verbally communicated the procedure to fill vacancies, and no written guidelines facilitate the process.

When district supervisors receive a resignation, the supervisor contacts the human resources/benefits/payroll specialist. The

superintendent accepts the resignation, and the HR/benefits/payroll specialist and the superintendent's secretary develop a job posting, which the superintendent approves. Marlin ISD posts jobs on the Texas Association of School Administrators website and on SchoolSpring, Regional Education Service Center XII's (Region 12) web posting service. The district also displays paper postings at the campuses and at the administration building. Staff indicated that the district does not post for vacant positions in a timely manner, which limits the district in hiring the best available teacher and instructional leader candidates.

Marlin ISD provides detailed procedures for the application process on its website with links to the SchoolSpring job posting site and to criminal history forms. The online procedures also include a list of documents the district requires in addition to the application.

After the district receives the job applications for teacher vacancies, the HR/benefits/payroll specialist screens the applications to ensure that applicants meet the posted qualifications, and sends the screened applications to the principals to screen and review. The district lacks guidelines for the screening process, and the process varies depending on the position. For example, noninstructional applicants go through a less formal screening and interviewing process. The maintenance and transportation supervisors screen the applications for those departments, instead of the HR/benefits/payroll specialist. In some instances, applicants to these departments submit their applications directly to the supervisors rather than following the instructions on the website that requires interested candidates to submit applications to the HR/benefits/payroll specialist.

During onsite interviews, Marlin ISD staff indicated that the district lacked a cohesive plan for the interview process. Sometimes principals conduct interviews with a panel of district staff, but other times the principal alone conducts the interview. After a candidate is selected, the principal checks references and submits the recommendation for hire to the superintendent. Interviews with district staff indicate that the superintendent also interviews recommended teacher candidates before submitting the individual's name to the board of trustees for approval. Staff also reported that the previous superintendent interviewed for high school coaches without input from the high school leadership and staff.

Interviewing practices also differ across the district, especially in the custodial, maintenance, and transportation areas. Supervisors for the maintenance and transportation

operations check references before they interview instead of screening the applications to assemble an interview pool. However, sometimes these supervisors cannot reach the references the applicant provides, either via phone or e-mail. This step could lead to a delay in the hiring process. These supervisors also noted that they use an informal interview process that involves chatting with the applicants rather than having a formal interview.

The Equal Employment Opportunity Commission (EEOC), a federal agency which sets requirements for employment in the U.S., closely scrutinizes hiring practices. Without written procedures to guide the interview process, Marlin ISD is at risk of allegations that its hiring practices are discriminatory. Hiring practices that include checking references before interviewing the applicants may present the perception that the district is participating in discriminatory practices. For example, if a qualified applicant is not provided the opportunity to interview, the applicant may conclude that the school district excluded them for an illegal reason such as race, gender, religious preference, age, or disability. It would be difficult for the school district to defend itself from these allegations because research has found that references are a poor indicator for predicting future job success. Checking the references of applicants is typically one of the last steps in the hiring process to allow the district the time to interview and select the candidate that is the best fit for the district. The EEOC advises employers that qualified applicants should have the opportunity to interview before they are eliminated by questionable and inconsistent methods.

Written operating procedures facilitate consistency, which contributes to the quality of school districts. San Elizario ISD developed a hiring process that is used across the district and applied with fidelity. The principal or supervisor reviews applications after HR staff have screened the applications and the principal or supervisor selects an interview committee that includes staff members, community members, and supervisors. The committee reviews the applications and selects the candidates to interview based on the advertised qualifications posted for the position. Before interviewing, the committee members develop interview questions and the best possible responses to those questions. After the interview, committee members independently rank the candidates, and rank the candidates as a group. The committee sends the recommendation to HR staff, who verify that the applicant is eligible for employment. The candidate recommendation is presented to the superintendent for approval.

Marlin ISD should develop and implement written procedures that guide district hiring processes in compliance with state and federal laws and regulations.

The HR/benefits/payroll specialist should work with the superintendent, campus principals, and department supervisors to develop procedures for Marlin ISD's hiring process. The procedures should follow Marlin ISD's board policies for hiring practices, which outline the guidelines for posting vacancies, application requirements, the employment of staff, and policies for exit interviews.

Marlin ISD is a member district of TASB's HR services and uses the organization's policy service. Along with the policy service, TASB provides templates for developing written procedures, which school districts can adjust to meet their needs. The district should consider using TASB's services to develop its hiring procedures. The hiring procedures should include the following actions:

- document detailed steps for the district's hiring practice to ensure that they align with district policy and establish uniformity across the district;
- ensure that the superintendent and stakeholders agree with the proposed procedures the district is developing to reach consensus on the procedures;
- finalize the procedures and attach any forms that support the implementation of the procedures as exhibits to reference in the body of the regulation and included with the regulation; and
- submit draft procedures and accompanying exhibits to an authorizing committee of district leaders for final approval.

After the procedures are approved, the district should invite stakeholders to a training session at which HR staff explain the procedures and demonstrate use of any accompanying forms. HR staff should keep records of training sign-in sheets as part of the district's accountability process.

After the district considers and approves the procedures, they should be published on the Marlin ISD's website to provide access to the procedures for all district supervisors.

This recommendation could be implemented with existing resources.

**COMPENSATION PLAN (REC. 21)**

Marlin ISD’s compensation plan for noninstructional staff does not facilitate recruiting for positions that are difficult to fill.

Marlin ISD uses three salary scales for employees: the Professional Pay Scale, the Marlin ISD Factor Pay Scale, and the Auxiliary Pay Scale. The district’s pay scales are not printed on letterhead and do not have any authorizing signatures or an effective date of when the district approved the scales. All of these scales consist of a step system based on years of experience, which is similar to the Texas Teachers’ Minimum Salary Schedule. **Figure 6–5** shows the first five years of the Texas Teachers’ Minimum Salary Schedule for school year 2015–16 as an example of a step-based pay system.

**FIGURE 6–5  
FIRST FIVE YEARS OF THE TEXAS TEACHERS’ MINIMUM  
SALARY SCHEDULE  
SCHOOL YEAR 2015–16**

YEARS OF EXPERIENCE CREDITED	MONTHLY SALARY	ANNUAL SALARY (10-MONTH CONTRACT)
0	\$2,808	\$28,080
1	\$2,869	\$28,690
2	\$2,929	\$29,290
3	\$2,989	\$29,890
4	\$3,117	\$31,170

SOURCE: Texas Education Agency, August 2015.

The Professional Pay Scale is the pay scale Marlin ISD uses to determine teachers’ salaries. This pay scale places teachers on a step that coincides with the documented years of service on the teacher’s official Texas Service Record. The Professional Pay Scale for school year 2014–15 starts at step zero with a starting pay of \$31,300 and ends at step 29+ with a pay level of \$49,300.

The district uses the Auxiliary Pay Scale to determine pay when hiring custodians, cafeteria and maintenance workers, and mechanics. Like the teacher’s pay scale, the scale starts at step zero and ends at step 29+, but it is based on hourly pay rather than annual salary. A review of the Auxiliary Pay Scale indicates that the hourly rates associated with each pay step have not been updated since school year 2010–11.

The district also uses the Marlin ISD Factor Pay Scale to determine starting pay for all other employees that are not teachers, custodians, maintenance and food service workers,

or mechanics. The Marlin ISD Factor Pay Scale starts at step zero with a starting pay of \$30,500 and ends at step 29+ at \$48,500. This scale resembles the teacher pay scale except that the starting salary level is lower.

The Marlin ISD Factor Pay Scale for school year 2014–15 is organized using a hierarchy of jobs, starting with the high school principal position at the highest step and ending with the position of assistants at the lowest step. Each position is given a specific pay factor. The pay factor for the top-ranking job of high school principal is set at 1.35 and the lowest-ranked job has a factor of 0.40. For example, if the district were hiring a high school principal, this position would be entitled to a pay factor of 1.35. If the newly hired high school principal had five years of documented experience, the district would place the new hire on step five of the scale equivalent to a salary of \$34,000, and then multiply that number by the pay factor of 1.35 to equal \$45,900. The district converts the salary of \$45,900 into a monthly teacher rate by dividing the salary by 10 because the teacher work calendar consists of 10 months. Dividing the annual salary of \$45,900 by 10 yields a monthly rate of \$4,590. The monthly rate is then multiplied by 12 months, because the principal work calendar consists of 12 months, for an annual salary of \$55,080. This is the new high school principal’s yearly salary.

In addition, if the calculated salary is insufficient to recruit the high school principal applicant, the district may adjust the salary. However, the district lacks a documented system to negotiate or adjust the salary. Instead, the district adds an arbitrary stipend amount to increase the salary offer and recruit the nonteaching applicant to the district. This practice does not benefit new hires because stipends are not considered wages and may be withdrawn from the employee at the will of the district.

The HR/benefits/payroll specialist was the only district staff the review team interviewed who understood how the Factor Pay Scale worked. None of the campus principals or assistant principals was aware of how the district determined their salaries or what they could expect in the following years with regard to pay increases.

The district’s compensation plan also moves all employees up a step on their pay scales at the completion of a service year. In the last few years, the district has not provided its employees with a general pay increase in addition to the step increase. Instead, the district has provided returning employees with a retention pay incentive at the start of the school year and again at the winter break. In school years

2013–14 and 2014–15, Marlin ISD provided this incentive pay for most returning employees in the amount of \$1,000 in August and \$500 at the winter break for a total of \$1,500. Part-time employees, such as bus drivers, receive a prorated amount. According to onsite interviews, the district does not publicize the retention incentives on any district incentive pay schedule. This retention pay is a one-time payout and is not recorded as part of the employees' salary.

Using an amended district teacher salary scale to calculate principal or clerical pay results in the district devising a system that uses arbitrary pay factors, complicated formulas, and hiring stipends to determine salary amounts to recruit desirable candidates to Marlin ISD. Without written procedures to formally guide the use of hiring stipends, this salary calculation method could be perceived as a discriminatory practice. For example, the district could set the salary of a new principal at a negotiated level that could exceed the salary level of an incumbent principal with more campus leadership experience, which could lead to allegations of disparate treatment based on age or race or another protected category. Effective school districts and other organizations establish documented salary formulas, which are applied uniformly, respect internal pay equity, and follow EEOC guidelines, to determine new hire salaries that are defensible if challenged by possible allegations of disparate treatment. Furthermore, using hiring stipends does not meet the definition of a stipend, which the Internal Revenue Service (IRS) defines as a fixed amount of money that is paid periodically.

In addition, the use of retention incentives that are not guided by district policy or written procedures does not ensure the equitable treatment of employees, especially when the incentives for part-time employees differ from those of full-time employees. This type of inequity could lead to EEOC inquiries or investigations. Using retention incentives is not in the best interest of employees because incentive pay does not become part of an employee's salary record. This record is a concern for employees because the Texas Teacher Retirement System considers the five highest years of salary compensation to determine a retiree's annual retirement pay.

Canutillo ISD also used a compensation structure similar to Marlin ISD in which the district placed all employees on a salary step scale. The district analyzed the pay of its employees and discovered that some veteran clerical and paraprofessional staff earned more than degreed beginning teachers. This discrepancy is a problem because clerical and paraprofessional staff typically do not have the education level nor do they

bear the level of responsibilities that a certified teacher faces. Required education levels and assigned responsibilities of district jobs are two factors to consider when determining appropriate and equitable pay levels. Appropriate compensation controls ensure that clerical or paraprofessional pay levels, for example, do not exceed the pay levels of professional employees that require advanced education levels and challenging responsibilities. To rectify the inherent inequities when using a step scale for employees other than teachers, Canutillo ISD contracted with TASB to perform a compensation study. As a result, Canutillo ISD instituted a compensation plan using dedicated salary scales for professionals, clerical and paraprofessionals, and the auxiliary category that were not based on a step system. Daily and hourly rates were determined for each position on the respective pay scales so that salary determinations were performed according to written procedures that supervisors and employees could understand.

Marlin ISD should develop and implement a compensation plan that provides designated pay scales for all district staff. Compensation experts could provide Marlin ISD with a compensation plan for specific categories of employees other than teachers. Best practice compensation plans are based on market data and assist the district in attracting, recruiting, hiring, and retaining qualified employees to control payroll cost by paying the market salary for job value. As a member of TASB's HR services, Marlin ISD should discuss the cost of TASB conducting a compensation study. If Marlin ISD decides to contract TASB for a compensation study, the district should budget for this cost in its school year 2016–17 budget.

Marlin ISD should reconsider the practice of paying employees a retention incentive and instead provide a general across-the-board pay increase. If the district decides to maintain its retention incentive, the district should develop procedures and guidelines to ensure that all district full-time and part-time employees receive fair prorated incentives using established formulas, and the incentive is published like other district incentives.

No fiscal impact is assumed for this recommendation because the district must decide if a compensation study is necessary.

#### **JOB DESCRIPTIONS (REC. 22)**

Marlin ISD does not update district job descriptions to reflect staff's existing job assignments, resulting in confusion among supervisors and staff.

Marlin ISD's Board Policy DC (LOCAL) requires the district to ensure that job descriptions are updated and accessible to employees and supervisors. The district annually distributes job descriptions to all employees for their review and signatures. Additionally, the district embedded a process in its supervisors' job descriptions that requires each supervisor to review and revise job descriptions in their area of responsibility to ensure that job descriptions are updated regularly in compliance with board policy. Although Marlin ISD continues this informal procedure to annually review and sign job descriptions, the district's job descriptions have not been revised since school year 2011–12. Job descriptions evolve as school district positions change and duties are reassigned. Failing to update the job descriptions or supervisory responsibilities when the district changes job titles results in confusion for Marlin ISD staff.

As part of the onboarding process at Marlin ISD, new hires receive their job descriptions along with their paperwork for their signatures. The HR/benefits/payroll specialist files all signed job descriptions for all employees annually. A review of district staff files indicates that the annual signed job descriptions are on file. However, the review team found several instances of incorrect job descriptions in the staff files. For example, in school year 2013–14, the superintendent informally assigned the majority of HR duties to the payroll specialist and changed the payroll specialist's title to human resources/benefits/payroll specialist. However, the superintendent did not revise the existing job description to document the new title of the position, the primary purpose, and responsibilities of the position. The HR/benefits/payroll specialist continues to operate in accordance with the payroll specialist's job description. Additionally, a review of the district's 2015 payroll records indicates that the district lists the HR/benefits/payroll specialist position as payroll clerk in TxEIS, which is the district's business and student information system. Sometime after 2011, Marlin ISD changed the job title for the director of maintenance and transportation to custodial/maintenance supervisor; however, the title on the job description did not change. Additionally, the job title of the transportation coordinator changed to transportation supervisor; yet that title also did not change on the job description. Both of these supervisors acknowledged in interviews with the review team that their job description titles were wrong.

The custodial/maintenance supervisor reported that he oversees the Maintenance and Custodial Departments and helps with duties in the Transportation Department. He

reported that the transportation supervisor is responsible for 90 percent of transportation duties. The custodial/maintenance supervisor also stated that he supervises the transportation supervisor. Because both staff have the title of supervisor, it is confusing and inappropriate that one of the supervisors evaluates the other.

The custodial/maintenance supervisor also reported that his main transportation duties are to approve transportation purchase orders and manage customer complaints. However, the custodial/maintenance supervisor job description lists many more transportation duties, including:

- supervising the preparation and updating of bus routes and schedules and developing a plan to meet future transportation needs;
- directing repair of all district-owned vehicles and overseeing plans for preventive maintenance;
- ensuring processing of vehicle repair requests and prioritizing work orders;
- monitoring fuel deliveries;
- reviewing student behavior reports and conducting conferences with parents;
- assuming a leadership role in gathering information relating to bus accidents; and
- advising administration about inclement weather conditions.

The job description includes a listing of 17 other transportation responsibilities, such as administering budgets, compiling and maintaining reports, preparing data for payroll, maintaining inventories, organizing and conducting safety-training programs, and attending professional growth activities. However, the custodial/maintenance supervisor does not fulfill these responsibilities.

Adding to the inconsistencies, the custodial/maintenance supervisor referred to the transportation supervisor as the transportation coordinator during the interview. During onsite interviews with the transportation supervisor, he reported that his job description title changed from transportation director to transportation coordinator, and that this is the job description he signs annually. However, the district website and district administrators refer to this position as the transportation supervisor.

The transportation supervisor reported that his duties include making the routes and planning for regular and summer

school transportation. He supervises the bus drivers, completes needed paperwork, and assists with other duties as needed. The transportation supervisor's job description outlines 15 routing and scheduling duties and 11 duties related to the maintenance and repair of district vehicles. The job description does not indicate that this position supervises or evaluates any employees but that the position provides day-to-day supervisory assistance to the custodial/maintenance supervisor for bus drivers, monitors, and mechanics.

Bus drivers in Marlin ISD also reported confusion about job titles, job responsibilities, and supervisory relationships. This confusion surfaced when the review team conducted a focus group of district bus drivers. The bus drivers reported that the two supervisors at times communicate conflicting directives, and the drivers are not clear as to who is their supervisor.

Job descriptions serve an important purpose in organizations such as school districts because they contribute to efficiency and ultimately the success of the organization. In effective school districts, employees clearly understand their specific roles and responsibilities and the level of authority district leaders assign to various positions. Accurate job descriptions contribute to the district's management of staff, job duties, and responsibilities, while ensuring the district's success in managing the organization effectively and efficiently.

Socorro ISD, a large school district, updates job descriptions by requiring supervisors to review the job description when a vacancy occurs and before posting the open position. When employees leave the district, supervisors review the need to fill the vacancy. If the vacancy would not be replaced, the supervisors redistribute responsibilities among existing staff and revises job descriptions as they reassign job duties, change job titles, or realign supervisory assignments. After the job descriptions have been vetted and approved by upper management, the reassignments are finalized with letters to all staff affected by the change. The signed letters are maintained in staff files to document the position changes.

Marlin ISD should review and update all district job descriptions annually to ensure alignment with the actual job titles and responsibilities staff perform.

HR staff can accomplish this recommendation by following these steps:

- review all existing district job descriptions and archive outdated job descriptions to document the organization's history;

- require all supervisors to review, update, and revise the job descriptions in their areas of supervision before the fall distribution of job descriptions, which is Marlin ISD's practice; the superintendent should oversee this task;
- gather committees of administrators to review and approve the revised job descriptions before submission to the superintendent for approval;
- continue the district's annual practice to distribute job descriptions and salary verifications to all staff to review and sign; and
- require supervisors to review job descriptions annually for any revisions the staff have made and review and revise the job descriptions again.

The supervisors should return all finalized job descriptions to the HR department for filing. HR staff should add this process to the department's written procedures to ensure it is a continued practice if staff changes occur.

This recommendation could be implemented with existing resources.

### **PERFORMANCE EVALUATIONS (REC. 23)**

Marlin ISD has an ineffective performance evaluation system for noninstructional staff and does not consistently evaluate this staff annually, in violation of district policy and state requirements.

Board Policy DNB (LEGAL), regarding performance evaluations, requires that the district evaluate administrators, supervisors, nurses, school counselors, and other certified administrators annually. Additionally, Board Policy DN (LOCAL) requires that all district staff be periodically appraised in the performance of their duties and that an annual conference is held to discuss the evaluation. This policy also requires that the district base staff evaluations on assigned duties and other job-related criteria that are found in the staff's job descriptions. Administrative office staff are supposed to file a copy of the signed written evaluation in the employee's staff file after a copy is provided to the staff.

However, interviews with coordinators and supervisors, such as the custodial/maintenance supervisor, the transportation supervisor, the district instructional coordinator, and the technology coordinator, indicate that they have not been consistently evaluated on an annual basis. Administrative office staff, such as the HR/benefits/payroll specialist and the

superintendent's secretary, also indicated that they have not received annual evaluations. The Texas Education Code (TEC), Section 21.354(c)(d), prohibits payment to administrators who have not been evaluated in the previous 15 months. According to onsite interviews, Marlin ISD has not formally evaluated its principals since school year 2012–13.

If a school district fails to perform evaluations, staff could assume that their job performance is acceptable. The district could have difficulty dismissing staff for unsatisfactory performance if that employee has never been informed of the issue. Often, this type of scenario raises allegations of disparate treatment or leads to employee grievances or lawsuits. In addition, without a periodic review of their job performance, staff are not provided the opportunity to receive input from their supervisors and improve their performance.

Clint ISD developed an annual HR calendar that is distributed to district principals and supervisors. This calendar notes important HR activities with due dates. Due dates are noted for the submittal of all completed performance evaluations to the HR office. This notice ensures that the district leadership is informed of the due dates at the start of the school year to plan accordingly and meet deadlines. The district tracks the completion of evaluations by school and department as they are submitted to the HR office for filing. Socorro ISD also follows this practice; however, this district has started to convert its paper evaluations to electronic versions that are available on the district's management software. This practice enables the district to electronically archive the evaluations of all staff, thus saving time and resources.

Marlin ISD should develop written procedures to manage the district's performance evaluation program in accordance with board policies and state requirements.

The district should assign one staff, with existing HR responsibilities, to develop procedures for Marlin ISD's annual appraisal process. With superintendent oversight and approval, this HR staff should review all existing evaluation instruments for district staff, starting with the principal evaluation instrument to ensure it meets legal requirements outlined in Board Policy DNB (LEGAL). If evaluation instruments do not exist for certain employee positions, the HR Department should develop an evaluation instrument using the existing job description as a guide.

The district should use either the Texas Commissioner of Education's recommended appraisal process and performance criteria or an appraisal process and performance criteria that is developed by the district in consultation with campus-level committees and adopted by the Board of Trustees. Region 12 could assist the district in developing a principal appraisal instrument that is in compliance with legal policy. Region 12 also has a webpage that the district could refer to for additional assistance.

The district should develop written procedures with established evaluation deadlines for each staff category to streamline the process and ensure that deadlines do not conflict with other major deadlines. Also, the HR Department should establish a review schedule to annually update evaluations. The HR Department should request feedback from the supervisors on necessary updates as they use the evaluation instruments.

This recommendation could be implemented with existing resources.

#### **RECRUITMENT AND RETENTION (REC. 24)**

Marlin ISD lacks a comprehensive plan to effectively attract, recruit, and retain highly qualified teachers.

The district's teacher turnover rate has increased significantly from school years 2009–10 to 2013–14. **Figure 6–6** shows the teacher turnover rate in Marlin ISD compared to peer districts, the average of other districts in Region 12, and the state average during this five-year period.

**Figure 6–6** shows that Marlin ISD's teacher turnover rate has exceeded the state and Region 12 averages, and most of the peer district rates each of the last five years. The only exception is Bloomington ISD in school years 2009–10 and 2010–11. In school year 2013–14, Marlin ISD's teacher turnover rate was 36.6 percentage points higher than the state average and 34 percentage points higher than the average turnover rate of districts in Region 12. Additionally, Marlin ISD's teacher turnover rate was 25.8 percentage points higher than any of the peer districts.

In school year 2013–14, the average number of years teachers had been employed within Marlin ISD was 4.5 years compared to a state average of 7.6 years.

Coinciding with the high rate of teacher turnover, Marlin ISD has been designated as Improvement Required in the state accountability rating system for school years 2012–13 and 2013–14. The district was also rated as Academically

**FIGURE 6-6**  
**MARLIN ISD**  
**TEACHER TURNOVER RATE COMPARED TO PEER DISTRICTS, REGION 12, AND STATE AVERAGE**  
**SCHOOL YEARS 2009-10 TO 2013-14**

SCHOOL YEAR	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY ISD	REGION 12 AVERAGE	STATE AVERAGE
2013-14	52.8%	20.0%	27.0%	21.0%	18.8%	16.2%
2012-13	39.7%	29.8%	28.1%	27.9%	18.6%	15.3%
2011-12	29.8%	26.6%	14.6%	22.3%	14.8%	12.6%
2010-11	18.5%	30.1%	18.5%	14.6%	14.5%	11.9%
2009-10	27.5%	28.1%	14.9%	14.4%	15.5%	11.8%

SOURCES: Texas Education Agency, Academic Excellence Indicator System reports, school years 2009-10 to 2011-12; Texas Academic Performance Reports, school years 2012-13 to 2013-14.

Unacceptable in school year 2010-11 (no state accountability ratings were given in school year 2011-12). The high teacher turnover rate for school year 2013-14 of 52.8 percent could be attributed to a mandated reconstitution of Marlin Middle School, which occurred due to the campus receiving a state accountability rating of Improvement Required for two consecutive years. The reconstitution of a campus requires that an intervention team review the academic performance of faculty and administrative staff to determine if the district would retain any staff at that campus. The district had to replace several educators and administrative staff at the middle school.

Onsite interviews indicated that the district also struggles to recruit new teachers. Staff indicated that effectively recruiting highly qualified teachers was one of the largest problems the district faces. Marlin ISD's recruitment and retention strategy is outlined in the school years 2013-14 to 2014-15 DIP.

The DIP outlines several strategies that the district would take to improve teacher recruitment. These strategies include:

- establish a committee to identify the means for improving the recruitment of highly effective teachers and improving teacher retention in the district;
- use the committee's reports and minutes to develop a comprehensive recruitment, training, and retention plan for all staff areas;
- pay stipends for positions such as math, science, and special education, which may be more difficult to fill;
- provide mentors to new teachers, including teachers who are new to the profession or new to Marlin ISD;
- pay signing bonuses to newly hired teachers; and
- develop and implement staffing pattern guidelines for all schools.

District staff could not communicate to the review team which, if any, of these steps the district completed during school year 2014-15. For example, during onsite interviews, Marlin ISD staff was not aware if the district ever established a teacher recruitment and retention committee.

In addition, an analysis of the recruiting activities at Marlin ISD and interviews with staff members indicate that recruitment was not a high priority of the district's leadership from school years 2012-13 to 2014-15. The previous HR director took numerous recruitment trips across Texas. After he resigned, the recruitment efforts were limited to principals attending job fairs located near Marlin. In school years 2012-13 and 2013-14, Marlin principals went on one or two recruiting trips. Onsite interviews indicate that the district had eight to 10 recruiting trips scheduled throughout Texas, including one at Prairie View A&M University. Principals planned the recruitment initiative in leadership meetings, and the trips were scheduled for March and April 2015. The Business Office paid for the trips; but, at shortly before the trips took place, the former superintendent, who left the district in April 2015, cancelled all the trips. As a result, the district lost some of the money spent on deposits because of the late notice.

A review of the stipend list indicates that math, science, and special education teachers received stipends in compliance with the DIP, and new hires to the district receive signing bonuses of \$500. The DIP also states that the district would mentor teachers new to the profession or district. However, the district's mentoring program is not effective, and not all staff are aware that it exists. During onsite interviews, district staff indicated that some teachers were mentoring multiple teachers; other staff indicated they had been assigned a mentor but had never met with them; and one of the district's principals had not heard of the program.

To support the district's teachers, Marlin ISD has established a partnership through a memorandum of understanding with Tarleton State University, which has a satellite campus in Waco. This partnership helps with the staff development of the district's teachers. This program began in late October 2014, according to the elementary principal.

The review team conducted focus group discussions and staff interviews to gather perceptions concerning why it is difficult to recruit and retain Marlin ISD teachers. Low salary was the overwhelming response from teachers and administrators as to why staff left the district. Interviews with administrators and teachers identified that not being a part of the district decision-making process affects buy-in and retention of administrators and teachers. Some of the staff's perceptions as to why Marlin ISD experiences challenges in retaining its educators include:

- low salaries;
- unruly students;
- long commute;
- lack of support from administrators;
- lack of technology training;
- lack of strong student discipline systems; and
- lack of participation in the district's decision-making process.

Without the implementation of a focused, aggressive recruitment plan and a structured mentoring program to support and foster all new hires, including administrators, the district has continued to experience a high rate of teacher turnover. Effective districts use recruiting and mentoring strategies to attract a corps of diverse educators who reflect the diversity of the student body and community, and who are supported and nurtured to ensure their success. The National Center for Analysis of Longitudinal Data in Education Research (CALDER) finds that experience matters. Their studies confirm that early career experience pays off in teacher effectiveness. CALDER reports that on average, teachers with more than 20 years of experience are more effective than teachers with no experience, but not much more effective than teachers with five years of experience. Retaining teachers is a key component to realizing academic success of Marlin ISD's students.

To attract teachers to their rural district, Karnack ISD developed a marketing campaign. The district has a low-income designation, based on the percentage of students

receiving free or reduced cost lunches, from the Texas Education Agency. The district used the availability of the student loan forgiveness program as a marketing tool designed to attract new teachers. In accordance with this program, if a teacher agrees to teach in a low-income school for five years, their student loans may be forgiven.

Southwest ISD experienced a significant reduction in its teacher turnover rate when it instituted two major initiatives. The district adjusted its budget priorities so that it could increase the teacher salary schedule to make it more competitive with districts within its region, Regional Education Service Center XX (Region 20). The Southwest ISD salary scale is significantly higher than the competitive teacher job markets in the Region 20 area for the first 10 years of service, where teacher mobility was highest for that district. The district also used grant funds to offer a retention incentive for qualified teachers agreeing to return the next year.

Rockwall ISD partnered with Texas A&M Commerce to design an onsite master of education program to promote teacher retention. District and university faculty and staff designed the master's degree program to meet the needs of Rockwall ISD teachers. District teachers must make a four-year commitment to this program: three years in the master's program and a retention requirement of one year after participants complete the program. Additionally, Rockwall ISD provides the participants a scholarship of \$75 per college hour with a maximum of 15 hours per year. The scholarship covers about 50 percent of the cost and an equal share of the tuition. If teachers fail to meet the four-year commitment, they must reimburse the district the amount of the scholarship.

Marlin ISD should develop and implement a districtwide strategic plan for the recruitment and retention of highly qualified teachers.

To accomplish this recommendation, district administration should consider the following steps:

- investigate the viability of increasing the starting pay of teachers by prioritizing budgetary needs;
- advertise job openings at a variety of university and college career centers;
- use the HR activity calendar to identify dates that the district would attend recruitment fairs at area universities, such as Texas A&M Prairie View University;

- plan interview dates that occur in early spring until late May so that campus administrators could attend while applicant pools are at their peak; and
- bring recruitment packets to recruitment fairs that clearly describe the district's benefits package, mentoring program, available stipends, and any university partnerships the district could have to benefit the applicants.

If approved by the superintendent and board, the district should consider taking letters of intent to hire to issue to prospective hires pending approved references, background, and credentials check. Letters of intent to hire are documents to illustrate the district's willingness to hire the candidate, but they do not constitute a contractual agreement.

The district should plan before carrying out recruitment activities to ensure the activities are organized and that all materials are available. Marlin ISD should consider some of the following activities:

- finalize details of recruitment trips in January or early February;
- post list of trips on the Marlin ISD website so applicants know the date and locations that Marlin ISD is interviewing;
- ensure recruitment materials are complete and updated;
- prepare sample questions and screening tools to use when interviewing applicants;
- finalize letters of intent to hire, if using this strategy;
- vary the administrator that attends recruitment events to minimize the amount of time each administrator is away from the district; and
- provide comprehensive training for all interviewers on the procedures to use, such as the questions to ask and screening tools to use.

As part of the district's retention program, the district should develop written procedures outlining the teacher mentoring programs to ensure they are implemented each year. The district should develop an evaluation tool so that participants could provide the district with feedback on the program. Region 12 could assist with the selection of mentoring programs that are appropriate for Marlin ISD. Additionally,

the district should train teacher mentors to ensure uniformity when executing the program.

The fiscal impact assumes the district has an existing recruitment and mentoring budget because recruitment and mentoring activities are outlined in Marlin ISD's DIP. This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 6. HUMAN RESOURCES MANAGEMENT</b>							
19. Establish a new human resources specialist position whose primary responsibility is to organize and effectively manage all district human resources processes.	(\$13,771)	(\$13,771)	(\$13,771)	(\$13,771)	(\$13,771)	(\$68,855)	(\$1,084)
20. Develop and implement written procedures that guide district hiring processes in compliance with state and federal laws and regulations.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21. Develop and implement a compensation plan that provides designated pay scales for all district staff.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22. Review and update all district job descriptions annually to ensure alignment with the actual job titles and responsibilities staff perform.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23. Develop written procedures to manage the district's performance evaluation program in accordance with board policies and state requirements.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24. Develop and implement a districtwide strategic plan for the recruitment and retention of highly qualified teachers.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>(\$13,771)</b>	<b>(\$13,771)</b>	<b>(\$13,771)</b>	<b>(\$13,771)</b>	<b>(\$13,771)</b>	<b>(\$68,855)</b>	<b>(\$1,084)</b>

## CHAPTER 7. FOOD SERVICE

An independent school district's food service operation provides meals to its students and staff. The district may provide meals through the federally funded Child Nutrition Programs, which include the School Breakfast and National School Lunch Programs. The School Breakfast Program (SBP) is a federal entitlement program administered at the state level by the Texas Department of Agriculture. Participating schools receive cash assistance for breakfasts served that comply with program requirements. Districts receive different amounts of reimbursement based on the number of breakfasts served in each of the benefit categories: free, reduced-price, and paid. Texas state law requires schools to participate in the breakfast program if at least 10 percent of their students are eligible to receive free or reduced-price meals. The National School Lunch Program (NSLP) serves low-cost or free lunches to students. Like the breakfast program, lunches must comply with federal nutrition guidelines and are reimbursable to schools based on the number of meals served within the benefit categories. A district's food service operations may also offer catering services as a way to supplement the food service budget or provide training for students interested in pursuing a career in the food service industry.

Food service operation is dependent on the organizational structure of the district. The three primary models of organizing food service operations are self-management, contracted management, and contracted consulting. Using the self-management model, a district operates its Food Service Department without assistance from an outside entity. Using a contracted management model, a district contracts with a food service management company to manage either all or a portion of its operations. In this arrangement, a district may rely on the company to provide all or some staff, or may use district staff for its operations. Using a consulting model, a district contracts with a food service consulting company to provide guidance on food service operations (e.g., menus, sales and marketing plans, and ordering processes based on industry standards, etc.). In this arrangement, district staff would operate the Food Service Department.

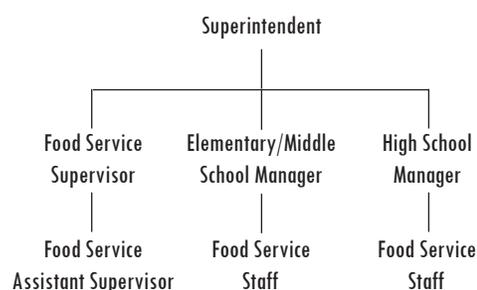
The USDA Food and Nutrition Service administers several programs that provide healthy food to students including the National School Lunch Program (NSLP), the School

Breakfast Program (SBP), and the Summer Food Service Program (SFSP). The NSLP also offers the Afterschool Snack Program, which provides cash reimbursement to schools that serve snacks to students in afterschool activities.

Marlin Independent School District (ISD) participates in the NSLP and the SBP. The district operates the SFSP annually during summer school. The SFSP is open to anyone under age 18 and no enrollment is required. The district does not participate in the Afterschool Snack Program. The Food Service Department also does limited catering within the campuses upon request of the administration, and does not offer vending machines.

