SUMMARY REPORT

VICTORIA INDEPENDENT SCHOOL DISTRICT

LEGISLATIVE BUDGET BOARD OCTOBER 2004

VICTORIA INDEPENDENT SCHOOL DISTRICT MANAGEMENT AND PERFORMANCE REVIEW

Victoria Independent School District's (VISD's) Board of Trustees requested a management and performance review of the district and paid 25 percent of the $150,000 cost. The report notes district accomplishments and includes 102 recommendations for improvement. The following executive summary highlights significant accomplishments, findings and recommendations, and provides a general overview of the district. The fiscal impact summary is located on page 44 of this report. A copy of the full report can be found at www.lbb.state.tx.us.

SIGNIFICANT ACCOMPLISHMENTS

- VISD ensures that legal expenditures are carefully monitored and controlled.
- VISD engaged in partnerships with other educational and governmental institutions in the Victoria area to provide an enhanced wide area network infrastructure for the district.
- VISD provides an ongoing support system for new teachers through its mentoring program.
- VISD collaborates with area business, industry, and civic organizations to enhance student learning in various ways.
- VISD's use of synthetic oil in buses reduces oil and maintenance cost and extends engine life.
- The district maximizes its investment income by closely monitoring short-term variable interest rates.
- The district has taken aggressive steps to contain workers' compensation costs through its return-to-work program.
- VISD has created an internship to provide dietary expertise without additional cost.

SIGNIFICANT FINDINGS

EDUCATION

- VISD lacks the staff to adequately support curriculum development and alignment across grade levels. The lack of district-level staff has hindered the district's ability to respond to declining student performance, especially in mathematics and science at the secondary level.
- VISD's accelerated block-scheduling system negatively affects testing requirements, results in a lack of continuity in sequential classes, and limits student participation in extracurricular activities.
- VISD does not consistently implement effective classroom behavior management techniques, resulting in a high number of disciplinary incidents and disciplinary alternative education program placements.
- VISD lacks the number and quality of instructional computers to support student learning. Its student-to-computer ratio of six to one is greater than the state recommended ratio of four to one. Fifty percent of the current instructional computers are more than four years old, and some are up to 10 years old.

ORGANIZATION AND PLANNING

- VISD's organizational structure is not logically aligned, with many related functions distributed throughout the organization. This has resulted in a lack of accountability and efficiency in accomplishing district tasks in key areas, including instruction, technology, and safety and security.
- Consolidation of VISD's two high schools into one school with two campuses resulted in overcrowding at one campus and underutilization at the other. The Stroman campus, which serves freshman and sophomores, is at 95.5 percent capacity, while the Senior campus, which serves juniors and seniors, is at 50.4 percent capacity. Ideal utilization rates for secondary schools range from 70 to 85 percent.
- VISD has not completed a comprehensive adjustment of school attendance zones, resulting in the underutilization of many of its schools. Most elementary campuses are operated at low capacity levels which costs the district extra dollars in utilities, maintenance, insurance, and staffing.
- VISD does not effectively manage the safety and security needs of its schools. Safety and security functions are decentralized, and some duties essential to the management of a successful safety and security program are being neglected.
- The prolonged VISD debate over whether to accept the consolidation of the two high schools or reconfigure the high school has divided the community and negatively affected constituent morale.
- VISD's strategic planning process is not well-organized, focused, or based on data. The district board and staff have expended energy

and resources into developing a strategic plan but have been unable to move forward with completing and implementing the plan.

- VISD's bus replacement guidelines do not adequately provide for the timely replacement of buses, nor does the district have an adopted bus replacement plan, which has resulted in more than 30 percent of the fleet being 15 or more years old. Using VISD's current replacement schedule, 50 percent of the fleet will be aged 15 or more years by 2007–08.
- VISD lacks centralized and comprehensive contract management polices and procedures, which places the district at risk for abuse by vendors, contractors, and district personnel.

FINANCE AND BUDGETING

- VISD's Maintenance and Operations (M&O) tax rate is less than the rate that maximizes state funding. By not maximizing Tier 2 funding, the district has not taken advantage of state and local funds to address some of its unmet needs, such as adequate employee compensation and facilities maintenance.
- VISD has not defined an acceptable level of risk for its self-funded health care plan. It has been unsuccessful in developing effective strategies to respond to escalating health care costs, making it vulnerable to being unable to fully fund claims.

COMPENSATION AND STAFFING

- Historically, VISD has not offered competitive salaries, making it difficult for the district to attract and retain high quality staff. While VISD gave a significant salary increase in 2004–05, staff salaries remain below the peer average.
- VISD's staffing standards for campus leadership positions are not consistent with those established by the regional accrediting association. Compared to the standards, all the elementary schools are overstaffed, while the high school is understaffed.
- VISD does not use staffing formulas for non-instructional positions and is overstaffed in clerical positions.
- VISD lacks a well-defined maintenance staffing standard resulting in overstaffing compared to established standards and unnecessary costs to the district.
- VISD is overstaffed in custodial operations. Its internal standards are not consistent with industry standards. Furthermore, the scheduling of workers contributes to inefficiency in staffing.

SIGNIFICANT RECOMMENDATIONS

EDUCATION

- **Recommendation: Create a curriculum coordinator position with expertise in secondary education, mathematics, and science**. A curriculum coordinator with expertise in secondary education, mathematics, and science can help the district improve student performance at the secondary level.
- **Recommendation: Change the accelerated block schedule to a traditional seven periods with a zero-hour option schedule**. A traditional seven-period schedule will better meet student needs, while the zero-hour option will allow students the flexibility to take an eighth class before the start of the regular school day. A traditional schedule will result in continuity of sequential classes and make it easier for students to participate in more than one extracurricular activity at a time. This schedule will also improve coordination with the Career Development School (CDS) and make it easier for students transitioning in and out of the district.
- **Recommendation: Require all teachers to participate in classroom behavior management training and use discipline referral data to schedule follow-up skill building as needed.** By ensuring that all teachers have the skills to effectively manage their classrooms, the district will increase student engagement in learning and reduce student misbehavior.
- **Recommendation: Purchase instructional computers to meet the state standards for student-to-computer ratios and implement a replacement plan for all the district's older computers.** Purchasing instructional computers and implementing a computer replacement plan will bring VISD up to state standards and improve instruction.

ORGANIZATION AND PLANNING

- **Recommendation: Restructure the district's organization and replace the assistant superintendent positions with a deputy superintendent to strengthen accountability and efficiency.** Under the new organization, the deputy superintendent will be responsible for all instructional and student services. The Chief Financial Officer will oversee Finance and Accounting, Purchasing and Warehousing, Child Nutrition and Transportation. Plant Maintenance, Human Resources, Technology and Communications will report directly to the

superintendent. By restructuring its organization, VISD will improve its educational services and make its operational areas more accountable and efficient.

- **Recommendation: Develop a short-term plan to alleviate overcrowding at the Stroman High School Campus.** Three options to provide a short-term solution are: construct an additional stairwell to ease traffic flow of students between classes; convert Stroman into a ninth grade center and transfer tenth graders to the Senior Campus; or place additional portable buildings at the Stroman Campus. The most conservative approach, relocation of portables to the Stroman Campus, will reduce the campus utilization rate from 95.5 percent to 85 percent.
- **Recommendation: Close three elementary schools and adjust the attendance zones to achieve an optimum efficiency factor rate of 90 to 95 percent in the remaining 12 elementary schools.** Closing three schools will increase space utilization, reduce maintenance and custodial requirements, cut utility expenses, and eliminate salaries and benefits for non-instructional positions. Closing the schools and consolidating enrollment in the remaining schools will allow the district to reallocate resources to other needs.
- **Recommendation: Hire a chief of police for the district and additional security guards for the middle schools.** A chief of police will help VISD more effectively manage the safety and security needs of the district. The police chief will be able to analyze the number and severity of incidents per school to determine staffing needs, address vandalism problems in the district, supervise the security guards, oversee the School Resource Officers, and monitor and apply appropriate practices to handle disciplinary and truancy issues. The additional security guards will meet the needs of the middle schools that currently lack these services.
- **Recommendation: Create an ongoing community planning committee to engage the community and district in mutual educational improvement goals.** A community planning committee will help heal the wounds caused by the consolidation of the two high schools and reengage the community in improving the district's schools.
- **Recommendation: Create a unit in VISD to coordinate and oversee the strategic planning process and ensure that it is linked to the district's evaluation and staff development functions.** A position to oversee the strategic planning process will ensure that the process is well-organized, focused, and based on data and that the district stays focused on meeting its instructional and operational needs.
- **Recommendation: Adopt a school bus replacement policy based on age or mileage or a combination of both.** Replacement of the aging fleet will result in more efficient, safer buses.
- **Recommendation: Centralize contract management and develop comprehensive written policies and procedures to manage and monitor all contracts through the Purchasing Department.** The district should develop standards, such as dollar limits on contract legal review; a list of individuals who can obligate the district with corresponding limits of authority; and step-by-step instructions on how the contracting process works. Additionally, the Purchasing Department should manage all contracts to ensure that they are compliant with all terms and conditions as well as all policies and procedures. These practices will help protect the district from potential abuse from vendors, contractors, and district personnel.

FINANCE AND BUDGETING

- **Recommendation: The district should evaluate the proposed M&O tax rate in terms of Tier 2 funding from the state**. The board should recognize the effect of adopting a tax rate in terms of Tier 2 funding. Adopting a rate lower than the rate needed to maximize state funding results in lost revenue to the district in both local taxes and state funding. If VISD had maximized Tier 2 funding from 1998-99 through 2003-04, an additional $5.9 million would have been drawn from the state treasury. The combination of additional state and local revenue would have provided the district with the funds to address some of the district's needs for additional instructional computers, bus replacement, and competitive salaries.
- **Recommendation: Determine and define as policy an acceptable level of risk for operation of a self-funded health care plan**. The district should research and identify methods to keep the self-funded plan solvent, join the TRS ActiveCare plan, and/or conduct an expanded market search for private insurers

willing to offer a traditional health insurance product to the district. Opportunities to reduce healthcare costs may include partnering with other public entities to raise buying power and implementing disease management programs.

COMPENSATION AND STAFFING

- **Recommendation: Phase in salary adjustments for all staff categories in order to effectively recruit and retain highly qualified staff and annually evaluate district salaries against peer districts.** By increasing salaries, VISD will be in a stronger position to compete for highly qualified staff. It should remain competitive by annually comparing its salaries to peer districts and making adjustments as needed.
- **Recommendation: Develop and implement staffing standards for VISD campus administrators.** By adopting the widely accepted Southern Association of Colleges and Schools (SACS) standards, VISD can more efficiently staff its schools with principals and assistant principals.
- **Recommendation: Adopt the Southern Association of Colleges and Schools staffing standards for campus clerks and develop staffing standards for non-instructional staff.** By using staffing standards for all non-instructional staff, VISD can ensure that it is staffed based on district needs. Staffing standards provide guidance for increases and decreases in staff based on enrollment and other factors, and help districts operate efficiently.
- **Recommendation: Develop staffing formulas and reduce maintenance staffing.** The district should develop staffing formulas for its maintenance workers based on industry standards, such as those developed by the Association of Physical Plant Administrators (APPA). By using set standards, VISD can improve efficiency and reduce costs.
- **Recommendation: Revise custodial staffing formulas and develop more efficient work schedules.** The district should develop staffing formulas based on industry standards and reduce staff accordingly. Through reducing staff and revising custodial work schedules, VISD will improve efficiency.