The district's Food Service Department uses the self-managed model. The department consists of a food service supervisor, a food service assistant supervisor, two school food service managers, and as staff of 12 cafeteria workers. The cafeteria staff report to the managers, who report to the supervisor and assistant supervisor. The assistant supervisor reports to the supervisor, who reports directly to the superintendent. The supervisor and the assistant supervisor share administrative duties, including the duties of menu planner, purchaser, interpreter of regulations, substitute kitchen employee when there are absences, trainer, and recipe developer. **Figure 7-1** shows the reporting structure for the Marlin ISD's Food Service Department.

**FIGURE 7-1  
MARLIN ISD FOOD SERVICE DEPARTMENT  
ORGANIZATION  
SCHOOL YEAR 2014-15**



SOURCES: Legislative Budget Board, School Review Team; Marlin ISD, April 2015.

Marlin ISD has two kitchens. One kitchen is located at Marlin High School and the other kitchen serves as a central kitchen for Marlin Elementary School and Marlin Middle School.

All district campuses are closed. Students may bring their lunches from home, or parents may deliver restaurant food to students. Campus staff indicated that an average of four parents deliver restaurant food each day.

In March 2015, the average daily participation (ADP) in the NSLP was 775 (84.5 percent of student enrollment), and the ADP in the SBP was 409 (44.6 percent of student enrollment). Of the 917 students enrolled at the time of the review, 92.6 percent qualified for free meals.

Marlin ISD offers free breakfast and lunch to all students on all campuses under the Community Eligibility Provision (CEP). The CEP is a provision from the federal Healthy, Hunger-Free Kids Act of 2010 that allows schools and local educational agencies with high poverty rates to provide free breakfast and lunch to all students. CEP eliminates the burden of collecting household applications to determine eligibility for school meals, relying instead on information from other means-tested programs such as the Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families.

## ACCOMPLISHMENT

- ◆ Marlin ISD has strong food service management systems that streamline implementation of Texas Department of Agriculture directives.

## FINDINGS

- ◆ Marlin ISD lacks a process to monitor and analyze Food Service Department revenues and expenditures, resulting in significant fiscal losses.
- ◆ Marlin ISD is not maximizing cost-control measures in its food service program.
- ◆ Marlin ISD has not developed a staffing formula based on productivity to determine the number of labor hours necessary to operate the kitchens efficiently.
- ◆ Marlin ISD lacks a process to evaluate the popularity of menu items and adjust the menu accordingly.
- ◆ Marlin ISD lacks a plan to maximize available federal revenues through participation in the National School Lunch and School Breakfast Programs.

- ◆ Marlin ISD allows students to take food items beyond the minimum requirement without paying extra.

## RECOMMENDATIONS

- ◆ **Recommendation 25: Perform a cost-benefit analysis of Food Service Department operations and develop standards for expenditures by category (food, labor, and non-food) as a percentage of revenue.**
- ◆ **Recommendation 26: Establish a process to monitor and control food costs in the Food Service Department.**
- ◆ **Recommendation 27: Develop a staffing formula based on MPLH and make adjustments in labor hours scheduled based on productivity and revenue fluctuations.**
- ◆ **Recommendation 28: Develop breakfast and lunch menus that include a wide variety of foods based on student preferences.**
- ◆ **Recommendation 29: Increase participation by adopting an alternative meal service model for breakfast and increase revenue by applying for the Community Eligibility Provision as a district rather than individual campuses.**
- ◆ **Recommendation 30: Develop a plan to ensure that student meals meet but do not exceed USDA minimum requirements.**

## DETAILED ACCOMPLISHMENT

### IMPLEMENTATION OF TEXAS DEPARTMENT OF AGRICULTURE DIRECTIVES

Marlin ISD has strong food service management systems that streamline implementation of Texas Department of Agriculture (TDA) directives. TDA gave Marlin ISD its Certificate of Achievement for attaining a rating of “excellent” in its Administrative Review for school year 2014–15. TDA granted the certificate to Marlin ISD for developing standardized management systems, especially in the area of food production and service. Because of these systems, the district is able to read and immediately implement directives from TDA into their systems.

The food service supervisor maintains a close working relationship with the Regional Education Service Center XII (Region 12) Child Nutrition Programs Education Specialist,

requesting assistance as necessary to interpret directives and gain ideas on methods for implementation. The supervisor and assistant supervisor also attend all training sessions offered by Region 12.

The food service supervisor and food service assistant supervisor integrate new requirements into their systems and monitor schools for proper implementation. They both visit school kitchens each school day. These visits ensure that any miscommunications of a policy or procedure are corrected immediately.

Total compliance with state and federal regulations as determined by the TDA Administrative Review requires vigilance in monitoring all program-related activities. The result is that reimbursement funds are protected from being reclaimed due to violations of regulations.

## DETAILED FINDINGS

### BUDGET MONITORING (REC. 25)

Marlin ISD lacks a process to monitor and analyze Food Service Department revenues and expenditures, resulting in significant fiscal losses.

Marlin ISD's Food Service Department is funded by federal reimbursements for free and paid meals under the Community Eligibility Provision, state matching funds, and local revenues generated from the sale of meals and a la carte foods. Program funds cover all costs including utilities.

Marlin ISD does not monitor or analyze the Food Service Department budget. The district has not developed a process to determine the percentage of revenue to budget for food, labor, and other non-food items. Additionally, the food service supervisor does not participate in the development of the budget for the Food Service Department. During onsite

interviews, the supervisor indicated that the Business Office does not provide up to date and accurate financial information for the Food Service Department, despite requests to do so. The Food Service Department determines the food cost of the menus prior to purchasing the food, but does not consider revenues, labor, or non-food items when making this determination. Without this oversight, the department's budget deficit has increased from school years 2011–12 to 2013–14.

In school year 2013–14, Food Service Department's revenue was \$663,804 while expenditures were \$828,143. **Figures 7–2** and **7–3** show the amount of department revenue spent on food, labor, and non-food expenditures from school years 2011–12 to 2013–14. Revenue decreased by \$22,761 from school years 2011–12 to 2012–13, and \$37,003 from school years 2012–13 to 2013–14.

From school years 2011–12 to 2013–14, the Food Service Department saw significant losses. Expenditures exceeded revenues in school year 2011–12 by \$4,517, representing 0.6 percent of revenue; in school year 2012–13 the deficit was \$45,328, or 6.5 percent of revenue; and in school year 2013–14 the deficit was \$164,339, or 24.8 percent of revenue. The food service supervisor anticipates further reductions in revenue for school year 2014–15 due to reduced enrollment and because the district plans to eliminate the a la carte foods available for sale in school year 2014–15. Based on existing and prior year reimbursement amounts, the supervisor estimates that the total revenue for school year 2014–15 would be \$96,804 lower than school year 2013–14 \$663,804, for a total of \$567,000.

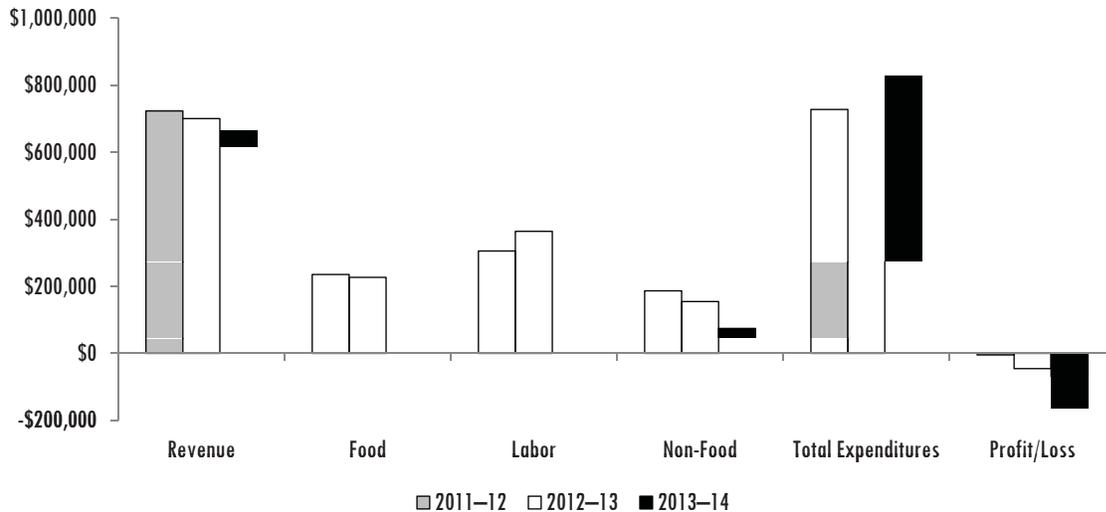
Costs for labor increased during this period. From school years 2011–12 to 2013–14, labor costs increased by \$75,080. With revenue decreasing each year and labor costs increasing,

**FIGURE 7–2**  
**MARLIN ISD COMPARISON OF FOOD SERVICE REVENUE AND EXPENDITURES**  
**SCHOOL YEARS 2011–12 TO 2013–14**

	SCHOOL YEAR 2011–12	PERCENTAGE OF REVENUE	SCHOOL YEAR 2012–13	PERCENTAGE OF REVENUE	SCHOOL YEAR 2013–14	PERCENTAGE OF REVENUE
Revenue	\$723,568	100%	\$700,807	100%	\$663,804	100%
Food	\$235,624	32.6%	\$226,979	32.4%	\$372,826	56.2%
Labor	\$305,636	42.2%	\$364,385	52.0%	\$380,716	57.4%
Non-Food	\$186,825	25.8%	\$154,771	22.1%	\$74,601	11.2%
Total Expenditures	\$728,085	100.6%	\$746,135	106.5%	\$828,143	124.8%
Profit/Loss	(\$4,517)	(0.6%)	(\$45,328)	-6.5%	(\$164,339)	-24.8%

SOURCES: Legislative Budget Board, School Review Team, April 2015; Marlin ISD, April 2015.

**FIGURE 7-3  
MARLIN ISD COMPARISON OF FOOD SERVICE REVENUE AND EXPENDITURES  
SCHOOL YEAR 2011-12 TO 2013-14**



SOURCES: Legislative Budget Board, School Review Team, April 2015; Marlin ISD, April 2015.

labor as a percentage of revenue grew from 42.2 percent in school year 2011-12 to 52.0 percent in school year 2012-13 and to 57.4 percent in school year 2013-14.

Food Service Department staff reported that a contributing factor to decreases in revenue is lower participation in the NSLP and the SBP caused by declining student enrollment. Enrollment dropped in recent years because students left Marlin ISD to attend schools in neighboring districts. **Figure 7-4** shows district enrollment by campus for school years 2011-12 to March 2015 of school year 2014-15, and shows that enrollment decreased at each campus during this time.

Marlin ISD transitioned to CEP, a provision of the federal Healthy, Hunger-Free Kids Act of 2010. The district made the announcement that all students would eat at no charge under the CEP without consulting with the Food Service Department or allowing them to prepare financially. Staff reported that this has negatively impacted the Food Service Department budget.

Pursuant to the provision, all students at all campuses receive breakfast and lunch at no charge. Also, the number of free and reduced-priced meals applications completed by families in the first year serves as a base for the reimbursement claim for a period of four years.

The district announced publicly that all students would eat at no charge prior to collecting applications for free and reduced-priced meals. During onsite interviews, the food service staff indicated that many students who were eligible for free and reduced-price meals failed to submit applications because they were already aware that students would receive free meals. Because of this, the district has to pay for many students who would have qualified for free or reduced-priced meals.

The district’s Food Service Department deficit has increased each year from school years 2011-12 to 2013-14. If the district continues to operate without monitoring the food, labor, and non-food costs of the food service program, the budget deficit would continue to grow as costs for goods and services increase and revenues decline. As this deficit continues, the Food Service Department continues to use fund balance to close the gap between expenditures and revenue. The district’s food service fund balance decreased from \$253,124 in fiscal year 2011-12 to \$124,570 in fiscal year 2013-14. If continued, this practice will lead the district to use financial resources from the district’s general fund.

According to the National Food Service Management Institute’s *Financial Management: A Course for School Nutrition Directors Instructor’s Manual 2010*, “USDA mandates that in the management of school nutrition

**FIGURE 7-4**  
**MARLIN ISD DECREASING ENROLLMENT**  
**SCHOOL YEAR 2011-12 TO MARCH 2015**

<b>MARLIN ELEMENTARY SCHOOL ENROLLMENT SCHOOL YEAR 2011-12 TO MARCH 2015</b>			
<b>SCHOOL YEAR</b>	<b>ENROLLMENT HIGH</b>	<b>ENROLLMENT LOW</b>	<b>ENROLLMENT AVERAGE MONTH</b>
2011-12	September-659	December -561	586
2012-13	August- 631	April-551	574
2013-14	August-606	December-517	539
2014-15	November-550	September-517	527
<b>MARLIN MIDDLE SCHOOL ENROLLMENT SCHOOL YEAR 2011-12 TOMARCH 2015</b>			
<b>SCHOOL YEAR</b>	<b>ENROLLMENT HIGH</b>	<b>ENROLLMENT LOW</b>	<b>ENROLLMENT AVERAGE MONTH</b>
2011-12	August-240	May and June -207	217
2012-13	August and September-233	October-204	211
2013-14	August-218	June-191	202
2014-15	November -186	March -172	180
<b>MARLIN HIGH SCHOOL ENROLLMENT SCHOOL YEAR 2011-12 TO MARCH 2015</b>			
<b>SCHOOL YEAR</b>	<b>ENROLLMENT HIGH</b>	<b>ENROLLMENT LOW</b>	<b>ENROLLMENT AVERAGE MONTH</b>
2011-12	September-305	March -260	275
2012-13	September- 285	April, May, June-251	258
2013-14	August-268	January-233	241
2014-15	September and December -244	March-226	236

NOTE: Totals for school year 2014-15 include totals for August through March only.  
 SOURCES: Legislative Budget Board, School Review Team; Marlin ISD, April 2015.

programs, the school food authority must maintain a high level of accountability for all revenue received, how that revenue is disbursed, and to ensure revenue is sufficient to sustain a nutrition program that serves food high in quality and nutritional value.”

Marlin ISD should perform a cost-benefit analysis of Food Service Department operations and develop standards for expenditures by category (food, labor, and non-food) as a percentage of revenue.

Business Office staff should track profit and loss for the department by campus and routinely report current and accurate information to the food service supervisor to serve as a basis for management and purchasing decisions. The food service supervisor should be involved in developing the Food Service Department budget based on these standards. The supervisor should then use the standards as well as the reported profit and loss for the department by school, and routinely report current and accurate information to the school managers and staff to assist in tracking. As profit and

loss is tracked throughout the year, the food service staff and the Business Office staff should establish a monthly history so that the business manager could monitor and track the results of any changes made, and catch any unusual spending early. For example, food costs will be a high percentage of revenue during the beginning of the school year because inventory is being built. At the end of the school year, when inventory is being exhausted, the percentage of revenue spent on food will reduce significantly. The end of the year totals would determine if the standards set were sufficient and if the operations were successful. The district should use this information to revise the standards and inform decisions as necessary for the following year.

This recommendation could be implemented with existing resources.

#### **FOOD COST (REC. 26)**

Marlin ISD is not maximizing cost-control measures in its food service program.

Marlin ISD conducts food pre-costing but does not use food cost information to plan menus. Pre-costing menus entails calculating an estimate of each menu offering prior to serving. According to information provided by the food service supervisor, the average food cost for lunch in the district is \$1.83 per meal. However, this cost is not taken into account when developing and planning menus.

Marlin ISD's food costs increased from \$226,979 in school year 2012–13 to \$372,826 in school year 2013–14, an increase of 64.3 percent. Prices may change due to market conditions or changes in purchasing. Food mandated by the federal Healthy, Hunger-Free Kids Act might have led to increases in costs of food by requiring more expensive whole grain products, lower sodium products, and increased servings of fruits and vegetables.

The district does not evaluate menu item costs when developing the menu, and has not maximized opportunities to reduce expenses. An analysis of average cost of food purchased by the district in school year 2014–15 reveals the following:

- A savings of \$0.059 has not been achieved by serving a Granny Smith apple instead of a Gala apple.
- A serving of 16 grapes are almost double the price of any other fresh fruit.
- A savings of \$0.0521 has not been achieved by serving an applesauce cup portioned in the kitchen instead of a pre-portioned applesauce cup.
- A savings of \$0.055 per serving has not been achieved by mixing a can of peaches, pears, and pineapple instead of serving fruit cocktail, canned.
- A savings of \$0.03 has not been achieved by serving apple juice instead of orange juice.
- Oven fries are \$0.029 less than lattice cut potatoes and \$0.046 less than sweet potato fries.
- Whipped potatoes and gravy is the least expensive vegetable at \$0.0631 per serving.
- At \$0.028 per serving, Sun Chips are significantly more expensive than other grain servings.

Additionally, the portion sizes of some of the foods served may be larger than necessary. A popular menu item, served at least twice a week, is the fruit plate with yogurt and graham crackers plus a side dish chosen by the student. The fruit plate includes one whole apple (\$0.245), one whole orange

(\$0.1659), one whole banana (\$0.084), sixteen grapes (\$0.40), a serving of yogurt (\$0.235), two packages of graham crackers ( $\$0.1209 \times 2 = \$0.2418$ ), and milk (\$0.285), which equals \$1.6567 in food cost. The fruit portion of this offering measures approximately two cups; however, the district has not reduced the cost of this offering by reducing the fruit portions to a total of one cup. The meal pattern requirement is one cup of fruit; therefore, if the recipe was written to meet, not exceed the requirement, the cost of the fruit in this recipe could be reduced by 50 percent or about \$0.40 per meal served.

If two similar items are both acceptable to students, the district has not evaluated the opportunity to substitute the less expensive item for the other with no loss of participation. For example, the district offers chicken rings, which cost \$0.116 each, while the chicken chunk costs \$0.0814; both require five each to equal two ounces of meat/meat alternate. The district has not substituted chicken chunks for chicken rings, and has missed the opportunity to save \$0.173 per meal.

The cost of food cannot be the sole determining factor as to whether or not it should be placed on the menu; nutrients and student acceptability are also factors. However, effective districts use pre-costing information to reduce food costs when used in menu planning in conjunction with nutritional content and acceptability.

The federal Healthy, Hunger-Free Kids Act of 2010 established new nutritional and production requirements that schools must follow. Industry standards for the percentage of revenue identified for food, labor, and non-food costs are changing due to the initiation of these new meal patterns. Although the USDA has added a \$0.06 reimbursement per meal for certified districts implementing the Healthy, Hunger-Free Kids Act of 2010, schools report that the new requirements are adding an estimated \$0.25 or more per meal to food costs.

Marlin ISD should establish a process to monitor and control food costs in the Food Service Department.

The Food Service Department should identify options for similar products. For example, the district offers individually packaged heat-and-serve mini pancakes for \$0.3751. The district could instead offer bulk frozen pancakes and waffles ( $\$0.1046 \times 2 = \$0.2092$ ) with maple syrup (\$0.0805) totaling \$0.2897 per serving for a savings of \$0.085 per serving. The district should use portion size and cost as a factor in determining how often to offer a menu item, and prepare

in-house when it is a more efficient option than buying pre-made foods.

The food service supervisor should take the following steps:

- Determine ranges of affordable prices the district can spend on individual components of each of the meal patterns.
- Review less expensive products that are available and taste-test them with students for acceptability.
- Reduce the costs of menu items by replacing them with less expensive foods or by offering more kitchen-prepared items in place of some of the more costly purchased-prepared menu items.
- Replace products with less expensive products that will still be popular. For example, it might be more efficient to make a fruit cobbler or crisp in that the fruit is already being served to meet meal pattern requirements; the topper would increase the caloric value of the meal and be perceived by students as a special dessert.
- Plan portion sizes to meet, not exceed requirements. For example, if on the fruit plate, each whole fruit were cut in half, the savings per meal would be \$0.4475, and the meal would still meet fruit requirements for the meal pattern.
- Consult with other district food service directors to determine what menu items they are using for other cost efficient options.
- Consult with the Region 12 and TDA staff for suggestions on reducing food cost.

This recommendation could be implemented with existing resources.

#### **LABOR COST (REC. 27)**

Marlin ISD has not developed a staffing formula based on productivity to determine the number of labor hours necessary to operate the kitchens efficiently.

Although Marlin ISD has calculated meals-per-labor-hour (MPLH), the district does not use this information when allocating labor hours and has not set goals to increase MPLH. MPLH is a common productivity measurement for school kitchens, calculated by dividing the total meal equivalents (ME) for a given period by the total number of productive paid labor hours for the same period. Productive

labor hours are the actual hours of work performed in a kitchen, and include all labor charged to and paid from Child Nutrition Program funds for work performed.

One ME equates to one reimbursable lunch. All other sources of revenue such as reimbursable breakfasts, snacks, a la carte, and catering sales have a conversion factor to calculate the equivalent of one ME. Food service directors and school business managers use ME as the unit measure of productivity for school food service programs when evaluating efficiency and formulating staffing patterns for budgeting. MEs are determined from meal count categories and other sources of revenue using the following factors, rounded to the nearest whole number:

- Lunch: 1 lunch = 1 ME
- Breakfast: 3 breakfasts = 2 ME (factor of 0.67)
- Snack: 3 snacks = 1 ME (factor of 0.33)
- A la carte and catering = dollar amount of sales divided by free reimbursement (\$3.3525)

Based on estimates from district staff, in school year 2014–15, Marlin ISD's Food Service Department receives an average of \$25 daily from a la carte sales at each kitchen. Currently, the district is not participating in the After School Snack Program or catering sales. **Figure 7–5** shows the calculation of the current MPLH produced by the Marlin ISD kitchens.

As shown in **Figure 7–5**, the Marlin Elementary/Middle School kitchen produces approximately 12 MPLH (834 MEs per day divided by 69.75 labor hours). The Marlin High School kitchen produces approximately seven MPLH (228 MEs per day divided by 31.5 labor hours).

The kitchen serving Marlin Elementary School and Marlin Middle School has 10 employees working each day for a total of 69.75 hours daily. The high school kitchen is assigned four employees working 31.5 hours daily. The district does not use substitutes. When a staff member is out, the food service supervisor and food service assistant supervisor support the kitchen. These two employees are paid from Food Service Department funds and all of their work supports the two kitchens; however, their time is not reflected in the MPLH calculation. **Figure 7–5** shows kitchen staffing in school year 2014–15. District staff acknowledged in interviews that the kitchens are overstaffed. However, the district does not have a method for determining appropriate staffing levels. Additionally, the food service supervisor does not review the

**FIGURE 7–5  
MEALS–PER–LABOR–HOUR CALCULATION FOR MARLIN ELEMENTARY/MIDDLE SCHOOLS AND MARLIN HIGH SCHOOL  
MARCH 2015**

MARLIN ELEMENTARY/MIDDLE SCHOOL KITCHEN:						
MEAL TYPE	NUMBER SERVED DAILY	MEAL EQUIVALENTS	FACTORS	ME	LABOR HOURS PER DAY	MPLH
Lunch	600	1=1	1	600		
Breakfast	342	3=2	0.66	226		
Snack	0	3=1	0.33	0		
A la carte	\$25	Dollar value	\$3.3525	8		
Total ME				834	69.75	11.96

MARLIN HIGH SCHOOL KITCHEN:						
MEAL TYPE	NUMBER SERVED DAILY	MEAL EQUIVALENTS	FACTORS	ME	LABOR HOURS PER DAY	MPLH
Lunch	175	1=1	1	175		
Breakfast	68	3=2	0.66	45		
Snack	0	3=1	0.33	0		
A la carte	\$25	Dollar value	\$3.3525	8		
Total ME				228		
Four normally scheduled employees				228	31.5	7.24
Three employees; one on leave				228	24	9.5

SOURCES: Legislative Budget Board, School Review Team, April 2015; Average Daily Participation (ADP) rates from the Marlin ISD Reimbursement Claim, March 2015; and factors provided in the National Food Service Management Institute., 2010.

kitchen labor expenditures to determine if current staffing is appropriate.

Figure 7–6 shows sample staffing guidelines based on MPLH published in *School Foodservice Management for the 21st Century*. These guidelines reflect a highly organized operation with a strong standardized management system in place.

As shown in Figure 7–5, the Marlin Elementary/Middle School kitchen is producing approximately 834 MEs per day at 11.96 MPLH, while according to Figure 7-8, 18 MPLH is recommended. The Marlin High School kitchen produces approximately 228 MEs per day divided by 31.5 labor hours for a total of 7.24 MPLH, while according to Figure 7–6, 12 MPLH is recommended.

Marlin ISD’s failure to effectively monitor MPLH hinders its ability to determine appropriate staffing levels for the Food Service Department. When the district does not use productivity as a basis for a staffing formula, the district is unable to ensure they are using their resources efficiently and productively.

**FIGURE 7–6  
SAMPLE STAFFING GUIDELINES**

MEAL EQUIVALENTS	LOW MPLH	HIGH MPLH
10–100	8	10
101–150	9	11
151–200	10	12
201–250	12	14
251–300	13	15
301–400	14	16
401–500	14	17
501–600	15	17
601–700	16	18
701–800	17	19
801–900	18	20
901–up	19	21

SOURCES: Legislative Budget Board School Review Team, April 2015; School Foodservice Management for the 21st Century, 2014.

Districts that base staffing decisions on MPLH calculations to help reach expenditure goals often maintain adequate Food Service Department fund balances to cover all operating costs. These districts mitigate the risk of having to use district general funds to bridge gaps between expenditures and revenue. Administrators are able to identify challenges in a timely fashion to improve efficiency. Food service directors in these districts regularly provide the superintendent and board with district and campus MPLH and production updates.

Marlin ISD's Food Service Department should develop a staffing formula based on MPLH and make adjustments in labor hours scheduled based on productivity and revenue fluctuations.

The food service supervisor and the food service assistant supervisor should analyze the work conducted in each of Marlin ISD's kitchens. They can begin by outlining the major duties required to produce, serve, and clean up during the normal production day. These duties should be identified into specific tasks and then assigned work estimated times to complete.

The food service supervisor and assistant supervisor can then add each task to one of the new work schedules, combining like tasks when possible. For example, if the menu contains canned fruit for both breakfast and lunch, the district should assign the portioning of fruit for both meals to the same work schedule at the same time. Every job has three parts: prepare to work, do the work, and cleanup. By combining like tasks, one eliminates the duplication of the first and last steps of preparation and cleanup. The work schedules should be written without regard for current staffing schedules or the talents and skills of current employees. Once the Food Service Department has assigned all duties and tasks, each of the formulated work schedules should be analyzed to ensure that work is divided as evenly as possible.

The Food Service Department can then test and adjust the work schedules to regulate the flow of kitchen activity in each of the kitchens, with the goal of reducing paid working hours and increasing MPLH; the Food Service Department can use **Figure 7-6** as a model to establish target MPLH.

The fiscal impact assumes that Marlin ISD will reduce labor hours at the Marlin Elementary/Middle School kitchen and the Marlin High School kitchen. By reducing labor hours by 10 at the Marlin Elementary/Middle School kitchen and 7.5 at Marlin High School, the district would save \$40,622 annually (10 hours x \$12.24 average labor cost per hour x

180 days = \$22,032 at the Marlin Elementary/Middle School kitchen; 7.5 hours x \$13.77 average labor cost per hour x 180 days = \$18,590 at the Marlin High School kitchen; \$22,032 + \$18,590 = \$40,622). This would result in the Marlin Elementary/Middle School kitchen increasing MPLH from 11.96 to 13.96, and the Marlin High School kitchen increasing MPLH from 7.24 to 9.5.

#### **MENU (REC. 28)**

Marlin ISD lacks a process to evaluate the popularity of menu items and adjust the menu accordingly.

A frequency chart is a food service tool that effective districts use to observe how often different cafeteria items appear on the menu and make menu planning decisions accordingly.

**Figure 7-7** shows a frequency chart for Marlin ISD breakfast menus.

The district does not conduct surveys of students' likes and dislikes nor monitor plate waste to determine if the frequency of menu offerings is appropriate. The district has not evaluated the opportunity to improve student satisfaction and reduce the costs to the Food Service Department by offering lower cost items that are more popular. Discussions with students and district staff during the onsite review revealed the following:

- Cereal and graham crackers appear on the menu every day with an entree. This is a popular choice with some students, and it is easy to serve, economical, and there is no waste. Leftovers can be easily stored and used the following day. However, a variety of flavors is not offered each day.
- Apple juice appears every day, often with applesauce. Applesauce and peaches are the only fruits offered throughout the month.
- Maple-flavored whole-wheat pancakes in a bag are served three times. Students complained about this product, which is expensive, and students would prefer a less expensive product served with maple syrup. The district purchased this product to eliminate the need for maple syrup because some of the students smeared it on the walls of the hallway and the custodial staff complained.
- Breakfast burritos appear once and are frozen-prepared. Breakfast burritos or tacos are very popular in most Texas schools. The district has not evaluated the opportunity to maximize the use of leftover baked potatoes that are served frequently at lunch, and

**FIGURE 7–7  
FREQUENCY CHART FOR MARLIN ISD BREAKFAST MENU  
APRIL 2015**

WEEK	1		2					3					4					5			
MENU ITEM	W	T	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T
Dry Cereal	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Banana Loaf		X								X											X
Blueberry Loaf						X									X						
Graham Crackers	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
WW Pancakes	X									X											X
Breakfast Bar															X						
Burrito					X																
Egg Minis	X									X											X
French Toast			X					X					X						X		
Pizza							X					X					X				
Sausage Patty			X					X					X						X		
Sausage Roll				X					X					X						X	
Applesauce	X		X		X		X	X		X		X	X		X				X		X
Peaches		X		X		X													X		X
Apple Juice	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

SOURCE: Legislative Budget Board School Review Team, April 2015.

commodity sausage, which is a USDA donated food that the district receives in large quantities.

- There are no breakfast sandwiches on the menu.
- Students reported that they would eat breakfast tacos at least once per week and perhaps more often. Kitchen-prepared breakfast tacos may be less expensive than the prepared sausage roll and burrito.
- All breakfast entrees represented in the frequency chart except for cereal and graham crackers were frozen-prepared entrees.
- Scrambled eggs do not appear on the menu.
- Biscuits and sausage with gravy do not appear on the breakfast menu. Staff reported that the district has not found a whole-wheat biscuit that the students like.

Figure 7–8 shows a frequency chart of the offerings on the Elementary School lunch menu.

Discussions with students and district staff during the onsite review revealed the following regarding the Marlin Elementary School lunch menu:

- The menu included chicken fajitas, Frito pie, and soft tacos that are generally very popular with Texas students. In each school, when asked what should be added to the menu, the students’ number one suggestion was Nachos Supreme, which the district served previously but no longer serves. Other offerings that the district has not evaluated include enchiladas, bean and cheese chalupas, taco salad, chili con carne, and beef and bean burritos.
- Menu items including chicken were served every day of the last week.
- Some students indicated they like whipped potatoes and would like to have them more often, but they lacked flavor. The whipped potatoes served during the onsite review were unseasoned.

- The menu items of dry peas and beans are served two days in a row the first week, two days in a row the third week, and three days in a row the fourth week.
- The menu rarely includes fresh fruit. The menu included fresh orange twice in the month. Canned diced pears are served frequently.

Marlin ISD students and adults complained that the breakfast and lunch menus lack variety. Students and staff also reported that kitchen-prepared entrees were minimal. Dissatisfied customers lead to reduced participation, reduced revenue, and food service staff who feel unappreciated and dissatisfied with their jobs.

**FIGURE 7-8  
FREQUENCY CHART FOR MARLIN ELEMENTARY SCHOOL LUNCH MENU  
APRIL 2015**

WEEK	1		2				3					4					5					
MENU ITEM	W	T	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	
<b>MEXICAN</b>																						
Chicken Fajita																						X
Frito Pie				X																		
Soft Taco	X														X							
<b>SANDWICH</b>																						
Barbeque (BBQ) Chicken on Bun																			X			
BBQ on Bun								X														
BBQ Rib Burger													X									
Cheese Burger				X													X					
Chicken on Bun							X					X										
Hot Dog			X																			
Turkey Burger	X														X							
<b>CHICKEN</b>																						
BBQ Chicken on Bun																			X			
Chicken Fajita																					X	
Chicken Nuggets																				X		
Chicken on Bun							X					X										
Chicken Rings																		X				
Chicken Sticks											X											
<b>BEEF</b>																						
Breaded Beef on Roll													X									
Cheese Burger				X													X					
Steak Fingers						X																
<b>VARIETY MEATS</b>																						
Corndog								X														
Hot Dog		X																				
Pizza									X													

**FIGURE 7-8 (CONTINUED)**  
**FREQUENCY CHART FOR MARLIN ELEMENTARY SCHOOL LUNCH MENU**  
**APRIL 2015**

WEEK	1		2				3					4					5				
MENU ITEM	W	T	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T
<b>GRAINS</b>																					
Crackers			X																		
Sandwich Buns	X	X	X		X		X			X			X		X	X		X			
<b>VEGETABLE</b>																					
Carrots																	X	X			
Corn										X										X	
Green Beans							X														
Lima Beans																X					
Pickle Spear			X																		
Black Eyed Peas													X								
Pinto Beans	X							X							X						
Pork N Beans			X						X												
Ranch Beans		X												X							X
Potato Wedges					X			X									X	X			
Spinach						X															
Whipped Potatoes						X					X										X
<b>SALAD</b>																					
Baby Carrots	X			X			X		X							X					
Broccoli			X					X					X							X	
Burger Salad		X			X											X					
Celery Sticks														X					X		
Diced Tomatoes	X			X								X			X						X
<b>FRUIT</b>																					
Applesauce						X				X			X								
Fruit Mix					X		X										X				
Oranges		X														X					
Peaches									X			X								X	
Pears		X	X					X					X		X			X			X
Pineapple	X			X				X							X			X			

SOURCES: Legislative Budget Board, School Review Team, April 2015; Marlin Elementary School lunch menus, April 2015.

Elgin ISD developed menus that not only meet the nutritional needs of students but also are served as a marketing tool for the Food Service Department to attract customers. On a daily basis, Elgin ISD provides students and teachers with a wide variety of menu selections that include fresh fruits and healthy choices. The food is well prepared and served in a comfortable atmosphere. By improving customer service and food selections and creating a more appealing cafeteria atmosphere for students, Del Valle ISD increased student participation in their child nutrition programs. These efforts included updating menus with new selections and creating a new food court. The district increased its federal reimbursements and ensured that students received adequate nutrition as directed by the NSLP and SBP.

Tools for improving menu variety include USDA meal patterns, nutrient analysis software, frequency charts, current per-portion pricing information, and tallies of student likes and dislikes resulting from student surveys and other community feedback. When students have the opportunity to suggest changes in the lunch program, districts could appropriately adjust food quality to focus on taste and freshness, an increased variety of foods offered, and student and staff food preferences. Frequent, if not daily, surveys of plate waste could also help the menu planner evaluate the need to adjust the menus.