CURRICULUM SUPPORT

VISD lacks the staff to ensure that curriculum is well developed and vertically aligned, leaving the district at a disadvantage in improving student performance. The Curriculum director is solely responsible for curriculum alignment. Volunteer teachers and principals serve on curriculum design committees for their schools. The lack of central administrative curriculum staff has limited the district's ability to adequately respond to declining student performance, especially at the secondary level.

The Texas Assessment of Knowledge and Skills (TAKS) pass rates for VISD student groups are about 80 percent at the elementary level, begin to decline in middle school, and continue to drop through high school. In 2002–03, students in grade 7 had a 63.8 percent pass rate, which declined to a low of 34.8 percent by grade 11. While a drop in TAKS pass rates at the secondary level is reflective of the state as a whole, VISD's pass rates are lower than the state and peer group rates. **Exhibit 1–1** compares VISD's 2002–03 TAKS pass rates for all students as well as by student group to its peers and the state. The percentages of VISD Hispanic and White students that passed all the tests were lower than any of its peers and the state. Pass rates for African American and economically disadvantaged students were the second lowest.

Exhibit 1–2 compares VISD 2003-04 TAKS scores to the state's scores by grade level and subject area. The district's TAKS pass rates at the secondary level were lower than the state averages.

EXHIBIT 1–1
TAKS PASS RATES FOR ALL TESTS, SUM OF GRADES 3 THROUGH 10 BY STUDENT GROUP VISD, PEER DISTRICTS, AND THE STATE 2002–03

DISTRICT	ALL STUDENTS	AFRICAN AMERICAN	HISPANIC	WHITE	ECONOMICALLY DISADVANTAGED
Wichita Falls	73.2%	54.3%	61.0%	81.2%	61.5%
Lamar Consolidated	70.8%	58.1%	61.1%	85.8%	57.9%
Tyler	68.0%	57.5%	60.8%	83.6%	59.1%
Bryan	64.8%	47.7%	56.2%	82.6%	52.8%
Victoria	64.8%	53.4%	56.0%	78.1%	56.9%
State	69.1%	55.0%	59.8%	81.4%	58.1%

SOURCE: Texas Education Agency, Academic Education Information System (AEIS), 2002–03.

Exhibit 1–3 compares VISD's 2002–03 TAKS reading/English scores to its peer districts by grade level. In general, the districts had lower TAKS pass rates at the secondary level.

In 2002–03, VISD's pass rates on the TAKS in mathematics were below its peers in grades 7 through 11. **Exhibit 1–4** shows VISD's mathematics pass rates dropped more from grade 3 to grade 11 than any peer district.

The percentage of VISD students in grades 7 through 11 who passed all portions of the TAKS was lower than the peer districts. Also, VISD's pass rates in this category declined to a greater degree from grades 3 to 11 than any of its peers **(Exhibit 1–5).**

VISD is also doing poorly in the percentage of students who take college entrance exams compared to its peers and the state average. **Exhibit 1–6** shows that, in 2002, 41.6 percent of VISD students took either the SAT or ACT, compared to a 61.9 percent state average and a 55.6 percent regional average. VISD had a lower percentage of students taking college entrance for both 2001 and 2002 than any of its peers, the state, and Region 3.

EXHIBIT 1–2
VISD AND STATE TAKS PASS RATES BY GRADE LEVEL
2003–04

GRADE LEVEL	READING/ ENGLISH		MATHEMATICS		SCIENCE		SOCIAL STUDIES		WRITING	
	VISD	STATE	VISD	STATE	VISD	STATE	VISD	STATE	VISD	STATE
3	96%	94%	92%	90%	n/a	n/a	n/a	n/a	n/a	n/a
4	86%	85%	87%	86%	n/a	n/a	n/a	n/a	92%	90%
5	83%	79%	86%	82%	74%	69%	n/a	n/a	n/a	n/a
6	84%	86%	72%	77%	n/a	n/a	n/a	n/a	n/a	n/a
7	85%	83%	67%	70%	n/a	n/a	n/a	n/a	92%	91%
8	88%	89%	60%	66%	n/a	n/a	82%	88%	n/a	n/a
9	79%	84%	42%	59%	n/a	n/a	n/a	n/a	n/a	n/a
10	61%	75%	56%	63%	59%	64%	81%	87%	n/a	n/a
11	78%	87%	78%	85%	84%	85%	96%	97%	n/a	n/a

SOURCES: Texas Education Agency, Public Education Information Management System (PEIMS), 2003–04; VISD director of Testing and Evaluation.
NOTE: N/A means the test was not given in these grades.

EXHIBIT 1–3
VISD AND PEER DISTRICTS
TAKS READING/ENGLISH PASS RATES BY GRADE LEVEL
2002–03

GRADE LEVEL	VICTORIA	BRYAN	LAMAR	TYLER	WICHITA FALLS
3	**91.3%**	90.7%	92.9%	92.3%	92.1%
4	**88.0%**	81.7%	90.6%	90.5%	87.0%
5	**83.6%**	76.4%	82.9%	83.5%	81.9%
6	**86.5%**	81.1%	88.7%	85.5%	92.6%
7	**86.4%**	86.2%	90.9%	89.6%	87.3%
8	**87.7%**	85.9%	88.7%	87.6%	90.6%
9	**78.2%**	69.4%	77.6%	78.1%	85.0%
10	**68.6%**	64.8%	69.6%	65.0%	76.4%
11	**57.3%**	53.5%	58.8%	65.2%	70.3%

SOURCE: Texas Education Agency, AEIS, 2002–03

EXHIBIT 1–4
VISD AND PEER DISTRICTS
TAKS MATHEMATICS PASS RATES BY GRADE LEVEL
2002–03

GRADE LEVEL	VICTORIA	BRYAN	LAMAR	TYLER	WICHITA FALLS
3	**93.3%**	88.7%	94.1%	90.7%	90.5%
4	**88.7%**	82.5%	94.2%	90.3%	89.0%
5	**91.1%**	82.6%	91.2%	90.6%	88.4%
6	**76.7%**	77.0%	82.0%	75.2%	90.2%
7	**67.7%**	70.7%	76.8%	76.2%	78.4%
8	**64.5%**	68.5%	73.5%	76.1%	79.9%
9	**50.9%**	60.2%	56.4%	58.4%	63.5%
10	**64.9%**	72.3%	72.7%	69.8%	72.5%
11	**54.3%**	72.7%	66.7%	62.6%	65.6%

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

EXHIBIT 1–5
VISD AND PEER DISTRICTS TAKS
ALL TESTS PASS RATES BY GRADE LEVEL
2002–03

GRADE LEVEL	VICTORIA	BRYAN	LAMAR	TYLER	WICHITA FALLS
3	87.2%	84.5%	89.9%	86.2%	85.7%
4	77.1%	67.5%	83.0%	81.0%	76.9%
5	65.9%	64.2%	70.5%	66.9%	71.8%
6	72.8%	72.0%	78.4%	70.8%	87.0%
7	63.8%	64.8%	72.4%	70.0%	72.6%
8	61.3%	65.6%	70.4%	72.0%	77.7%
9	49.4%	52.9%	52.7%	54.9%	61.6%
10	43.3%	48.2%	50.4%	44.4%	54.0%
11	34.8%	45.9%	43.4%	45.9%	46.7%

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

EXHIBIT 1–6
PERCENT OF STUDENTS TAKING SAT/ACT
VICTORIA ISD, PEER SCHOOL DISTRICTS, REGION 3, AND THE STATE
2000–01 AND 2001–02

DISTRICT	2002	2001
Wichita Falls ISD	59.5%	59.8%
Lamar CISD	59.3%	56.5%
Tyler ISD	52.1%	55.2%
Bryan ISD	48.7%	53.9%
Victoria ISD	41.6%	47.4%
Region 3	55.6%	56.6%
State	61.9%	62.9%

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

Exhibit 1–7 shows the graduation rates for VISD compared to its peers by student group. VISD had the lowest graduation rate for all students and economically disadvantaged students; the second lowest graduation rate for Hispanic students; the third lowest graduation rate for White students; and the second highest graduation rate for African American students.

Research into best practices for improving student performance shows that many public schools have coordinator positions in central administration to assist with curriculum. These positions are responsible for the design of curriculum and the development of corrective action plans for both students and teachers to improve student performance. Many districts are employing individuals with math and science backgrounds due to the large number of students scoring poorly on the math and science standardized tests.

A review of VISD's peer districts shows that many of them have support positions to improve student performance. Lamar Consolidated ISD, Tyler ISD, and Bryan ISD all have positions that assist with curriculum design. In each of these districts, these positions report to the director of Curriculum. **Exhibit 1–8** compares VISD's curriculum staffing effort to those of its peers.

VISD should hire a coordinator with expertise in secondary education, mathematics, and science to assist the director of Curriculum with developing and aligning curriculum to better prepare all students for educational success.

EXHIBIT 1–7
GRADUATION RATES BY STUDENT GROUP
VISD, PEER DISTRICTS, AND THE STATE
2001–02

DISTRICT	ALL STUDENTS	AFRICAN AMERICAN	HISPANIC	WHITE	ECONOMICALLY DISADVANTAGED
Wichita Falls	85.0%	86.7%	79.2%	85.7%	79.0%
Tyler	80.9%	78.3%	64.1%	90.1%	72.8%
Bryan	80.9%	78.0%	76.5%	84.1%	73.4%
Lamar Consolidated	80.5%	77.3%	72.1%	89.6%	73.4%
Victoria	79.5%	80.8%	68.6%	88.1%	67.9%
State	82.8%	79.8%	75.7%	88.2%	75.8%

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

EXHIBIT 1–8
COMPARISON OF CURRICULUM POSITIONS
VISD AND PEER DISTRICTS

DISTRICT	ENROLLMENT	NO. OF CURRICULUM SUPPORT POSITIONS
Lamar CISD	17,724	4 Curriculum specialists reporting to the executive director of Curriculum; also has executive director of Elementary Education and executive director of Secondary Education
Tyler ISD	17,273	1 Curriculum coordinator reporting to a director of Curriculum; also has a director of Elementary Education and a director of Secondary Education
Wichita Falls ISD	15,035	No response to peer survey
Victoria ISD	14,316	1 Curriculum director
Bryan ISD	14,104	4 Learning facilitators reporting to various executive director positions in the Instructional Services Department

SOURCE: Texas Education Agency, PEIMS, 2003-04 and district responses to peer surveys.

The fiscal impact of this recommendation, based on the average salary for VISD coordinators in the Curriculum Department, is $58,232. This estimate includes variable benefits of 2.8 percent and fixed benefits of $2,700 annually ([$54,019 x 1.028] + $2,700). The first year costs are prorated to $38,821 ([$58,232 / 12] x 8)] based on an estimated implementation date of January 2005.

BLOCK SCHEDULING

VISD's accelerated block scheduling system is not adequately meeting student needs. It interferes with testing requirements, results in a lack of continuity in academic sequential classes, and does not allow for students to participate in more than one extracurricular activity at a time. This schedule also makes it difficult for students taking courses at the Career Development School (CDS) and for students transferring to or from the district.

An accelerated block schedule divides the school day into four instructional blocks of approximately ninety minutes each and the school year into two semesters. Students take four courses per semester for a total of eight classes per year. A typical VISD teacher's schedule is to teach three courses and have one block as a planning period each semester. VISD adopted this schedule for its high school in 1994-95. **Exhibit 1–9** displays an accelerated block schedule.

EXHIBIT 1–9
ACCELERATED 4 X 4 BLOCK SCHEDULE

PERIOD	SEMESTER 1	SEMESTER 2
1	Course 1	Course 5
2		
3	Course 2	Course 6
4		
5	Course 3	Course 7
6		
7	Course 4	Course 8
8		

SOURCE: Texas Education Agency, Block Scheduling in Texas Public High Schools, 1999.

This schedule interferes with state testing requirements in that students may take the TAKS during a semester when they are receiving no related subject area instruction. This issue is especially critical given the district's poor performance on the TAKS at the high school level.

It also interferes with the timing of Advanced Placement (AP) exams. The exams are administered in May, so some students take AP exams an entire semester after completing the related courses. For example, in 2003–04, only 59 percent of the students who took AP exams were enrolled in a corresponding course that semester.

Another issue is that the accelerated block schedule forces students to take sequential academic courses at least one semester apart. Teachers spend more time reviewing the prerequisite material than if related courses were offered sequentially. For example, Algebra I is a prerequisite for Geometry, yet some students are scheduled to take Algebra I during their first semester of grade 9 and Geometry during their second semester of grade 10. **Exhibit 1–10** shows the number and percentage of students taking courses in mathematics and foreign languages at least one semester apart from 2002-03 to 2003-04. One-third to one-half of the students take math or foreign language sequential courses more than one semester apart.

The accelerated block schedule also makes it difficult for students to participate in more than one extracurricular or "co-curricular" activity per semester. The TEA defines "co-curricular activities" as those which are not essential to instruction but enhance the curriculum, including University Interscholastic League (UIL) competitions, such as one-act plays, speech, debate, and band, among others. Extracurricular activities are those that do not enhance the instructional program, including athletics, and generally involve competition between or within schools as well as related activities (such as drill team and cheerleading) that exist because of athletics. The director of Athletics stated that coaches, band directors, and choir directors

EXHIBIT 1–10
NUMBER AND PERCENT OF STUDENTS TAKING SEQUENTIAL MATHEMATICS AND FOREIGN LANGUAGE COURSES AT LEAST ONE SEMESTER APART
2002–03 AND 2003–04

	2002–03		2003–04	
COURSE	NUMBER	PERCENT	NUMBER	PERCENT
Geometry	347	30.0%	377	34.7%
Algebra II	399	52.0%	451	75.9%
Pre-Calculus	162	56.1%	142	55.5%
Calculus	52	47.7%	55	52.4%
French II	25	33.3%	26	31.0%
French III	6	19.4%	8	32.0%
French IV	0	0.0%	*	75.0%
German II	25	44.6%	21	35.6%
German III	11	100.0%	7	77.8%
German IV	*	100.0%	0	0.0%
Spanish II	42	5.5%	111	14.1%
Spanish III	91	41.9%	89	43.0%
Spanish IV	11	68.8%	20	80.0%
Latin II	22	27.8%	17	27.0%
Latin III	11	73.3%	17	70.8%
Latin IV	*	100.0%	*	100.0%

SOURCE: VISD PEIMS coordinator, April 2004.
NOTE: * These data were masked due to privacy laws.

requested that students sign up for their extracurricular/co-curricular courses both semesters to provide continuity in instruction. A student who participates in both a sport and choir would need to devote two out of four periods a day to his or her extracurricular activities, leaving only two periods a semester for academics.

The use of the accelerated block also cuts into the class time of students traveling from their home campuses to the Career Development School (CDS). The CDS cuts its class time at the beginning and end to allow for student travel time. When the district was on a traditional seven period schedule, each CDS course met for two class periods and the travel time was made up during the passing period. The CDS also loses Carl Perkins Grant funding for students enrolled in the spring semester but not the fall semester.

In addition, block scheduling interferes with coordinating transfers in and out of the district. Administrators stated that students who transfer into the district from a district using a traditional or A/B block schedule are at a disadvantage in VISD. For instance, a student would receive no credit for having completed a semester of algebra and would need to retake the entire course. Many more schools in Texas are on traditional or A/B block schedules than accelerated block schedules.

VISD's accelerated block schedule also results in a loss of the state funds allocated to districts based on average daily attendance (ADA). The schedule allows students to accumulate the 24 hours required to graduate in seven semesters, so students often graduate a semester early. For the past few years, an average of 225 VISD students have graduated early. ADA is calculated using the enrollment submitted in October and the average daily attendance submitted at the end of the school year. Students who graduate mid-year are not counted in the enrollment figure and lower the ADA because of their absence in the second semester of school. **Exhibit 1–11** shows the number of students who graduated early in VISD from 2002 through 2004. Six graduated one year early and all of the others graduated one semester early.

EXHIBIT 1–11
NUMBER AND PERCENT (BY TOTAL HIGH SCHOOL ENROLLMENT AND GRADE 12 ENROLLMENT) VISD STUDENTS GRADUATING AT LEAST ONE SEMESTER EARLY
2002 THROUGH 2004

YEAR	NUMBER	PERCENT TOTAL	PERCENT GRADE 12
2002	223	4.9%	31.9%
2003	255	5.7%	33.5%
2004	224	5.4%	29.2%

SOURCES: Texas Education Agency, AEIS, 2002-03, PEIMS 2003-04; VISD PEIMS coordinator, April 2004.

The district formed a task force to review the high school schedule in 2003–04. The task force brainstormed and ranked dilemmas caused by the current high school schedule. Three dilemmas were ranked higher than the others: students were not in a corresponding class when testing for the TAKS and AP for a particular subject; the schedule does not

provide for remediation; and all TAKS scores were below the state scores except one.

The district should adopt a traditional seven period schedule with a zero-hour option beginning in 2005-06. A zero-hour option is a class that meets before the first traditional class period and will allow those students who want to earn eight credits a year to continue to do so. To keep the community informed, the district should hold several informational meetings in various locations. The district should also develop a question and answer document and update it on a biweekly basis on the VISD web site.

By converting to a seven-period schedule, the district will be able to eliminate 32 teaching positions at the high school, resulting in an annual savings of $1,103,680 (32 positions x $34,490 salary plus benefits). The lowest range of the salary scale for teachers is $30,924. Calculating variable benefits of 2.8 percent and fixed benefits of $2,700 annually amounts to $34,490 ([$30,924 x 1.028 variable benefits] + $2,700 fixed benefits).

The reduction in the number of teaching positions is calculated by subtracting the number of teachers required to teach six of seven periods from the number of teachers required to teach six of eight periods (259 – 227 = 32). The district had 259 teaching positions in 2003–04, and each teacher taught the equivalent of six of eight periods each day. The number of teachers required to teach six of seven periods is calculated by multiplying the number of students by the number of periods scheduled, dividing by the average class size, and then dividing by the number of periods taught by each teacher (3,881 students x seven periods / 20 students per class / 6 periods taught = 226.4). The average class size was calculated by multiplying the number of students by the number of periods scheduled, dividing by the number of periods taught, and dividing by the number of teaching positions (3,881 students x eight periods scheduled / six periods taught / 259 teachers = 20).

In addition to the amount saved on teachers' salaries, ADA will be increased because there will be fewer early graduates. This will, however, be a cost to the state treasury. This will probably not have an effect until 2007–08, or two years into the traditional schedule, because current juniors and seniors may have accumulated enough credits under the block scheduling system to graduate early. **Exhibit 1–11** shows the number of early graduates for the last three years; all but six graduated one semester early. It is assumed that the six students who graduated one year early should be accelerated, so these students were taken out of the analysis. Summing the three years, subtracting the six students, and dividing the total by three gives an average number of early graduates of 232 [{(223 + 255 + 224 = 702) - 6} / 3 = 232]. Most spring semesters are between 90 and 95 days; the analysis uses 90 days. The total days of membership for 232 students is 20,880. The attendance rate for the district is approximately 95 percent, and the days in attendance are calculated by multiplying 95 percent by the total days of membership (.95 x 20,880 = 19,836). This was converted to ADA and multiplied by 0.67, or two-thirds [(19,836 / 180) x .67 = 73.83]. State funding for the district averaged $30,910,720, and refined ADA (RADA) averaged 13,213. Therefore, each student earned $2,339 ($30,910,720 / 13,213 = $2,339). Finally, multiplying the RADA per student by two-thirds of the ADA equals $172,688 (73.83 x $2,339 = $172,688), a conservative estimate of state aid gain. The net savings for 2005-06 and 2006-07 is estimated at $1,103,680 per year and in subsequent years is $1,276,368 ($172,688 +$1,103,680).

CLASSROOM MANAGEMENT

VISD does not consistently implement good classroom behavior management techniques, resulting in a high number of disciplinary incidents and disciplinary alternative education program placements. In July 2003, one director, two principals, five assistant principals, one special services counselor, and one teacher participated in a three-day classroom management program that used a trainer-of-trainers (TOT) model. TOT models are designed to teach trainers who in turn train others to implement the concepts and principles of the course. The district planned to send two elementary assistant principals in summer 2004 for the second level of this training, but had not yet developed a plan for ensuring that all teachers develop effective classroom management techniques.

Exhibit 1–12 shows that VISD had a much higher number and percentage of disciplinary incidents than its peers in 2002–03. The percentage, which was calculated by dividing the number of incidents by enrollment, does not reflect the overall percent of

EXHIBIT 1–12
NUMBER AND PERCENTAGE OF DISCIPLINARY INCIDENTS VISD AND PEER DISTRICTS
2002–03

DISTRICT	NUMBER OF INCIDENTS	PERCENT
Tyler	7,030	41.3%
Lamar Consolidated	7,477	44.2%
Wichita Falls	7,152	47.8%
Bryan	7,407	53.2%
Victoria	9,549	66.1%

SOURCES: *Texas Education Agency, PEIMS, 2002-03.*

students engaging in incidents because in many cases the same students engaged in several disciplinary incidents.

Exhibit 1–13 shows the number of disciplinary incidents from 2000–01 through 2002–03 by grade level and total figures.

EXHIBIT 1–13
VISD NUMBER OF DISCIPLINARY INCIDENTS BY LEVEL
2000–01 THROUGH 2002–03

	YEAR		
LEVEL	2000–01	2001–02	2002–03
Elementary	1,048	807	792
Middle School	5,537	5,883	5,453
High School	4,221	4,326	3,304
Total	10,806	11,016	9,549

SOURCE: Texas Education Agency, PEIMS, 2000–01 through 2002–03.

Exhibit 1–14 shows the number of disciplinary incidents by type at VISD for 2000–01 through 2002–03. Violation of student code of conduct, excluding possession, purchase, or use of tobacco products and school-related gang violence, was the most common incident. More serious incidents in which VISD students engaged in 15 or more times included: drug, tobacco, or alcohol offenses; serious or persistent misconduct while placed at the DAEP; assault or aggravated assault; and school-related gang violence.