Marlin ISD should develop breakfast and lunch menus that include a wide variety of foods based on student preferences. The district should adjust menus based on data provided through surveys and formal and informal plate waste studies, and ensure that the menus include a variety of colors, flavors, textures, temperatures, and shapes; meet all USDA meal pattern and nutrient requirements; are cost effective; and are planned to be prepared with available labor hours.

The food service supervisor should consult with the Region 12 Child Nutrition Program education specialist to identify how to offer more variety within a component category while still complying with the regulatory requirements. The food service supervisor should also contact TDA to identify how to apply for the whole grain pasta and sodium restrictions waiver.

The food service supervisor should plan a high quality variety-based breakfast and lunch menu cycle that meets all USDA requirements. The menus should be affordable, able to be produced without additional labor, and acceptable to students. The district should take the following steps:

- survey student preferences;
- research other school menus, talk with other food service directors, and brainstorm with Marlin ISD food service staff to gather a list of potential foods that would be popular in the district;
- secure a recipe for potential kitchen-prepared menu items and cost all items including purchased-prepared, identifying the lowest priced item that is acceptable to students;
- write the draft menus using the USDA meal patterns to identify minimum portion size requirements by grade level;
- use pre-costing information to evaluate the affordability of the draft menus;
- analyze the draft menus for nutrient content;
- meet with the entire food service staff to review the draft menus in an effort to identify equipment or time limitations;
- serve the menus and ask food service managers to record any unforeseen problems that appeared upon execution;
- ask the food service managers to observe the consumption daily and report findings; and
- adjust the menus as necessary.

Small changes in cycle menus can increase variety while keeping ingredients largely the same. For example, if the district is using raw dough balls for hot rolls, the addition of a topping such as sesame seeds, poppy seeds, garlic or onion spread, or a sprinkle of cheese allows it to be recorded differently on the menu (e.g., sesame roll, garlic roll, cheesy roll).

This recommendation could be implemented with existing resources.

#### **PARTICIPATION AND REVENUE (REC. 29)**

Marlin ISD lacks a plan to maximize available federal revenues through participation in the National School Lunch and School Breakfast Programs.

Staff reported that the district has not discussed strategies to increase participation in its food programs using an alternative meal service model such as breakfast-in-the-classroom or a delayed breakfast period to bring students to

the cafeteria for breakfast once the school day has begun. Although the district is serving lunch to 84.5 percent of the students, the district has not analyzed the potential for increasing participation at lunch. Increasing breakfast and lunch participation could significantly increase revenue.

Marlin ISD encourages student participation in the NSLP and SBP by providing breakfast and lunch to all students at no charge. The district Food Service Department operates under the Community Eligibility Provision (CEP) for free and paid meals in high-poverty school districts.

However, not all meals served under CEP are reimbursed at the free rate. Marlin Elementary School is reimbursed at 100 percent free; Marlin Middle School at 90.3 percent free and 9.7 percent paid; and Marlin High School at 77.6 percent free and 22.4 percent paid. The variance in reimbursement was determined by TDA, based on USDA standards and the eligibility information the district provided by campus. USDA uses a 1.6 multiplier of free eligible students to determine the number of students by campus, group of

campuses, or district that may be claimed free. For example, if 100 students in a campus were identified as eligible, the campus could claim  $100 \times 1.6 = 160$  of the meals served in that school daily as free. Any additional meals would be claimed at the paid rate. The category reduced-price is not claimed under CEP.

USDA reimbursement may be used to cover all allowable costs associated with child nutrition programs. If the federal funds received by the district are not sufficient to cover the costs, the district must use other funds to cover any remaining costs incurred. Food service staff indicated that they plan to apply for the CEP for school year 2015–16 as a district unit instead of by individual campuses. Staff indicated that they are hopeful that the entire district would qualify for 100 percent free reimbursement in school year 2015–16. **Figure 7–9** shows the current reimbursement by school for March 2015 and compares it to the reimbursement that would have been generated if the district were reimbursed at 100 percent free.

**FIGURE 7–9  
MARLIN ISD DAILY AND PROJECTED ANNUAL REIMBURSEMENT VERSUS 100 PERCENT REIMBURSEMENT DISTRICTWIDE  
MARCH 2015**

	REVENUE AS OF MARCH 2015					PROJECTED REVENUE WITH 100 PERCENT FREE DISTRICTWIDE			
	MEALS SERVED	ADP	RATE	REIMBURSEMENT		ADP	REIMBURSEMENT		DIFFERENCE
				DAILY	ANNUAL		DAILY	ANNUAL	
<b>ELEMENTARY SCHOOL</b>									
<b>LUNCH</b>									
Free	7590	446	\$3.06	\$1,365	\$245,700	446	\$1,365	\$245,700	\$0
Paid			\$0.36						
<b>Total Lunch</b>		<b>446</b>		<b>\$1,365</b>	<b>\$245,700</b>	<b>446</b>	<b>\$1,365</b>	<b>\$245,700</b>	<b>\$0</b>
<b>BREAKFAST</b>									
Free	4340	271	\$1.93	\$523	\$94,140	271	\$523	\$94,140	\$0
Paid			\$0.28						
<b>Total Breakfast</b>		<b>271</b>		<b>\$523</b>	<b>\$94,140</b>	<b>271</b>	<b>\$523</b>	<b>\$94,140</b>	<b>\$0</b>
<b>Total Lunch and Breakfast</b>				<b>\$1,888</b>	<b>\$339,840</b>		<b>\$1,890</b>	<b>\$339,840</b>	<b>\$0</b>
<b>MIDDLE SCHOOL</b>									
<b>LUNCH</b>									
Free	2361	139	\$3.06	\$425	\$76,500	154	\$471	\$84,780	
Paid	254	15	\$0.36	\$5	\$900				
<b>Total Lunch</b>	<b>2615</b>	<b>154</b>		<b>\$430</b>	<b>\$77,400</b>	<b>154</b>	<b>\$471</b>	<b>\$84,780</b>	<b>\$7,380</b>

**FIGURE 7–9 (CONTINUED)**  
**MARLIN ISD DAILY AND PROJECTED ANNUAL REIMBURSEMENT VERSUS 100 PERCENT REIMBURSEMENT DISTRICTWIDE**  
**MARCH 2015**

	REVENUE AS OF MARCH 2015					PROJECTED REVENUE WITH 100 PERCENT FREE DISTRICTWIDE			
	REIMBURSEMENT					REIMBURSEMENT			
<b>BREAKFAST</b>									
Free	1016	60	\$1.93	\$116	\$20,880	67	\$129	\$23,220	
Paid	109	7	\$0.28	\$2	\$343				
<b>Total Breakfast</b>	<b>1125</b>	<b>67</b>		<b>\$118</b>	<b>\$21,223</b>	<b>67</b>	<b>\$129</b>	<b>\$23,220</b>	<b>\$1,997</b>
<b>Total Lunch and Breakfast</b>				<b>\$548</b>	<b>\$98,623</b>		<b>\$601</b>	<b>\$108,000</b>	<b>\$9,377</b>
<b>HIGH SCHOOL</b>									
<b>LUNCH</b>									
Free	2311	136	\$3.06	\$416	\$74,880	175	\$536	\$96,480	
Paid	667	39	\$0.36	\$14	\$2,520				
<b>Total Lunch</b>	<b>2978</b>	<b>175</b>		<b>\$430</b>	<b>\$77,400</b>	<b>175</b>	<b>\$536</b>	<b>\$96,480</b>	<b>\$19,080</b>
<b>BREAKFAST</b>									
Free	840	53	\$1.93	\$102	\$18,360	68	\$131	\$23,580	
Paid	243	15	\$0.28	\$4	\$720				
<b>Total Breakfast</b>	<b>1083</b>	<b>68</b>		<b>\$106</b>	<b>\$19,080</b>	<b>68</b>	<b>\$131</b>	<b>\$23,580</b>	<b>\$4,500</b>
<b>Total Lunch and Breakfast</b>				<b>\$536</b>	<b>\$96,480</b>		<b>\$667</b>	<b>\$120,060</b>	<b>\$23,580</b>
<b>Total</b>									<b>\$32,957</b>

SOURCES: Legislative Budget Board, School Review Team, April 2015; Participation rates from the Marlin ISD March 2015 reimbursement claim and school year 2014–15 federal reimbursement rates.

As shown, using the March 2015 reimbursement claim, the district could have claimed an additional \$32,957 if the district had been approved for CEP at 100 percent free districtwide. The Marlin Elementary School reimbursement would not change since this school is already receiving 100 percent free reimbursement. The Marlin Middle School annual reimbursement would increase by \$9,377 (\$7,380 for lunch + \$1,997 for breakfast). The Marlin High School annual reimbursement would increase by \$23,580 (\$19,080 for lunch + \$4,500 for breakfast). This increase is not a result of increased participation, but the ability to claim all meals as free instead of paid, as is the case with some of the meals at the middle and high schools. Although it is unclear whether the district would qualify for 100 percent reimbursement districtwide, applying for the CEP for school year 2015–16 as a district unit instead of by individual campuses would

increase USDA funding to the district's Food Service Department.

As shown in **Figure 7–9**, applying as a district instead of as separate campuses is one potential way to increase revenue. Another important way that the district has not analyzed is the opportunity to increase participation in the NSLP and SBP.

Marlin ISD currently serves a traditional school breakfast in the cafeteria before the start of the school day in all campuses. There are benefits to this model in that hot food is served easily and food requires no special transportation or packaging. However, in some instances this model can prohibit participation in the SBP. There are many students who need breakfast but do not get to the school early enough to eat it.

**Figure 7–10** shows a comparison of reimbursement for current participation levels versus an increase to 85 percent. As shown, if average daily breakfast participation rose from the current 45 percent to 85 percent, revenue would increase by \$565 daily and \$102,600 annually.

According to the *Backing Breakfast Resource Guide*, published by Baylor University, students who eat breakfast perform better in school on standardized tests and they have fewer behavioral and health problems. The SBP is designed to allow schools to ensure that all students start the day alert and engaged. Expanding the SBP is a simple strategy that effective districts implement to improve the school environment.

School breakfast improves students’ educational performance in the following ways:

- Students who eat a complete breakfast make fewer mistakes and work faster than students who eat a partial breakfast.
- Students who eat breakfast at school, closer to class and test-taking time, perform better on standardized

tests than those who skip breakfast or eat breakfast at home.

- Students who eat breakfast show improved cognitive function, attention, and memory.
- Students who participate in school breakfast are associated with improved math grades.

School breakfast also improves students’ attendance and behavior in the following ways:

- Schools that provide breakfast-in-the-classroom to all students show decreases in tardiness and suspensions as well as improved student behavior and attentiveness.
- Schools that provide students with breakfast-in-the-classroom are associated with fewer disciplinary measures.
- Students who participate in school breakfast have lower rates of absenteeism.

**FIGURE 7–10  
MARLIN ISD REIMBURSEMENT: CURRENT VERSUS 85 PERCENT BREAKFAST PARTICIPATION  
MARCH 2015**

Schools	CURRENT 45 PERCENT PARTICIPATION					PROJECTED 85 PERCENT PARTICIPATION					
	Average Daily Attendance (ADA)	Average Daily Participation (ADP)	USDA Reimbursement	Daily Reimbursement	Annual Reimbursement	85% of ADA	Percentage Claimed by Free and Paid	Claimed by Free and Paid	USDA Reimbursement	Daily Reimbursement	Annual Reimbursement
<b>Elementary</b>											
Free	483	271.3	\$1.93	\$523	\$94,320	410	100%	410	\$1.93	\$792	\$142,560
Paid	483	0	\$0.28	\$0	\$0	410	0	0	\$0.28	\$0	\$0
<b>Middle</b>											
Free	170	63.5	\$1.93	\$116	\$20,880	144	90.3%	130	\$1.93	\$251	\$45,180
Paid	170	6.8	\$0.28	\$2	\$343	145	9.7%	14	\$0.28	\$4	\$706
<b>High</b>											
Free	211	52.5	\$1.93	\$102	\$18,360	179	77.6%	139	\$1.93	\$269	\$48,420
Paid	211	15.2	\$0.28	\$4	\$720	179	22.4%	40	\$0.28	\$11	\$2,025
<b>Total</b>				<b>\$747</b>	<b>\$133,560</b>					<b>\$1,3127</b>	<b>\$236,160</b>
<b>Difference</b>										<b>\$565</b>	<b>\$102,600</b>

SOURCES: Legislative Budget Board, School Review Team, April 2015; Marlin ISD, April 2015.

Breakfast improves students' diets and overall health in the following ways:

- Students who eat breakfast tend to have more adequate nutrient intake than students who do not.
- Students who eat breakfast are more likely to maintain a healthy body weight.

According to institutions such as the Center for Public Policy Priorities, the Food Research and Action Center, the School Nutrition Foundation, and the National Food Service Management Institute, alternative meal service models can increase participation in SBPs. Alternative meal service models include breakfast-in-the-classroom, Second Chance Breakfast, and Grab n' Go Breakfast.

Breakfast-in-the-classroom is an alternative meal service model where students eat breakfast in their classroom after the official start of the school day. Breakfast is often brought to classrooms from the cafeteria by either students or food service staff. Students use insulated rolling bags to transport the food while food service staff serve food from carts in the hallways. Breakfast consists of easy-to-eat and easy-to-clean items, such as breakfast sandwiches or burritos, low-fat muffins or cereals, plus milk and fruit or juice. Breakfast-in-the-classroom typically takes 10 to 15 minutes of classroom time to prepare, eat, and clean up. It can happen simultaneously with morning tasks such as attendance and morning work or it can be easily integrated with other instructional activities.

Second Chance Breakfast is an alternative meal service model where students eat breakfast during a break in the morning, usually after first period for secondary students or midway between breakfast and lunch for elementary students. Meals can be individually packaged or served from the cafeteria. Second Chance Breakfast is also called Breakfast After First Period, 2nd Chance Brunch, or Mid-Morning Nutrition Break.

Grab n' Go Breakfast is another alternative meal service model where students pick up conveniently packaged breakfasts from mobile service carts in hallways and/or entryways or in the cafeteria when they arrive at school. Students can eat in the cafeteria, the classroom or elsewhere on school grounds.

San Angelo ISD launched its breakfast in the classroom program, "Breakfast of Champions," in school year 2010–11. Student "breakfast managers" deliver meals to classrooms each morning. Teachers led the planning process for this

program, which reached 78 percent student participation for school year 2010–11.

Houston ISD began its "First Class Breakfast" program in school year 2010–11. Due to active support from school board members, more than 80 percent of students in Houston ISD are eating breakfast at school every morning, up from 30 percent. A district study found that Houston ISD students who eat school breakfast scored higher on math and reading tests.

Marlin ISD should increase participation by adopting an alternative meal service model for breakfast and increase revenue by applying for the Community Eligibility Provision as a district rather than individual campuses.

To implement this recommendation the district should do the following:

- Set district goals for increasing participation in the National School Lunch and School Breakfast Programs. These goals should be developed by individual campuses, including input from the food service staff and campus staff members who will serve as a committee to help achieve the desired outcomes.
- Implement an alternative model for providing breakfast at a time and place where 100 percent of the students can access it.
- Reapply for the Community Eligibility Provision as a district, rather than individual campuses, as is currently planned by the district.

No fiscal impact is assumed for this recommendation. The district may receive increased federal funding to its Food Service Department, but this amount cannot be determined.

As shown in **Figure 7–9**, using the March 2015 reimbursement claim the district would claim an additional \$32,957 if the district had been approved for CEP at 100 percent free districtwide. However, whether the district will qualify for 100 percent reimbursement from TDA cannot be determined at this time.

As shown in **Figure 7–10**, an increase from 45 percent to 85 percent of ADP in breakfast participation may result in a total projected annual revenue increase of \$102,600. The ADP increase may also result in a total projected food and labor cost; however, the actual impact cannot be determined.

**UNIT PRICED MEALS (REC. 30)**

Marlin ISD allows students to take food items beyond the minimum requirement without paying extra.

School meals are priced as a unit, meaning that one price is established for a complete reimbursable meal even if the student selects less than the required components of the meal under the Offer versus Serve (OVS) Provision. OVS is a provision in the National School Lunch Program and School Breakfast Program that allows students to decline some of the food offered. The goals of OVS are to reduce food waste by permitting students to decline foods they do not intend to eat. The required school breakfast components include two grains, fruit, and milk; and the school lunch components include meat/meat alternate, vegetable, fruit, grain, and milk. USDA federal reimbursement is provided with the goal of meeting while not exceeding those requirements.

USDA continues to support and encourage the practice of offering a variety of food choices to students; this increases the likelihood that these students will select the foods and beverages they prefer, which increases consumption and reduces waste. However, if students have a choice within menu components, it must be clear to the student what choices or combination of choices the student may select in order to have a reimbursable meal.

It is at the menu planner’s discretion to determine how much a student may select. For instance, some menu planners may choose to allow students to select more than the minimum requirement; other menu planners, for cost and waste reasons, may choose to limit students to only the minimum required amounts. The menu planner might instruct the students to “select one” from amongst three different types of fruits. If that is the case, only one item is offered.

The food service supervisor reported that she was directed by district administration to allow students to select one entrée and as many additional items as they like. Under current practices, if the cafeteria offers a choice of fruit, the student may select as many different fruit servings as they like.

During meal service at the high school, students were observed leaving the cafeteria line with a fruit plate and a separate lunch tray filled with vegetables, additional canned fruits, a roll, and pudding. The fruit plate contained fruit quantity in excess of what meets requirements. This practice is costly and potentially wasteful.

When a student adds to the fruit plate the cost of a serving of canned fruit (\$0.1459), a roll (\$0.090), an extra vegetable

(\$0.1465), an extra salad (\$0.2267) and pudding (\$0.1997), the food cost increases to \$2.4655 for a meal, \$0.8085 more than the cost of the fruit plate alone. It is possible to allow the student to make those additional selections at a la carte prices; however, including them with the meal at no cost to the student increases food cost and may increase plate waste as well.

Figure 7–11 shows a sample menu guide based on the Dallas ISD menu. As shown, students are instructed on how many items from each category to take. This approach allows the district to meet required offerings for students without offering excess items at no cost.

**FIGURE 7–11  
DALLAS ISD SAMPLE LUNCH MENU**

<b>LUNCH</b>
<b>Entrées (Select One)</b>
Steak Fingers/White Gravy
Pepperoni Pizza
Chef’s Salad with Chicken Fajitas/Cheese
<b>Vegetables (Select Up to Two)</b>
Orange Glazed Carrots
Green Beans
Diced Tomatoes
<b>Grains (Select Up to Two)</b>
Hot Roll
Crackers
<b>Fruit (Select One)</b>
Fruited Gelatin with Orange Juice
Diced Pears
Pineapple Tidbits
Fresh Banana
<b>Milk (Select One)</b>
Chocolate Fat Free
White Low Fat
SOURCE: Dallas ISD, April 2015.

Marlin ISD should develop a plan to ensure that student meals meet but do not exceed USDA minimum requirements. Any items in excess of the requirements for reimbursable meals should be offered as a la carte with separate prices that ensure that the costs of food, non-food, and labor are covered. Students may select components in addition to the reimbursable meal, but must pay a la carte prices for the extra selections.

Marlin ISD can implement this recommendation by taking the following steps:

- District administration should announce the new policy to parents and students.
- The food service supervisor should train the food service staff and provide direction to students for selecting a reimbursable meal on the menu and through signage in the cafeteria. The district should adopt and use a menu guide similar to that shown in Figure 7–11 to provide direction to students on what could be selected as part of a unit priced meal.
- Food service staff, including the cashiers, should support the students in understanding the new policy.
- A la carte prices should be posted for any extra servings a student selects.

By restricting student selections for a unit priced meal to minimum required food items, and selling additional servings at a la carte prices, cost will decrease and revenue may increase. For example, if one-half of the students select an additional serving of fruit at lunch each day, in one year, the extra cost would be 388 students (ADP divided by 2) x \$0.225 (cost of an average serving of fruit) = \$87.30 increased daily cost x 180 days = \$15,714 increased annual cost. Furthermore, offering additional components at a la carte prices may allow the district to make a profit from a la carte sales.

No fiscal impact is assumed for this recommendation. Savings or increased revenue from eliminating food waste and increasing a la carte sales cannot be calculated due to the variability of food items made available, changing prices, and purchase patterns.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 7. FOOD SERVICE</b>							
25. Perform a cost-benefit analysis of Food Service Department operations and develop standards for expenditures by category (food, labor, and non-food) as a percentage of revenue.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26. Establish a process to monitor and control food costs in the Food Service Department.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27. Develop a staffing formula based on MPLH and make adjustments in labor hours scheduled based on productivity and revenue fluctuations.	\$40,622	\$40,622	\$40,622	\$40,622	\$40,622	\$203,110	\$0
28. Develop breakfast and lunch menus that include a wide variety of foods based on student preferences.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29. Increase participation by adopting an alternative meal service model for breakfast and increase revenue by applying for the Community Eligibility Provision as a district rather than individual campuses.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30. Develop a plan to ensure that student meals meet but do not exceed USDA minimum requirements.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$40,622</b>	<b>\$40,622</b>	<b>\$40,622</b>	<b>\$40,622</b>	<b>\$40,622</b>	<b>\$203,110</b>	<b>\$0</b>

## CHAPTER 8. FACILITIES USE AND MANAGEMENT

An independent school district's facilities program is responsible for providing safe and clean learning environments. A school district's facilities include campuses, buildings, grounds, athletic facilities, portable buildings, and supplemental facilities (e.g., storage, warehouses). Facilities management includes planning for facilities use, construction of projects, and maintenance of infrastructure (e.g., electrical, plumbing, irrigation, heating, and cooling).

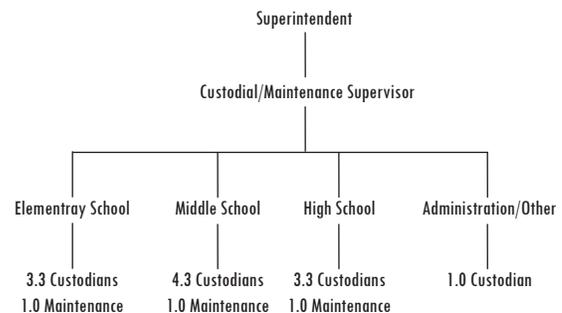
Managing facilities is dependent on a district's organizational structure. Larger districts typically have staff dedicated to support facilities management, while smaller districts may have staff with dual roles. For example, staff may be responsible for custodial and groundskeeping tasks. Facilities planning establishes district priorities, allocates resources and funds, and identifies milestones. Planning is based on student enrollment, campus and building capacity, condition of facilities, curriculum needs, and state regulations. Management of construction and maintenance projects should include contract management, cost control, and a project schedule with defined milestones. Facilities maintenance requires a program for planned maintenance of facilities and equipment, and routine cleaning of facilities to ensure a safe environment for students and staff.

Marlin Independent School District (ISD) operates three instructional facilities serving 965 prekindergarten to grade 12 students. The elementary and middle schools are located on the same site, and the high school is immediately adjacent. The elementary and middle schools share a cafeteria, which is centrally connected to each of the facilities. The high school campus has a separate technology building and a separate band hall building. In addition to the educational campuses, Marlin ISD has a sports stadium located within several miles of the high school, an administration building located in downtown Marlin, a transportation and maintenance facility, and five buildings that were part of the original Marlin school complex.

The ages of the educational facilities range from 16 years for the elementary and middle schools building, 48 years for the high school, and 64 years for the original school buildings. The combined square footage of the facilities is slightly more than 386,000 square feet. The custodial/maintenance supervisor manages the Marlin ISD Custodial/Maintenance Department. The department includes 3 general maintenance staff and 12 custodians. In fall 2013, the district outsourced grounds and lawn maintenance, which eliminated three year-round

groundskeepers and one groundskeeper who helped to support the department during the summer. **Figure 8–1** shows the organization of the department.

**FIGURE 8–1**  
**MARLIN ISD FACILITIES ORGANIZATION**  
**SCHOOL YEAR 2014–15**



NOTE: One full-time-equivalent position is assigned to the function of floor care for all of the elementary, middle, and high schools facilities.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015.

Custodians handle cleaning and the upkeep of the buildings. Their tasks include cleaning restrooms twice per day, dry and wet mopping hard-surfaced flooring, trash removal, dusting on alternate days, and setting up for school activities. Each educational facility has a custodian who begins work at 6:30 AM to open the building and ends work at 3:00 PM. Second-shift custodians work from 2:00 PM to 10:30 PM. This schedule enables interaction between the day and afternoon custodians to set up activities and exchange information as needed. The majority of the cleaning is performed after the school day ends. The custodians also provide support for afterschool activities. In addition to the custodians that are assigned to each of the schools, one custodian is primarily assigned to attend to the common hallway floors and the gyms, and substitute as needed. When this custodian is substituting at a campus, the other building custodians are responsible for cleaning the common areas.

Each maintenance staff member has a base location as a primary responsibility, although staff may also assist at other facilities. Maintenance staff's work is distributed across the high school, middle school and elementary school campuses, the administration building, and the field house and athletic complex. **Figure 8–2** shows the maintenance staff responsibilities.

Marlin ISD contracts with local vendors to complete work that is beyond the capacity of Marlin ISD staff. Examples of these projects include large-scale floor tile replacement, thermal pane window replacement, inspections of boilers and safety equipment, repairs to fire alarms, suppression equipment, back-flow preventers, and gas line pressure testing.

The district is part of the Texas Association of School Boards Buy Board purchasing cooperative. The district either solicits bids or uses prices set by the cooperative purchasing agreements for major projects, repairs, and the purchase of custodial supplies that cost more than \$5,000. For purchases of supplies and equipment for routine maintenance of \$5,000 or less, the department will either use Buy Board suppliers or purchase locally if the repairs need to be made quickly and the parts are readily available. Examples of the supplies and material needed to support maintenance work, as shown in **Figure 8–2**, include paint and painting supplies, floor tile, and plumbing supplies.

The district does not have dedicated staff for facilities construction and planning. All projects and renovations, whether being completed by Marlin ISD staff or contractors, are supervised by the custodial/maintenance supervisor. At the time of the review, Marlin ISD did not have any major renovations in process. The most recent major district facility improvement was the construction of the elementary and middle schools complex 16 years ago. That project predates the district’s employment of the custodial/maintenance supervisor, superintendent, and business manager; therefore, first-hand knowledge of how the process was managed is limited.

**Figure 8–3** shows the maintenance and operations costs for Marlin ISD. These costs are 15.2 percent of the district’s total operating budget. Marlin ISD’s maintenance and operations costs are consistent with its peers. Peer districts are Texas school districts similar to Marlin ISD that are used for comparison purposes.

**FIGURE 8–2  
MARLIN ISD MAINTENANCE RESPONSIBILITIES  
SCHOOL YEAR 2014–15**

ROUTINE	ELECTRICAL	PLUMBING/HVAC	CARPENTRY	SEASONAL OR PERIODIC
<ul style="list-style-type: none"> <li>Ceiling tile replacement</li> </ul>	<ul style="list-style-type: none"> <li>Switch replacement</li> </ul>	<ul style="list-style-type: none"> <li>Flush valve replacement</li> </ul>	<ul style="list-style-type: none"> <li>Door hardware including replacing or repairing locksets, panic bars, and closers</li> </ul>	<ul style="list-style-type: none"> <li>Filter changes</li> </ul>
<ul style="list-style-type: none"> <li>Painting</li> </ul>	<ul style="list-style-type: none"> <li>Bulb and ballast replacement</li> </ul>	<ul style="list-style-type: none"> <li>Water heater installation</li> </ul>	<ul style="list-style-type: none"> <li>Minor renovations</li> </ul>	<ul style="list-style-type: none"> <li>Floor tile removal and replacement</li> </ul>
<ul style="list-style-type: none"> <li>Minor roofing repair</li> </ul>	<ul style="list-style-type: none"> <li>Light fixture repair</li> </ul>	<ul style="list-style-type: none"> <li>Preventive and minor maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Single-pane window replacements</li> </ul>	<ul style="list-style-type: none"> <li>Large-scale painting</li> </ul>
<ul style="list-style-type: none"> <li>Sewer and drain cleaning and response</li> </ul>		<ul style="list-style-type: none"> <li>Irrigation well maintenance and operation</li> </ul>	<ul style="list-style-type: none"> <li>Key making and core replacements</li> </ul>	

NOTE: HVAC=Heating, ventilation, and air conditioning systems.  
SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015.

**FIGURE 8–3  
MARLIN ISD AND PEER DISTRICT MAINTENANCE AND OPERATIONS COSTS  
SCHOOL YEAR 2013–14**

DISTRICT	GENERAL FUND	PLANT MAINTENANCE/ OPERATIONS	PERCENTAGE OF TOTAL	ENROLLMENT	COST PER STUDENT
Bloomington ISD	\$7,322,025	\$1,168,728	16.0	915	\$1,277
Natalia ISD	\$8,788,462	\$1,247,445	14.2	1097	\$1,137
Nixon-Smiley CISD	\$10,105,108	\$1,630,052	16.1	1055	\$1,545
Peer Average	\$8,738,532	\$1,348,742	15.4	1022	\$1,320
<b>Marlin ISD</b>	<b>\$8,294,280</b>	<b>\$1,257,771</b>	<b>15.2</b>	<b>965</b>	<b>\$1,303</b>
Over/Under: Marlin ISD vs. Peer Average	(\$444,252)	(\$90,971)	(0.2)	(57)	(\$17)

SOURCES: Legislative Budget Board School Review Team, April 2015; Texas Education Agency, Public Education Information Management System (PEIMS), school year 2013–14.

## FINDINGS

- ◆ Marlin ISD lacks an organized and comprehensive maintenance scheduling and tracking system.
- ◆ Marlin ISD does not conduct periodic facility audits to inform its master planning process.
- ◆ Marlin ISD does not have a documented energy management plan to help reduce the cost of energy.
- ◆ Marlin ISD has not evaluated the responsibilities and workload for custodial services to ensure workload equity in all buildings.

## RECOMMENDATIONS

- ◆ **Recommendation 31: Expand the collection of maintenance information to facilitate data analysis in the Custodial/Maintenance Department.**
- ◆ **Recommendation 32: Develop and implement a facilities master planning process based on historic expenditures and periodic facilities audits.**
- ◆ **Recommendation 33: Assess energy usage to help identify opportunities for a reduction in energy usage and for long-range planning assistance.**
- ◆ **Recommendation 34: Develop, document, and communicate custodial responsibilities to provide improved guidance to custodial staff and adjust custodial workloads for a fair distribution of labor.**

## DETAILED FINDINGS

### WORK ORDER AND FACILITY DATA MANAGEMENT (REC. 31)

Marlin ISD lacks an organized and comprehensive maintenance scheduling and tracking system.

The department uses a manual work order system to address day-to-day maintenance and upkeep of the facilities. If a teacher or other campus staff wants to make a work request, they coordinate with the school's secretary. The school secretary completes a custodial/maintenance work request form and obtains approval from the campus principal. The form is then submitted via fax or email to the Custodial/Maintenance Department. If there is an emergency maintenance situation, the campus secretary will complete this process after the emergency. The form includes fields for a description of the work needed, the date submitted, the name of the requester, the building, the requested date for completion, and the signature of the campus principal. The

custodial/maintenance supervisor prioritizes the work orders and assigns them to one of the maintenance staff. The custodial/maintenance supervisor is also responsible for the completion of some work order requests. Work orders are not given control numbers for tracking purposes.

When the work is completed, the assigned maintenance staff records the date of completion on the form. The maintenance staff and the custodial/maintenance supervisor sign the completed form. The department maintains hard copies of the completed work request forms. However, that information is not recorded electronically in a spreadsheet or other software program. The district does not have a formal inspection process for completed work and does not have a formal process for receiving customer satisfaction information. During onsite interviews, Marlin ISD staff indicated they were highly satisfied with the Custodial/Maintenance Department. However, the department lacks a process to effectively analyze work order completion times, costs, and staff productivity. A review of completed forms indicates that the fields for recording parts and materials used and for labor time are not always completed. Without this data, the Custodial/Maintenance Department lacks a method to determine the full cost of the maintenance work completed.

Because of the lack of readily available data, the district is also unable to:

- track the cost of repair or maintenance for specific building components or systems; for example, knowing the specific maintenance and repair costs for each individual air conditioning unit would support a data-driven development of a replacement or renovation schedule for these systems; furthermore, having readily available data provides department management with information to support warranty claims for newly installed equipment and for completed repairs;
- track the productivity of each individual maintenance staff member and determine where additional training may be required; and
- track completed and pending work order requests to facilitate short- and long-term facilities planning.

To manage daily maintenance requests and support the short-range and long-range planning process, effective districts maintain a standardized process for managing work orders. In 2003, the National Center for Education Statistics published the *Planning Guide for Maintaining School*

*Facilities*. It provides many facilities-related resources, including resources for implementing a work order system. Although the *Planning Guide for Maintaining School Facilities* does not specifically recommend a computerized maintenance management system for districts with less than 500,000 square feet, it does recognize the need for gathering data to make informed decisions regarding facility management and improvements.

As stated in the *Planning Guide for Maintaining School Facilities*, the purposes of a work order management system are to handle requests as effectively as possible and to meet the district's basic information requirements. The *Planning Guide for Maintaining School Facilities* also provides a process that effective districts adapt to enhance their manual systems or as a guide for districts transitioning to an electronic system. The process includes:

- limit requesting authority to a single position at each campus to maintain better internal oversight;
- issue a control number for tracking purposes, which would be automatically generated by an electronic system;
- give all work a priority rating;
- assign all work to maintenance staff for completion;
- record all labor, parts, and supplies on the work order;
- develop a process for the inspection of the work to ensure that work is performed to district standards;
- seek feedback from the requester to understand the level of customer satisfaction with the work completed; and
- record all information about the request in a data bank for historical and analytical use (e.g., for determining the annual cost of building maintenance).

Several Texas school districts have documented the benefits of using an electronic work order system. For example, Rockwall ISD uses an online system supported by Regional Education Service Center X. Rockwall ISD found that using the program has reduced the completion time for requests. Clear Creek ISD also found that by using an automated system, that district has been able to better track the cost of repairs and the productivity of maintenance staff.

Data that is entered either into a database or into software readily supports the retrieval of the data for analysis of various performance measurements. Users can filter information by

cost, type of repairs being performed, and by staff. Additionally, data in an electronic format can be easily forwarded to the requester to provide feedback on the status of the work requested.

Marlin ISD should expand the collection of maintenance information to facilitate data analysis in the Custodial/Maintenance Department. The district should first determine the preferred method to manage the district's work order process. An electronic system may not be necessary for a district with less than 500,000 square feet, but readily available data is necessary to make informed management decisions.

Whether Marlin ISD elects to remain with its manual system or to implement an electronic system, the district should review its process. Each work order request should include:

- name of the requester;
- date submitted;
- description of the work required;
- building-level priority and the date requested or required for the work to be performed (i.e., an electrical repair that is necessary to support a performance or activity); and
- approval by the building administrator.