Exhibit 1–15 shows the 10 most common disciplinary incidents and the frequency of each incident in 2002–03 for VISD and its peer districts. VISD had more incidents than its peers in seven of the top ten categories, was second highest for two categories, and was lowest for one.

VISD also has a large number of DAEP placements and expulsions compared to most of its peers **(Exhibit 1–16)**. This exhibit does not contain special education student placements. In 2002–03, VISD had the second highest number of disciplinary actions. The percentage was calculated by dividing the number of DAEP placements by the enrollment and, although it does not reflect the overall percentage of student placements because of recidivism, it does provide a measurement by which one can make comparisons.

VISD is participating in two classroom management staff development programs. One is the Classroom

EXHIBIT 1–14
VISD – NUMBER OF DISCIPLINARY INCIDENTS BY TYPE
2000–01 THROUGH 2002–03

TYPE OF INCIDENT	2000–01	2001–02	2002–03
Disruptive Behavior	209	328	319
Conduct punishable as a felony	7	*	*
Possessed, sold or used marijuana or other controlled substance	212	124	240
Possessed, sold, used or was under the influence of an alcoholic beverage	22	19	35
Abuse of glue or aerosol paint	*	0	0
Public lewdness or indecent exposure	*	*	*
Retaliation against school employee	7	0	*
Conduct occurring off campus while student is not in attendance at school-related activity for felony offenses in Title 5	0	0	*
Conduct occurring off campus while student is not in attendance at school-related activity for felony offenses not in Title 5	*	0	*
Used, exhibited or possessed a firearm	0	*	0
Used, exhibited or possessed a illegal knife	*	*	*
Used, exhibited or possessed a club	6	0	*
Used, exhibited or possessed a prohibited weapon	*	*	*
Serious or persistent misconduct violating the student code of conduct while placed in alternative education program	36	106	155
Violation of student code of conduct not included in codes 33 and 34	10,075	10,260	8,549
Criminal mischief	0	0	*
Emergency Placement/Expulsion	*	0	*
Terrorist threat	15	9	9
Assault against a school district employee or volunteer	18	13	15
Assault against someone other than a school district employee or volunteer	82	38	56
Aggravated assault against someone other than a school district employee or volunteer	7	*	20
Sexual assault or aggravated assault against a school district employee or volunteer	0	0	*
Sexual assault or aggravated assault against someone other than a school district employee or volunteer	0	*	0
Possessed, purchased, used or accepted a cigarette or tobacco product (Code 33)	81	79	79
School-related gang violence (Code 34)	14	25	48
Total	10,806	11,016	9,549

SOURCE: Texas Education Agency, PEIMS, 2000–01 through 2002–03.
NOTE: * Data is masked due to privacy requirements.

EXHIBIT 1–15
VISD AND PEER DISTRICTS
NUMBER OF DISCIPLINARY INCIDENTS BY CATEGORY
2002–03

TYPE OF INCIDENT	VISD	BISD	LCISD	WFISD	TISD
Disruptive Behavior	319	1,892	0	0	13
Possessed, sold or used marijuana or other controlled substance	240	54	81	67	36
Possessed, sold, used or was under the influence of an alcoholic beverage	35	5	12	19	20
Serious or persistent misconduct violating the student code of conduct while placed in alternative education program	155	3	7	253	0
Violation of student code of conduct not included in codes 33 and 34	8,549	5,264	6,896	6,569	6,357
Assault against a school district employee or volunteer	15	3	12	3	4
Assault against someone other than a school district employee or volunteer	56	16	34	15	7
Aggravated assault against someone other than a school district employee or volunteer	20	0	0	0	6
Possessed, purchased, used or accepted a cigarette or tobacco product (Code 33)	79	17	36	44	54
School-related gang violence (Code 34)	48	116	374	141	498
Total	9,516	7,370	7,452	7,111	6,995

SOURCE: Texas Education Agency, PEIMS, 2002–-03.

EXHIBIT 1–16
NUMBER AND PERCENT OF DAEP PLACEMENTS OR EXPULSIONS
VISD AND PEER DISTRICTS
2002–03

DISTRICT	NUMBER	PERCENT
Tyler ISD	400	2.3%
Lamar CISD	389	2.3%
Bryan ISD	516	3.6%
Victoria ISD	593	4.1%
Wichita Falls ISD	742	5.0%

SOURCES: Texas Education Agency, AEIS, PEIMS, 2002–03.

Organization and Management Program (COMP), which is a TOT program designed to help teachers create effective learning environments and in which a few district employees have been trained. The other is the Texas Behavior Support Initiative (TBSI), which is designed to enhance positive behavior interventions for all students, especially students with disabilities. Positive discipline strategies focus on increasing desirable behaviors through encouragement instead of decreasing undesirable behaviors through punishment.

The Texas Education Code 21.451 states that districts may include conflict resolution and discipline strategies, including classroom management, as part of their staff development.

VISD should adopt a classroom management policy that requires all teachers to attend classroom behavior management training that emphasizes positive discipline strategies. It should also use discipline referral data to schedule follow-up training if necessary. To accomplish this the district needs to monitor the number of disciplinary referrals by classroom. For example, the assistant director of MGC monitors the number of referrals for each teacher on a monthly basis. She uses this information to determine which teachers need additional help with developing effective intervention strategies.

AGING COMPUTERS

The district does not have the number and quality of instructional computers to support learning and has not implemented a plan for replacing district computers as they age. It has a total 3,828 computers on school campuses. Teachers and administrative staff use 1,324 of these computers. The remaining 2,504 computers are used for instruction. TEA recommends a student-to-computer ratio of four to one. According to the district's Technology Plan, VISD has a student-to-computer ratio of six to one based on a student enrollment of 14,439 and 2,504 instructional computers. The student-to-computer ratio based on the computers that are four or less years old is 11 to 1. In addition, 50 percent of the district's instructional computers are more than four years old and some are up to ten years old. An analysis of the district's computer inventory also shows that less than 25 percent of the district's instructional computers are considered new (two years old or less). Many of the computers that are older than four years may not be capable of running the instructional applications that the secondary schools are using. For example, the district's two high school libraries have some of the oldest computers in the district, making it difficult for

students to conduct Internet-based research and access their e-mail accounts. Both libraries have access to several online databases. However, these tools are underutilized due to the lack of adequate computers. It is frustrating to the librarians and students that several computers crash or are out of commission on a daily basis.

Exhibit 3-1 compares VISD student-to-computer ratios for all computers used for instruction with its peer districts. VISD has the highest student-to-computer ratio among its peers.

The MIS Department proposed a replacement cycle plan for the district's instructional computers in the summer of 2003.The plan has a four-year replacement cycle for high schools, five-year cycle for middle schools, and six-year cycle for the elementary schools. The proposed plan did not address the replacement of the non-instructional computers, and the instructional components of the plan have not been implemented.

Making technology a viable instructional tool requires schools to have sufficient numbers of computers so that each student can have full and easy access to a computer. TEA created a Long-Range Plan for Technology for 1996–2010, which set goals for the number of computers for each student in Texas classrooms. In the plan, TEA sets short-term goals for 2003–2004, mid-term goals for 2005–07, and long-term goals for 2008–2010. The plan states that school districts benefit the most by implementing and maintaining the suggested ratios of workstations to students and educators and by determining how best to deploy the workstations to ensure universal accessibility. The plan's short-term goal is a student-to-workstation ratio of four to one, while the mid to long-term goal is a student-to-workstation ratio of one to one.

VISD should purchase instructional computers to meet the state's short-term goal of one computer per four students, and it should replace the districts existing computers over a period of four years. A good quality, commercially available personal computer designed to meet educational computing needs costs approximately $1,100.

To bring the student-to-computer ratio up to state recommendations, VISD will need to purchase 1,106 computers (14,439 students divided by four equals 3,610 computers minus 2,504 existing instructional computers = 1,106). Lowering the student-to-computer ratio to four to one in four years will cost the district $304,150 annually ($1,100 x 1,106 computers = $1,216,600/4 years).

To replace the district's existing computer inventory over four years beginning in 2005-06 will cost approximately $5 million. To replace one-fourth of the district's aging computers per year will cost $1,240,800 (4,513 computers/4 years = 1,128 computers x $1,100 per computer).

Implementing this recommendation will cost the district approximately $1,544,950 annually ($1,240,800 +$304,150).

ORGANIZATIONAL STRUCTURE

VISD's organizational structure has many related functions distributed throughout the organization, which result in a lack of accountability and efficiency in accomplishing district tasks (Exhibit 2–4). The assistant superintendent for Curriculum and Instruction is responsible for most instructional functions, including curriculum, federal and state programs, general education, gifted and talented education, bilingual/English as a second language education, and special education. The assistant superintendent for School Improvement, however, is responsible for instructional staff development, instructional technology, guidance counselor and principal supervision, and Career and Technology Education. Student disciplinary hearings, health services, and truancy fall under the assistant superintendent for School Administration. This organizational structure hinders accountability and efficiency since related functions fall to several individuals.

In addition to the instructional functions mentioned above, other functions that do not have appropriate accountability due to the organizational structure include technology, purchasing/warehousing, risk management, and safety and security. Management Information Systems (MIS), which encompass all

EXHIBIT 3–1
VISD VERSUS PEER DISTRICTS
MAY 2004

DISTRICT	ENROLLMENT	NUMBER OF INSTRUCTIONAL COMPUTERS	STUDENT TO COMPUTER RATIO
Victoria	14,439	2,504	6:1
Tyler	17,096	5,200	3:1
Lamar	17,063	5,098	3:1
Bryan	13,907	5,500	3:1
Wichita Falls *	N/A	N/A	N/A

SOURCE: Peer district surveys and VISD 2004–-2006 Technology Plan, May 2004.
**No response to the peer survey.*

administrative and instructional technology responsibilities, reports to Curriculum and Instruction, while Information Technology reports to School Improvement.

The director of Plant Maintenance and Purchasing manages the district's Purchasing and Warehousing operations. Accountability over purchasing is compromised because the Purchasing functions are not independent of the organization's operations.

Risk management is under Plant Maintenance and Purchasing and not well coordinated with employee benefits nor does it have adequate oversight by the chief financial officer.

The district's organization also hinders responsibility and coordination for Safety and Security functions. The assistant superintendent for School Administration oversees the safety resource officers (SRO's), while the campus principals oversee daytime security guards. SRO's are city of Victoria police officers who provide services to the school district under a federal grant. The Plant Maintenance Department is responsible for the nighttime security guards.

Compared to its peers, VISD is the second smallest district in terms of enrollment; however, it has the highest number of assistant superintendent (executive management) positions. Lamar ISD has 17,724 students and 2 assistant superintendents; Tyler ISD has 17,273 students, 1 assistant superintendent, and a deputy superintendent; and Bryan ISD has 14,104 students and 2 assistant superintendents. Wichita Falls ISD did not respond to a request for information.

To reduce administrative expenditures, many school districts are reorganizing and eliminating layers of management. For instance, Tyler ISD restructured its organization in 2003 and eliminated 11 positions, saving the district almost $515,000 annually. In Tyler ISD, all assistant superintendent positions were eliminated and a deputy position was created and placed over all Curriculum and Instruction functions. Tyler ISD's new structure, while streamlining management, also places a stronger emphasis on instruction and consolidates the functions of Transportation, Food Services, and Purchasing under the Financial Services Department.