The district should also reexamine how work orders are processed when they are received by the Custodial/Maintenance Department. The process should include:

- confirmation that the work order has been received and information on its status is available;
- a unique tracking number that has been assigned to the request;
- an expected completion date; and
- any assistance that will be required of the requester, such as the removal of instructional material before the painting of a classroom.

Finally, the district should reevaluate the process of work order completion. This process should include:

- instructing the maintenance staff to accurately record labor hours and the parts and supplies used for the completion of the work;
- informing the requester when the work has been completed; and

- evaluating the completed work to ensure that the work performed meets district standards, which can be especially important for work performed by a contractor.

If Marlin ISD elects to retain its manual process, it should consider implementing a method for transferring the data and information on each work order to a spreadsheet. This practice would ensure that relevant data is organized and more easily accessible.

A fiscal impact is not assumed for this recommendation. If the district chooses to use an electronic process, there could be costs related to purchasing the program and training staff.

### **MASTER PLANNING PROCESS (REC. 32)**

Marlin ISD does not conduct periodic facility audits to inform its master planning process.

The district produces a list of facility needs each year. The list is based on input from the custodial/maintenance supervisor and the campus principals. The business manager and the superintendent use the list to produce a five-year project plan. The plan for school year 2014–15 included:

- replace gym floor in the high school;
- finish classroom floor replacement;
- install lights on baseball field;
- resurface track at football field;
- upgrade space lighting with light-emitting diode (LED) technology;
- replace roof on bus barn;
- repave parking lot and marching field at the high school;
- upgrade exterior lighting at the high school;
- fix drainage issues at the elementary school;
- replace remainder of air conditioning units at the middle and elementary schools;
- complete major painting at all schools;
- install new phones in the high school;
- upgrade phones in the elementary and middle schools;
- demolish original school buildings including asbestos abatement;

- remodel wall in high school hallways; and
- other.

The district's five-year project plan does not establish priorities, a timeline for completion, a process for estimating costs, or a funding source for the projects. The plan is also informal and lacks key elements of a formal master planning process, including:

- formal and comprehensive facility audit of the condition of the building and its systems; a facility audit enables campuses to plan for maintenance of the facilities and to budget for replacement of equipment;
- soliciting feedback from all stakeholders, including teachers and other campus staff, to fully understand how facility improvements support the educational programs;
- including input from parents and other people in the community that use the school building during community events; and
- establishing a budget based on a dedicated funding source to support identified facility improvement needs.

Additionally, the district's five-year project plan does not capture all facility needs. During the onsite review, campus administrators mentioned issues that do not appear on the plan, including:

- the configuration of the pickup and drop-off area at the elementary and middle schools complex has buses lined up side by side instead of end to end; this configuration results in students having to cross between rows of buses. The high school bus loop does not take advantage of the building's design and could expose students waiting for the bus to severe weather;
- the electrical system at the high school may limit the implementation of new technology;
- the exterior of the high school campus is open to the community without exterior fencing or cameras;
- the second floor of the high school remains largely unused due to accessibility issues; one of the rooms is used as a staff lounge, and the other rooms are used, when needed, as space for standardized testing; and
- the district has not assessed the most beneficial use of the original school buildings; the district's project

plan includes a plan to demolish the original school buildings, but no formal analysis has been conducted to determine if this plan is the best use of the facility, and no timeline or funding source for the demolition was identified.

The *Planning Guide for Maintaining School Facilities* provides information on how to develop a master plan. It states that a “master plan is the blueprint for daily decision making throughout a school district.” Key elements of the planning process include:

- establishing collaboration with stakeholders;
- identifying needs throughout the district, including safety and security, infrastructure improvements such as the electrical upgrades to support technology, correcting deficiencies such as the drainage issues, addressing deferred projects, increasing efficiency, and decreasing utility bills;
- establishing priorities and targets based on the educational programs;
- collecting and using data to support informed decision-making;
- communicating the plan to garner support from management and key stakeholders;
- allocating funds to support identified needs;
- providing staff training to support the planned initiatives; and
- establishing a process for the periodic evaluation and revision of the plan.

Culberson County-Allamoore ISD established a 23-member school and community facilities committee that works with district staff. That district also hired an architectural firm to establish a master plan based on the district’s prioritized needs. This process resulted in the passage of a bond referendum by a margin of 82.0 percent. Categories of improvement funded by the bond included new doors and windows, ceiling and flooring improvements, accessibility improvements, and upgrades to the heating, ventilation, and air conditioning systems. Irving ISD followed a similar process that included input from the campus principals, food service and maintenance staff, technology departments, and a public committee. This process resulted in a final report with prioritized recommendations to the board for approval.

Marlin ISD should develop and implement a facilities master planning process based on historic expenditures and periodic facilities audits. The superintendent should establish a master planning guidance committee. This committee should include senior administrators, the custodial/maintenance supervisor, and other campus leadership. Next, the district should conduct a formal facilities audit to understand the conditions of the facilities. This audit should include the analysis of the cost of maintenance of key systems, such as air conditioning and air handling units. The master planning guidance committee should use the results of the facilities audit to develop a master plan based on the district’s goals and objectives. This plan should include:

- addressing the potential limitations of the current electrical system;
- identifying and funding safety and security needs;
- estimating costs of potential traffic and site improvements;
- planning for unexpected expenditures; and
- identifying the most beneficial use of the old school buildings.

The master planning guidance committee should identify a funding source for facilities improvements. Smaller projects could be funded through the general fund, but larger improvements might require a bond election. Additionally, the master planning guidance committee should develop a process to review and revise the plan to ensure that the plan stays updated to meet the district’s short-term and long-term educational and operational needs.

This recommendation could be implemented with existing resources.

### **ENERGY MANAGEMENT PLANNING (REC. 33)**

Marlin ISD does not have a documented energy management plan to help reduce the cost of energy.

Texas school districts are statutorily required to develop strategies to reduce their overall consumption of energy. The Texas Education Code, Section 44.902, requires a school district’s board of trustees to establish a long-range energy plan intended to reduce the district’s annual electric consumption by 5.0 percent beginning in fiscal 2008 and to consume electricity in subsequent years in accordance with the district’s energy plan. The plan must include strategies for achieving energy efficiency that:

- result in net savings for the district; or
- can be achieved without financial cost to the district; and
- for each strategy included, identify the initial short-term capital costs and lifetime costs and savings that may result from the implementation of the strategy.

Marlin High School is approximately 131,850 square feet in size, including the main school building, band hall, vocational educational building, greenhouse, and storage building. The high school represents 34.0 percent of the total district square footage of 386,314. Although the heating/ventilation/air conditioning (HVAC) systems are controlled by programmable thermostats, the building lacks a fully automated energy management system. An energy management system allows for controls from a central location. In contrast, the elementary and middle schools complex was constructed with an automated system that can be programmed from a central location. This system enables maintenance staff to maintain desired temperatures throughout the day, reducing energy consumption during unoccupied times. The energy management system interconnects all HVAC units, whereas an individual thermostat only controls the one HVAC unit to which it is connected.

Because the district lacks a centralized energy management system on all campuses and keeps limited maintenance records, the Custodial/Maintenance Department does not have the data that is necessary to make decisions for the operation and replacement of building systems. For example, heating and cooling systems that are controlled by a thermostat may run longer than is actually necessary to reach or maintain a desired temperature. Systems that are monitored by an energy management system can be set to run for the minimum amount of time necessary. Furthermore, the district is not able to track the cost of energy use by unit. This information would provide an indication of which units may need to be considered for replacement.

Although programmable thermostats provide a degree of energy management, they require manual intervention to reset the internal clock during the transition to and from daylight savings time. Additionally, the lack of a centralized monitoring system does not enable the remote monitoring of the systems. In the absence of centralized monitoring, a system that has failed may not be discovered until the space is occupied. This system failure may result in a disruption

either to the educational program or result in relocating the students while repairs are made.

The Texas State Energy Conservation Office (SECO) provides support to local districts through the completion of a preliminary energy assessment. SECO provides this service at no cost to schools, and the assessment includes the following:

- analyzing utility bills and other building information to determine energy and cost indices of the facilities;
- recommending maintenance procedures and capital energy retrofits;
- developing and monitoring customized procedures to control the run times of energy-using systems;
- providing informal on-site training for building operators and maintenance staff;
- assisting with the implementation of the recommendations and with determining savings associated with the project provided through follow-up visits;
- developing an overall energy management policy;
- assisting with the development of guidelines for efficiency levels of future equipment purchases; and
- facility benchmarking using an online assessment tool provided by the U.S. Environmental Protection Agency's ENERGY STAR program.

Another resource used by school districts to understand the potential for the management of energy costs is *School Operations and Maintenance: Best Practices for Controlling Energy Costs*, which was prepared in 2004 by a consortium of energy consultants. This guidebook was prepared for school business officers and facilities managers and describes the processes to follow to control the cost of energy for school districts. Part of the process is the establishment of goals, including:

- achieving an overall reduction in energy costs through enhancements to operation and maintenance strategies, including enhancement to the preventive maintenance programs to ensure that equipment is maintained in a manner that reduces instances of equipment failure and reduces energy consumption;
- developing strategies for the control or replacement of high-energy-use equipment, such as the replacement of inefficient light fixtures, and the addition of

controls, such as occupancy sensors, photoelectric sensors, and dimmers;

- the identification and establishment of funding sources to support energy reduction initiatives; and
- training of maintenance staff on preventive maintenance techniques and operations and providing information to building occupants on their roles in the reduction of energy usage.

Marlin ISD should assess energy usage to help identify opportunities for a reduction in energy usage and for long-range planning assistance. Marlin ISD should first explore the technical assistance that is available through SECO. Examples of this assistance include:

- the completion of a preliminary energy assessment;
- energy management training for staff;
- providing technical support to retrofit facilities to become more energy efficient; and
- supporting student energy awareness projects.

After SECO completes its assessment, the district should prioritize the recommendations to replace equipment and install energy management controls based on the best return on investment. The district should then identify and dedicate funds to ensure that energy management initiatives can be implemented. The district should develop standards for routine maintenance to include the use of energy-efficient equipment. For example, all relamping and fixture replacements should be based on efficient fluorescent or LED technology.

No fiscal impact is assumed for this recommendation. Costs for installations and retrofits and potential operational savings would be based on the results of a comprehensive evaluation of the district’s systems.

**CUSTODIAL RESPONSIBILITIES AND WORKLOAD (REC. 34)**

Marlin ISD has not evaluated the responsibilities and workload for custodial services to ensure workload equity in all buildings.

The combined square footage of Marlin ISD’s facilities is 386,314 square feet. This space includes district buildings that are not regularly cleaned by custodians, such as the greenhouse, storage buildings, and the original school buildings. Approximately 303,433 square feet of space requires cleaning regularly. Marlin ISD’s Custodial/

Maintenance Department is managed by the custodial/maintenance supervisor and staffed with 12 custodians who are responsible for the cleaning and upkeep of the district’s schools and facilities.

Marlin ISD does not effectively define or document custodial responsibilities to ensure that campus administrators understand custodial responsibilities in their building. When new custodians are assigned to an area of responsibility, the custodial/maintenance supervisor provides them with a walk-through of the campus that they will be responsible for cleaning. However, the district does not document these responsibilities in writing. Although the custodians reported that they understand their responsibilities, they also expressed the desire to have those responsibilities defined more clearly.

Without documented work responsibilities for each custodian, it is difficult to determine if staffing is adequate and whether work tasks are fairly distributed. If the square footage were divided up evenly among the custodians, each custodian would be responsible for cleaning 25,286 square feet per day, (303,433 square feet/12 custodians). However, the actual square footage per custodian ranges from less than 20,000 to about 40,000 square feet. These metrics are based on the raw square footage of the facilities, and, therefore, may not represent the actual cleanable square footage of the buildings. However, the metrics indicate that the workload is likely not equitably distributed. **Figure 8–4** shows Marlin ISD’s deployment of custodians by facility.

**FIGURE 8–4  
MARLIN ISD CUSTODIAL STAFFING PER BUILDING  
SCHOOL YEAR 2014–15**

BUILDING	CUSTODIANS (1)	SQUARE FOOTAGE	SQUARE FEET PER CUSTODIAN
Elementary and Middle Schools	7.7 (1)	151,499	19,675
High School	3.3 (1)	131,852	39,955
Field House and Administration	1	20,082	20,082
<b>Total/Average</b>	<b>12</b>	<b>303,433</b>	<b>25,286</b>

NOTE: (1) One full-time-equivalent custodian is responsible for cleaning the main floors on all school campuses, so this position is calculated as one-third for each of the three schools.

SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015.

The daily requirements for custodial care vary widely depending on building construction and use. This variance can be especially true of educational facilities that are used on an occasional or seasonal basis. Examples of these areas

include the high school’s auditorium, athletic areas, and primarily unused second floor.

Lack of documented custodial responsibilities and work areas can be problematic because:

- the work may be left undone or incomplete in the event of an absence and when new staff are added;
- campus administrators would not be able to provide documentation to respond to concerns raised by educational staff or parent groups if an issue arises with custodial services, such as areas not being cleaned or not cleaned well; and
- the equitable division of labor is not likely, potentially leading to dissatisfaction among maintenance staff if work is not distributed fairly.

According to *Planning Guide for Maintaining School Facilities*, one full-time-equivalent (FTE) custodian should be able to clean from 18,000 to 31,000 square feet in an eight-hour shift. A brief description of the cleaning levels is shown in **Figure 8–5**. Some areas of a school require a high standard for cleaning, such as restrooms, kitchens, and some special education areas. However, the majority of areas within a school require a normal, acceptable level of cleaning. This variance is based on how each room is used and the resulting level of detailed cleaning and sanitation that is required.

Marlin ISD should develop, document, and communicate custodial responsibilities to provide improved guidance to custodial staff and adjust custodial workloads for a fair distribution of labor.

The district should review the cleanable areas for each of the facilities. For example, many areas of a building do not require daily cleaning. These areas include mechanical rooms, storage rooms, and areas of the buildings that are not normally used. These areas would typically be cleaned as needed and during the summer break cleaning period.

The district should then define the level of cleaning required for each area. For example, the level of floor care and cleanliness will be different for a kindergarten room compared to an entryway floor of a building. When the level of cleaning is determined and the square footage calculated, the number of custodians required could be obtained based on the ranges in **Figure 8–5**. After those calculations are made, the district should adjust the number of custodians working in the district, if needed.

After the district completes these initial steps, it should divide the work among the available staff and document responsibilities for each custodian. This process will allow the department and campus administrators to effectively evaluate the work of all custodians.

This recommendation could be implemented with existing resources.

**FIGURE 8–5  
RECOMMENDED CLEANING STANDARDS FOR SCHOOL FACILITIES**

LEVEL	STANDARD	SQUARE FOOTAGE
1.	Results in a spotless building, as might normally be found in a hospital environment or corporate suite	10,000 to 11,000
2.	The uppermost standard for most school cleaning, typically reserved for restrooms, special education areas, kindergarten areas, or food service areas	18,000 to 20,000
3.	The normal level for school facilities, acceptable to most stakeholders and does not present any health concerns	28,000 to 31,000
4.	Normally not acceptable in a school environment; classrooms would be cleaned every other day, carpets would be vacuumed every third day, and dusting would occur once a month	45,000 to 50,000

SOURCE: National Center for Education Statistics, *Planning Guide for Maintaining School Facilities*, 2003.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 8. FACILITIES USE AND MANAGEMENT</b>							
31. Expand the collection of maintenance information to facilitate data analysis in the Custodial/Maintenance Department.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32. Develop and implement a facilities master planning process based on historic expenditures and periodic facilities audits.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33. Assess energy usage to help identify opportunities for a reduction in energy usage and for long-range planning assistance.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34. Develop, document, and communicate custodial responsibilities to provide improved guidance to custodial staff and adjust custodial workloads for a fair distribution of labor.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## CHAPTER 9. COMPUTERS AND TECHNOLOGY

An independent school district's technology management affects the operational, instructional, and financial functions of a school district. Technology management requires planning and budgeting, inventory control, technical infrastructures, application support, and purchasing. Managing technology is dependent on a district's organizational structure. Larger districts typically have staff dedicated to administrative or instructional technology responsibilities, while smaller districts may have staff responsible for both functions.

Administrative technology includes systems that support a district's operational, instructional, and financial functions (e.g., financial management, human resources, payroll, student attendance, grades, and Public Education Information Management System (PEIMS) reporting). Administrative technology improves a district's operational efficiency through faster processing, increased access to information, integrated systems, and communication networks. Instructional technology includes the use of technology as a part of the teaching and learning process (e.g., integration of technology in the classroom, virtual learning, and electronic instructional materials). Instructional technology supports curriculum delivery, classroom instruction, and student learning.

Texas state law requires school districts to prepare improvement plans that include the integration of technology with instructional and administrative programs. A plan defines goals, objectives, and actions for technology projects; assigns responsibility for implementation steps; and establishes deadlines. The state provides a tool for planning and assessing school technology and readiness, which identifies performance measures for teaching and learning, educator preparedness, administration, support services, and infrastructure.

Marlin Independent School District's (ISD) Technology Department supports instructional learning and administrative functions. Gigabit fiber connects district websites. There is a telecommunication and radio tower, outside the vocational building, that provides coverage to the football stadium press box. All 126 classrooms are Internet capable, but there is only one network drop in each classroom. Network drops are typically wall outlets with an Ethernet jack that a computer or other network device can plug into. A standard classroom at the elementary school has three

desktop computers, while the middle school and high school have two desktops computers per classroom. The district issues each teacher a laptop computer at the start of each school year that is returned for servicing and upgrades when the district dismisses for the summer.

The district's business and student information system is the Texas Enterprise Information System (TxEIS). The TxEIS system is state-sponsored and focused on student and business applications. TxEIS is complemented by a PEIMS component that performs all state-mandated data extracts. **Figure 9–1** shows the distribution of technology resources in the district.

**FIGURE 9–1**  
**MARLIN ISD'S TECHNOLOGY RESOURCES BY LOCATION**  
**APRIL 2015**

LOCATION	DESKTOPS	LAPTOPS	TABLETS
<b>Administration</b>	7	3	2
<b>High School</b>			
Staff Use	23	25	7
Student Use	124	30	40
<b>Middle School</b>			
Staff Use	20	25	4
Student Use	77	72	0
<b>Elementary School</b>			
Staff Use	21	46	10
Student Use	185	72	0
Total Staff Use	71	99	23
Total Student Use	386	174	40
<b>Total Resources</b>	457	273	63

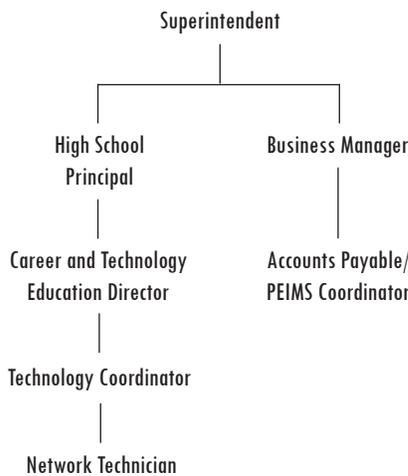
SOURCE: Marlin ISD, April 2015.

Marlin ISD's Technology Department is led by a technology coordinator who reports to the career and technology education director. The technology coordinator is supported by a network technician. The district's website management and updates are a shared responsibility of campus staff, department staff, and individual teachers, while the technology coordinator updates the district's main webpage as needed. The district does not have a dedicated instructional technology position.

Marlin ISD has an accounts payable/PEIMS coordinator position responsible for coordinating the submission of student-related data to the Texas Education Agency (TEA). The accounts payable/PEIMS coordinator reports to the business manager. Marlin ISD uses the services of Regional Education Service Center XII (Region 12) in Waco to submit PEIMS data to TEA. The district has been recognized by TEA for an error rate of zero percent and zero Person Identification Database errors on reports.

Figure 9–2 shows the current Marlin ISD Technology and PEIMS organization for school year 2014–15.

**FIGURE 9–2  
TECHNOLOGY DEPARTMENT AND PEIMS ORGANIZATION  
SCHOOL YEAR 2014–15**



SOURCES: Legislative Budget Board, School Performance Review, April 2015; Marlin ISD, April 2015.

**FINDINGS**

- ◆ Marlin ISD does not provide teachers with sufficient training and support to fully integrate technology into the classroom.
- ◆ Marlin ISD lacks a process to ensure the district’s website is up-to-date and complies with state requirements.
- ◆ Marlin ISD’s Technology Department lacks a disaster recovery plan that documents the processes involved in the re-establishment of the district’s network in case of a site disaster.
- ◆ Marlin ISD does not effectively manage user access to the district’s business and student information system.

**RECOMMENDATIONS**

- ◆ **Recommendation 35:** Provide professional development for staff that is aligned to technology application standards and effectively facilitates technology integration.
- ◆ **Recommendation 36:** Assign clear responsibilities and schedules for website maintenance and updates to improve communication and to ensure compliance with statutory requirements.
- ◆ **Recommendation 37:** Develop and implement a comprehensive disaster recovery plan that ensures recovery of critical systems in the event the district network is rendered inoperable.
- ◆ **Recommendation 38:** Create policies and procedures for managing user access to TxEIS.

**DETAILED FINDINGS**

**INSTRUCTIONAL TECHNOLOGY (REC. 35)**

Marlin ISD does not provide teachers with sufficient training and support to fully integrate technology into the classroom.

The Texas Education Code (TEC), Section 32.001, requires the State Board of Education to develop a long-range plan for technology. The most recent long range plan is entitled *Texas Long-Range Plan for Technology, 2006–2020*. This plan stresses that educators do the following:

- use technologies effectively in the teaching-learning process as demonstrated by the State Board for Educator Certification Technology Applications Standards and integrate appropriate technology throughout all curriculum and instruction;
- develop new learning environments that use technology as a flexible tool; and
- keep up-to-date with emerging trends and technologies and implement new teaching strategies into everyday teaching and learning.

Marlin ISD is not effectively meeting these goals. During onsite interviews, Marlin ISD staff indicated that the district does not provide professional development for teachers in the area of technology. Staff also indicated that the district does not have a position dedicated to assisting teachers with integrating instructional technology into the classroom. In addition, Marlin ISD’s teachers are not trained in using multimedia products such as electronic portfolios or the latest in rubric design methods to assess students. District

staff stated that the previous superintendent, who left in March 2015, discouraged professional development. Marlin ISD staff stated that they were not allowed to attend professional development trainings held outside the district. Marlin ISD's instructional coordinator, along with technology staff, provide basic instruction in the use of standard technology such as printers, laptop computers, and smart boards. This training is based around the basic operation of the equipment such as turning it on and off and using standard features. Teachers, however, do not receive any assistance or training in incorporating technology into lesson plans or curriculum design.

Marlin ISD's 2011–13 District Improvement Plan (DIP) directs district professional development to be tailored to both content and the use of technology. The purpose of a DIP is to guide district and campus staff in the improvement of student performance for all student groups to meet state standards in respect to academic excellence indicators. As the district develops their DIP each year they conduct a comprehensive needs assessment. This needs assessment is used to identify the strengths of a school district to meet the educational needs of students. The data districts consider during the comprehensive needs assessment include technology equipment inventories, teacher surveys, discussions with technology department staff, walkthrough observations, and professional development needs assessment results. The needs assessment found that Marlin ISD teachers lack professional development that is tailored to both content and the use of technology. The needs assessment further states that continuous professional development is lacking to help teachers understand how to use technology within their specific content areas, including how to find appropriate online resources and help students better use technology within their content area.

The primary way school districts assess their progress towards integrating technology into teaching and learning is the School Technology and Readiness (STaR) chart. The STaR chart is an online survey given to teachers designed to help educators, campuses, and districts measure the impact of state and local efforts to improve student learning through the use of technology as specified in No Child Left Behind, Title II, Part D and the *Texas Long Range Plan for Technology, 2006–2020*. The STaR chart can also identify needs for ongoing professional development and raise awareness of research-based instructional goals. The four areas of the *Texas Long Range Plan for Technology* include:

- Teaching and Learning;
- Educator Preparation and Development;
- Leadership, Administration, and Instructional Support; and
- Infrastructure for Technology.

Teachers are surveyed in each area. Based on the teachers' responses, each campus is given a level of progress ranging from Early Tech to Target Tech in the STaR chart. The goal for all campuses is to reach the Target Tech level of the STaR chart. **Figure 9–3** shows the STaR chart's components, focus areas, and scoring.

**Figure 9–4** shows a comparison between Marlin ISD's STaR chart ratings and those of peer districts and the state average in school year 2013–14. Peer districts are districts similar to Marlin ISD that are used for comparison purposes in this report. The district STaR chart ratings are based on an average of all the campus STaR chart ratings within the district.

**Figure 9–4** shows that while Marlin ISD teachers felt the district was doing well in many areas of technology, the district continues to score at the “developing” stage on the STaR Chart in Educator Preparation and Development and in Leadership, Administration, and Instructional Support. These scores are reflective of Marlin ISD's lack of professional development and instructional support.

Without professional development, the district will not be able to improve the integration of technology into the classroom through the use of devices such as handheld devices, mobile computers (tablets, laptops, graphing calculators), media recorders (eBook readers and video cameras), and communication devices (mobile phones and tablets). Because technology applications and resources change often, effective technology integration requires continuing development and training for educators. Without full technology integration the district is limiting how technology can help students achieve and prepare for the world outside of schools.

Districts throughout the world are working to successfully integrate technology into classroom education. The International Society of Technology in Education (ISTE) developed teacher standards, which define the new skills and pedagogical insights educators need to teach, work, and learn in the digital age. The ISTE's five standards include:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• facilitate and inspire student learning and creativity;</li> <li>• design and develop digital age learning experiences and assessments;</li> <li>• model digital age work and learning;</li> </ul> | <ul style="list-style-type: none"> <li>• promote and model digital citizenship and responsibility; and</li> <li>• engage in professional growth and leadership.</li> </ul> |
|---|--|

**FIGURE 9-3  
TEXAS CAMPUS STAR CHART COMPONENT, FOCUS AREAS, AND SCORING**

COMPONENT	FOCUS AREAS	SCORES DEPICTING LEVELS OF PROGRESS
Teaching and Learning	Patterns of classroom use	Early Tech (6–8 points)
	Frequency/design of instructional setting using digital content	Developing Tech (9–14 points)
	Content area connections	Advanced Tech (15–20 points)
	Technology Application (Texas Administrative Code Chapter 126)	Target Tech (21–24 points)
	Texas Essential Knowledge and Skills (TEKS) implementation	
	Student mastery of technology applications (TEKS)	
	Online learning	
Educator Preparation and Development	Professional development experiences	Early Tech (6–8 points)
	Models of professional development	Developing Tech (9–14 points)
	Capabilities of educators	Advanced Tech (15–20 points)
	Technology professional development participation	Target Tech (21–24 points)
	Levels of understanding and patterns of use	
	Capabilities of educators with online learning	
Leadership, Administration, and Instructional Support	Leadership and vision	Early Tech (6–8 points)
	Planning	Developing Tech (9–14 points)
	Instructional support	Advanced Tech (15–20 points)
	Communication and collaboration	Target Tech (21–24 points)
	Budget	
	Leadership and support for online learning	
Infrastructure for Technology	Students per computers	Early Tech (6–8 points)
	Internet access connectivity/speed	Developing Tech (9–14 points)
	Classroom technology	Advanced Tech (15–20 points)
	Technical support	Target Tech (21–24 points)
	Local Area Network/Wide Area Network	
	Distance Learning Capability	

SOURCE: Texas Education Agency and Campus School Technology and Readiness Chart, Fall 2014.

**FIGURE 9–4**  
**MARLIN ISD’S STAR CHART RATINGS COMPARED TO PEER DISTRICTS AND THE STATE AVERAGE**  
**SCHOOL YEAR 2013–14**

STAR CHART COMPONENT	MARLIN ISD	BLOOMINGTON ISD	NATALIA ISD	NIXON-SMILEY ISD	STATE AVERAGE
Teaching and Learning	15	13	13	17	15
Educator Preparation and Development	13	12	11	16	14
Leadership, Administration, and Instructional Support	12	12	15	18	16
Infrastructure for Technology	15	13	13	17	15

SOURCES: Bloomington ISD STaR Chart Summaries, school year 2013–14; Natalia ISD STaR Chart Summaries, school year 2013–14; Nixon-Smiley ISD STaR Chart Summaries, school year 2013–14; Marlin ISD Campus STaR Chart Summary, school year 2013–14; STaR Chart State Summary Statistics, school year 2013–14.

To make technology integration successful and positively impact student performance, effective districts promote and provide staff development in new technology practices. For example, San Elizario ISD developed a foundation for a technology professional development program that includes:

- a four-tier matrix outlining the levels of understanding for technology use;
- a technology determinate survey to identify a teacher’s individual level of understanding of technology; and
- an individual technology plan that details the training required to address a teacher’s specific technology weakness.

Effective districts maximize the use of available professional development sources and methods such as Project Share, iTunesU and a train-the-trainer model, explained as follows:

- Project Share is an eLearning portal provided by a collaborative consisting of TEA, Epsilon LLC, and the New York Times Company. Project Share provides a digital learning environment in which teachers and students communicate, collaborate, and access 21st century digital content. Teachers have access to online professional development modules, professional learning communities, and digital content repositories. Texas school districts have access to Project Share at no cost.
- iTunes U is a free service provided by Apple that allows instructors, administrators, and affiliates to manage, distribute, and control access to educational courses, lectures, videos, films, and other resources. iTunesU courses allow teachers to give each class they teach a customized learning experience. Teachers can create and manage their course and students can access the course from the iTunesU app on an iPad.

- A train-the-trainer model enables experienced teachers to show less experienced teachers how to deliver technology-integrated courses and homework, how to use online curricula, how to use the latest classroom technology, and how to navigate web-based classroom models. Usually, a new instructor first observes a training event led by an experienced teacher or subject-matter expert. A train-the-trainer model can build a pool of competent teachers able to teach the material to students and others.

Marlin ISD should provide professional development for staff that is aligned to technology application standards and effectively facilitates technology integration.

The district should begin by determining if there is a need for a dedicated instructional technologist. An instructional technologist provides instruction, training, and resources to facilitate the use of technology in the classroom. If the district determines that this position is necessary, the instructional technologist should have a teacher certification and an understanding of the technology needs of classrooms and students. The instructional technologist should assist teachers in:

- coordinating districtwide technology training (includes investigating and disseminating information on best practices for technology integration, sources of information on trends, research, and applications related to technology use in the school program);
- providing training to teachers in the use of current technology to meet curriculum goals (includes participating in the development of activities that help integrate technology into various curriculum areas at the local and state level);

- providing training to teachers in computer competencies;
- providing training to teachers to ensure integration of student computer competencies as outlined by the State Board of Education;
- maintaining current knowledge of technology and instructional practices that relate to the use of technology; and
- teaching demonstration lessons with the teacher taking over class instruction after the demonstration.

Marlin ISD should also assess the details of the instructional technologist position. This assessment should include determining if the position is a designated teacher at each campus or a position that oversees instructional technology for the entire district. Once the district makes this determination, it should assess whether there is a current staff member who could serve as an instructional technologist or if this position should be filled externally.

While the district is assessing the need for a dedicated instructional technologist, the technology coordinator should establish a process for curriculum integration training. This process should include:

- drafting procedures where stated goals and objectives in documents such as the DIP are monitored by the technology coordinator to ensure positive outcomes;

- preparing professional development and sharing resources through Project Share;
- introducing teachers to education on iTunesU; and
- introducing a train-the-trainer model.

A fiscal impact is not assumed for this recommendation until the district decides about developing an instructional technologist position.

**DISTRICT WEBSITE (REC. 36)**

Marlin ISD lacks a process to ensure the district’s website is up-to-date and complies with state requirements.

The district’s website is hosted by private company, which provides standardized templates for district, campus, and teacher webpages, lesson plans, homework submission, news and announcements, and integrated calendars. The district pays approximately \$700 per year for this service. Campus staff, department staff, and teachers jointly share responsibility for making updates to the website, and the technology coordinator updates the district’s main page as needed. However, no one in the district oversees the coordination of the process. This lack of oversight has led to deficiencies on Marlin ISD’s website such as incorrect or out-of-date information, broken links, and blank pages. **Figure 9–5** shows a list of the district’s website deficiencies at the time of the onsite review.

**FIGURE 9–5  
LISTING OF MARLIN ISD WEBSITE DEFICIENCIES  
MAY 2015**

CLASSIFICATION MENU	WEBPAGE OR LINK	PROBLEM
Navigation	Website	Readers may have trouble locating information because links are not clearly labeled and not conducive to providing transparency of district information.
Quick Links	DSHS	Not defined (Department of State Health Services).
Campuses	Directories	Missing teachers on faculty directories.
Elementary Menu	Counselor – Calendar Upcoming Events	Dated Info (2 <sup>nd</sup> six week testing October 6 - November 7 & Red Ribbon Week October 27 – 31).
	Required Postings	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.
Middle School Menu	Library Resources	TEA Internet Safety link leads to a page which says “Content Does Not Exist.”
	Program list	Image Learning link leads to a page which says “This page can’t be displayed.”
	Counselor	Testing Dates are not up to date.
	Required Postings	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.

**FIGURE 9–5 (CONTINUED)**  
**LISTING OF MARLIN ISD WEBSITE DEFICIENCIES**  
**MAY 2015**

CLASSIFICATION MENU	WEBPAGE OR LINK	PROBLEM
High School Menu	Library Resources	TEA Internet Safety link leads to a page which says “Content Does Not Exist.”
	Student Websites Program list	Image Learning “This page can’t be displayed.”
	Counselor	Testing Dates are not up to date.
	Career Cruising	Mention Taylor High School which no longer exists; words cut off; link in document cut off.
	Required Postings	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.
	English Language Arts, the State of Texas Assessments of Academic Readiness (STAAR), End-of-course (EOC) Expectations	Page is blank.
	Enrollment Information	Page contains out of date back to school information.
Departments Menu	Athletic	Main page is blank.
	Career Technology	Business & Technology main page is blank.
		Construction Trades main page is blank.
Our District Menu	Accountability/Curriculum & Instruction	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.  2013 Marlin ISD Discipline data is unreadable in the format posted.
	Parents Notification	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.
	Required Postings Page:	
	Energy Usage	Electricity information is from July 2013-June 2014; water and gas information is not included.
	Adopted Budgets	Most recent available are for school year 2011–12 and 2012–13.
	Annual Financial Reports	Most recent available are from June 2011 and June 2012.
	Check Registers	Most recent available are for school year 2011–12 and 2012–13; needs updating.
	Financial Accountability Rating	Most recent ratings available are for school year 2010–11.
	Tax Rate Statement	Lists statements from school years 2012–13 and 2015–16; needs to include school years 2013–14 and 2014–15.
	School Board Page:	
	Board Agendas	Only includes agendas from meetings held from January to June 2015; Law requires at least two prior years of agendas.
	Board Minutes	Only has minutes from meetings held from September 2014 to April 2015. Law requires at least two prior years of minutes.
	Schedule of Meetings	Calendar for May 2015 does not match current Board Agenda for June 2015.