Exhibit 2–5 shows a proposed organizational structure for VISD.

VISD should restructure and replace the three assistant superintendent positions with a deputy superintendent. The total annual savings from implementing this recommendation is $191,301 beginning in 2005–06. The savings of implementing this recommendation includes the $294,745 savings from the elimination of three assistant superintendent positions less the $103,444 cost for the addition of the deputy superintendent position. The salary for a VISD assistant superintendent is $92,946 annually, plus annual fixed benefits of $2,700 for health insurance, and variable benefits of 2.8 percent of salary. The fiscal impact for eliminating three assistant superintendent positions is $294,745 [($92,946 x 1.028 variable benefits) + $2,700 fixed benefits] x 3 positions. The deputy superintendent position should have a starting annual salary of $98,000. The fiscal impact calculation for adding the deputy superintendent would be $103,444 [($98,000 x 1.028 variable benefits) + $2,700 fixed benefits].

VISD would strengthen accountability and improve efficiency by eliminating the three assistant superintendent positions and creating a deputy superintendent position.

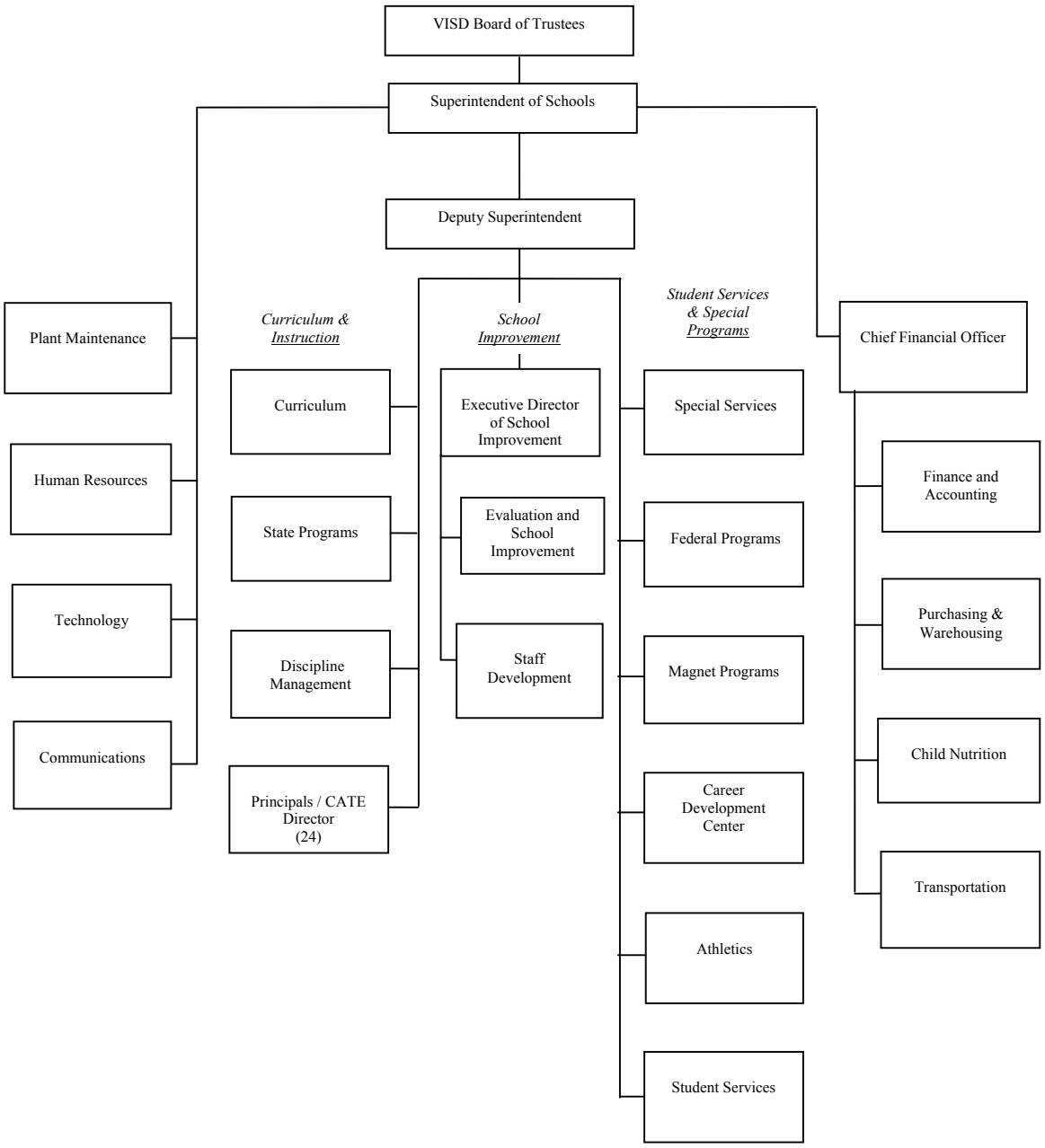
STROMAN OVERCROWDING

The consolidation of the district's two high schools into one school with two campuses and a lack of long-term plans and projections for enrollment and facility utilization has resulted in under or over utilization at almost all campuses. Memorial High School is overcrowded at the Stroman Campus with 95.5 percent capacity and underutilized at the Senior campus with 50.4 percent capacity. The Stroman Campus houses all students in grades 9 and 10, while the Senior Campus houses all students in grades 11 and 12.

The optimum efficiency factor rate used for secondary schools ranges from 70 to 85 percent as compared to the 90 to 95 percent efficiency factor applied to elementary schools. The types of classroom needs vary significantly in secondary schools, causing the efficiency factor to be reduced. Secondary school students are more mobile with traffic flow between each class period. It is possible that some instructional space will not be utilized every period due to specialized classroom needs. For example, classes such as science courses with a laboratory component, special programs, and extracurricular activities may not meet during every class period during the school day. Many of these classes are offered only at the secondary level.

In addition to exceeding capacity, the Stroman building's configuration also contributes to the problem. The building was built in 1967. The main structure is four stories. The first two stories have four stairwells, while the third and fourth stories only have two stairwells. The review team observed students during class changes at the end of the school day. The hallways and stairwells are overly congested. The school administration has taken all

EXHIBIT 2–5
VISD'S PROPOSED ORGANIZATIONAL STRUCTURE



SOURCE: Gibson Consulting Group, Inc., June 2004.

reasonable measures to help the situation, including designating stairwells as "Up Only" and "Down Only" as well as closely supervising the areas during class changes. District staff informed the review team that the Victoria Fire Department has inspected the Stroman campus and has not issued a citation for overcrowding. **Exhibit 5–1** identifies some of the capacity and safety related concerns contained in the teacher, parent, and student survey responses.

The overcrowding at the Stroman campus has contributed to disciplinary incidents among its ninth and tenth graders.

VISD should develop a short-term plan to alleviate the overcrowding at the Stroman campus. During the on-site visit, many suggestions were provided to resolve the recognized overcrowding at the Stroman campus. These suggestions ranged from constructing a ninth grade center to building a third high school

EXHIBIT 5–1
COMMENTS FROM SURVEY RESPONSES

PARENTS' SURVEYS
▪ The Stroman Campus is too crowded.
▪ Stroman Campus is overcrowded. The school was not built to handle the number of students currently attending.
▪ Stroman is dangerously overcrowded and it is not clean.
▪ I am concerned about the crowding I hear of at the high school Stroman campus.
TEACHER COMMENTS
▪ My greatest concerns are at the high school level. Students are falling behind and the environment is not conducive to learning.
▪ The freshman, sophomore campus is extremely crowded. There are not enough desks for all students.
▪ I am concerned about our 9-10 grade Stroman campus. It's overcrowded and there are problems with behavior on this campus.
STUDENTS
▪ The halls are too crowded. The stairs are so crowded that by the time you get to the floor you need to be on, you don't have enough time to go to the restroom.

SOURCE: Texas School Performance Review, VISD Survey Responses, April 2004.

campus. All of the suggestions have very broad financial and social implications and therefore should be carefully and methodically addressed through the strategic and facilities planning efforts. In the interim, VISD must take action to alleviate the recognized overcrowding problem at Stroman in order to improve the existing traffic flow problems. The three options for alleviating the Stroman campus overcrowding are presented below.

Construct an additional stairwell to ease the traffic flow of students moving between classes. Constructing an additional stairwell would provide better traffic flow and reduce the amount of time it takes students to move from class to class. However, given that this would be a temporary solution to the problem, the cost of the construction and the amount of disruption to the campus during the construction do not make this an attractive option. The construction would only intensify the overcrowding problem as it would necessitate a portion of the campus be closed to ensure the safety of students and staff. In addition, the district would have to pay for a feasibility analysis by an architect and engineer to ensure the structural integrity of the building is maintained.

Convert Stroman into a ninth grade center and transfer tenth graders to the Senior campus. Converting Stroman into a ninth grade center is a step that should be taken only after careful consideration and is not a good short-term solution. This decision will impact students, faculty, staff, and the community. The initial consolidation of the high schools was not well received and it would be a critical mistake to take major action without community support and before conducting thorough planning. This option would cause grade realignments on three different occasions in less than an eight-year span; the 2000–01 initial consolidation, this short-term solution, and the long-term solution that will probably occur in the next two to three years. This plan would require that the district add approximately five portables to the Senior campus. The capacity at Stroman ninth grade campus would drop to 49 percent, and Senior campus capacity would increase to 85 percent.

Place more portable buildings on the Stroman campus. The final option to place more portable buildings on the campus is the most viable short-term solution to the overcrowding problem at Stroman. This option would provide the most economical short-term solution. This option does not require any modifications to the school structure and would not require an architect. In order to address the specific problem of overcrowding on the upper floors of the main buildings, VISD should add enough portable buildings to bring the utilization of those classrooms down to a manageable level. The upper floors of the main building have 33 classrooms. In order to get proper student circulation/flow, only about 75 percent of these should be in use during any given period. Replacing the capacity that would be unused on the upper floor would require the addition of about 10 portable classrooms. The district has an excess of portable buildings that can be reallocated from other campuses. Five portables can be moved from the Senior campus with the remaining five being moved from the elementary schools. This option would bring the Stroman campus to the upper range of optimum capacity of 85 percent for high schools. Finally, once the district has completed its long-term planning, conducted focus groups with the community, and secured the necessary funding to implement the plan, it will be relatively easy to remove the portables once they are no longer needed.

The fiscal impact analysis is based on the most economical of the three options - keep the tenth graders at Stroman and add 10 classroom portables to the campus. Adding space at Stroman will require moving five portable buildings currently at the Senior campus and five portables from the elementary schools. The relocation of the 10 portables will entail the construction of sidewalks and canopies, installation of electrical service, and integration into the school's fire alarm and communications systems.

The cost to relocate the portables to the Stroman campus is estimated at $5,000 for each building, or an estimated total cost of $50,000.

UTILIZATION (CAPACITY) RATES OF SCHOOLS

VISD has not completed a comprehensive adjustment of school attendance zones, resulting in the underutilization of many of its schools. All elementary schools are underutilized compared to optimum efficiency factors. Operating under capacity results in inefficient staffing and increased operations costs to the district.