**FIGURE 9–5 (CONTINUED)**  
**LISTING OF MARLIN ISD WEBSITE DEFICIENCIES**  
**MAY 2015**

CLASSIFICATION MENU	WEBPAGE OR LINK	PROBLEM
	Disclosure Statements	Information on Board of Trustees has not been updated since 2011.
	Health Education	Planned, sequential, K-12 curriculum link leads to a page which says “Page not found.”  The www.aap.org link is broken.  The www.schoolhealth.org link is broken.  The P.A.P.A. link is broken.
	Vendor Conflict of Interest	Forms Date to 2006 and 2011 forms; no current items listed.

SOURCE: Legislative Budget Board, School Review Team, April 2015.

The district has not clearly established website maintenance procedures and updated schedules. Reviews and updates are not performed on a regular basis. For example, the School Health Advisory Council link has information produced by Austin ISD and the sub-links are showing “Page not found” or “This page can’t be displayed.”

In addition, the review team found instances where the Marlin ISD website is not consistent with the Texas Education Code (TEC), Texas Government Code, and TEA’s Financial Accountability System Resource Guide laws and regulations. **Figure 9–6** shows a complete summary of state statutes and how Marlin ISD complies with state requirements.

The lack of consistent updates or maintenance has resulted in an ineffective website that is not intuitive, making it hard for users to find the information they are looking for. Links are not clearly labeled and information on various areas of the site is not consistent. During onsite interviews, no district staff were aware of the state requirements for district websites. In addition, the lack of formal procedures and a schedule for providing regular website updates has resulted in lost opportunities to engage and inform the community, publicize the district’s successes, and increase parental communication and involvement. In Marlin ISD and the community, the school district’s website is a primary source of information about the district.

**FIGURE 9–6**  
**MARLIN ISD’S DISTRICT WEBSITE POSTINGS AND COMPLIANCE WITH STATE REQUIREMENTS**  
**MAY 2015**

RULE, LAW, REGULATION	REQUIREMENT	MARLIN ISD STATUS
TEC, Section 11.1513(d) (1)(B)	Vacancy Position Postings, 10-day notice for vacant position requiring license or certificate.	Posted.
TEC, Section 11.163(d)	Posting of Vacancies.	Posted.
TEC, Section 21.204(a)-(d)	Board’s Employment Policy.	Posted.
TEC, Section 22.004(d)	Group Health Coverage Plan and Report, required if self-funded health insurance plan.	Posted.
TEC, Section 28.004(k)	Physical activity policies by campus level, health advisory council information, parent notification that physical fitness assessment results are available on request, vending machine and food service guidelines, and penalties for tobacco product use.	Not available; Wellness Policy available, but does not contain the necessary information.
TEC, Section 28.010(b)	Availability of college credit courses.	Not available; there is mention of dual credit, but no specifics.
TEC, Section 28.02121(b)	Graduation Plans.	Posted.
TEC, Section 29.0112	Transition and Employment Guide for Special Education Students.	Posted.

**FIGURE 9–6 (CONTINUED)**  
**MARLIN ISD'S DISTRICT WEBSITE POSTINGS AND COMPLIANCE WITH STATE REQUIREMENTS**  
**MAY 2015**

<b>RULE, LAW, REGULATION</b>	<b>REQUIREMENT</b>	<b>MARLIN ISD STATUS</b>
TEC, Section 29.916	Dates PSAT/NMSQT (1) and any college advanced placement tests will be administered and instructions for participation by a home-schooled pupil.	Not available; ACT and SAT information, but no information regarding home-schooled pupil.
TEC, Section 38.019	English and Spanish lists of immunization requirements and recommendations, list of health clinics in the district that offer influenza vaccine, and link to the Department of State Health Services Internet website for procedures for claiming an exemption from requirements in TEC, Section 38.001.	Partial; health clinics in district not posted; link to Department of State Health Services website posted.
TEC, Section 39.054	Notice of accreditation-warned or accreditation-probation status.	Posted.
TEC, Section 39.084	Adopted budget (3 years).	Partial; only budgets for years 2011–12 & 2012–13 are available.
TEC, Sections 39.106, 39.107	Improvement plan for low-performing campuses hearings.	Posted.
TEC, Section 39.106(e-1)(2)	Targeted improvement plan.	Posted.
TEC, Section 39.362	Academic Excellence Indicator System (AEIS) Report, now TAPR.	Texas Academic Performance Report (TAPR) is not up-to-date. The most recent listing is for school year 2012–13.
TEC, Section 39.362	Performance Rating of the District.	Out-of-date.
TEC, Section 39.362	Definitions and Explanation of Each Performance Rating Described by Education Code 39.072(a).	Not available.
TEC, Section 39.362	School Report Card.	Requires updating; Parent Notifications link has 2012 District Report Card; Accountability link has 2013-14.
TEC, Section 44.0041	Summary Proposed Budget.	Not available.
Texas Election Code 254.04011	Campaign Finance Reports (Board Members).	Currently not required as the district is not located either wholly or partly in a city with a population of 500,000 or more, nor does it have a student enrollment of more than 15,000.
Texas Local Government Code, Section 176.009	Conflicts Disclosure Statements and Questionnaires.	Out-of-date.
	Notice of Corrective Action - No Child Left Behind (NCLB) related requirements.	Not available.
Title 19, TAC, Chapter 109.1005(b)(2)(A)	Superintendent's contract.	Not available.
Texas Government Code (TGC), Section 2265.001(b)	Costs and Metered Amounts for Electricity, Water, and Natural Gas for District.	Out-of-date; Electricity only from July 2013-June 2014.
TGC, Section 402.031	Bill of rights for property owners whose property may be acquired by governmental or private entities through the use of eminent domain authority.	Not available.
TGC, Section 551	Online Message Board.	Not available.
TGC, Section 551.056	Notice of Board Meetings.	Out-of-date; The website has board minutes from September 2014 - April 2015; They are required to have at least 2 prior years.

**FIGURE 9–6 (CONTINUED)**  
**MARLIN ISD’S DISTRICT WEBSITE POSTINGS AND COMPLIANCE WITH STATE REQUIREMENTS**  
**MAY 2015**

RULE, LAW, REGULATION	REQUIREMENT	MARLIN ISD STATUS
TGC, Section 551.056	Required if the board meeting notice does not include the agenda.	Out-of-date; The website has board meeting notices from January 2015 - June 2015; They are required to have at least 2 prior years.
TGC, Section 2155.062(d)	Reverse Auction Scheduled Internet Location.	Currently, not required.
Texas Tax Code (TTC), Section 26.05(b)	Proposed Maintenance and Operations Tax Rate.	Only lists the tax rates for 2012–13 and 2015–16; Does not include tax rates for years 2013–14 and 2014–15.
TTC, Section 26.16	Tax Rate Trend Information	Only lists the tax rate trends for school years 2012–13 and 2015–16; Does not include tax rate trends for school years 2013–14 and 2014–15.
Update 14 Financial Accountability System Resource Guide (FASRG), Module 7.3.6 Submission Requirements & Publication	Annual Financial and Compliance Report	Out-of-date. The most recent FIRST report is from school year 2011–12.
Update 14 (FASRG) Module 7.3.7 State Compensatory Education Audit	Campus Improvement Plans	Posted
Update 14 (FASRG) Module 7.3.7 State Compensatory Education Audit	District Improvement Plan	Posted
Update 14 (FASRG) Module 7.3.7 State Compensatory Education Audit	Evaluation of State Compensatory Education	Not available
BDF Legal	Statement for Public Inspection by School Health Advisory Council	Not available
Federal Funding Accountability and Transparency Act (FFATA)	Federal Grant Awards (other than awards passed through TEA)	Only if required
Accountability (optional)	Check Register and Aggregate Payroll Amount	Only lists Check Register and Aggregate Payroll Amount for 2011–12 and 2012–13

NOTE: (1) Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT).  
 SOURCES: Texas Education Code; Texas Local Government Code; Title 20 US Code; Title 19, Texas Administrative Code; Texas Government Code; Texas Tax Code; Update 14 Financial Accountability System Resource Guide; and Texas Association of School Business Officials, November 21, 2014.

Canutillo ISD uses its website effectively to engage and inform the community. The district’s homepage contains news, announcements, quick links, and upcoming events. Stakeholders can find information about topics such as: board, bond, leadership, departments, students, parents, teachers, calendar, and school campuses. The colors are inviting, navigation between pages is easy, state statutory requirements are met, and there are no orphan pages (all webpages link back to the homepage). The Canutillo ISD

website also includes a link to the district’s nondiscrimination policy.

Fabens ISD, Floydada ISD, and Anthony ISD are additional examples of well-structured websites that highlight current valuable information and provide district and campus transparency. Examples presented provide a range of page formats, color blending, navigation formats, visual appeal, and visual hierarchy.

Marlin ISD should assign clear responsibilities and schedules for website maintenance and updates to improve communication and to ensure compliance with statutory requirements.

The technology coordinator should take full responsibility of the entire district website. Since Marlin ISD has basic website templates available, the technology coordinator should establish standards, ensure templates are maintained, and develop written procedures. These procedures will ensure timely updates to the district website, campus webpages, and teacher webpages. The technology coordinator and the network technician should also be responsible for training staff on webpage maintenance according to the written procedures.

Under the direction of the technology coordinator, the district should take the following actions:

- Review the latest Texas Association of School Business Officials internet postings document.
- View other school district websites to review organizational approaches.
- Gather input from all stakeholders on what the district website should look like.
- Draft a site map and flow of information.
- Address the required state statutory requirements using information from Figure 9-6 for guidance.
- Address deficiencies using information from Figure 9-5 for guidance.
- Train assigned website updaters from campuses and departments in maintaining their assigned sites.
- Review links and webpages for established standards.
- Monitor webpage updates daily to ensure quality control.
- Test all links from an external workstation and mobile device.
- Review full website prior to the beginning of each school year and verify that all required updates and statutory requirements are in place.
- Train all staff in webpage maintenance during the beginning school year staff development.

This recommendation could be implemented with existing resources. Since the onsite review, the district modified its

website but the logical flow of the content still needs reviewing and updating to ensure the district addresses all the state statutory requirements.

#### **DISASTER RECOVERY PLANNING (REC. 37)**

Marlin ISD's Technology Department lacks a disaster recovery plan that documents the processes involved in the re-establishment of district's computer network in case of a site disaster.

The Technology Department does not have a written plan to secure the district electronics and network to maintain operations in the event of a disaster. The technology coordinator's job description states that the position is responsible for writing the disaster recovery plan; however, district staff stated no plan had been developed. The district's school year 2013–14 Emergency Operation Plan describes general instructions for all evacuation conditions but does not contain any information related to system and/or data resumption in the district. The district's business and student information system is the Texas Enterprise Information System (TxEIS). There are two TxEIS Data Center facilities located at Regional Education Service Center XI (Region 11) in Fort Worth and Regional Education Service Center XX (Region 20) in San Antonio. The TxEIS system is supported by Region 12 in Waco for the districts in its region, which includes Marlin ISD. The TxEIS Data Center facilities are fully redundant with automated disaster recovery failover from each site to the other, plus a comprehensive security solution with firewalls, security appliances, and switches.

Marlin ISD does not have a backup policy or written documentation to ensure that regular backups of systems and district data occur. During onsite interviews, technology staff said that all student, staff, and administrative files as well as the district's library system are backed up daily to file servers throughout the district. The Technology Department did not provide documentation the review team requested to verify this information and no servers were marked as back-ups during the onsite review. Marlin ISD also has an informal process where some staff back up their daily working files on a flash drive. These staff positions include the business manager, teachers, and the high school librarian. However, there is no written documentation or formalized procedures of the process available to the staff. During onsite interviews, Marlin ISD staff indicated they were told to back up "their files" to flash drives every day, but staff are unclear regarding which files they are must back up and what other processes are in place for backing up files.

The district’s network environment is vulnerable to unauthorized access as the communication closets are openly accessible to teachers, custodians, and students. These closets are rooms located on every campus that house communications equipment such as routers, switches, hubs, and other equipment used to support network communications. During the onsite review, the review team inspected the closets and found that none of the rooms were locked and various other items and materials were also stored in these rooms including chemicals, custodial supplies, books, and sports equipment. Also, several communication closets were filled with debris, and all lacked fire suppression equipment and temperature controls. While the district does have working fire extinguishers, it does not have clean agent fire extinguishers, which suppress fires without damaging assets such as IT systems, data storage rooms and maintenance equipment, or irreplaceable items like district or student records.

**Figure 9–7** shows photographs of communication closets at Marlin ISD’s elementary, middle, and high school. The photos show a high school communication closet filled with janitorial supplies; a middle school communication closet used to store sports supplies and uniforms with no clear path and cabinet doors left open; and an elementary school communication closet used as a book room.

With uncontrolled access to these rooms, the district is at increased risk of having its network taken offline or having its servers damaged. Teachers, custodians, and students enter these rooms to get supplies and could easily unplug a connection or damage the circuitry. In addition, books, chemicals, and debris create increased fire and safety hazards that place district equipment and in turn, the district’s network and files at risk.

The purpose of backups is to recover data from deletion, fix corrupted data, or simply recover historical data. All school districts are vulnerable to hazards such as fire, hazardous materials, power interruptions or surges, and severe weather. Having a complete disaster plan is crucial for protecting district assets and allowing a district to continue to function during and after a site disaster.

Disaster planning is an ongoing process that requires detailed preparation prior to an event and during the recovery phase. Effective districts make disaster recovery planning a priority because it is a critical component of overall business continuity planning.

A disaster recovery plan provides a roadmap of predetermined actions that will reduce the time and expense needed to deploy recovery operations. Successful school leaders prepare for disasters before they strike to mitigate damage to critical information, infrastructure, and technological investments. The Consortium for School Networking, a professional association for school district technology leaders, published a crisis preparedness brief that includes the following elements:

- defining disaster recovery;
- mitigation and prevention;
- preparedness;
- response;
- recovery;
- considering potential disasters and performing a risk assessment;
- developing disaster recovery plan;
- identifying resources needed and planning processes;

**FIGURE 9–7**  
**MARLIN ISD SAFETY ISSUES**  
**APRIL 2015**



High School Communication Closet



Middle School Communication Closet



Elementary Communication Closet

SOURCE: Legislative Budget Board, School Review Team, April 2015.

- communicating the plan;
- practicing and testing the plan; and
- ensuring redundancies.

Another source for assisting in drafting a disaster recovery plan is Cisco’s *Disaster Recovery: Best Practices White Paper*. This publication covers both the hardware and software required to run critical business applications and the associated processes to transition an organization smoothly through a natural or human-caused disaster. Cisco Systems, Inc. is an US-based multinational technology company, which designs, manufactures, and sells networking equipment.

Marlin ISD should develop and implement a comprehensive disaster recovery plan that ensures recovery of critical systems in the event the district network is rendered inoperable.

The technology coordinator should form a crisis team that includes positions from the maintenance department, campus principals, and a safety committee member. The crisis team should access possible threats to the district’s systems; draft a plan; notify district administration; maintain, monitor, and test the plan; and review backup strategies.

While the crisis team writes the disaster recovery plan, Marlin ISD should take the steps to improve their disaster recovery

system. The cost of each of these steps is provided in **Figure 9–8**.

The fiscal impact assumes a one-time cost for purchasing fire extinguishers and temperature control devices of \$3,750 and an annual inspection cost of \$50 for the 10 fire extinguishers, or \$500.

**USER ACCESS (REC. 38)**

Marlin ISD does not effectively manage user access to the district’s business and student information system.

TxEIS is the district’s business and student information system, which supports the operational and reporting requirements of Marlin ISD. TxEIS includes the following software modules:

- PEIMS;
- Finance;
- Human Resources;
- Purchasing;
- Budget;
- Accounts Receivable; and
- Asset Management.

**FIGURE 9–8  
DISASTER RECOVERY SYSTEM IMPROVEMENTS**

STEP	ACTION	COST
1	Remove debris from communication closets and cleaning electronics.	None
2	Purchase clean-agent fire extinguishers	\$2,000 One-time costs (10 communication areas X \$200)
3	Purchase temperature control devices	\$1,750 One-time costs (10 communication areas X \$175) =
4	Annually inspect clean agent fire extinguishers	\$500 Annual Cost (10 extinguishers X \$50 per inspection)
5	Organize the process: <ul style="list-style-type: none"> <li>• Provide administration and school board awareness;</li> <li>• Implement resumption procedures (to be performed by the Technology Department);</li> <li>• Perform a risk analysis and assessment;</li> <li>• Establish system priorities;</li> <li>• Discuss with district staff what files are to be backed up;</li> <li>• Analyze and define requirements for recovery;</li> <li>• Arrange for a back-up site;</li> <li>• Draft disaster recovery plan;</li> <li>• Conduct disaster recovery resumption training;</li> <li>• Test the disaster recovery plan;</li> <li>• Disseminate disaster recovery plan information to administration, campus principals, and directors; and</li> <li>• Modify and update disaster recovery plan yearly.</li> </ul>	

SOURCE: Legislative Budget Board, School Review Team, April 2015.

Marlin ISD does not effectively manage or oversee who has access to TxEIS. The district does not have any policies or procedures for changing or reviewing user access to the system. The district also does not keep documentation on security changes to its accounting modules, historical access of student modules, or current user access. The district could not provide the review team with a list of users and their level of access for analysis to determine if access is required and equally distributed to key management staff or others.

The technology coordinator is the TxEIS system administrator. According to onsite interviews, only the technology coordinator controls user access to the system. The technology coordinator indicated that user access is determined solely by the superintendent and that changes to user access are made without assessing how the modifications could affect system security.

The review team found that Marlin ISD staff were unaware of how the process for gaining access to TxEIS worked. Some district staff, such as the business manager and campus administrators, indicated they submit requests for access to the superintendent. No staff members, however, were sure who had access to which modules of the system. For example, the business manager is unaware who has access to what business modules. During onsite interviews, district staff also could not provide a rationale for why specific staff have access to the accounting modules. For example, the maintenance supervisor indicated he previously had access to the maintenance budget in the accounting module, but now he only has access to the purchasing module. In addition, the superintendent's secretary indicated she uses the former superintendent's password to approve disbursements in the accounting module.

Without proper controls over TxEIS, the district is at risk of intentional or unintentional fraud, waste, and abuse of vital student and financial information. The lack of oversight of user access can create an inadequate segregation of duties. The absence of policies and procedures over providing, modifying, or removing user access enables the superintendent to allow other staff to have access to the system without any checks and balances. The lack of regular oversight of system modules access may result in former employees having access to the system. It also may allow other users, through "shared" passwords, to make unauthorized purchases with district funds or make grade or schedule changes without proper oversight.

Identity and access management has been evolving as a reaction to identity theft targeting networks and systems at businesses, universities, and school districts. These entities have implemented strategies to maintain security and secure information including authentication, authorization, user management and central user repository.

The Texas Education Agency's Financial Accountability System Resource Guide (FASRG) describes the rules of financial accounting for school districts, charter schools, and education service centers. FASRG Update 14, Section 1.5.2 provides standards and best practices for systems controls. Section 1.5.2.8 of the FASRG contains specific information for segregating security and oversight responsibilities. These controls directly or indirectly affect all systems that operate within the computer processing environment.

Cushing ISD developed comprehensive procedures for Information Technology (IT) management. The procedures are short, easy to read, and cover specific tasks. Staff can store them electronically and have the reference materials at hand when needed. Cushing ISD's technology director drafted procedures for both IT staff and technology users. Staff procedures include back-up schedules, user configurations, and administration. The procedures also provide step-by-step instructions for IT functions that are easily followed if the primary staff responsible for that function is not available. In a small organization with few staff in the IT department, how-to guides make cross training or emergency staff substitutions easier.

Marlin ISD should create policies and procedures for managing user access to TxEIS.

The business manager and the technology coordinator should jointly develop a process and associated procedures to manage user access to TxEIS system modules. The procedures should include information regarding which district positions should have access to what type of information. The procedures should also identify which positions approve access levels to each module, and who has the final authority to approve access. Finally, the procedures should provide instructions for how to modify user access and the process for terminating access. The superintendent, department heads, and district management staff should provide feedback concerning which district positions should have access to what type of information. Principals should direct the access needed by teachers.

The TxEIS user access procedures should address:

- How, who, and when changes are made to each TxEIS module, with particular attention to accounts payable, payroll, budget, student records, and PEIMS;
- Systems security and user access to avoid intentional or accidental loss of data, changes of records, and cash resources;
- Identification of potential high-risk situations and losses due to shared passwords or access by terminated employees; and
- Requests for changes, which should be documented to validate the internal audit trail.

In addition to the procedures, the superintendent, with the assistance of the technology coordinator, should propose board policies regarding system access for board approval. The proposed TxEIS user access policies should:

- Define periodic checks of staff and positions to ensure appropriate access to the system;
- Define who has the authority to change user access;
- Define the controls implemented to reduce the risk of unauthorized or unintended access;

- Draft new Acceptable Use Policy that states the sharing of passwords is a violation; and
- Address sharing of passwords as a violation in both student and employee handbooks.

TxEIS administrative passwords should be reset within the TxEIS system and each module reset for proper authorization with the assistance of a Region 12 representative. The business manager should hold the only master access to TxEIS. The technology coordinator should have limited TxEIS system access and should not be able to access personnel files, payroll, student grades, special education files, and any other modules the position does not need to access.

Region 12 should be used as a resource while developing the policies and procedures. The policies and procedures should include a review of user access annually, at a minimum. The final policy document should be submitted to the school board for approval. The policies and procedures and instructions for how to request user access should be shared with district management staff.

This recommendation could be implemented with existing resources.

### FISCAL IMPACT

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015–16	2016–17	2017–18	2018–19	2019–20	TOTAL	ONE TIME
						(COSTS) OR SAVINGS	(COSTS) OR SAVINGS
<b>CHAPTER 9: COMPUTERS AND TECHNOLOGY</b>							
35. Provide professional development for staff that is aligned to technology application standards and effectively facilitates technology integration.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36. Assign clear responsibilities and schedules for website maintenance and updates to improve communication and to ensure compliance with statutory requirements.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37. Develop and implement a comprehensive disaster recovery plan that ensures recovery of critical systems in the event the district network is rendered inoperable.	\$0	(\$500)	(\$500)	(\$500)	(\$500)	(\$2,000)	(\$3,750)
38. Create policies and procedures for managing user access to TxEIS.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>(\$500)</b>	<b>(\$500)</b>	<b>(\$500)</b>	<b>(\$500)</b>	<b>(\$2,000)</b>	<b>(\$3,750)</b>



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## CHAPTER 10. TRANSPORTATION

An independent school district's transportation function transports students to and from school and other school-related activities. This function is regulated by federal and Texas state laws related to funding, vehicle type, driver education, and safety issues. Districts implement these regulations, budget and allocate resources, and establish operational procedures for bell schedules, bus routes, and transportation fleet maintenance.

Managing transportation operations is dependent on the organizational structure of the district. Districts may either contract for or self-manage their transportation departments. Using a contracted management model, districts rely on the company to provide supervision of its transportation department. In this arrangement, a district may rely on the company to provide all or some staff, or may use district staff for its operations. Using the self-management model, a district operates its transportation department without assistance from an outside entity. Managing transportation operations requires planning; state reporting and funding; training and safety; and vehicle maintenance and procurement. Primary transportation expenditures include capital investments in vehicle fleets, and annual costs of maintenance and operations. State transportation funding relies on a district's annual submission of certain transportation reports to the Texas Education Agency (TEA), which is determined by a formula that includes the number and type of students transported.

According to the school year 2013–14 TEA Route Services Report, Marlin ISD provides transportation to approximately 289 regular students, 22 special program students, and 15 students transported to Career and Technology programs for a total 326 regular riders. With an enrollment of 965 students, the district has a bus rider participation of 32 percent. The district has nine buses—seven regular buses and two special program buses—to transport the students to school. The routes are designed for a drop-off time for students at the elementary/middle school campus between 7:30 to 7:45 AM and at the high school campus at approximately 7:50 AM. This schedule provides students with time to eat breakfast and arrive to class before the start of school at 8:10 AM. Given the district's rural attributes and the proximity of each of the school campuses, students at all grade levels ride the bus together. To assist with the management of student behavior, elementary students ride in the front of the bus while the older students ride in the back rows of the bus. If a driver deems it

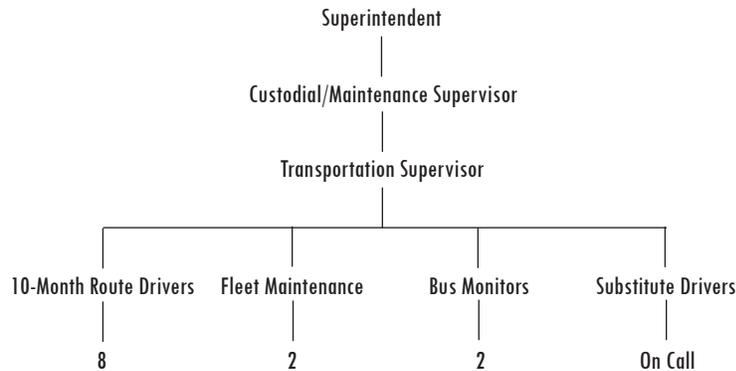
necessary to assign seats to maintain proper behavior, a seating chart may be developed and enforced.

In addition to the provision of home-to-school transportation, the Marlin ISD's Transportation Department is also responsible for the oversight and management of all extracurricular and athletic trips. Extracurricular trips are scheduled by completing a transportation request form, and vehicles used by the coaching staff for athletic events are scheduled via a vehicle requisition form. The department is responsible for ensuring that coaches who drive buses receive the minimum training required to maintain a commercial driver's license (CDL) and that required medical evaluations are current.

The department maintains a spare fleet of seven buses. These buses are used for both extracurricular service and for replacement vehicles if one of the active route buses becomes inoperable. Having additional buses in a fleet reduces the potential for a scheduling conflict if the schedule of an extracurricular trip conflicts with the schedule of daily home-to-school services. In addition to the school bus fleet, the district also operates a fleet of 11 service or white fleet vehicles. This fleet includes: a single-driver education vehicle; three passenger vehicles that can be used to transport a small number of students or staff; a mail delivery van; a pickup truck used by the agricultural education class; a vehicle used by the Food Service Department; and four vehicles used to support Custodial/Maintenance Department activities.

All transportation activities are managed out of a single district facility which is shared with the Custodial/Maintenance Department. The facility is of a sufficient size to provide interior parking for all buses, district vehicles, and equipment. The transportation area of the building provides an office/driver break room, basic parts storage, and a mechanics' work area. The department is staffed by one supervisor, eight 10-month route drivers (two driver positions were vacant at the time of the onsite review), and two bus monitors. One of the drivers also serves as a classroom teacher and one serves as a teacher's assistant. A full-time mechanic maintains the fleet with the assistance of a full-time driver who fuels the buses and assists with basic maintenance. In addition, the department has a vacancy for a shop assistant; however, district staff indicated that the district will eliminate this position. **Figure 10–1** shows the Transportation Department organizational structure.

**FIGURE 10-1  
MARLIN ISD TRANSPORTATION DEPARTMENT ORGANIZATIONAL STRUCTURE  
SCHOOL YEAR 2014-15**



SOURCE: Marlin ISD, April 2015

Based on data submitted to TEA, Marlin ISD operated 16 buses, including the spare buses, and reported \$382,642 as its total transportation operating costs for school year 2013–14. In school year 2012–13, Marlin reported \$447,747 total transportation operating costs. The reduction in expenditures between these two years is the result of Marlin ISD’s withdrawal from a regional special education consortium. In school year 2013–14, Marlin ISD received a total transportation allotment of \$53,296 for regular, special, and career and technology programs, or almost 12 percent of the total operating costs, based on the previous year’s data.

Transportation funding for regular program students is allotted using the preceding school year’s linear density and cost per mile. The Texas Education Code (TEC), Section 42.155, defines regular program students as students who reside two or more miles from their school of regular attendance. The cost-per-mile allocation is based on data submitted to TEA in the School Transportation Route Services Report and the Student Transportation Operation Report. Linear density of bus routes is based on the number of regular riders carried per mile of regular bus routes during the school year. The amount of state funding that a district receives for transportation is based on the lowest calculation—the actual cost per mile or the maximum amount per mile for the district’s linear density calculation established by TEA. In school year 2013–14, Marlin ISD’s cost per mile was \$2.10 for regular program students and its linear density was 0.67.

Based on the reported annual mileage for the regular program of 46,152 miles and the linear density allotment of \$0.88, the district received an allotment of \$40,614 for regular program transportation. **Figure 10-2** shows the allotments received based on the mileage for a district.

**FIGURE 10-2  
LINEAR DENSITY GROUPS  
SCHOOL YEAR 2010-11**

LINEAR DENSITY GROUP	MAXIMUM ALLOTMENT PER MILE
2.40 and above	\$1.43
1.65 to 2.399	\$1.25
1.15 to 1.649	\$1.11
0.90 to 1.149	\$0.97
0.65 to 0.899	\$0.88
0.40 to 0.649	\$0.79
Up to 0.399	\$0.68

SOURCE: Texas Education Agency School Transportation Allotment Handbook, school year 2010–11.

The allotment for special program transportation was based on reported annual mileage of 10,650 miles and an allotment of \$1.08 per mile a totaling of \$11,502. The Career and Technology Program received a transportation allotment of \$1,180 based on 562 annual miles and an allotment of \$2.10 per mile. TEA sets these rates and they apply to all Texas districts. **Figure 10-3** shows the maximum allotment per mile used by TEA beginning in school year 2013–14.

**FIGURE 10–3  
MARLIN ISD ALLOTMENT CALCULATION  
SCHOOL YEAR 2013–14**

PROGRAM	SUBPROGRAM	ANNUAL MILEAGE	ALLOTMENT PER MILE	TOTAL ALLOTMENT
Regular Program	Home to School/ School to Home	46,152	\$0.88	\$40,614
Special Program	Home to School/ School to Home	10,650	\$1.08	\$11,502
Career and Technology	Home to School/ School to Home	562	\$2.10	\$1,180
<b>School Year 2013–14 Total:</b>				<b>\$53,296</b>

SOURCE: Texas Education Agency, School Transportation Operation and School Transportation Route Services Reports, November 2014.

The key measures of cost effectiveness for a student transportation operation include the annual cost per active bus route and transported student. These metrics allow for the comparison of Marlin ISD’s costs to peer districts and the typical industry standard for the pricing of contracted services. Peer districts are districts similar to Marlin ISD that are used for comparison purposes for this review. **Figure 10–4** shows a comparison of Marlin ISD to peer districts. As shown, Marlin ISD’s total buses equal the peer average, despite serving about half the average number of student riders. Marlin ISD’s cost per student is almost double the peer district average of \$612.

The ratio of the total number of buses in the fleet to 100 students transported is 4.9 for Marlin ISD compared to the peer district average of 2.5. In this analysis, the number of buses per 100 students considers the total number of buses in the fleet and not active route buses. As a result, this metric does not fully represent the overall effectiveness of each operation, but does provide some level of comparison. Based on the nine active Marlin ISD route buses, their ratio is

approximately 2.8 buses per 100 students compared to an industry standard of 1.0 to 1.3 per 100 students for a highly efficient operation.

**FINDINGS**

- ◆ Marlin ISD has not developed a defined and fiscally supported fleet replacement plan.
- ◆ Marlin ISD does not have a route evaluation and monitoring process.
- ◆ Marlin ISD has not established a methodology for vehicle preventative maintenance.
- ◆ Marlin ISD’s bus driver training program is not efficiently organized to ensure consistency of training and adequate maintenance of training records and other driver documentation.
- ◆ Marlin ISD has not aligned its method of determining bus driver pay with transportation industry standards.

**FIGURE 10–4  
MARLIN ISD AND PEER DISTRICTS COST PER BUS  
SCHOOL YEAR 2013–14**

DISTRICT	ENROLLMENT	COSTS	BUSES	STUDENT RIDERS	COST PER STUDENT RIDER	ANNUAL COST PER BUS	BUSES PER 100 STUDENTS TRANSPORTED	STUDENTS PER BUS
Bloomington	915	\$289,153	9	592	\$488	\$32,128	1.5	66
Natalia	1097	\$338,646	16	600	\$564	\$21,165	2.7	38
Nixon-Smiley	1055	\$528,184	22	673	\$785	\$24,008	3.3	31
Peer Average	1022	\$385,328	16	622	\$612	\$24,083	2.5	45
<b>Marlin</b>	<b>965</b>	<b>\$382,642</b>	<b>16</b>	<b>326</b>	<b>\$1,174</b>	<b>\$23,915</b>	<b>4.9</b>	<b>20</b>
Over/under	-57	(\$2,686)	0	(304)	\$562	(\$168)	2.4	(25)

SOURCES: Texas Education Agency Route Services and Operation Reports, school year 2013–14; Texas Education Agency Budgeted Financial Data, school year 2013–14; Legislative Budget Board School Review Team, April 2015.

- ◆ Marlin ISD’s Transportation department does not have documentation of operational procedures, guidelines, and policies to guide service delivery and to ensure compliance with all rules and regulations.

**RECOMMENDATIONS**

- ◆ **Recommendation 39: Develop a fleet replacement plan based on age, mileage, and repair history, and ensure funding for bus replacements.**
- ◆ **Recommendation 40: Develop an efficient bus routing process.**
- ◆ **Recommendation 41: Develop a process for the tracking and scheduling of preventative and reactive maintenance activities.**
- ◆ **Recommendation 42: Ensure that departmentally provided driver training is mandated for all district employees that drive school buses and records are organized and consistently kept.**
- ◆ **Recommendation 43: Evaluate the driver pay scale and refine the driver recruitment process to ensure that the necessary drivers are available to allow staff to provide a greater focus on departmental management and the maintenance of the fleet.**
- ◆ **Recommendation 44: Develop a departmental handbook based on district policies and state and federal mandates.**

**DETAILED FINDINGS**

**FLEET REPLACEMENT PLANNING (REC. 39)**

Marlin ISD has not developed a defined and fiscally supported fleet replacement plan.

For school year 2014–15, Marlin ISD operates 16 school buses with an average age of 13.3 years ranging from 2 years to 24 years old. Seven of the buses, or 44 percent, will be over 15 years old as of 2016. Bus mileages range under 7,960 miles for the newest bus in the fleet to a high of 186,559 miles. **Figure 10–5** shows bus ages and mileages.

Of the 16 buses shown in **Figure 10–5**, nine of the buses are used for daily home-to-school service. The other seven buses are used for extracurricular activities and as spare buses in case of a mechanical failure with another bus. This allocation results in a spare-to-active ratio of 78 percent. The newest buses are used for longer trips, which is a common practice for rural districts that must travel longer distances to events

that are outside of the district. Newer buses are typically less prone to mechanical failure, reducing the potential for students attending the activity to be stranded and for the cost of repair services being required outside of the normal shift schedule. **Figure 10–6** shows that while the number of miles on each of the individual buses is within the mileage standard, the average age of the fleet and the number of spare buses is above industry standards.