Optimum efficiency factors are used to determine the physical capacity of schools. The optimum efficiency factor used for elementary schools is 90 to 95 percent. The optimum efficiency factor is applied to the total student stations available at the school, resulting in a capacity reflecting the maximum enrollment that administrators can assign and principals can plan around during standard operations.

The optimum efficiency factor is reduced from 100 percent to 90 to 95 percent to account for the space requirements necessary for the unique characteristics of the education program to be housed in specific classrooms, the number of students to be accommodated, and the characteristics of those students to be accommodated. For example, the space required for a science laboratory is much different than a traditional classroom.

Exhibit 5–2 shows total capacity including portables as well as the capacity of the district's permanent structures by school. As noted in **Exhibit 5–2**, the efficiency factors of VISD elementary schools range from 49.6 to 75.4 percent of total capacity, with an average of 63.8 percent. The exhibit also notes permanent capacity ranging from 56.2 percent to 86.4 percent, with an overall average of 67.5 percent.

With utilization at only 63.8 percent, VISD is unnecessarily spending money on heating and cooling, maintaining, insuring, and staffing underutilized space. In addition to teaching professionals, each school employs administrators

EXHIBIT 5–2
FACILITY USAGE PER STUDENT FOR VISD SCHOOLS
2003–04

SCHOOLS	ENROLLMENT	PERMANENT CAPACITY	PORTABLE CAPACITY	TOTAL CAPACITY	PERCENTAGE OF STUDENT COUNT OF PERMANENT CAPACITY	PERCENTAGE OF STUDENT COUNT OF TOTAL CAPACITY
Elementary Schools						
Aloe Elementary	553	814		814	67.9%	67.9%
Chandler Elementary	591	814		814	72.6%	72.6%
DeLeon Elementary	606	858	44	902	70.6%	67.2%
Dudley Elementary	521	748		748	69.7%	69.7%
FW Gross Elementary	499	682		682	73.2%	73.2%
Guadalupe Elementary	123	176	22	198	69.9%	62.1%
Hopkins Elementary	458	792	44	836	57.8%	54.8%
Juan Linn Elementary	457	770	88	858	59.4%	53.3%
Mission Valley Elementary	209	242	110	352	86.4%	59.4%
O'Connor Elementary	583	814	154	968	71.6%	60.2%
Rowland Elementary	497	880		880	56.5%	56.5%
Shields Elementary	646	880	44	924	73.4%	69.9%
Smith Elementary	519	924		924	56.2%	56.2%
Vickers Elementary	564	748		748	75.4%	75.4%
William Wood Elementary	120	154	88	242	77.9%	49.6%
Total: Elementary Schools	**6,946**	**10,296**	**594**	**10,890**	**67.5%**	**63.8%**
Middle Schools						
Crain Middle School	1,011	1,050	250	1,300	96.3%	77.8%
Howell Middle School	1,066	1,400		1,400	76.1%	76.1%
Patti Welder Middle School	1,056	1,525	75	1,600	69.2%	66.0%
Total: Middle Schools	3,133	3,975	325	4,300	78.8%	72.9%
High Schools						
MHS – Stroman Campus	2,267	2,250	125	2,375	100.8%	95.5%
MHS – Senior Campus	1,614	3,050	150	3,200	52.9%	50.4%
Total: High Schools	**3,881**	**5,300**	**275**	**5,575**	**73.2%**	**69.6%**
All Schools						
Total: All Schools	**13,960**	**19,571**	**1,194**	**20,765**	**71.3%**	**67.2%**

SOURCE: VISD, Plant Maintenance Capacity Report, May 2004 and Texas Education Agency 2003–04 PEIMS.
NOTE: Elementary school capacities are based on 22 students per instruction space and secondary schools capacities are based on 25 students per instruction space.

and secretaries, its own crew of custodians, cafeteria managers, and kitchen staff, as well as a counselor and a librarian. **Exhibit 5–3** lists the average campus administrative and support staffing costs for elementary schools excluding teachers. Salary and benefits are based on the district's minimum salary or wage rates per position. School secretaries and kitchen staff are also staffed at each school; however, like teachers, the staffing ratios for these employees are based on enrollment or meals per labor hour. Therefore, these positions are not listed in this exhibit. The exhibit also shows the average campus 2003–04 budget expenses for VISD elementary school.

VISD should close three of the district's elementary schools and adjust the attendance zones to achieve an optimum efficiency factor rate of 90 to 95 percent in the remaining 12 elementary schools. The calculation methodology that indicates that three elementary schools could be eliminated is determined by multiplying the total permanent capacity of elementary schools of 10,296 by the 90 percent optimum efficiency factor to derive an optimum capacity of 9,266.4 students. Subtracting the current student population of 6,946 from 9,266.4, calculated as the total optimum capacity, produces an excess capacity of 2,320.4 students. The following formula is used to calculate the average optimum capacity by school: [(10,296 total capacity X 90 percent optimum efficiency factor) / 15 elementary schools = 617.76]. Dividing the calculated excess capacity number of 2,320.4 by the average optimum capacity per elementary school number of 617.8 produces a current capacity that exceeds the optimum capacity by 3.8 schools.

EXHIBIT 5–3
AVERAGE ELEMENTARY CAMPUS EXPENDITURES
2003–04

EXPENDITURE TYPE	AMOUNT
TOTAL SALARIES & WAGES	
Principal	$59,935
Assistant Principal	44,948
Counselor	45,124
School Nurse	32,325
Library Aide	12,245
Cafeteria Managers	20,259
Head Custodian	20,447
Custodians (3)	38,658
Total Salaries	**$273,941**
Contracted Services	13,466
Supplies and Materials	33,143
Other Costs	3,282
Total Operating Costs	**$49,891**
Total Costs	**$323,832**

SOURCE: VISD, Average of 2003–04 Campus Budgets for Smith Elementary and William Wood Elementary and the average salaries and wages for all elementary schools, 2003–04.

Closing three elementary schools would increase space utilization, reduce maintenance and custodial requirements, cut utility expenses, and eliminate salaries and benefits for non-instructional positions. Selling the schools and returning the property to the tax rolls would also produce savings, but because it is uncertain at this time which schools would be selected for closure, the savings cannot be determined. An alternative to selling the schools would be for the district to lease out space as offices to local government or private organizations and businesses. This alternative would provide long-term flexibility to VISD because the schools could be re-opened if future enrollments required additional facilities in the effected areas.

Because teaching staffing reductions are assumed elsewhere in this report, only the non-instructional staffing, utility, and maintenance expenses are included as savings, as shown in **Exhibit 5–3.** The fiscal impact also assumes that the district will choose to sell the three schools rather than maintain the empty buildings. Based on these assumptions, the total annual savings for this fiscal impact is $971,496 ($323,832 x 3 schools). The savings could not begin until 2005–06.

SAFETY AND SECURITY NEEDS

VISD does not adequately meet the safety and security needs of the schools, as evidenced by the high rate of disciplinary incidents and increase in criminal mischief. Various district and campus employees have safety and security responsibilities, yet some duties essential to the management of a successful safety and security program are not being performed. For example, the district is not accomplishing the following tasks: analyzing incidents by campus to equitably allocate security staff; addressing vandalism problems; supervising the security guards and the SROs; assessing the safety and security equipment and facility needs of all district schools and buildings; and monitoring and applying appropriate practices to handle disciplinary incidents and truancy.

Exhibit 6–2 shows the number of incidents in 2003–04 by school and the number of security guards and SROs at each of the schools. It shows the disparity in security services across schools.

The number of reported incidents has increased at all but one school from 2000–01 through 2003–04. Crain Middle School had the highest percentage increase in reported incidents at 52.8 percent. **Exhibit 6–3** lists each middle school and high school campus along with their respective increase or decrease in the number of incidents occurring between 2000–01 and 2003–04. During this period,

EXHIBIT 6–2
NUMBER OF SECURITY GUARDS AND RESOURCE OFFICERS PER SCHOOL
2003–04

SCHOOL	INCIDENTS	SECURITY GUARDS	SCHOOL RESOURCE OFFICERS	TOTAL
Crain Middle School	2,235	0.5	1.0	1.5
Howell Middle School	885	0.5	1.0	1.5
Patti Welder Magnet Middle School	2,070	0.5	1.0	1.5
MHS - Stroman & Senior Campuses	4,812	10.0	2.0	12.0
Mitchell Guidance Center	1,142	2.0	1.0	3.0
Profit Academic Center	30	0.0	0.0	0.0
Total	11,174	13.5	6.0	19.5

SOURCE: VISD Information Technology, 2003–04 Incidents Reported as of April 2004 and Student Support Department, and interview notes for staffing as of April 2004.

EXHIBIT 6–3
NUMBER OF INCIDENTS PER SCHOOL
2000–01 THROUGH 2003–04

SCHOOL	2000–01	2001–02	2002–03	2003–04	INCREASE/ (DECREASE)	PERCENT CHANGE FROM 2000–01 TO 2003–04
Crain Middle School	1,463	1,820	1,813	2,235	772	52.8%
Howell Middle School	1,742	1,621	1,645	885	(857)	(49.2%)
Patti Welder Middle School	1,826	1,908	1,643	2,070	244	13.4%
MHS – Stroman & Senior Campuses	N/A	N/A	3,217	4,812*	752	18.5%*
Memorial High – Stroman Campus	1,817	1,789	N/A	N/A	N/A	N/A
Memorial High – Senior Campus	2,243	2,355	N/A	N/A	N/A	N/A
Mitchell Guidance Center	1,060	1,071	660	1,142	82	7.7%
Profit Academic Center	21	51	48	30	9	42.9%
Total	10,172	10,615	9,026	11,174	1,002	9.9%

SOURCE: VISD Incidents Reported to the Texas Education Agency, 2000–01 through 2002–03 and 2003–04 incidents reported as April 2004 not yet reported to the Texas Education Agency.
*The totals for the Stroman and Senior campuses for 2000–01 were used to determine the percent change.

the district as a whole had a 10 percent increase in the number of reported incidents. It should be noted that incidents on the two high school campuses have been combined since 2002–03. Crain Middle School and Patti Welder Middle School rival the high school campuses in the number of incidents reported, yet the middle schools have fewer security guards.

Exhibit 6–4 shows the number of criminal mischief incidents reported by the Victoria County Sheriff's Department. Criminal mischief incidents are reckless or negligent damages to tangible property through fire, explosives, or other dangerous means. There has been a 71 percent increase in the district's reported criminal mischief incidents from 2001–02 through 2003–04.

Exhibit 6–5 summarizes results of staff, parent, and student survey responses to questions regarding safety and security. Every group surveyed said that vandalism, gangs, and drugs are major concerns in the district. Most groups said that school disturbances were frequent, and the students said they do not feel safe at school.

Many school districts comparable in size to VISD staff a chief of police and a security team to help ensure the safety of the students and district employees. The main responsibilities of a chief of police are to supervise security guards, oversee SROs, and manage all functions pertaining to the safety and security of students, staff, and district facilities. Tyler ISD and Wichita Falls ISD, two of VISD's peer districts, have a chief of police on staff to oversee safety and security functions.