**FIGURE 10–5  
MARLIN ISD FLEET AGE AND MILEAGE  
SCHOOL YEAR 2014–15**

BUS NUMBER	MODEL YEAR	AGE IN YEARS	MILEAGE
2	1992	23	81,647
7	2002	23	67,764
8	1994	21	107,214
11	2000	15	125,220
12	2009	6	46,809
16	2005	10	66,208
17	2005	10	75,776
18	2013	2	7,960
19	2005	10	124,054
20	2005	10	126,892
21	2005	10	134,553
24	1991	24	NA (1)
25	1993	22	109,699
26	1997	18	102,107
28	2004	11	186,559
29	2007	8	59,684
<b>Averages</b>	<b>2001</b>	<b>13.3</b>	<b>94,809</b>

NOTE: (1) Vehicle mileage for bus 24 is not available due to a replacement odometer.  
SOURCES: Marlin ISD, April 2015; Legislative Budget Board School Review Team, April 2015

**FIGURE 10–6  
MARLIN ISD FLEET AGE AND SPARE FLEET RATIO  
SCHOOL YEAR 2014–15**

METRIC	INDUSTRY STANDARD	MARLIN ISD VALUE
Average bus age	6 years	13.3 years
Maximum bus age	12 to 15 years	24 years
Percentage of spare-to active buses	10% to 15%	78%
Maximum Mileage	250,000 miles	186,559 miles

SOURCES: Marlin ISD, April 2015; Legislative Budget Board School Review Team, April 2015; National Association of State Directors of Pupil Transportation.

Interviews with district staff indicate that although there is an understanding of the need for replacement planning, recent funding constraints has deferred the purchase of buses. The district has not established a dedicated source of funding for the regular replacement of vehicles. Additionally, no replacement policy or plan exists to guide the department in the replacement of buses based on either age or mileage. The district also does not track the repair history of buses to ensure that buses requiring frequent repairs are replaced. Equally important, because of the lack of a replacement policy, no assigned district staff member is responsible for periodically tracking and analyzing bus metrics (i.e., age, mileage, condition, etc.) or submitting replacement requests.

While the district did replace a bus in 2013, this replacement was the result of a vehicle being available through the Texas Association of School Boards “Buy Board” and consequently was purchased. The district did not purchase the bus to fulfill a specific need and staff did not conduct an analysis to determine if the purchase of this bus was the best decision for the district.

The district has not developed or documented school bus fleet management standards, including maximum age and mileage parameters. Without defined age and mileage replacement parameters and a dedicated funding source for bus replacement, the average and maximum age of a district’s fleet will continue to increase.

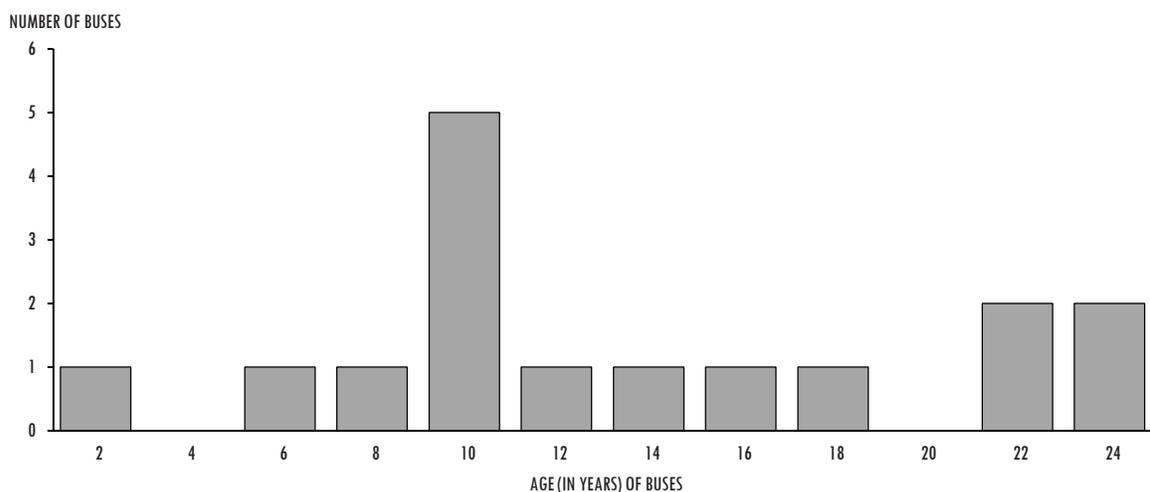
Maintaining an acceptable level of service is likely to deteriorate in the absence of the regular replacement of the fleet. Newer

buses include features that improve safety, student comfort, have cleaner emissions, and are more fuel efficient. Examples of these features include improved seating, strobe lights and LED lamps, stop arms and crossing gates, and child check to help ensure that no students are left aboard a bus at the end of a bus route. For Texas districts, air conditioning is also a prime example of feature that not only contributes to the comfort of students but is in some circumstances required due to a student’s medical condition. At the time of the onsite review, three of the buses in the fleet are not equipped with air conditioning.

Environmental concerns are also a key consideration in the replacement of older buses. According to the Environmental Protection Agency’s (EPA) Clean Diesel Program, school buses manufactured to meet the EPA’s 2010 standards emit 95 percent less pollutants and are 60 times cleaner than buses that are model year 1991 or older.

In addition to having an aged fleet, the lack of a formal replacement plan designed to strategically replace a percentage of the fleet on a yearly basis has resulted in an imbalance in the number of buses by age. This imbalance will result in a large number of buses requiring replacement around the same time, placing undue pressure on available funding. For example, five of the buses, or 31 percent of the fleet, were purchased in 2005 and will all be due for replacement around the same time. Failing to replace buses based on a combination of miles or age will result in increased costs and potentially higher rates of mechanical failure as the buses continue to age. **Figure 10–7** shows the distribution of fleet age.

**FIGURE 10–7**  
**MARLIN ISD FLEET AGE AND SPARE FLEET RATIO, NUMBER OF BUSES BY AGE INCREMENT**  
**SCHOOL YEAR 2014–15**



SOURCE: Marlin ISD, April 2015; Legislative Budget Board School Review Team, April 2015.

In 2002, the National Association of State Directors of Pupil Transportation Services position paper made suggestions for the age or mileage limits for school bus vehicles. It suggests a 12- to 15-year guideline for large buses with a maximum mileage of 250,000 miles and an 8- to 10-year guideline for smaller buses. According to the March 2013 survey by School Bus Fleet, 9.3 years of age was the reported average of school district bus fleets. Although the mileage of Marlin ISD buses are below the 250,000 mile standard, the 2002 position paper states that “While higher annual mileage accumulation may be used as a criterion to shorten lifetimes of individual buses, lower than average annual mileage accumulation is not necessarily a criterion to use buses for an extended number of years.”

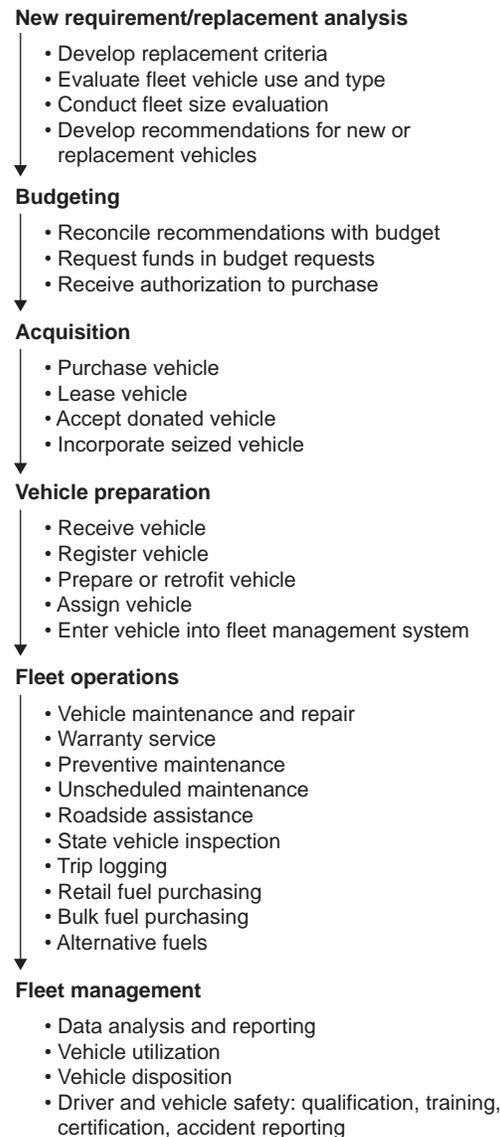
To assist school districts in the management of their fleets, the Texas Comptroller of Public Accounts published a best practice example for vehicle replacement planning. **Figure 10–8** shows the analytical and budgetary processes effective districts use when developing replacement plans.

Marlin ISD should develop a fleet replacement plan based on age, mileage, and repair history, and ensure funding for bus replacements. Based on the planning process in **Figure 10–8**, the following steps are recommended for developing a replacement plan:

- The transportation supervisor and the business manager should be the staff responsible for the implementation of the replacement process.
- The district should decide on a reasonable or desirable maximum age and mileage standard for school buses, along with the determination of an optimal fleet size (route buses and spares). These standards should be documented as district policy to ensure that both current and future staff understand the requirements for fleet replacement.
- The district must also identify a dedicated funding source through the district’s budget to ensure buses are replaced as scheduled within the established standard as defined above.
- The transportation supervisor should develop vehicle specifications and the oversight of the procurement process.

No fiscal impact is assumed for this recommendation. The development of a replacement plan and the subsequent approval could be implemented with existing resources. Annual budgetary requirements could be determined after the district develops the plan and analyzes the most beneficial methods of financing the fleet.

**FIGURE 10–8**  
**SAMPLE TEXAS STATE VEHICLE FLEET MANAGEMENT PLAN**  
**TEXAS PROCUREMENT AND SUPPLIER SERVICES, MARCH**  
**2010**



SOURCE: Texas Comptroller of Public Accounts.

**ROUTING AND OPERATIONS DATA MANAGEMENT**  
**(REC. 40)**

Marlin ISD does not have a route evaluation and monitoring process.

Route planning and management are fundamental elements of an effective and efficient transportation operation. Marlin ISD does not have a process to periodically conduct thorough route planning and evaluation, which may result in less efficient service for students. The annual route planning process for Marlin ISD consists mainly of adding of new

students, changing students’ address, and deleting students that no longer require transportation services. District staff indicated that route paths are historic and have not been evaluated or changed in many years. Route lists consist of hand written “turn-by-turn” mileage logs that are required by TEA for completion of the annual Transportation Route Services Report. While the route lists provide both daily and substitute route drivers with the necessary turn and stop locations, they do not provide drivers with a listing of the students.

Without a periodic evaluation of typical routing performance measures, it is likely that ineffective route paths and disparate levels of service exist. These measures include student ride times and capacity utilization (effectiveness of the planning process based on the available seating).

The district does not track data on the actual number of students assigned and riding each bus. While the district did not provide the number of students transported on each route, the review team found that the number of regular route buses required to transport 100 students was approximately 2.8. The industry standard for this metric ranges from 1.0 to 1.3 for a highly effective routing network, which indicates that the Marlin system may not be effectively using its available seating capacity.

The district also does not track bus run times or student ride times. Without this data, the district cannot calculate key performance indicators such as capacity utilization and student ride times. However, available data suggests that student ride times may vary greatly. **Figure 10–9** shows the daily route lengths of regular route buses in the district for school year 2013–14. While the actual run times were not available for analysis, the variance in the number of miles per run implies that the run and student ride times are not balanced between the active routes.

The imbalance in route miles may be partially due to inefficient route paths. For example, in at least one instance, the review team noted non-sequential route paths during onboard route observations. For example, route SE 28 does not board all of its passengers before proceeding to the school campuses. Instead, the bus travels to the school and releases several students while keeping some of the original students onboard. While interviews indicated that this delivery scheme was due to the specific needs of some of the students, without further analysis and a periodic review of the routing network, this type of service delivery is likely to continue. Absent a periodic review of the routing network and the

**FIGURE 10–9  
MARLIN ISD ROUTE MILEAGES  
SCHOOL YEAR 2013–14**

ROUTE NUMBER	ROUTE LENGTH IN MILES
29 (1)	21
26	16
21	24
20	13
SE 28	18
SE 29	18
24	13
11	18
19	43
17	20

NOTE: (1) This route existed in school year 2013–14 as part of a regional special education consortium. The district left this consortium and discontinued this route for school year 2014–15.  
SOURCE: Marlin ISD, April 2015.

ability to overlay route paths onto roadway maps, it is difficult to visualize where opportunities may exist for improvements in the routing network.

Austwell-Tivoli ISD implemented an effective process for managing bus routes. On an annual basis, each route is evaluated by comparing the mileage of each route, with a focus on removing stops that are no longer necessary. The route revision process at Trinity ISD provides another example of the potential benefit. Trinity ISD revised its routing scheme to combine its out-of-town and in-town routes, which eliminated four bus routes.

Many districts use an electronic system to develop efficient bus routes. However, other districts use online applications for mapping and common productivity programs for producing spreadsheets and documents to improve run paths and reduce manual processes.

The National School Transportation Specifications and Procedures publication is an excellent resource for the planning process. Considerations suggested by this source including the following:

- determining planning policies or guidelines, including eligibility and walk distances;
- routing strategies that can be utilized to either increase efficiency or improve service levels including feeder or transfer routes; and

- conducting periodic evaluations of route data to ensure that each of the routes are planned to meet the specific goals or parameters of the ISD.

Marlin ISD should develop an efficient bus routing process. Annually, the district should conduct a periodic run-and-route review to ensure that bus runs and student ride times are balanced across the system and that student and stop information are current and accurate.

The district should implement a basic planning and evaluation process. Initially, the district should review the current routes and develop new routes, if necessary. The review process should include:

- The superintendent should ensure that the Transportation Department is provided with an accurate student name and address list.
- Based on the Marlin ISD two-mile eligibility policy, the Transportation Department would review or establish stops for eligible students, including home stops and congregated stops depending on the location and the number of students within walking distance to the stop.
- Once the number of students and stops are determined, the Transportation Department should establish routes across the system to meet specific planning goals including:
  - Balancing the route time and individual student ride times between each route in the system;
  - Using the greatest number of available seats on each bus within time and distance constraints; and
  - Reducing the number of buses by combining routes with a low number of students assigned on each route.

Once the district evaluates the routes, the Transportation Department should enter the stop locations into a basic mapping program to verify route timing and to identify routes for consolidation. The Transportation Department staff should enter the route data, including stop locations, students assigned, and mileage, into a spreadsheet for easy retrieval and analysis. Each year, the district should use these criteria to review the routes and determine if any changes are necessary.

This recommendation could be implemented with existing resources.

#### **FLEET MAINTENANCE MANAGEMENT (REC. 41)**

Marlin ISD has not established a methodology for vehicle preventative maintenance.

One full-time fleet maintenance mechanic, trained in the maintenance and repair of diesel-powered vehicles, is responsible for the oversight of the fleet maintenance program for the transportation fleet. The transportation supervisor and a driver, who also fuels buses, assist the mechanic with minor repairs, such as lamp or bulb replacements and minor adjustments.

The department's service area is located within the district's bus barn, which houses both transportation and facilities operations. While the building is large enough to park all buses within interior spaces, and includes an area for basic vehicle maintenance, it was not originally constructed as a transportation facility and lacks several amenities that are necessary for a full array of maintenance services. Examples include:

- Drive through work-bays. Currently parked buses may have to be moved to access the repair bay;
- Full height vehicle lifts that increase the productivity of the mechanic by enabling certain types of repairs to be made in a standing position;
- Lighting and ventilation improvements that support both improved productivity and workplace safety; and
- At least 1.5 dedicated repair bays per mechanic.

While the department only has one mechanic, having an additional work bay per mechanic allows for multiple repairs to be simultaneously completed without the need to move vehicles in and out of the repair area. As an example, one bay is typically reserved for quick repairs such as bulb replacement or minor repairs while more lengthy repairs, such as a comprehensive brake job that may require several days, are completed in the other bay.

Within these limitations, the department is directly responsible for the preventative maintenance of the vehicles and other minor repairs. More complicated repairs are outsourced. To achieve the best price on outsourced maintenance, the Transportation Department seeks the best price between local vendors and vendors in Waco.

**Figure 10–10** shows examples of preventative maintenance, which includes both in-house and outsourced repairs.

Preventative maintenance work is completed based on the established mileage standard of either 3,500 or 5,000 miles. The department does not use software to track and schedule preventative or reactive maintenance services. Instead, department staff enter information into a logbook and file vendor invoices to track fleet maintenance services. Logbook entries include the vehicle number, the current mileage, and a description of the service performed. These entries do not include the cost of the parts and supplies, or the time of the mechanic or other staff, and outsourced repairs are not logged. The use of manual records prevents any standardized coding of repair types or parts use.

The information in the logbook lacks the detail to demonstrate that vehicle condition meets or exceeds state or federal guidelines, and that repairs occur on prescribed intervals to meet the manufacturer’s recommendations. For example, the district does not have full documentation of the inspection of brake components. While the current schedule requires brakes to be inspected every other oil change, the wear tolerance for each of the components is not tracked.

In the event of accident or incident where the condition of the vehicle is questioned, investigating entities could request maintenance documentation from the district. Without documentation showing that a vehicle’s brake and other systems are inspected on a prescribed interval and that components, such as brake pads or rotors, are replaced when they fail to meet prescribed wear tolerances, there is a risk to the district regarding the existence of adequate maintenance records. The Transportation Department does not track or analyze data to inform repair decisions. This represents a potential risk management issue in cost and operation, including the following:

- Due to the lack of data, the continued investment (e.g., parts, supplies, labor) may occur for a vehicle that requires a disproportionate amount of available resources on a vehicle that normally would be considered for replacement based on its age or the cumulative cost of repairs.
- The inability to fully analyze the performance of the vendors providing repair service to the district (e.g., cost and service times for common repair types).

Well-defined reactive and preventative maintenance processes and procedures are essential for an efficient transportation operation. An effective preventative maintenance program recognizes equipment wear at the earliest stages to prevent failure, avoids more costly repairs, and limits the amount of time that the vehicle is unavailable for use. The lack of a well-defined and documented preventative maintenance program and a process for reporting and tracking all preventative and reactive maintenance can lead to lengthy delays and higher costs.

The Michigan Department of Education’s Pupil Transportation’s Advisory Committee developed the following best practices to ensure a high level of school bus maintenance, which includes highlighting the importance of the tracking of the work performed and costs:

- regular safety inspections on a 36-day interval;
- a defined preventative maintenance program that includes a lube, oil, and filter service interval that is consistent with the manufacturer recommendations;
- daily driver inspections; and
- the development of a maintenance records system that tracks the entirety of maintenance costs throughout the life of the vehicle.

**FIGURE 10–10  
MARLIN ISD EXAMPLES OF PREVENTATIVE MAINTENANCE AND MINOR REPAIRS**

IN HOUSE	OUTSOURCED
<ul style="list-style-type: none"> <li>• Oil and filter changes on either a 3,500 or 5,000 mile interval depending on the size of the vehicle’s engine;</li> <li>• General vehicle inspection at each oil change interval including vehicle lubrication;</li> <li>• Brake inspections and pad replacements;</li> <li>• Headlamp, tail-lamp, and warning and marker light replacements; and</li> <li>• Radiator and hose replacements.</li> </ul>	<ul style="list-style-type: none"> <li>• The mounting of tires to wheels which requiring specialized equipment to ensure the safety of the mechanic during the mounting process;</li> <li>• Major engine or transmission repair or replacement;</li> <li>• The diagnostic analysis of faults within the electronic controls of an engine or transmission; and</li> <li>• Major paint and bus body repair due to the lack of proper ventilation necessary for the application of school bus paint.</li> </ul>

SOURCE: Marlin ISD, April 2015; Legislative Budget Board School Review Team, April 2015.

Fort Bend ISD and Austin ISD have effective fleet maintenance tracking processes, including:

- ensuring that preventative maintenance work is performed with established mileage standards;
- tracking and analyzes the work performed by mechanics;
- tracking repairs completed for each vehicle; and
- monitoring non-fleet related activities to justify necessary overtime.

Marlin ISD should develop a process for the tracking and scheduling of preventative and reactive maintenance activities. Marlin ISD should implement a system for tracking maintenance and repairs. The district should take these following steps:

- Determine what is needed from the system or process including at a minimum:
  - The system should have the ability to track and schedule preventative maintenance activities for both self-performed and vendor provided services.
  - The system should have the ability to provide notifications when a service is due based on prescribed mileage intervals or wear tolerances.
  - The system should have a way to record the work that is being performed, including the cost of parts, supplies, and labor.
  - The system should provide data that can be readily extracted to make informed repair and replacement decisions.
  - The system should have the ability to record data throughout the life of a vehicle.
- Investigate the resources that are available from the district's bus or parts suppliers. As an example, the major bus and power train manufacturers offer web-based maintenance tracking software that could be used by the district;
- Review each vehicle's specific recommended preventative maintenance schedule to ensure that maintenance is performed to those specifications and not to a generalized parameter that is applied across the fleet of buses;

- Provide training and support to district staff to promote the system's use and effectiveness; and
- Monitor the use of the system and analyze the available data to ensure compliance and measure performance.

This recommendation could be implemented with existing resources.

#### **DRIVER TRAINING (REC. 42)**

Marlin ISD's bus driver training program is not efficiently organized to ensure consistency of training and adequate maintenance of training records and other driver documentation.

The Transportation Department has implemented a commendable process to provide regular safety training to department drivers, but drivers holding other positions within the district are not able to fully participate in all training activities. At the time of the review, the Transportation Department used the time available during early release days to review safety protocols and provide skills enhancement information that is provided by the Property Casualty Alliance of Texas. The program consists of reviewing training videos and written material. Driver participation is recorded with the use of a sign-in log to maintain a record of attendance. The two route drivers who serve other functions within the district (as a classroom teacher and a teacher's assistant) cannot always attend these trainings due to other responsibilities. The athletic coaches who periodically drive buses to athletic events are also unable to attend all the driver-training activities because campus-based professional development programs or coaching activities occur at the same time as the driver training.

The Transportation Department keeps manual records of driver compliance with laws and district requirements. These records include mandatory driver compliance requirements, such as the renewal of their commercial driver's license (CDL), periodic training, and medical certifications. The transportation supervisor periodically checks these mandatory records for compliance. The district also maintains paper records of trainings provided in the district. If the supervisor was absent for an extended period, the compliance check may not occur because the current process is manual and lacks a method for automated reminders.

Although the State of Texas requires that all school bus drivers attend an eight-hour refresher course every three years, bus drivers that hold other positions in the district do

not benefit from the more frequent trainings on driver safety the district provides and risks being more prone to traffic incidents. During the onsite review, Transportation Department staff noted that the only two traffic incidents involving buses in recent years involved coaches. In one incident, a coach was driving to pick up students for a sporting event when the bus struck a walkway roof causing approximately \$2,100 in damage to bus.

The Texas School Bus Driver Recertification Course provides an example of the importance of providing regular training. The course guide explains why training is necessary during the recertification process by specifically discussing the vital reasons for periodic training of all drivers, including:

- Periodic training helps in the retention of best or required practices for the safe operation of a school bus. An individual's ability to retain knowledge can vary; therefore, ongoing, periodic training is essential to ensure that all drivers are continuously aware of important safety procedures.
- Regular training keeps drivers informed of changes as new models of buses are introduced or changes in rules and regulations occur.
- Regular attendance at training programs provides reminders of the importance in the driver's role in providing safe transportation and helps to reduce complacency. As in any profession, complacency can occur over a period time as tasks become routine.

Marlin ISD should ensure that departmentally provided driver training be mandated for all district staff that drive school buses, and records are organized and consistently kept. By scheduling driver-training programs at times that classroom teachers, aides, and coaches are able to attend, the district could ensure compliance to all required driver training. The transportation supervisor should consult district calendars to select the most appropriate dates for the training.

The transportation supervisor should electronically store the driver compliance information and other department activities for easy retrieval and monitoring. This approach would enable the supervisor and other district staff to share common files, which would encourage compliance and expedite the periodic or annual reporting requirements to TEA and other state agencies.

This recommendation could be implemented with existing resources.

### **DEPARTMENTAL VACANCIES (REC. 43)**

Marlin ISD has not aligned its method of determining bus driver pay with transportation industry standards.

Transportation services are provided by nine active route buses. Each route consists of a single morning and afternoon run. At the time of the review, two of the eight route driver positions are vacant. Three on-call substitute drivers are available to provide service in the event of a driver absence. While no data was provided on the frequency with which a driver is absent, with two of the driver positions being vacant, at least two substitute drivers have been required on a daily basis.

Low driver pay may be contributing to the lack of drivers. Drivers are paid a flat rate of \$10 per hour, regardless of the number of years of service. There are no additional pay steps related to seniority, no longevity pay, and no guaranteed minimum number of hours worked per day. Additionally, on-call substitute drivers are paid at the same rate, also with no minimum hourly guarantee. This salary structure contrasts with the other support service staff, including custodians, cafeteria, maintenance, and mechanics whose salary schedules have annual pay increases for their first 20 years of service, with step increases occurring every two or three years until year 30.

A review of information on the websites of peer districts revealed a current job posting for a substitute bus driver in Natalia ISD with a salary range of \$13 to \$19.11 per hour. A salary schedule for Bloomington ISD shows a beginning wage for a bus driver of \$10.65 with a top wage of \$16.68 per hour. While these postings or salary schedules cannot define an appropriate wage rate for Marlin ISD, they indicate that current wages within the industry exceed the hourly rate in Marlin ISD.

The current recruitment process consists of an ongoing position posting on the district's website, word of mouth, postings at Regional Education Service Center XII (Region 12), and postings with the Texas Association of School Administrators (TASA). The process does not involve the use of job fairs, billboards, or church bulletins.

As a result of the two vacant positions, the transportation supervisor and the mechanic substitute as route drivers on a daily basis, driving a route in the morning and afternoon. This substitution affects the core functions of the Transportation Department and the staff's ability to focus on their key areas of responsibility. **Figure 10-11** shows some examples of the responsibilities that may be affected.

Without the mechanic and supervisor being devoted to their core functions, it will be a challenge for the department to implement a more systematic approach to the management of the department. Without ensuring that driver staffing needs are adequate, the mechanic and supervisor cannot implement route planning and management processes, while utilizing a more refined process for the tracking of fleet maintenance activities.

One common strategy used by school districts for replacement drivers is on-call substitutes. While on-call substitutes can be an effective methodology to ensure that a ready pool of substitute drivers is available, their availability is often limited due to conflicting employment responsibilities to other employers.

Cross-training existing staff is another replacement driver strategy that some districts use. This strategy ensures trained and readily available district staff can serve as bus drivers. While this approach can be effective, a district must manage it so driving does not interfere with the core responsibilities of an employee’s primary position.

While these strategies are often used by districts and especially smaller districts, larger districts frequently employ permanent substitutes that report on a daily basis and are paid regardless of whether a substitute driver is required. While this approach can be the most effective, it is also the most costly. Districts often pay permanent substitutes a full time wage, which may include the additional cost of employee benefits.

Texas City ISD has an innovative methodology for the management of its drivers and has improved retention. Texas City ISD implemented an approach where its most senior

drivers serve as substitute drivers with a minimum hour guarantee per day. This strategy ensures that drivers that are most knowledgeable of the district’s routing network are always available in the event of an absence or they are available to perform extra-curricular trips on regular time when no substitute drivers are required. While this methodology is a variation on the permanent substitute strategy, it helps retain the most senior drivers by ensuring a minimum number of hours.

In the February 2015 edition of School Bus Fleet, 20 tips and best practices were published to help school districts in relation to bus drivers and shortages. Examples of these tips include:

- New Carney ISD implemented a \$250 sign-on bonus for new drivers without a CDL or \$500 for drivers with a CDL, with half of the money received after they have completed training and the other half after they have completed six months of service.
- Denver Public Schools approached their driver shortage by conducting an analysis of their routing network, which resulted in a reduced number of routes and no more need for additional drivers.
- Orange County, Florida Public Schools implemented job fairs throughout the county to reach prospective applicants.
- Both the Huron School District (South Dakota) and the Virginia Beach City Public School implemented an increase in driver pay to be competitive within their

**FIGURE 10–11  
EFFECTS OF TRANSPORTATION DEPARTMENT VACANCIES**

RESPONSIBILITY	EFFECT
<b>Route planning and performance monitoring</b>	Given the regular responsibility for route driving, the transportation supervisor is constrained in his ability to dedicate the necessary time to this function
<b>Timekeeping and attendance</b>	While Marlin ISD supports this function both through the use of an electronic time clock and central support personnel, the supervisor remains responsible for monitoring that drivers have reported on time to ensure that all routes are covered
<b>Operations management</b>	Daily operational oversight of the department includes these following responsibilities: <ul style="list-style-type: none"> <li>• Monitoring daily operations by ensuring that all routes and runs are completed as planned and that opportunities for improvement are identified</li> <li>• Ensuring on-road supervision and service monitoring</li> <li>• Training and compliance for personnel to support both mandatory initial training and ongoing training requirements for staff.</li> </ul>
<b>Fleet maintenance</b>	Ensuring the ready availability of the necessary number of active and spare buses to support the routing network and that all buses adhere to district and state standards.

SOURCE: Legislative Budget Board, School Review Team, April 2015.

regions. In addition, the Huron School District is a proponent of transportation employees performing other duties within the district.

- Dallas County Schools advertises in local newspapers, on roadside billboards, and in church bulletins.
- Greenville County (South Carolina) provides incentives to drivers with good attendance records.

Marlin ISD should evaluate the driver pay scale and refine the driver recruitment process to ensure that the necessary drivers are available to allow staff to provide a greater focus on departmental management and the maintenance of the fleet. The superintendent should evaluate the driver pay scale to determine whether or not it is competitive with other available jobs. With all Marlin ISD drivers earning a flat rate of \$10 per hour, the wage is likely contributing to the staffing issues the department faces.

Once the wage rate is revised, the second step in the recruitment process is to refine the recruitment strategies. Strategies that have been successful in other organizations include:

- advertisements for drivers regularly distributed in local print or media;
- postings on school information signs and athletic facilities;
- advertisements of a “banner bus”( a bus that is strategically parked at school and community events);
- job fairs and outreach to local churches and service organizations;

- evaluations of most effective recruitment methods based on interviews with new applicants; and
- recruitment within the district to determine if there are other staff within the district that would consider driving for additional pay.

No fiscal impact is assumed for this recommendation until the district reevaluates the driver salary structure. However, an example is provided below by using the peer average as a baseline. For example, the total number of route hours is 25.3, which includes 30 minutes per day for pre- and-post-trip inspections. Based on a 180-day school year, the total number of home-to-school route hours is 4,554. (25.3 hours x 180 days). The average starting pay for the two peer districts with available data is \$11.83 (( $\$13.00 + \$10.65$ ) / 2) Using a \$1.83 per hour increase, the district would incur additional costs of \$9,055 in increased wages before payroll taxes ( $\$1.83 \times 4,554$  hours) **Figure 10–12** shows a more detailed breakdown of the calculations.

**POLICIES AND PROCEDURES (REC. 44)**

Marlin ISD’s Transportation Department does not have documentation of operational procedures, guidelines, and policies to guide service delivery and to ensure compliance with all rules and regulations.

At the time of the review, the guidance for the delivery of transportation is primarily provided by the Board of Trustees policies, the Marlin ISD’s student handbook, the Texas School Bus Driver’s Course, and departmental practices and procedures. While each of these sources provide some level of direction, the Transportation Department lacks clearly

**FIGURE 10–12  
MARLIN ISD POTENTIAL DRIVER SALARY INCREASE**

ROUTE	HOURS PER DAY	TOTALS HOURS BASED ON 180 DAYS	ADDITIONAL SALARY BASED ON A \$1.83 PER HOUR INCREASE	ADD FICA (SALARY X .0865)	TOTAL ADDITIONAL COST
1	3.8	684	\$1,252	\$108	\$1,360
2	2.5	450	\$824	\$71	\$895
3	2.5	450	\$824	\$71	\$895
4	2.8	504	\$922	\$80	\$1,002
5	2.5	450	\$824	\$71	\$895
6	2.8	504	\$922	\$80	\$1,002
7	2.8	504	\$922	\$80	\$1,002
8	2.8	504	\$922	\$80	\$1,002
9	2.8	504	\$922	\$80	\$1,002
<b>Totals:</b>	<b>25.3</b>	<b>4,554</b>	<b>\$8,334</b>	<b>\$721</b>	<b>\$9,055</b>

SOURCES: Legislative Budget Board, School Review Team, April 2015; Marlin ISD, April 2015.

defined and documented policies, procedures, and guidelines that provides definitive guidance on how services should be delivered.

While Marlin ISD's student handbook provides important information regarding transportation services, its primary purpose is to provide basic transportation information and define behavior expectations for students. Examples of the information that the handbook provides include:

- The process for school safety transfers.
- The transportation of students to schools located outside of their school zone.
- The transportation requirements for extracurricular activities.
- The use of metal detectors prior to boarding a bus.
- The establishment of a two-mile walk zone.
- The availability of transportation to and from a child-care facility providing that the location is on an approved route.
- The establishment of a student code of conduct to support safe transportation for all students.

These board policies provide the framework for the provision of transportation:

- CNA (LEGAL):
  - A description of school bus types, (i.e., a bus is defined as a vehicle that is designed to carry 10 or more passengers including the driver).
  - Transportation allocation process.
  - Establishment of the two-mile walk zone.
- CNB (LEGAL):
  - Procedures for the purchase of district vehicles.
- CNB (LOCAL):
  - Prohibition of using district vehicles for non-school activities other than as authorized by the Superintendent by civil defense, health, or emergency authorities.
- CNC (LEGAL):
  - Prohibitions for student safety, such as not allowing students to stand or sit on the floor.

- Requirement that districts must meet or exceed safety standards as established by the Department of Public Safety (DPS) or risk the possibility of losing the transportation allotment.
- Notification procedures in the event of an accident.

While board policies document the framework under which transportation services are provided, neither the student handbook nor board policies clearly define how services are actually to be delivered. Additionally, departmental procedures and guidelines are not documented to support the route planning and management process, and do not provide definitive direction to drivers to ensure that their behavior is consistent with all rules and regulations.

**Figure 10–13** shows the documented policies, procedures, and guidelines that the district lacks and how they would address the level of guidance that is necessary to ensure that transportation services are provided in a compliant, safe, effective, and efficient manner.

The lack of written procedures may result in non-conformance to mandated school bus rules and regulations. During the onsite review, review team members noted that drivers are not consistently following required operational procedures for the safe operation of school buses. **Figure 10–14** shows the review team observations.

Lexington ISD and Industrial ISD produced driver handbooks. Lexington ISD posts an overview of its handbook on the district's website for easy access by the drivers and any interested stakeholders. **Figure 10–15** shows in the specific instructions these manuals provide:

The *National School Transportation Specification and Procedures*, as adopted by the Fifteenth National Congress on School Transportation, is an excellent resource for the Transportation Department employee handbooks. The publication describes the information that is typically included in handbooks, including:

- referencing all applicable federal and state transportation laws, regulations, and policies;
- listing all motor vehicle rules and regulations applicable to school bus operation;
- listing procedures to follow when involved in a crash or safety-related incident, when witnessing a crash, and when involved with post-crash reporting;

**FIGURE 10–13  
POLICY DEVELOPMENT EXAMPLES, MAY 2010**

<b>POLICY, PROCEDURE OR GUIDELINE</b>	<b>WHAT IT ESTABLISHES OR DEFINES</b>	<b>WHY IS IT IMPORTANT?</b>
<b>Bus Stop Expectations</b>	The amount of time that a student must be ready before the buses expected arrival	Reinforces the behavior expected on the bus
	Identifies which students must be met by a parent or guardian	Reduces the potential for accidents due to inappropriate behavior by students
	The parent’s responsibility for ensuring safety at a stop location	Supports overall effectiveness by reducing load times
	Defines driver expectations for the use of warning lights	Ensures the student’s safety while boarding or exiting the bus
<b>Wheelchair Safety</b>	Wheelchair loading/unloading, and securement procedures	Ensures that training is provided for the full variety of equipment that may exist supporting its safe use
	The use of other equipment such as a safety vest	Establishes the responsibilities of stakeholders
	Parent responsibilities	
<b>Pre- and Post-trip Inspections</b>	Driver responsible for the completion of the process	Ensures that mandatory pre- and post-trip inspections are conducted in compliance with state and federal rules and regulations.
	Supervisory responsibility for enforcement	
<b>Railroad Crossing Procedures</b>	Driver responsibilities	Supports student and driver safety
		Ensures compliance with state and federal rules and regulations

SOURCE: The Fifteenth National Congress on School Transportation.

**FIGURE 10–14  
REVIEW TEAM OBSERVATIONS OF MARLIN TRANSPORTATION PROCEDURES, APRIL 2015**

<b>PROCEDURE</b>	<b>RULE OR REGULATION</b>	<b>OBSERVATION</b>
Complying with pre- and post-trip inspection expectations	Under guidelines developed by the National Highway Transportation Safety Administration, school bus drivers should be required to perform daily pre-trip inspections of their bus and fire extinguishers. Post-trip inspections are equally important in that not only are mechanical faults identified at a time that they may be able to be corrected before the next service day, but they also ensure that no student is being left on-board the bus.	The review team observed that not only are pre- and post-trip responsibilities not clearly defined, the process is not enforced or monitored.
Following railway crossing procedures	The State of Texas Transportation Code, Chapter 545, Section 545.153, states that school buses are to stop at all railroad crossings. The only exception to these requirements are: <ul style="list-style-type: none"> <li>• An abandoned railroad grade crossing that is marked with a sign reading “tracks out of service”; or</li> <li>• An industrial or spur line railroad grade crossing that is marked with a sign reading “exempt.”</li> </ul>	The review team observed that these procedures are not always followed. While this is partly due to the driver’s familiarity with the rail activity in the area, the failure to follow the procedure could risk student safety in the event of a change in the scheduled use of the rail system.
Bus stop safety procedures/the use of warning lights	Bus stop loading and unloading requirements are well established and include these mandatory requirements: <ul style="list-style-type: none"> <li>• Amber warning lights are to be activated at least 300 feet before the bus stop.</li> <li>• The right hand turn signal is to be activated at a distance of 100 to 300 feet of the intended stop.</li> <li>• The flashing red lights and the stop arm are to be activated when traffic is at a safe distance from the bus.</li> </ul>	While drivers clearly understand this requirement, the review team observed that the mandatory use of this procedure is not always followed. While this may be due to the rural nature of the district, the adherence to the requirement not only helps to ensure the safety of the students, but also that drivers are fully compliant with rules and regulations.

SOURCE: Legislative Budget Board, School Review Team.

**FIGURE 10–15  
OVERVIEW OF LEXINGTON ISD’S DRIVER HANDBOOK**

PROCEDURE	INSTRUCTIONS
Bus stop	<ul style="list-style-type: none"> <li>• Check outside mirrors;</li> <li>• Activate school bus flashers 100 yards before pickup;</li> <li>• Stop six feet from students;</li> <li>• Put transmission in neutral;</li> <li>• Set parking brake;</li> <li>• Turn off school bus flashers once all students are inside;</li> <li>• Wait for all students to sit down;</li> <li>• Check inside mirrors, then outside mirrors before departing; and</li> <li>• Drivers are to remain with their bus at each campus.</li> </ul>
Unloading	<ul style="list-style-type: none"> <li>• Same as loading procedure, except wait for child to reach curb before turning off school bus flashers; and</li> <li>• At the primary campus, unload only when your entrance door is even with the school doors, and do not leave until all students are in the building.</li> </ul>
Railroad Crossing	<ul style="list-style-type: none"> <li>• Bus drivers must stop at railroad crossings with or without students.</li> <li>• Hazard lights are to be used but not loading lights (i.e., amber/red alternating lights).</li> <li>• Buses are to stop on shoulder of road, if possible, or as far to right as possible.</li> </ul>
Pre- and post-trip inspections	<ul style="list-style-type: none"> <li>• Bus drivers must conduct pre-trip inspections before any route or extracurricular trip with no exceptions;</li> <li>• Checking of the bus before each run. (Tires, lights, fuel gauge and all other gauges); and</li> <li>• Checking seats for damage and lost items before/after each run.</li> </ul>

SOURCE: Lexington ISD.

- providing elements of basic first aid procedures with knowledge of universal precautions, and any local practices and policies that may vary from, but should not conflict with, state requirements;
- listing elements of student management, including techniques for dealing with students with specific disabilities;
- outlining local school district policies; and
- documenting vehicle operation and maintenance, including inspections. These inspections include pre-trip and post-trip inspection procedures (including equipment required for transporting passengers); and securing the vehicle and checking for passengers and property at the end of each run, as well as any state or locally required documentation.

Marlin ISD should develop a departmental handbook based on district policies and state and federal mandates. The transportation supervisor should begin a review of its current undocumented practices and procedures, along with the student handbook and board policies, to identify operational

or policy areas where further development of practices and procedures is necessary. The next step is to identify areas for which no policy currently exists. Practices and procedures should address the primary areas that directly impact costs, levels of service, and safety. Throughout the process, the transportation supervisor should consult with relevant stakeholders, including drivers, special education staff, and campus and central office administrators.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR	ONE-TIME
						(COSTS) OR SAVINGS	(COSTS) OR SAVINGS
<b>CHAPTER 10. TRANSPORTATION</b>							
39. Develop a fleet replacement plan based on age, mileage, and repair history, and ensure funding for bus replacements.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40. Develop an efficient bus routing process.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41. Develop a process for the tracking and scheduling of preventative and reactive maintenance activities.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42. Ensure that departmentally-provided driver training is mandated for all district employees that drive school buses and records are organized and consistently kept.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43. Evaluate the driver pay scale and refine the driver recruitment process to ensure that the necessary drivers are available to allow staff to provide a greater focus on departmental management and the maintenance of the fleet.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44. Develop a departmental handbook based on district policies and state and federal mandates.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



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## CHAPTER 11. SAFETY AND SECURITY

An independent school district's safety and security function identifies vulnerabilities and includes strategies to minimize risks to ensure a protected learning environment for students and staff. This protection includes a balanced approach of prevention, intervention, enforcement, and recovery. Risks can include environmental disasters, physical hazards, security threats, emergencies, and human-caused crises.

Managing safety and security initiatives is dependent on a district's organizational structure. Larger districts typically have staff dedicated to safety and security, while smaller districts assign staff tasks as a secondary assignment. Safety and security includes ensuring the physical security of both a school and its occupants. A comprehensive approach to planning for physical security considers school locking systems; monitoring systems; equipment and asset protection; visibility of areas and grounds; police/school resource officers; and emergency operations. Emergency and disaster-related procedures must include fire protection, environmental disasters, communication systems, crisis management, and contingency planning. The identification of physical hazards must consider playground safety, and overall building and grounds safety. Environmental factors, such as indoor air quality, mold, asbestos, water management, and waste management, also affect the safety of school facilities.

One of the objectives of public education in the Texas Education Code (TEC) is to "provide safe and disciplined environments conducive to learning." To achieve this goal, safety and security operations go hand-in-hand with education, as districts are responsible for protecting students, teachers, and school property while also providing a positive learning environment. Working together, district leaders, campus principals, facility managers, transportation supervisors, and safety and security staff look at ways to identify risks and develop plans to mitigate threats.

The city of Marlin police handle security coverage of Marlin Independent School District (ISD) based on calls for assistance. Campus principals maintain safety and security at their respective campuses, and the custodial/maintenance supervisor answers fire alarm calls and initiates fire drills at campuses. The district uses the safety and security budget to pay individuals for security at sporting events, while the district expects the individual department or campus budgets

to secure funding for major safety and security expenditures, such as surveillance cameras, fencing, and signage.

### FINDINGS

- ◆ Marlin ISD lacks the infrastructure to effectively address safety and security issues.
- ◆ Marlin ISD lacks adequate procedures to govern visitor sign-in and identification.
- ◆ Marlin ISD lacks procedures to manage electronic security measures.

### RECOMMENDATIONS

- ◆ **Recommendation 45: Assign responsibility for safety and security functions, form a district safety and security committee, and address outstanding safety and security concerns in the district.**
- ◆ **Recommendation 46: Develop, implement, and train staff in a districtwide visitor control system.**
- ◆ **Recommendation 47: Review the district's electronic security systems, maximize full implementation of its existing systems, and expand electronic systems where necessary.**

### **SAFETY AND SECURITY INFRASTRUCTURE (REC. 45)**

Marlin ISD lacks the infrastructure to effectively address safety and security issues. Marlin ISD does not have an administrator assigned the operational responsibility to oversee the daily needs of the district's safety and security functions. The district also does not have a district safety and security committee, although Board Policy CK (LEGAL), regarding safety programs and risk management, states that the district should establish a school safety and security committee. The Texas Association of School Boards provides districts with localized policy manuals. Without a central office administrator and a district safety and security committee to oversee the safety and security functions, the district lacks proper safety and security planning, safety training, and evaluation of safety and security measures.

TEC, Section 37.108, requires that all school districts implement a multihazard emergency operations plan (EOP) to use in each district's facilities. The EOP provides school

districts with a general guide to multihazard emergency operations and protocols, and a framework for more specific functional areas. Each area describes the responsibilities key individuals have during a specified incident. The plan assists and protects district staff and students by clarifying roles and appropriate responses during an emergency situation. The EOP must address the following four phases of emergency management: mitigation, preparedness, response, and recovery.

In addition, the EOP must also incorporate the following:

- emergency response training for district employees;
- mandatory drills and exercises for students and employees;
- coordination with the Texas Department of State Health Services, local emergency management agencies, law enforcement, health departments, and fire departments; and

- the completion of a safety and security audit.

In school year 2010–11, the district contracted with Edwards Risk Management to conduct safety and security audits for each campus in accordance with TEC, Section 37.108(b), which requires school districts to conduct a safety and security audit at least once every three years. In October 2013, the district again contracted with Edwards Risk Management to conduct safety and security audits for school year 2013–14. The district used the safety audits to develop an EOP for school year 2013–14. Although the district filed the required safety and security audit documents with Texas State University’s Texas School Safety Center (TxSSC), it has failed to resolve the issues reported in the audit report.

**Figure 11–1** shows the 47 issues identified in the October 2013 safety and security district audit report (DAR). At the time of the onsite review, the district had failed to address these issues.

**FIGURE 11–1  
MARLIN ISD DISTRICT AUDIT REPORT OUTSTANDING ISSUES  
OCTOBER 2013**

**Instructional campuses**

Mechanical, electrical and other equipment on ground level is not surrounded by a protective enclosure	Access to the roof is not restricted
Exterior doors have nonremovable hinge pins	Lack of number signage for all exterior doors on the inside and outside
Bus loading and drop-off zones are not clearly marked	Student drop-off and pickup areas are not clearly marked
Fire zones are not clearly marked	Exit doors equipped with push-bar exit devices are not flushed to resist chaining
Lack of stairwells signage and numbering	Lack of evacuation and disaster recovery kits
Lack of procedures to restock first aid kits and evacuation kits	Lack of telephone threat checklist near all incoming telephone lines
Reunification procedures do not include two confidential reunification sites	A list of persons authorized to release students on each campus is not included in the reunification procedures
Staff members present in the building after school hours are not required to sign in and out	School-based law enforcement officers are not located onsite
Reunification procedures do not include: a holding area for students that is out of sight from parents; requirements of parent or guardian photo identification before release of students; or law enforcement to inspect and clear the reunification area before moving students and staff into a holding area. The procedures also do not include a traffic control plan	Designation of persons to notify parents of student injury, death, arrest, and other emergencies is not included in the reunification procedures

**Administration building**

District staff has not been trained in the Federal Emergency Management Agency’s Incident Command System (ICS)	Administrators are not able to identify the ICS principles of unity of command, span of control, management by objective, and unified command
Emergency team members do not have certificates of training in incident command and/or the National Incident Management System (NIMS)	Lack of a plan for assisting individuals with special needs during emergencies

**FIGURE 11–1 (CONTINUED)**  
**MARLIN ISD DISTRICT AUDIT REPORT OUTSTANDING ISSUES**  
**OCTOBER 2013**

Lack of training for reception staff in verbal de-escalation techniques and strategies	Lack of a staff resource list displaying who can speak languages other than English, who has first aid training, and who has training to operate specialized equipment
Lack of proper signage identifying facility as a safe, weapons-free, drug-free, alcohol-free, and tobacco-free school zone	Deliveries are not scheduled in advance or verified with the sender or addressee before acceptance
Utility connections near vehicle-accessible areas are not protected from vehicle damage	Evacuation routes are not posted in all rooms
Reception area is not clearly identified by signage	Door hardware does not allow staff to lock rooms from the inside
<b>Athletic facility</b>	
Risers between bleacher seats are not protected to prevent entrapment and falls	Bleacher railings are not present and secure
<b>Emergency Operations Plan</b>	
Lacks declaration statement, approval and implementation page, documented changes to the document, table of contents, defined purpose, glossary of terms, information on students and staff with disabilities, or description of the school emergency organization	Lacks outlined responsibilities for various emergency service functions and indications of who has primary and secondary responsibilities for each, designated onsite command post, and established chain of command that will handle emergency response
Lacks contact lists for the emergency operations planning team and emergency response team, emergency contact numbers, sample school and parent letters, staff skills surveys, emergency response drill procedures and log, distribution list, and security audit information	Lacks a summary of agreements, memorandums of understanding with outside agencies, incident command system organizational chart, and a list of campuses and facilities
Not compliant with NIMS; was not developed by a safety planning team representative of all district staff; and was not developed with law enforcement, emergency management, and fire department personnel as an integral part of the safety planning process	Lack of consistency districtwide in evacuation plans showing locations of fire extinguishers, first aid kits, automated external defibrillators (AED), fire hydrant and hose access points, hazardous materials storage areas, stairwells, and sprinkler and alarm controls and shutoffs
Lacks review and updating annually	Lacks student representation on the school safety planning team
Lacks updated hazard summary, vulnerability assessment, floor plans, and site plans of the facilities	Lacks emergency procedures for persons with limited mobility and special health needs
Lacks procedures for sustaining school occupants for 72 hours, and post-crisis response	Lacks classroom and facility emergency kits, their contents, and instructions for usage
Lacks emergency procedures for bomb threats, hostage situations, intrusion, kidnapping, acts of violence (such as shootings), hazardous materials incidents, transportation accidents (including train derailment), and natural disasters	Site plans lack identification of fence locations, access areas for emergency vehicles, school property boundaries, and proximity to potential hazards (e.g., highways)
Lacks updated list of staff trained in cardiopulmonary resuscitation (CPR) and in the use of AEDs	
SOURCES: Legislative Budget Board School Review Team, April 2015; district audit reports for district facilities, school year 2013–14.	

Interviews with district staff indicated that only the superintendent’s secretary was aware of the DAR’s findings. According to district staff, the former superintendent is the only staff in the district that reviewed the DAR findings.

In addition to the issues listed in **Figure 11–1**, the review team found many issues related to safety and security during the onsite review. The elementary campus has a playground with small-sized gravel and large, industrial truck tires. A

staff member said that the smaller children at the campus have a tendency to put the gravel in their mouths and that the weathering of the tire material has caused injuries such as cuts. Staff said that debris strewn throughout the playground facility could be a health hazard. Playground areas are open to the public after school hours, and no evidence shows that the playground is checked or cleaned regularly for potentially dangerous items. Another issue that was a concern for staff included the lack of district fencing and signage in the area

adjacent to Texas Highway 6. Staff were concerned about cars and motorcycles parking along the access road of the highway.

The district also lacks written procedures to guide paint and chemical inventories, storage, and disposal. The district spent \$16,775 in June 2012 for an industrial waste management company to remove and dispose of chemicals and radioactive items from the high school. The company removed radioactive and corrosive mercury materials the district had stored in the high school chemistry classroom. Staff were unable to identify who initiated the waste removal and disposal process in the district.

The high school art classroom has cabinets full of unusable paints that have flammable contents. Classrooms and storage areas contain chemicals and leftover art supplies from previous years. The district does not maintain written documentation to indicate the names and amounts of chemicals used in the chemistry classroom, how to dispose of the chemicals, and any incidents that could have occurred, such as chemical spills. The chemistry and art classes have had teacher turnover, and no written procedures or inventories have been provided for the new instructors.

The career and technical education building site had safety issues in the classroom areas for both construction trades and agricultural studies. The construction trades classroom workshop is equipped with various power tools, such as a table saw, radial saw, sanders, and routers, but lacks proper ventilation. Staff open the garage door and turn on two large fans to provide ventilation for the area; however, this practice does not meet safety standards. The federal Occupational Safety and Health Administration (OSHA) addresses these safety standards pursuant to the U.S. Code of Federal Regulations, Title 29, Subpart G, Section 1910.94(a)(1)(vii), which refers to the requirement for a dust collector, which is a device or combination of devices for separating dust from the air handled by an exhaust ventilation system. In addition, OSHA also requires an exhaust ventilation system pursuant to Title 29, Section 1910.94(a)(1)(viii). This system removes contaminated air from a space and consists of two or more of the following elements:

- enclosure or hood;
- duct work;
- dust collecting equipment;
- exhauster; and/or
- discharge stack.

The career and technical education agricultural classroom workshop was found to have improper ventilation, causing possible exposure to unclean air. The classroom teacher did not use mechanical ventilation during paint spraying and drying operations, the spray area did not have an independent exhaust system, the ventilation system did not appear to remove air emitted from spraying, and signs prohibiting smoking were absent in the classroom. OSHA provides Occupational Safety and Health Standards with guidelines regarding the use of respirator protection. These standards include the requirement that only those individuals who are medically able to wear respiratory protective equipment shall be issued a respirator. At the time of the onsite review, the review team observed students wearing respirators. The district did not maintain procedures or documentation to ensure staff verifies that students receive medical clearance before wearing the respirators.

The custodial/maintenance supervisor oversees the fire drills at campuses. The district maintains handouts at each campus in the administration office to describe the fire alarm and tornado drill procedures and some fire and tornado evacuation route maps. The district has conducted fire drills at campuses and documented the results on the required Texas Department of Insurance, State Fire Marshal's Office, form SF242. However, at the time of the onsite review, the district had not conducted other emergency exercises that require coordinated efforts with local emergency agencies during school year 2014–15. The district does not have memorandums of understanding (MOU) with the Falls County Sheriff's Office, Marlin Police Department, or Marlin Emergency Medical Services. The Marlin Police Chief said that the police department would inform the incident command center should a need arise. **Figure 11–2** shows an analysis of the district's school year 2014–15 emergency drill practices compared to state requirements.

The recommended drill frequency is as follows: fire drills at least one per month when school is in session, with at least one with an obstructed exit; and at least two per year for lockdowns, severe weather, shelter in place, and reverse evacuation. The district performs the fire drills but does not conduct other drills.

Each campus is required to post the evacuation map in each classroom and hallways on the campus. The elementary school campus map identifies evacuation routes, fire extinguishers, safe rooms, and other building facilities. The middle school campus map identifies evacuation routes and fire extinguishers. The high school evacuation map specifies

**FIGURE 11-2  
MARLIN ISD EMERGENCY DRILL GAP ANALYSIS BY DRILL TYPE  
SCHOOL YEAR 2014-15**

REQUIRED DRILL	RECOMMENDED FREQUENCY	MARLIN ISD DRILLS (1)
Fire—evacuation of a building in case of fire	One drill each month that has 10 or more school days (including summer school)	Elementary School: 8; Middle School: 7; High School: 9
Evacuation—test evacuation procedures not usually addressed during fire drills	One drill each year (independent of fire drill)	None
Lockdown—ordered when a dangerous person is on or near a campus; doors are locked, and blinds are closed	One drill each year and each summer school session	None
Reverse Evacuation—implemented when conditions inside the building are safer than outside	One drill each year and each summer school session	None
Weather—refers to any dangerous weather conditions that can cause damage or loss of human life	One drill each year and each summer school session	None
Shelter in Place—remain in building rather than evacuate due to a hazardous material release	One drill each year and each summer school session	None

NOTE: (1) As of April 2015.  
SOURCES: Legislative Budget Board School Review Team, April 2015; Marlin ISD, April 2015; Texas School Safety Center, 2015.

evacuation routes, but lacks a legend. The review team did not observe evacuation maps for the administration office and maintenance and transportation facility. The district fire extinguishers and fire alarms were tested and updated in June 2014. According to district staff, the district has not provided staff with fire extinguisher training to include how to operate the fire alarm shutoff.

The district has distributed copies of an undated crisis management plan in a few district offices. The plan contains information that is outdated, such as phone numbers and addresses. The plan is in the format of a flip chart, and it references crisis communication procedures; emergency phone numbers; media procedures; hazardous material spills; accidents; fire, violence, and weapons; student or staff crisis; kidnapping, missing, and custody laws; weather-related emergencies; bomb threats; and actions taken for crisis. During the onsite review, interviews with teachers and staff indicated that they were unaware of the flip chart’s existence. Additionally, the chart continuously references the activation of the crisis management team, but teachers and staff members did not have any familiarity with this term or the team’s existence.

Administrators, campus principals, and staff do not have or are unaware of the existence of a list of first responders certified in the use of automated external defibrillators (AED). The district lacks documented training for staff members in first aid, cardiopulmonary resuscitation, and

AEDs. Campus staff stated that they received some type of safety training, but staff lacked certification cards signifying the type of training and the date it occurred. Furthermore, staff could not identify where the AEDs were located on the campus. TEC, Section 22.902, provides information regarding training and maintaining certification and requires that each school district makes available at least one AED at each campus, according to the Texas Health and Safety Code, Section 779.001. An AED must be readily available during any University Interscholastic League (UIL) competition held on the campus. Districts must also make reasonable efforts to ensure that an AED is available at each UIL athletic practice held at a district campus. At least one district employee trained in the use of the AED must be present at each UIL athletic competition or practice. No documentation showed whether Marlin ISD has AEDs at UIL events and has a certified position to operate an AED in case of emergency.

The lack of organizational infrastructure related to safety and security has left campus administrators to handle communication and planning for safety and security without the support of districtwide procedures. The risk factors identified in the DAR audits continue to exist without any action from the school district, risking student and staff safety.

A lack of disaster preparedness could negatively affect the district in the event of a crisis, such as crises related to weather and potential dangerous intruders on school grounds. The

district does not have a comprehensive plan for reuniting students with their parents in the event of an emergency, which could lead to disorganized remediation and rescue efforts.

TEC, Section 37.109, requires districts to establish a school safety and security committee. Committees must develop and implement emergency plans consistent with the district multi-hazard EOP to meet specific campus, facility, or support service needs. Safety and security committees are charged with the task of providing and reviewing reports related to safety and security to ensure accuracy and reliability of data in accordance with the TxSSC criteria and guidelines.

The National Science Teachers Association published two white papers in April 2015 to assist teachers in managing chemical inventories and developing a chemical purchasing plan. The U.S. Consumer Product Safety Commission in conjunction with the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, and the National Institute for Occupational Safety and Health, published the *School Chemistry Laboratory Safety Guide*. The guide was developed to provide chemistry teachers with an easy-to-read reference for establishing a safe learning environment in the laboratory. The guide details appropriate precautionary measures to prevent or minimize hazards, harmful exposures, and injuries in the laboratory.

OSHA Respiratory Protection Program has established standard operating procedures concerning the use and maintenance of respiratory equipment. In addition to having written protocols, evidence must show that the program is enforced and updated as necessary. Only those individuals who are medically capable to wear respiratory protective equipment shall be issued a respirator. Medical tests are to be conducted, which might include a chest X-ray. Other factors to be considered by a physician may include: emphysema, asthma, chronic bronchitis, heart disease, anemia, hemophilia, poor eyesight, poor hearing, hernia, lack of finger or hand usage, epileptic seizures, and other factors which might inhibit the ability of an individual to wear respiratory equipment. This assessment is required by OSHA in the respiratory protection standards pursuant to the U.S. Code of Federal Regulations, Title 29, Section 1910.134.

The U.S. Consumer Product Safety Commission's *Public Playground Safety Checklist* provides a 10-point checklist. The checklist covers playground surfaces, height of equipment, distance between structures, checking for sharp points and edges, tripping hazards, maintaining the playground, and

supervision of children on playgrounds. It is also important to mention that playgrounds need to be free of glass, bottle caps, needles, trash, etc., which can cause injury if present on playground surfaces.

The National Safety Council posted "Recognizing Hidden Dangers: 25 Steps to a Safer Office" in 2011. Some of the points mentioned include staying clutter-free, maintaining power cords, ensuring safety codes, making sure power cords are not overloaded, and ensuring that extension cords are in proper use.

Marlin ISD should assign responsibility for safety and security functions, form a district safety and security committee, and address outstanding safety and security concerns in the district. The district should begin by assigning oversight of this function to a district administrator and should consider the superintendent for this function. The district administrator should begin by doing the following:

- organize a safety and security committee, which should include principals from each campus, a special education representative, a career and technical education representative, an administration representative, a school nurse, a representative from maintenance and transportation, a teacher representative from each campus, a police department representative, an emergency operations representative, and fire department representatives;
- draft safety and security procedures and protocols;
- address the recommendations in the October 2013 DAR;
- address the safety and security issues identified by the review team;
- address the issues related to the EOP;
- meet with Marlin's Chief of Police and assess the possibility of having a school resource officer (SRO) in the district;
- develop appropriate staff and student training that includes online safety training;
- ensure that all emergency drill types are conducted on a scheduled basis throughout the school year;
- assess the need for school property signs or fencing on school boundaries next to Texas Highway 6; and

- draft a districtwide safety guide addressing procedures and protocols for:
  - the *School Chemistry Laboratory Safety Guide*;
  - art classroom guidelines;
  - career and technical education work area protocols and procedures; and
  - offices, playgrounds, and classroom preventive safety measures.

After the administrator drafts the procedures and protocols, the district administration should review it and distribute appropriately throughout the district.

This recommendation could be implemented with existing resources.

#### **VISITOR MANAGEMENT (REC. 46)**

Marlin ISD lacks adequate procedures to govern visitor sign-in and identification.

The district has two board policies that establish procedures for visitor access to district campuses:

- CKC (LEGAL), regarding safety programs and risk management emergency plans, outlines procedures governing access to a district building or other district property; and
- GKC (LEGAL), regarding community relations and visitors to the schools addresses three areas:
  - identification—the district may require a person who enters a district campus to display the person's driver's license or another form of identification issued by a governmental entity that contains the person's photograph;
  - visitor database—the district may establish an electronic database for the purpose of storing information concerning visitors to district campuses; information stored in the electronic database may be used only for the purpose of district security and may not be sold or otherwise disseminated to a third party for any purpose; and
  - sex offenders—the district may verify whether a visitor to a district campus is a sex offender registered with the computerized central database maintained by the Texas Department of Public Safety, as provided by the Texas Code of Criminal

Procedure, Section 62.005, or any other database accessible by the district.

However, the October 2013 DAR cited issues at each campus and the administration building related to visitor access. At the time of the onsite review, none of the following issues had been addressed:

- visitors are not required to present photo identification to obtain a visitor's badge;
- visitors' photo ID is not retained until checkout is completed;
- visitors' badges are not completed by staff;
- visitor sign-in and sign-out logs are not verified by staff or are not completed by staff at sign-in;
- visitors are not required to wear visible, dated identification with destination listed;
- visitor policy and procedures do not outline when a visitor escort is required;
- visitor policy and procedures do not dictate how or when parents who are registered sex offenders may visit their children during school hours;
- contractors and vendors are not required to sign in and out or wear visible, dated identification;
- not all personnel responsible for accepting packages and mail have received training in the identification of suspicious packages or bomb threat procedures;
- no procedures are in place for dealing with suspicious or unauthorized deliveries;
- staff are not required to obtain parking decals or some other form of identification to authorize parking on school property;
- access points for parking lots are not gated;
- no adequate signs, postings, or window decals are available to direct all visitors to the main site entry; and
- parking lot signs do not direct staff, students and visitors to designated parking areas.

At the time of the onsite review, the review team observed that the district has not addressed many of the issues in the DAR report. The administration, maintenance and transportation, and vocational facilities do not have visible

visitor sign-in procedures. The visitor control process at campuses is limited to visitors writing their names on a sign-in book form and completing a visitor sticker badge, and visitor sign-in does not require any type of identification. The district does not enforce sign-out procedures. District facilities do not have signs that designate the visitor parking areas.

Furthermore, the district has security risks due to the lack of fences or signs designating school property adjacent to Texas Highway 6. District campuses are adjacent to residential neighborhoods, and playground areas are open to the public. Additionally, the district does not maintain documented training for campus and district staff related to receiving and handling suspicious or unauthorized deliveries.

**Figure 11–3** shows a peer district analysis of district safeguards related to visitors. The district has fewer security systems and procedures when compared to peer districts. Peer districts are Texas school districts similar to Marlin ISD that are used for comparison purposes.

All the peer districts use a visitor management system to scan a visitor’s driver license or other state-issued ID. The system instantly screens for registered sex offenders in all 50 states and could also screen for individuals with restraining orders, custody issues, or for any custom alert. When a visitor is cleared, the system prints a badge featuring the visitor’s name, photo, date, time, and destination. If a potential threat is identified, the system sends instant alerts to designated

officials, including administrators and law enforcement, via email or text messaging. Two of the three peer districts use entry buzzers from the main doors at elementary school campuses, and two of the three peer districts have an SRO. Without proper visitor management procedures, the district risks unauthorized visitors entering the district campuses.

Galena Park ISD developed a comprehensive program to secure its school campuses from unauthorized visitors. All buildings have signs to clearly direct visitors to the office. Campuses issue visitor tags or building passes to visitors who must sign out when they leave the facility. The district trains staff to identify appropriate passes and to escort people who do not have them to the office. Employee vehicles must have parking-lot permit tags.

The National School Safety and Security Services published practical steps for controlling visitor access, which include:

- establish one main entrance and place signage identifying it as the main entrance; maintain visible signage on campus and on all school doors directing visitors to the main entrance door;
- develop procedures for visitor sign-in, sign-out, and escort;
- review the number of doors which may be opened from the outside, and ensure they can be opened from the inside in the event of a fire or other emergency;

**FIGURE 11–3**  
**MARLIN ISD VISITOR PROCEDURES COMPARED TO PEER DISTRICTS**  
**SCHOOL YEAR 2014–15**

DISTRICT	VISITOR CHECK-IN	BADGE SYSTEM	SIGN-IN	SCHOOL RESOURCE OFFICER (SRO)	COMMENTS
Marlin ISD	Yes, but no photo ID required	No	Yes	No	Cameras on site
Bloomington ISD	Yes; check driver license	Yes	Yes, as a backup if badge system is inoperable	1 SRO	No inside entry from exterior doors except front entrance; can be opened from the inside; buzzer at elementary school campus
Natalia ISD	Yes; check driver license	Yes	Yes, as a backup if badge system is inoperable	1 SRO	No inside entry from exterior doors except front entrance; can be opened from the inside; elementary school has a buzzer; early childhood center (prekindergarten to grade one) has a buzzer; cameras at all campuses
Nixon-Smilely CISD	Yes; check driver license	Yes	Yes, as a backup if badge system is inoperable	No	No inside entry from exterior doors except front entrance; can be opened from the inside

SOURCE: Legislative Budget Board School Review Team, May 2015.

- reconfigure main entrance design so that there is a secondary set of secure doors and all traffic is directed to the main office before visitors can gain access into the school;
- consider use of a camera, intercom, and buzzer at the school main entrance, especially at elementary schools;
- secure entrances and delivery doors during and after school hours; keep a log of deliveries;
- require all school doors to be closed and secured from the outside while cleaning staff and after-hours staff work inside the building during evening and night hours;
- train all school staff, including support staff, to greet and challenge strangers;
- train students not to open doors to strangers, other students, or even adults they might not know;
- educate parents about access control strategies and the importance of following the procedures;
- establish a routine maintenance and timely repair program for the doors;
- consider the use of proximity cards for school staff, with card readers at teachers’ parking lot entrances, main entrances, doors used for recess and playground activities, doors used for physical education class activities, and other doors commonly used by staff;
- use magnetic locks on doors so they close more easily; and
- use surveillance cameras to monitor and record entrance points.

Marlin ISD should develop, implement, and train staff in a districtwide visitor control system. The district could model its system based on the steps provided by the National School Safety and Security Services to develop, implement, and train staff. Additionally, Marlin ISD should consider the following as part of safety and security measures:

- Assess the need for an automated, web-based visitor sign-in system. Systems can be implemented on a work station at the reception desk area or another point of entry. These systems automate the visitor registration process, including gathering information from the visitor, screening the visitor against any internal and external watch lists, and generating the visitor badge; and

- Assess the designation of student, staff, and visitor parking areas along with the necessary signage.

This fiscal impact assumes that the district could develop, implement, and train staff in a districtwide visitor control system with existing resources. No fiscal impact is assumed for the purchase of a web-based sign-in system until the district determines the type of system best to meet the district’s needs.

**ELECTRONIC SECURITY MEASURES (REC. 47)**

Marlin ISD lacks procedures to manage electronic security measures.

The district has surveillance cameras located at the campuses, with the majority of the cameras for interior use. A few exterior cameras are positioned at the school campuses. No camera coverage shows remote and isolated hallways. The administration building and maintenance and transportation facility do not have surveillance cameras. The district’s camera system has a backup recording system that records for approximately 10 days. The district did not provide documentation on retention procedures for these recordings. The district maintains a video surveillance management system, Salient, which provides campus administrators viewing access to the campus, but staff reported the lack of an adequate number of exterior cameras with good clarity and coverage in hallways. The interim superintendent said that the district needs to add exterior cameras at all campuses to increase security. **Figure 11–4** shows the number of cameras at each campus and the administration building. The instructional campuses have 96 cameras inside the buildings, but only five cameras outside the buildings. None of those five outside cameras are located at the high school. The administration building does not have any security cameras.