VISD should hire a chief of police to ensure that the security guards are properly trained; establish performance measures to monitor security performance; analyze incident rates by school to determine staffing allocations; address the district gang, drug and vandalism problems; assess the safety and security equipment and facility needs of all district schools and buildings; monitor and apply appropriate practices for handling disciplinary incidents and truancy issues; and participate in district-wide prevention and intervention strategy planning and implementation. The district should also hire three additional security guards. The cost of hiring a chief of police is estimated at $60,552 annually [($56,276 salary x 1.028 variable benefits) + $2,700 fixed benefits]. The three security guard positions will cost the district $47,259 annually [($11,960 salary x 1.09139 variable benefits) + $2,700 fixed benefits x 3 positions]. In 2004–05, this recommendation will cost the district a total of $71,874 [($60,552 divided by 12 months x 8 months)

EXHIBIT 6–4
VISD CRIMINAL MISCHIEF INCIDENTS
2001–02 THROUGH 2003–04

SCHOOL / DEPARTMENT	2001—02	2002–03	2003–04
Aloe Elementary			1
Chandler Elementary		1	1
Crain Middle School	3	9	9
Dudley Elementary	3	2	5
FW Gross Elementary	2	2	
Guadalupe Elementary	1		
Hopkins Elementary	1		
Mission Elementary		1	
Juan Linn Elementary			2
O'Connor Elementary			1
Shields Elementary	3		1
Rowland Elementary		1	
Smith Elementary		1	
Vickers Elementary		1	1
Williams Wood Elementary			1
Howell Middle School	1	2	6
Patti Welder Middle School	5	6	7
MHS - Stroman Campus	6	3	10
MHS - Senior Campus	12	16	14
Mitchell Guidance Ctr.		1	1
Transportation		1	2
Maintenance	1	1	1
Profit Academic Center			2
Total	38	48	65

SOURCE: Victoria County Sheriff's Department Criminal Mischief Reports, 2001–02 through 2003–04.

EXHIBIT 6–5
RESPONSES TO SCHOOL PERFORMANCE REVIEW SURVEY

GROUP	STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE	NO RESPONSE
Students feel safe and secure at school.						
Principals	7.7%	79.5%	5.1%	7.7%	0.0%	0.0%
Parents	8.1%	51.7%	6.0%	22.7%	11.2%	0.0%
Students	5.3%	27.8%	15.5%	29.4%	21.4%	0.5%
School disturbances are infrequent.						
Principals	12.8%	59.0%	7.7%	20.5%	0.0%	0.0%
Teachers	5.5%	42.4%	3.8%	38.1%	10.2%	0.0%
Parents	8.1%	44.8%	10.6%	24.7%	11.8%	0.0%
Students	3.2%	23.0%	23.0%	29.9%	19.8%	1.15
Gangs are not a problem in the district.						
Administrators	2.6%	11.9%	19.6%	46.9%	19.1%	0.0%
Principals	0.0%	17.9%	12.8%	46.2%	23.1%	0.0%
Teachers	1.7%	14.4%	16.5%	46.2%	21.2%	0.0%
Parents	6.3%	18.7%	17.8%	34.5%	22.7%	0.0%
Students	4.8%	12.3%	11.8%	27.3%	43.3%	0.5%
Drugs are not a problem in the district.						
Administrators	0.5%	11.9%	16.5%	45.4%	25.8%	0.0%
Principals	0.0%	10.3%	2.6%	51.3%	35.9%	0.0%
Teachers	0.4%	3.8%	10.6%	55.9%	29.2%	0.0%
Parents	5.2%	18.4%	15.2%	34.5%	26.7%	0.0%
Students	5.9%	5.9%	8.6%	24.1%	54.5%	1.1%
Vandalism is not a problem in this district.						
Administrators	1.0%	16.5%	17.0%	47.4%	18.0%	0.0%
Principals	0.0%	12.8%	5.1%	59.0%	23.1%	0.0%
Teachers	0.9%	6.8%	7.6%	56.8%	28.0%	0.0%
Parents	4.0%	18.7%	21.6%	36.2%	19.5%	0.0%
Students	2.1%	4.3%	9.6%	35.3%	47.6%	1.1%

SOURCE: VISD Survey Results, April 2004.
NOTE: Totals may not add to 100 due to rounding.

assuming the positions will be filled in January 2005. The annual cost in subsequent years would be $107,811 ($60,552 + $47,259).

CONSOLIDATION ISSUE

Many community members are concerned that the district's continued focus on the high school consolidation issue has drawn attention away from other problem areas like discipline, safety, over-crowding, and educational quality throughout the district. Input received from community open houses, focus groups, interviews, and surveys indicates that many community members believe that the ongoing dissension over consolidation has interfered with the district's ability to move forward and unite the community around a common purpose. Some constituents expressed concern that teacher recruitment could be affected by prolonged conflict over this issue.

The prolonged debate over whether to accept the current arrangement and move on, or "de-consolidate" into two high schools, or build a new high school and convert Stroman to a ninth grade center has not only divided the community but has also negatively affected constituent morale and forward momentum. Parents and community advocates repeatedly voiced concern that continued focus on the consolidation issue is depriving children of the education they deserve. Community and business leaders suggested that this issue could discourage new industry, and school personnel claimed that the problem has taken too much attention away from teaching and learning. In summary, the community is concerned that the ongoing consolidation issue will continue to draw energy and focus away from what they consider to be more substantive issues, such as maintaining educational quality, solving discipline problems, improving morale, and restoring school district pride.

Other school districts with similar problems have regained community support by including them in long-term strategic planning efforts. For example, the Plainfield, New Jersey school district, which had struggled with demoralizing economic and social issues for years, was able to successfully assemble a large community planning task force of 225 people, many of whom worked on six design teams for a year and a half to hammer out a strategic plan that eventually led to the passage of a $34 million bond measure for new facilities and technology. Student attendance and parent involvement also increased, disciplinary action decreased, after-school programs and peer tutoring increased, and the schools have adopted a reform program. By involving so many people at the outset and keeping them involved over a prolonged period of time, the district created a "shared responsibility" for what happens and does not happen in its schools.

VISD should establish a community planning committee to help with establishing long-term goals for the district and resolving current issues. The community should include 30 representatives from diverse constituencies including business, educational, cultural, social and faith-based organizations. Group facilitators should be appointed, and the larger group broken into smaller task force teams for brainstorming. Teams should report to the superintendent regularly, and the superintendent should schedule similar reports to the board. While committee membership may change, the committee should continue to function. This kind of "grass-roots" process can go a long way toward engaging the community in school improvement initiatives. As time passes, the committee may narrow its focus to two or three goals per year, such as technology improvement, resource allocation, or staff development. The district should continue to enlist the support of this committee indefinitely.

STRATEGIC PLANNING

VISD's strategic planning process is not well-organized, focused, or grounded in data that supports its direction. Although district staff and the board have invested resources and energy into developing a strategic plan for the district and developed and prioritized recommendations for accomplishing the goals in the strategic plan, it has been unable to move forward in successfully implementing the plan. The district lacks a structured process for moving forward with the plan.

VISD embarked on a strategic planning process in March 2001, when the board voted to hire the Texas Association of School Boards (TASB) to facilitate a strategic planning session. The decision to embark on this process was driven in part by the board and district's desire to come to some resolution regarding the perceived dissatisfaction surrounding the consolidation of the district's two high schools. In October and November 2001, TASB conducted four days of training and facilitation for the development of the strategic plan. A group of 37 people, including all of the board members, administration, community leaders, and parents participated in the four-day session. On December 13, 2001, the board voted to adopt its strategic plan. **Exhibit 2–9** presents VISD's strategic plan.

After the board adopted the strategic plan, the administration formed seven Innovative Research Teams (IRTs) to develop recommendations for accomplishing each goal. The strategic plan does not include a goal specific to the configuration of the

EXHIBIT 2–9
VISD'S STRATEGIC PLAN

OUR VISION	
OUR STUDENTS...	
Feel safe and secure in our schools.	Have a positive vision of their future and goals to achieve that vision.
Understand and practice democratic principles.	Are problem solvers who communicate effectively and achieve success in a competitive, multicultural society.
Graduate from high school prepared for post-secondary education or a career path.	Have a passion for learning.
Appreciate culture and beauty.	Participate in activities that build pride in their schools and community.
Have a sense of belonging and pride in their schools and community.	Are kind, giving individuals who actively contribute to our community.
OUR LEARNING ENVIRONMENT...	
Stretches beyond classroom walls to serve the needs of all students.	Offers diverse programs and curricula that set the standards of excellence for the global community.
Engages home and schools as full partners in the educational process.	Is staffed and led by world-class educators with a love for learning and a level of skills second to none.
Has safe, functional, and aesthetically pleasing facilities.	Is equipped to meet the needs of all students.
IN THE SUPPORTING ENVIRONMENT...	
The community consistently celebrates the academic accomplishments of all students.	The district partners with higher education institutions to ensure that all students are prepared to continue their education.
The community expects and makes it possible for every student to graduate.	Numerous opportunities exist for students at all levels to interact with and learn from community leaders and volunteers.
The community understands the importance of and provides the resources to produce world class schools.	The community and district actively work together to share information and expectations.
We work together in good will and unity to provide a quality education.	
OUR VALUES	
WE BELIEVE THAT...	
Everyone is entitled to be treated with respect.	The family is the foundation of learning.
A supportive home environment encourages learning.	Shared moral values are a foundation for ethical behavior.
Spiritual faith provides positive moral structure in our lives.	All people are entitled to an opportunity to achieve their full potential.
Our strong work ethic fosters community prosperity and growth.	A well-educated population is vital to our future as a productive community.
Our children deserve a healthy and safe learning environment.	Every child can learn.
All children are entitled to a well-rounded educational experience that fully prepares them to succeed in life.	
OUR MISSION	
The mission of Victoria ISD, as the primary provider of public education through grade 12, is to educate students through the delivery of a comprehensive, standards-based curriculum so that our graduates become contributing members of society.	
STRATEGIC GOALS	
VICTORIA ISD HAS:	
Goal #1: A safe and secure learning environment.	Goal #2: A dynamic, highly qualified professional staff successfully teaching a real-world curriculum.
Goal #3: Campuses and facilities organized as centers of community collaboration and learning, efficiently meeting student and community needs and expectations.	Goal #4: An integrated and aligned curriculum focused on real-world applications.
Goal #5: A student body that exhibits pride in school and is fully engaged in its school and community.	Goal #6: A comprehensive program to integrate technology throughout the district.
Goal #7: Effective, open dialogue between the district and the community.	
STUDENT OUTCOMES	
By 2007, 100 percent of our students will successfully graduate from high school as evidenced by their receipt of either a high school diploma or a GED.	By 2007, 100 percent of our graduates will be either enrolled in post-secondary education or working on a career path or a combination of both.
Throughout their school years, students will work collaboratively in diverse teams to perform various tasks that require skills in teaching, leading, arriving at consensus, negotiating, speaking and listening, and thinking creatively.	By the end of the 8th grade, the student will gain basic skills in the use of e-mail, browsers, word processing, spreadsheets, presentation and other applicable software tools.

EXHIBIT 2–9 (CONTINUED)
VISD'S STRATEGIC PLAN

STUDENT OUTCOMES	
By the end of the 8th grade, the student will have a vision of their future, identified goals, and annually update their plans to achieve that vision.	By the end of the 11th grade, all students will integrate and demonstrate advanced capability with current technology tools by completion and presentation of a research project.
Students will demonstrate leadership and citizenship skills by participating in middle and high school activities/community projects and completing a service learning project.	