**FIGURE 11–4  
MARLIN ISD VIDEO SURVEILLANCE INVENTORY  
SCHOOL YEAR 2014–15**

FACILITY	INSIDE CAMERAS	OUTSIDE CAMERAS	TOTAL
High School	52	0	52
Middle School	30	2	32
Elementary School	14	3	17
Administration Building	0	0	0
<b>Total</b>	<b>96</b>	<b>5</b>	<b>101</b>

SOURCE: Marlin ISD, April 2015.

Panic buttons have not been installed at campus facilities in the reception area. During onsite interviews, high school staff expressed concern about this issue, especially because that campus has neither telephone service in the classrooms nor a two-way intercom system. As a result, no viable means of communication from the classroom area is in place in an emergency other than a teacher's personal cell phone. The middle school and elementary school campus staff are also concerned because the telephones in the classrooms do not allow for direct 911 dial-out calls. If a 911 emergency call is necessary, the teacher must place a call to the campus receptionist, who then makes a 911 call. Furthermore, the administration building does not have an intercom system.

Additionally, the October 2013 DAR mentioned the following electronic-related issues:

- a communication system is not present or is not operating properly; high school classrooms are not equipped with proper communication equipment (e.g., no phones in classrooms or two-way intercom); middle school and elementary school classrooms are not equipped with telephone systems that can dial out in an emergency (i.e., the call must go through the receptionist in the campus administrative office);
- cameras do not monitor the bus loading area;
- cameras do not monitor the playground and recreational areas;
- an anonymous reporting system for students and staff to report incidents or suspicious activities is not present;
- a video monitoring system is not in place at the administration building or the maintenance and transportation facility;
- video monitoring systems at campuses cannot record in a high-quality format;
- security cameras do not monitor remote and isolated hallways;
- security camera tapes and recordings are not retained for 30 days;
- central reporting anti-intruder alarms (i.e., panic buttons) are not installed or functioning; and
- illuminated exit signs are not present to identify means of egress.

None of the campus facilities has an electronic security system. The administration building and the maintenance and transportation facility do not have a fire alarm system. The school year 2014–15 Employee Handbook states that “all district keys, books, property, and equipment must be returned upon separation from employment.” But the district has no written policies to guide key retrieval from outgoing staff. The key return practice is left for campus principals to handle independently with no consistent districtwide procedures to ensure that the district collects all keys to district facilities. Without the proper camera coverage on the school campuses, it would be difficult to track an unwanted intruder on the campus. Also, if a fight or other incident occurs on campus and the police or principal wanted to consult the video records to view the incident in action, they might be unable to view it if the incident occurred in an area without camera coverage. Without a security system, the district risks intruders in district buildings during night and early morning hours. This problem is compounded by the lack of key return procedures because it would be possible for former employees with keys that were never returned to access these buildings.

Waxahachie ISD developed a coordinated building security system combining electronic access, video surveillance, and visitor identification procedures to reduce the risk of unauthorized access to district buildings. Waxahachie ISD campuses have multiple entrances and access points, which makes restricting unauthorized access difficult. To address access problems, the district developed an integrated strategy combining personnel, policy, and technology. The strategy for school based security combines electronic access, video surveillance, and enforced visitor identification procedures.

Galena Park ISD adopted a new key standard, which uses a patented key blank that cannot be duplicated without special equipment. The district logs keys when they are assigned at the beginning of the school year and collected at the end of the school year. Key holders must pay to replace lost keys.

Marlin ISD should review the district's electronic security systems, maximize full implementation of its existing systems, and expand electronic systems where necessary.

The district should follow these implementation phases in consultation with the DAR findings relating to electronic security:

- a needs assessment should be completed, with recommendations made and prioritized, and the following tasks completed:

- yearly budgets should be outlined to include any possible E-Rate eligible items; and
- timelines should be set with responsible parties assigned;
- the district should implement recommended security measures, including:
  - intercom systems should be installed at the high school and administration buildings;
  - panic buttons or entry buttons should be installed at all receptionist areas;
  - fire alarm systems should be installed at the administration building and the maintenance and transportation facility;
  - additional security cameras with interior and exterior capability and the extended recording capability to 20 or 30 days should be installed; and
  - the district should assess the need to contract for the support of the electronic security systems; and
- reassess and evaluate the budgets for remaining phases of the electronic security migration plan.

The district should review its security systems annually to ensure the plan continues to comply with the district’s safety and security goals.

The fiscal impact would vary depending on the area of service and the quantity and quality of product chosen. **Figure 11–5** shows the fiscal impact assumed for the one-time costs for a variety of electronic security measures. In addition, a yearly \$4,250 cost for service on the security system could apply for each year after the initial installation.

**FIGURE 11–5  
MARLIN ISD ESTIMATED COSTS OF ELECTRONIC SYSTEMS IMPROVEMENTS  
MAY 2015**

SYSTEM	LOCATION	UNITS	PRICE PER UNIT	INSTALLATION	TOTAL
Intercom Systems	Administration Building	1	\$5,000	\$2,000	\$7,000
	High School	1 basic unit plus wall-mount buttons	\$10,000	\$5,000	\$15,000
Panic Buttons	All Campuses	6	\$13	Staff	\$78
Fire Alarm Systems	Administration Building	1	\$2 x 13,382 square feet	Included in price	\$26,764
	Transportation and Maintenance Building	1	\$2 x 33,713 square feet	Included in price	\$67,426
Security Cameras	Administration Building	1 package of 24 cameras	\$6,000	Staff	\$6,000
	Transportation and Maintenance Building	1 package of 24 cameras	\$6,000	Staff	\$6,000
	Instructional Campuses	30 single cameras	\$300	Staff	\$9,000
<b>Total one-time costs</b>					<b>\$137,268</b>

SOURCE: Legislative Budget Board School Review Team, May 2015.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL	ONE-TIME
						5-YEAR (COSTS) OR SAVINGS	(COSTS) OR SAVINGS
<b>CHAPTER 11. SAFETY AND SECURITY</b>							
45. Assign responsibility for safety and security functions, form a district safety and security committee, and address outstanding safety and security concerns in the district.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46. Develop, implement, and train staff in a districtwide visitor control system.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47. Review the district's electronic security systems, maximize full implementation of its existing systems, and expand electronic systems where necessary.	\$0	(\$4,250)	(\$4,250)	(\$4,250)	(\$4,250)	(\$17,000)	(\$137,268)
<b>TOTAL</b>	<b>\$0</b>	<b>(\$4,250)</b>	<b>(\$4,250)</b>	<b>(\$4,250)</b>	<b>(\$4,250)</b>	<b>(\$17,000)</b>	<b>(\$137,268)</b>

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## CHAPTER 12. COMMUNITY INVOLVEMENT

An independent school district's community involvement function requires communicating and engaging stakeholders in district decisions and operations. District stakeholders include students, staff, guardians, residents, and businesses. Stakeholders must be aware of issues facing the district, support its priorities, and respond to its challenges. Communication tools include public meetings, the district's website, campus-to-home communications, extracurricular activities, and local media.

A successful community involvement program addresses both the unique characteristics of the school district and the community. A critical component of school improvement and accountability systems is a high level of community involvement. Community members and volunteers provide valuable resources that can enrich and enhance the educational system. In turn, community members directly benefit because they ultimately supply an informed citizenry, an educated workforce, and future community leaders.

Many of the challenges that Marlin Independent School District (ISD) faces are due to the long-standing poverty in its community. As of calendar year 2013, 31.3 percent of Marlin residents have income of less than the federal poverty level, compared to the state rate of 15.4 percent. Residents in Marlin who have income of less than 50.0 percent of the poverty level make up 13.2 percent of the community, while the state rate is 6.7 percent. In Marlin ISD, 88.4 percent of students are economically disadvantaged, compared to 59.5 percent at the state level.

Marlin previously had more businesses and jobs. Water infrastructure has been a primary obstacle, and broken water lines have driven out businesses, including a turkey processing plant, a plastics plant, and a U.S. Veterans Health Administration hospital. This business migration led to a shortage of jobs, and many residents live in poverty as a result. This economic situation, in turn, has contributed to decreasing student enrollment.

### ACCOMPLISHMENT

- ◆ Marlin ISD provides many special services and programs for students.

### FINDINGS

- ◆ Marlin ISD does not communicate effectively with families or the Marlin community.
- ◆ Marlin ISD's efforts to encourage parent involvement are not consistently applied.
- ◆ Marlin ISD lacks a central process for identifying and maximizing community services for students.
- ◆ Marlin ISD does not maximize the identification of community needs and opportunities for student after-school programs.

### RECOMMENDATIONS

- ◆ **Recommendation 48: Optimize the district's communication methods and use additional outlets for communication and involvement with the community.**
- ◆ **Recommendation 49: Establish a parent volunteer committee that will organize, track, and incentivize parent volunteers.**
- ◆ **Recommendation 50: Establish a community resources committee that manages all special programs, relationships with community organizations and businesses, and grant writing.**
- ◆ **Recommendation 51: Establish a plan to identify all after-school and community-service opportunities for students and establish a committee to facilitate student participation in these programs.**

### DETAILED ACCOMPLISHMENT

#### SPECIAL SERVICES AND PROGRAMS

Marlin ISD provides many special services and programs for students. These services and programs are managed by guidance counselors and representatives from the national organization Communities in Schools (CIS). The goal of CIS is to provide any services necessary to ensure that students stay in school. CIS provides case workers who spend time with students to discuss topics ranging from conflict resolution to sexual assault to substance abuse. CIS also

coordinates with other partners to provide additional services for students. These include Road to Damascus, a program in Waco that serves hot dinners every weekday immediately after school for any student at Marlin High School who is age 18 or younger. The program serves about 120 students per day. The Texas Hunger Initiative also operates a weekly program for elementary and middle school students that provides food for students in need to take home to last the weekend. CIS also works with the local Ministerial Fellowship, who sends volunteers to eat lunch with students at each campus, providing social and emotional support.

Guidance counselors and administrators work with organizations such as One Voice Texas, Early Head Start, and the federal grant supplier Special Supplemental Nutrition Program for Women, Infants, and Children programs to provide parenting classes to young parents in the district. The Marlin Rotary Club sends one student to a leadership camp each year. The Faith, Hope, and Charity organization operates an afterschool program for elementary school students and provides a variety of special programs throughout the year. United Methodist Church in Marlin also operates an afterschool program for students. The Marlin Boys and Girls Club serves about 160 elementary school students with an afterschool program through which students receive a large snack and homework help, and participate in games and other activities.

Two dentists in Marlin provide free toothbrushes and toothpaste to students in the district. The local office of the Texas Health and Human Services Commission provides free meningitis shots, hygiene products, and other minor medical care items to students. The Klaras Center for Families, which is based in Waco, operates a mobile care unit that meets students in their homes or schools to provide crisis assessments and counseling. The district also formed a partnership with Tarleton State University in which counseling students at the university come to the district's campuses and provide free counseling services to Marlin ISD students. The Falls County Samaritan House provides free clothing, water, and food to students and their families who are in need.

These special services are crucial to the students of Marlin and their families. Marlin ISD plans to provide more supports and programs for students, including a recreation center built through Ministry of Hope that will provide a place for middle and high school students to and enjoy activities.

## DETAILED FINDINGS

### COMMUNICATION (REC. 48)

Marlin ISD does not communicate effectively with families or the Marlin community.

Many Marlin residents, including parents of students, do not have computer access, do not subscribe to the newspaper, and frequently change phone numbers. These barriers make communication difficult for the district. The district primarily uses its website, all-call phone system, marquee announcements, and written notices to communicate with the community and parents. District news also periodically appears in the local weekly newspaper, *The Marlin Democrat*. A television news station based in Waco occasionally features the district in broadcast reports or on its website. The district has discussed using social media, such as Facebook, Twitter, or Instagram, to communicate with parents, students, and the community, but it does not have any presence on social media. District staff expressed concern that they would not be able to control posts by community members on a social media page.

The Marlin ISD website is not updated frequently. The district website lists upcoming events in a sidebar, including, at the time of the onsite review, award celebrations, graduation practices, and graduation ceremony details. The website also features a calendar that lists state testing dates, band concerts, school dances and other events, and academic holidays and other important dates. The technology director posts alerts on the website for closures and other emergencies as they occur. However, some information on the Marlin ISD homepage dates back to school year 2013–14, as does information on the site's news page.

Teachers and staff members update content on their classroom or department pages, but this practice is not monitored to ensure that information is regularly updated. The district website is not adapted for smart phones and is difficult to read on a smart phone. However, the district is in the process of developing a mobile version of the site to solve this issue. Additionally, many parents do not speak English and 13.8 percent of students are English language learners; however, the district website is not available in Spanish. The website also does not feature a section for community members who may be interested in volunteering or fund-raising.

Administration staff manage facilities use and open records requests. However, no contact for these requests is listed on the Marlin ISD website, and community members typically contact campus staff first and are then rerouted to the administration office.

The technology director manages the district's all-call system, which is used for announcements and alerts. The all-call system is an automatic dialing system that can call all of the parents within the district to alert parents about early releases, weather dates, report card releases, open houses, and emergencies. This system, however, sometimes does not reach parents because many parents frequently change phone numbers. The all-call system does not send out calls in Spanish.

The district distributes written notices with students, but notices are not always timely, and students sometimes do not give notices to parents. Notices are typically sent out regarding an event, or to notify parents about report cards or other administrative matters. The district does not distribute regular communications, such as newsletters. The elementary school occasionally translates written notices into Spanish, but this practice is not consistent throughout the district.

The local newspaper in Marlin, *The Marlin Democrat*, has readership of about 2,000 papers per issue. The district occasionally collaborates with the newspaper to have notices published, but not consistently. The district does not always communicate events to the newspaper in a timely manner. In the February 25, 2015, edition, the paper listed an open house at the elementary and high schools that took place on February 18. The same open house was listed in the February 11 edition but not in the February 18 edition. In another case, an event scheduled for March 18 for Faith, Hope, and Charity was listed in the March 18 edition, but not in any previous editions. Of all editions printed from the start of school year 2014–15 to April 22, 2015, only four editions did not feature at least one notice about the district. Many district stakeholders reported that they would like to see more features about students, more pictures of students, and a regular section of the paper that is dedicated to the district. The newspaper publisher has worked with the high school counselor to start a regular feature for the district, but this agreement has not yet been published.

District stakeholders and community members stated that parents are not adequately involved in the schools. Some stakeholders also felt that the general community is not adequately involved in the district. Many stakeholders stated

that a primary barrier to parental and community involvement is that parents are not aware of events occurring at their children's campuses due to lack of communication. Many parents require advance notice to take time away from work or to secure transportation to attend school functions. Marlin ISD does not provide consistent, timely, or accessible information to parents and the community.

Poor communication contributes to low levels of parent involvement and community support. Studies show that increased parent involvement can improve the academic success of students. Stakeholders at Marlin ISD reported that lower parent involvement likely contributes to low academic performance in the district. Marlin ISD academic performance rates are consistently unsatisfactory.

Communicating effectively with parents and the community increases parent involvement and community support. School districts can use many methods to communicate with parents and the communities in which they operate. Spigner Elementary School in Calvert ISD releases several publications to communicate with students, parents, and community members. First, the school publishes a monthly newsletter in both English and Spanish that it distributes to all students, staff, and teachers. The newsletter is also posted in community stores and at the post office. The newsletter features the principal's column, students of the week, students who had a birthday, school events, honor roll, and other special dates and topics of interest. The school also distributes a monthly newsletter made specifically for parents by Regional Education Service Center VI (Region 6). It is also printed in English and Spanish and addresses topics such as homework habits, how parents can help their students improve writing, and keeping students safe on the way to and from school.

Navasota ISD's website features a community involvement page that provides information on how to sponsor an advertisement in support of Navasota athletics, information on how to access student grades, and alumni information. The website also has a news and publications section that includes a calendar of events for the school year to help parents and community members with advanced planning. The website includes a feature that allows non-English speakers to translate the page into their native languages, including Spanish, French, German, Italian, and 30 other languages.

New Milford High School in New Jersey uses social media websites to reach out to parents and the community. The

principal of New Milford High School stated that “unlike traditional forms of communication such as snail mail and press releases, I can provide updates in real time as events happen... Since society as a whole is actively using social media, it only makes sense to connect with my community through these means.” Social media allows parents, people in the community, teachers, and administrators to interact with one another, ask questions, share opinions, and lend support. It also ensures that stakeholders can receive information on events, accomplishments, and classroom innovations at any time.

Marlin ISD should optimize the district’s communication methods and use additional outlets for communication and involvement with the community. Written notices, including emails and the district website, and the district’s all-call system, should be available in Spanish. The district should also pursue efforts to provide a mobile version of its website so that people in the community can more easily access it.

The district should work with local businesses and organizations to post notices for events and important school dates to increase communication to the community. The district should ensure that notices are given in a timely fashion, at least two to three weeks in advance, to give parents and others in the community time to make arrangements with employers and for transportation. A central contact position should be tasked with this timely delivery of notices. After partnerships are established, individual campuses should forward information on important events to the contact position, who will provide that information to community partners. This communication will improve community relations with the district by helping the community to be aware of district news and events. The communication will also make more parents aware of events, even if they do not use social media or the district website.

The central contact position who works with local organizations should also establish a partnership with *The Marlin Democrat* to feature the district in each issue. This regular feature for the district could include reports by students, a rotating section for campus news and staff member of the month (each of three weeks could feature one of the campuses and the last week could feature a staff member), district events, sports, and other information. This regular publication would improve the district’s image throughout the community and would assist parents and the community to become better informed. In addition to local media, the district should consider using social media to better reach parents and the community, which could

generate interest in the district. The district could post pictures of students and events regularly.

This recommendation could be implemented with existing resources.

#### **PARENT INVOLVEMENT (REC. 49)**

Marlin ISD’s efforts to encourage parent involvement are not consistently applied.

District and community stakeholders reported that parent involvement is low in Marlin ISD. Some cited inability to obtain transportation or time off from work, poor communication, or negative perceptions of the district as the cause of low parent involvement.

Marlin ISD previously had a parent–teacher association, but it had low participation rates and stopped meeting in school year 2009–10. The district has a booster club, but few people regularly participate. The booster club plans to initiate an appreciation program in school year 2015–16 to encourage participation by recognizing members who volunteer significant numbers of hours or make other contributions. Parents can volunteer at the district, but no central organization for parent volunteers and no parent volunteer recognition program are in place in Marlin ISD. Instead, parents either call individual campus offices or the administrative office to inquire about available volunteer opportunities. The district does not have a parent involvement plan as required by the federal Elementary and Secondary Education Act, Title I, Part A, despite receiving Title I funding.

Marlin ISD also had a community education center that was operated by the career and technical education director. The community education center brought adults into the school district for continuing education and recreation classes, such as cake making. The center also organized a number of sports leagues, including softball and volleyball teams made up of parents and people in the community. This program brought parents onto campuses for community building and gave them a positive reason to visit campuses. However, the district lost grant funding for the community education center and it was discontinued in the early 1990s.

In school year 2013–14, the district offered a program at the elementary school called Parent University that aimed to help parents provide homework help to their children, help parents obtain General Education Development (GED) high school equivalency, and provide general support for parents.

An average of 20 parents came to each meeting, and those parents were typically already engaged in their children's education. The district did not offer the program again in school year 2014–15, as it did not have high participation despite incentives including free food and raffle prize drawings. The district has an English as a second language (ESL) parent class twice a week. Letters were sent to the parents of all ESL students (about 130 students), and, on average, about five parents attend the ESL class each meeting.

The district also hosts parent nights at all three campuses each semester, and typically provides free food as an incentive for parents to attend. Parents are also invited to award ceremonies, graduations, band and chorus concerts, and other events throughout the school year. Using food as incentive was mentioned multiple times by district stakeholders, with one interviewee stating, "If you feed them, they will come." But food is not consistently offered, and has failed to promote strong attendance. The school district has also provided free childcare during parent events, because many parents have young children who cannot be left alone at home; but the childcare is not frequently or consistently offered.

Parent involvement is linked to student academic performance. Parent involvement has been proven throughout the academic literature to be crucial to the academic success of students. Stakeholders at Marlin ISD stated that increased parent involvement would likely relieve some of the academic concerns within the district. Marlin ISD academic performance rates are consistently behind those of peer districts and the state average. Parent involvement is important for students at all age levels, as the parent involvement level is a strong predictor of student success even for high school students. The district's lack of the required parent involvement plan reduces the opportunities to increase parent involvement.

Additionally, research has linked parent involvement to other positive outcomes in students, including better attendance, increased motivation, better self-esteem, decreased drug and alcohol use and fewer incidences of violent behavior. The more that parents participate in schooling—such as conducting fund-raisers, joining boosters, and volunteering—the higher the achievement effects might be for students. Parent involvement is crucial to students' successes in and out of the classroom.

San Elizario ISD has a strong parent volunteer program that had approximately 130 parent volunteers within the district

of more than 4,000 students. Those volunteers accounted for nearly 20,000 hours of volunteer time in one academic year. Volunteers within the district serve as classroom tutors, chaperones for field trips, library aides, classroom aides, monitors, and office aides. The district garnered parent involvement by developing a parent involvement plan, establishing a parental advisory committee, offering meaningful volunteer opportunities, and capitalizing upon the recruitment efforts of parent liaisons. The parental advisory committee includes two parent volunteer representatives from each campus and meets three times per year. The committee provides input to the district, provides support for parent liaisons and other district parents, and provides feedback regarding program implementation and program activities.

Waxahachie ISD has a parent council that includes parent–teacher organization (PTO) presidents from the majority of the district's campuses and meets four times per year. District administrators also may attend these meetings to provide information about specific programs or initiatives. Meetings provide a forum to address issues and share information that concerns parents districtwide. The parent council supports the district by recruiting additional volunteers, maintaining communications among district stakeholders, and volunteering at district events.

San Elizario ISD encourages parent involvement by recognizing parent volunteers who have contributed at least 300 hours of volunteer time at awards ceremonies. Rockwall ISD recognizes parent volunteer efforts in several ways, including appreciation breakfasts, luncheons, or banquets; individual thank-you letters; acknowledgement in school newsletters; certificates of appreciation; recognition posters hung in the hallway; plaques; and gifts to the volunteers of the year. In Waxahachie ISD, volunteers who contribute more than 100 hours receive rewards such as commemorative pins, tote bags, or mugs.

Marlin ISD should establish a parent volunteer committee that will organize, track, and incentivize parent volunteers.

This committee should include at least three parents from each of the three campuses and should meet once per month during the school year. The parent volunteer committee should be tasked with starting a PTO, which will include developing a purpose or mission statement, identifying fund-raising ideas and potential activities for the PTO, drafting bylaws, recruiting parent and district volunteers, and taking other necessary steps to develop a successful PTO. A member

of the parent volunteer committee should chair (or multiple members could co-chair) the PTO for the first year to ensure that the PTO meets its goals. A central focus of this committee should be to identify methods to increase parent involvement and participation.

The committee should conduct parent surveys, with incentives for survey completion, such as donated gift cards. The parent surveys should request suggestions for parent programming and suggestions for how to encourage more parents to attend events. The committee should work with the district to identify which suggestions are feasible, and which could be modified. After implementing suggested methods to increase parent participation, the committee should monitor parent participation rates. If participation rates remain low, the committee should resurvey parents, or coordinate with the district to reassess future strategies.

The parent volunteer committee should also work with the district to post a parent page on the Marlin ISD website. The parent page should be accessible by a link on the home page, not embedded within individual campuses or other sections. The parent page should include information about upcoming parent nights and events, a web form that allows parents to sign up for particular volunteer opportunities, and contact information for the volunteer committee. If the district pursues establishing social media pages, for example, Facebook, a specific page for the parent committee and Marlin ISD parents should be posted. This online presence will provide parents more opportunity to see information about volunteer opportunities and events.

This recommendation could be implemented with existing resources.

### **COMMUNITY SERVICES (REC. 50)**

Marlin ISD lacks a central process for identifying and maximizing community services for students.

Marlin ISD refers students to community services; however, no organized or centralized efforts are made to track those services. Each campus coordinates community efforts individually, and guidance counselors and campus administrators function as contacts for special services for students. The guidance counselor job description states that guidance counselors should bring together resources for students. District staff members at large do not have a listing (online or otherwise) of available programs to which they may refer students; nor do students' parents. No central process is in place to connect a student with needs to an

appropriate program. Guidance counselors and administrators could be helpful, but social service programs differ at each campus, and individual counselors or administrators may not have information regarding all programs with which the district works.

The district instructional coordinator approves grant proposals for community support, but no central process is in place for identifying and writing grants, and the district has no designated grant writer. Instead, staff members identify and write grant proposals independently, and grant applications are not coordinated at a district level to ensure that the district is seeking a variety of grants and maximizing its reach.

Community partners that provide services typically approach the district, sometimes through the administration office and sometimes through other channels; it is uncommon for the district to reach out to community groups for services. No designated communications or public relations contact is identified at Marlin ISD. At the time of the onsite review, guidance counselors were developing a resource guide that lists information on available services for students, but this guide was not complete or shared with other district employees. Many district stakeholders reported not having an established system for coordination between the district and the community to track community partnerships and special services.

The lack of coordination in Marlin ISD may result in duplicate effort and failure to maximize its use of community programs and services. Without central coordination, district stakeholders who manage services may not be aware that needs exist for some students or of the full extent of available services. If a teacher identifies social support needs for a particular student, the teacher may contact the campus guidance counselor for recommendations on social support resources. The guidance counselor could be aware of the resources used within that campus, but would not be aware of available resources at other campuses.

Many school districts have developed systems for coordinating student services and community programs, and showcase services and programs on their websites. Plano ISD has a Student and Family Services Department that oversees all campus-based initiatives for students' academic and social needs. These initiatives include guidance services, student services, campus support services, and family services. The Plano ISD website lists contacts and detailed information on services and programs offered. This information is helpful for

families and is also a resource for staff members within the district who may notice that a student is in need.

Garland ISD has a Department of Student Services and a Special Programs Department. The Department of Student Services oversees attendance, discipline, complaints, grievances and concerns, school choice, enrollment, translation services, and information requests. It lists contacts on its website. The Special Programs Department oversees federal programs, advanced academic programs, the Advancement Via Individual Determination program, student success and summer school programs, and a parents as teachers program. The department lists contacts and links to descriptions of programs on its website.

Marlin ISD should establish a community resources committee that manages all special programs, relationships with community organizations and businesses, and grant writing. This committee should include the campus guidance counselors, the Communities in Schools program manager, and any other interested district stakeholders, such as principals or assistant principals. The committee should meet at least once each month to ensure that grants and partnerships are pursued in a timely fashion. The committee should monitor which programs exist, which programs are underused or need more support, and which programs should be established.

The district's first step to establishing the community resources committee should be to identify the staff members who will be involved and to solicit their help for the committee. The guidance counselor job descriptions state that guidance counselors should work to bring together resources for students, so counselors should have a central role in this group.

After committee members are identified, the committee should compile a list of the services and programs available within the district. The committee should also complete the resource guide. After the resource guide is complete, it should be posted on the district website. The committee should survey district staff, parents, and other stakeholders to identify issues with the resource guide that could be addressed. The resource guide should be reviewed and updated regularly as a standing item on the committee's meeting agendas.

The committee should also develop a list of all of the district's business and financial partners. This list should include any foundations, business sponsors, and other organizations such as the booster club, that raise funds for the district. The

committee should keep this list current. This list could help the committee identify financial resources that could be added to a potential ask list for future financial campaigns. The committee should continually review this list in meetings to ensure that all possible community resources are used. The committee should establish communication protocols for community outreach and for potential donors, and establish a contact person for the district and for each campus.

This recommendation could be implemented with existing resources.

#### **STUDENT ACTIVITIES AND COMMUNITY ENGAGEMENT (REC. 51)**

Marlin ISD does not maximize the identification of community needs and opportunities for student after-school programs.

Marlin ISD offers regularly scheduled after-school activities, but these programs have low participation rates and typically engage the same group of students. These activities provide few opportunities for students to work in and connect to the community. Community service is only required of Marlin ISD students as punishment for disciplinary cases. District staff reported that after receiving low accountability ratings, Marlin ISD reduced nonacademic, after-school activities in an effort to focus on improving academics. District staff, parents, and the community expressed concern that students do not have opportunities for positive engagement outside of school.

Of the three instructional campuses, students at Marlin Elementary School have the most access to consistent community-based activities and after-school care options. These options include the Boys and Girls Club, which provides a snack, homework help, games, and activities each day after school. Average attendance is about 80 students out of 453 elementary school students. Providing transportation to and from after-school activities can be a challenge for some parents in Marlin, so the school established a shuttle bus that runs from the campus to the Boys and Girls Club to ensure students are able to attend regardless of transportation concerns. The Boys and Girls Club requires a sliding-scale membership fee that is based on income.

Marlin ISD also works with an organization named Faith, Hope, and Charity to provide after-school support to elementary students. Faith, Hope, and Charity has worked with the district for more than 10 years. The group provides a snack and a hot meal to every student who attends the

after-school program, and it stresses personal responsibility and community involvement, including taking students to nursing homes to sing or asking students to participate in an annual Make a Difference Day. A number of other programs, including the Marlin Youth Athletic Association and church youth groups, are intended for students in the elementary age group. However the district does not work directly with those programs. Still, elementary school students have many opportunities for care and engagement outside of school.

Middle and high school students have few opportunities for community participation and after-school care outside of sports. Middle school and high school students can participate in band; however, the high school band's membership has waned in recent years. The high school also works with such state and national organizations as Future Farmers of America, National Honor Society (which has grade requirements), and the Texas Association of Future Educators to offer after-school activities. However, these activities provide infrequent after-school opportunities to a small number of students. Communities in Schools organizes community-service events with high school student volunteers, and up to 20 students, typically the same group, volunteer for these events. The Rotary Club also provides community-service opportunities for high school students, but it was cited that the same small group of students participates in each event.

District staff and parents stated that they would like to provide additional programs and after-school activities that engage middle and high school students outside of school. A community organization, Ministry of Hope, is working to establish a recreation center that would provide snacks and activities. The mayor of Marlin stated that many untapped opportunities are available for students to participate in city cleanup, historic preservation, and working in the community garden. Others in the community mentioned the possibility of high school students tutoring younger students. The improvement plans for individual campuses, however, do not address goals or initiatives to provide more after-school opportunities, including community service for students. Although some district leaders have hopes for increased after-school opportunities and community involvement for middle and high school students, no formal or informal plans to work toward this goal exist.

Marlin ISD academic performance rates are consistently unsatisfactory. A 2004 study conducted by the education research group Policy Studies Associates showed that students who regularly attend an afterschool program showed

improvements in academic achievement, with high-risk students showing especially large improvements.

Research shows that participation in after-school activities significantly improves a student's attendance and academic performance, lessens drug and alcohol use, decreases incidences of crime, and improves social skills. After-school programs provide a structured and safe place for students to learn and socialize with adults and peers. Students who attend after-school programs spend more time on academic and after-school activities and less time watching TV and "hanging out." Parent involvement also increases with increased student after-school activities, with 45.0 percent of principals in one study saying that they attributed increased parental attendance at school events to after-school programs.

In a 2012 study, the National Youth Violence Prevention Resource Center found that students who do not participate in any after-school activities are 49.0 percent more likely to use drugs. The same study found that students who do not spend time in after-school activities are 37.0 percent more likely to become teen parents and are significantly more likely to engage in criminal behavior. Another study found that after-school programs improve students' self-confidence and self-esteem and reinforce positive social behaviors.

Students benefit from having a place to go to after school that is constructive and safe, and that helps them to understand civic engagement. One person in the Marlin community cited improved academic performance for students who participate in the Falls County Boys and Girls Club. Elementary school students enjoy the benefits of the Boys and Girls Club and other after-school activities and after-school care, but a gap remains for the middle and high school students.

After-school and civic activities are beneficial to students' development and success. If the district continues to operate without providing ample after-school opportunities for its students, it may face continued low academic performance, limited investment in the community from students, and lack of investment from the community. Without after-school programs, students lack critical growth and learning opportunities that their peers in other districts have access to.

In particular, after-school programs that focus on community service are linked to increases in students' perceptions of personal and social responsibility and of responsibility to their schools. Community service is associated with higher student grades and assessment scores, increased problem-solving skills, and increased interest in academics. Many

districts require community-service hours for all high school students, and some districts require community service for middle school students.

Districts encourage community service by offering student recognition awards or the ability to earn credit toward graduation through community-service hours. High school students at Dripping Springs ISD can earn the Principal's Volunteer Service Award for completing 100 hours of community service. In Lancaster ISD, students who complete 100 or more hours of community service receive honors upon graduation. In other states, students who perform a certain number of community-service hours earn credit toward graduation in lieu of course credits. Districts in other states also set community-service hours as a graduation requirement.

Marlin ISD should establish a plan to identify all after-school and community-service opportunities for students and establish a committee to facilitate student participation in these programs.

The district should first develop a survey to identify the local businesses, community initiatives, and projects that are interested in having students volunteer. The district could hold a general meeting with the community to solicit ideas for potential community projects. The district could also establish a tutoring program in which students in upper-grade levels tutor middle and elementary school students. The close proximity of the three schools in Marlin would facilitate this program.

After the district has identified needs in the community, it could establish a committee that manages the community-service program for the middle and high schools. The committee should include one staff member, preferably one who lives in Marlin, for each grade level. The committee could also include people from the community who wish to assist in managing this program. The committee would maintain a central listing of community projects, organizations, and businesses at which students could volunteer, and conduct a review to annually update this list. The central listing should contain information about the program, the number of volunteers needed, specifics about the type of students eligible (e.g. only high school students), and contact information.

For students in grades six and higher, the district should organize an assembly at the beginning of each school year to discuss volunteer and after-school program opportunities. Students should receive a packet of information that describes

the potential volunteer opportunities and that includes a sign-up form with up to five choices of projects in order of preference. To make scheduling easier, the community service committee should list differentiated service project options for each grade level. The community service committee could assign students to community service projects based on preferences and the order in which sign-up forms are received.

Throughout the year, committee members should monitor hours completed by the students in their assigned grade levels. To incentivize participation, the district could organize pizza parties or other rewards for students who meet service hour goals throughout the year. The district could also provide opportunities for students to volunteer during the summer by ensuring that staff is assigned to monitor community-service hours during the summer months.

This recommendation could be implemented with existing resources.

**FISCAL IMPACT**

Some of the recommendations provided in this report are based on state or federal laws, rules, or regulations, and should be promptly addressed. Other recommendations are based on comparisons to state or industry standards, or accepted best practices, and should be reviewed to determine the level of priority, appropriate timeline, and method of implementation.

RECOMMENDATION	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
<b>CHAPTER 12. COMMUNITY INVOLVEMENT</b>							
48. Optimize the district's communication methods and use additional outlets for communication and involvement with the community.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49. Establish a parent volunteer committee that will organize, track, and incentivize parent volunteers.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50. Establish a community resources committee that manages all special programs, relationships with community organizations and businesses, and grant writing.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51. Establish a plan to identify all after-school and community-service opportunities for students and establish a committee to facilitate student participation in these programs.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>