SOURCE: VISD Strategic Plan, May 2004, www.visd.com/links/strategic.htm.

high school, but in February 2002, the board asked the IRT to be responsible for Goal #3 and develop recommendations for reconfiguring the high school to best meet the needs of students, while also meeting community expectations. Throughout 2002, the various IRTs conducted research and developed recommendations which they reported to the board in a series of work sessions. After the IRTs completed their initial work, the board prioritized the 122 recommendations and came up with a list of 23 items. Among the top three were options for reconfiguring the high school.

In February 2003, the board formed a new committee to help administration gather data to help make a final decision on high school configuration. The new committee was named the Strategic Plan Implementation - High School Configuration Committee and met for the first time on February 17, 2003. The committee comprises three board members and representatives from administration. An original timeline set July 2003 as the month for a board vote on configuration.

At a September 18, 2003 meeting, the board held a lengthy discussion on the purpose and role of the committee and, in November 2003, voted to approve a resolution expanding the scope of the Strategic Plan Implementation - High School Configuration Committee to include a configuration study of all the districts' schools.

The strategic planning effort in VISD is not tied in with a formal evaluation mechanism and/or data to support decisions. For example, during the September 18, 2003 board meeting, board members disagreed over actual enrollment declines for the high school, with one member stating that enrollment has declined by over 600 students and another member claiming declines of only 100 to 200 students. In spite of these disagreements, a board member at this meeting stated he wanted to see a bond election for a new 3A high school, to be named after a former local educator. Furthermore, five out of seven board members interviewed by the review team stated the district's need to build a new high school in spite of the lack of demographic or other studies on enrollment patterns.

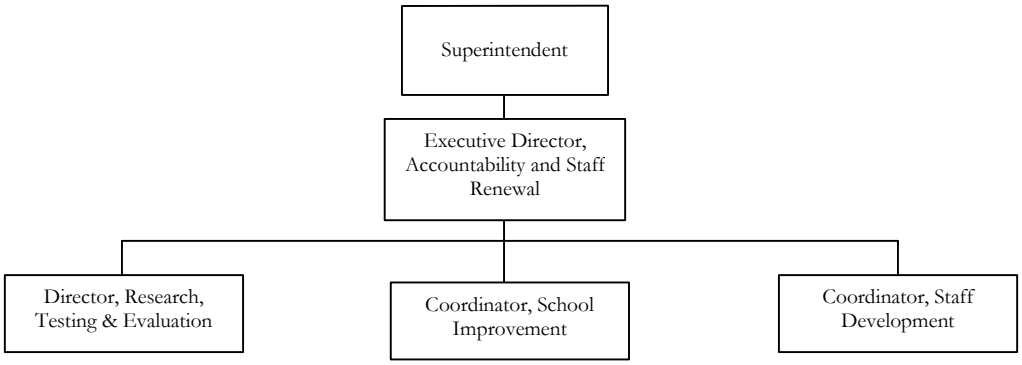
Although the district has re-stated the purpose of its Strategic Plan Implementation - High School Configuration Committee to include a consideration of all the needs in the district, interviews with board members indicate that the primary focus is still on the high school configuration.

The issue of high school configuration has become such a center of focus for the district that other critical issues are being overlooked, including technology needs, safety and security concerns, and facilities. The district has a Technology Plan in place, but the board has not developed a plan of action to implement much needed improvements in the number and condition of computers available for student use. Similarly, the district does not have a comprehensive facilities master plan to help it address its long-term needs and be better prepared to provide adequate and affordable facilities for VISD students.

In a review of processes and practices for implementing and sustaining strategic planning efforts in public schools, the review team found a best practice in use in Collier County Public Schools (CCPS) in Florida. CCPS has consolidated its long-range planning efforts with its research, evaluation, and staff development functions. CCPS's Accountability and Staff Renewal Department is depicted in **Exhibit 2-10**.

Although all departments in CCPS are responsible for and participate in the long-range planning and monitoring functions in the district, the executive director of Accountability and Staff Renewal is in charge of making sure that district staff receives adequate training on developing, implementing, and monitoring its strategic plan and overseeing and guiding the process. The executive director is also responsible for ensuring the district's long-range strategic plan is based on accurate research and data and student outcomes are included in long-range plans. The coordinator for School Improvement is responsible for ensuring that schools make proper use of their site-based decision-making committees and reviewing and approving all campus improvement plans. Finally, the coordinator for Staff Development in CCPS uses the results of the program evaluation process and the long-range

EXHIBIT 2–10
COLLIER COUNTY, FLORIDA PUBLIC SCHOOLS
DEPARTMENT OF ACCOUNTABILITY AND STAFF RENEWAL



SOURCE: Collier County, Florida Public Schools, Department of Accountability and Staff Renewal, May 2004.

planning process to develop and implement staff development for district employees.

By creating a unit to coordinate and oversee the district's planning process, the district can better focus its long-term planning and ensure that plans are based on district needs. The district should create an executive director of School Improvement position that would be responsible for overseeing long-range district planning, campus-based planning, evaluations, and staff development.

The fiscal impact for this recommendation includes the salary and benefits for an executive director position. Using VISD's salary schedule for a pay-grade 8, the salary is estimated to be $92,470 (pay-grade 8; 14-19 years experience; 262 days). Effective in 2005–06, the annual fiscal impact would be $97,759 ($92,470 base salary x $1.028 variable benefits + $2,700 fixed benefits). Assuming the recommendation is implemented in January 2005 the cost for 2004-05 would be $65,173 ($97,759/12 x 8).

BUS REPLACEMENT PLAN

VISD does not have an effective bus replacement plan. The result is that of the 79 buses in the VISD fleet inventory, 32 percent, or 25 buses, are 15 or more years old. The average age of a bus in the VISD bus fleet is 11 years, as shown in **Exhibit 10-1**.

A South Carolina study of life cycle costs for buses of a similar type to those used by VISD shows that 15 years or 250,000 service miles should be adopted as the benchmarks of the cycle for school bus replacement. This study also noted that school buses that accumulate mileage more quickly, such as the special needs school buses, should have their life cycle cost analyses based on mileage accumulation, not age. An average bus in the VISD fleet travels an average of 15,200 miles a year.

EXHIBIT 10–1
VISD ACTIVE FLEET INVENTORY
BY MODEL YEAR
2003–04

MODEL YEAR	NUMBER OF BUSES
1983	1
1985	3
1986	2
1987	6
1988	4
1989	7
1990	2
1991	15
1994	9
1995	1
1996	4
1997	4
1998	3
2001	7
2002	2
2004	9
Total Fleet	79
Average Age	11

SOURCE: VISD, Transportation Department Fleet Inventory, 2003–04.

A bus replacement guideline, such as VISD's, which is not based on age or service miles, results in a rapidly aging fleet. Older buses generally cost more to maintain. According to a report from the National Association of State Directors of Pupil Transportation Services, *School Bus Replacement Considerations*, two studies in California and Washington identified that "after 12 years of use, the annual operating cost of school buses begin to increase significantly and continued to increase each year thereafter." The report also identifies safety as an issue with older buses. Older buses do not adhere to new requirements in the Federal Vehicle Motor Vehicle Safety Standards or follow federal requirements or recommendations with respect to fuel efficiency and vehicle emissions.

Exhibit 10-2 shows the historical data for the number of buses that VISD purchased per year over the past 10 years. The data shows the district is inconsistent in the number of buses it replaces per year. The number of buses purchased per year ranges from zero to eleven. The data indicates on average four buses are added per year.

VISD placed nine new buses (Type C 77-passenger) into service in September 2003. The decision to purchase nine buses was based on the age of the fleet, the number of vehicles that were inoperable, and the rising cost to maintain and service the older buses. The current cost of a Type C 77-passenger bus is approximately $66,700. VISD defrayed some of the cost of purchasing new buses by selling nine old buses at auction for $6,475, an average of $719 per bus, in January 2004.

Comal ISD adopted a vehicle replacement plan designed to replace buses every 11 to 15 years to coincide with the average 10 to 15 year bus life cycle. The plan is designed to maintain the necessary fleet size and concurrently reduce bus hazards by replacing buses once they reach the end of their life average 10 to 15 year bus life cycle. cycle. The plan is also allows the district to stagger replacement costs.

VISD should adopt a bus replacement plan based on age or mileage, or a combination of both. **Exhibit 10-3** presents the recommended bus replacement schedule. VISD should replace nine buses a year until 2008, and in 2009, it should replace seven buses. A Type C 77-passenger bus costs about $66,700. Using this figure as a standard, purchasing five additional buses through 2008 will cost $333,500 per year ($66,700 x 5). Three additional buses in 2009 will cost $200,100 ($66,700 x 3). The fiscal impact is based on a 16-year replacement cycle that is calculated by dividing the recommended 250,000 service miles by the average annual miles per bus at VISD (250,000 miles / 15,200 miles per year = 16.4 years).

CONTRACT MANAGEMENT

VISD's contract management is not centralized and lacks comprehensive policies and procedures. The absence of such policies and procedures places the district at risk for abuse by vendors, contractors, and district personnel. Although VISD maintains a purchasing manual, is governed by state regulations, and has an adopted board policy, no comprehensive policies and procedures exist to guide the district on contracting matters.

EXHIBIT 10–2
VISD HISTORICAL BUS PURCHASES
1994–2003

YEAR SCHOOL BUS PLACED IN SERVICE	NUMBER OF REGULAR ROUTE SCHOOL BUSES	NUMBER OF SPECIAL ROUTE SCHOOL BUSES
2003	9	2
2002	0	0
2001	2	2
2000	3	0
1999	0	0
1998	4	3
1997	3	1
1996	0	1
1995	0	0
1994	9	0
Total	30	9
Average/year	3.9	

SOURCE: VISD, Transportation Department, Vehicle Maintenance System, Vehicle Expense Report, April 2004.

EXHIBIT 10–3
RECOMMENDED SCHOOL BUS REPLACEMENT SCHEDULE
BASED ON 16-YEAR REPLACEMENT POLICY

YEAR	CURRENT REPLACEMENT (4 BUSES/YEAR) BASED ON HISTORICAL DATA		ADDITIONAL BUSES TO MEET 16-YEAR REPLACEMENT SCHEDULE	TOTAL BUSES REPLACED (CUMULATIVE)
	REGULAR BUS	LIFT BUS		
2005	2	2	5	9
2006	3	1	5	18
2007	3	1	5	27
2008	3	1	5	36
2009	4	-	3	43
2010	4	-	-	47
2011–2019	28	4*	-	79

SOURCE: Gibson Consulting Group, Inc.
*NOTE: Equates to purchasing one lift bus in 2011 and 2012 and two lift buses in 2015.

The district allows each user department to enter into and manage their own contracts. The Purchasing Department manages and maintains contract files only on those contracts awarded by the board. VISD does not provide user departments and schools a written list indicating who can sign contracts nor the level at which they can obligate the district. Because the district does not manage or maintain contracts in a centralized location, VISD cannot determine the number and amount of contracts it maintains.

The user departments and schools evaluate price, terms, service, and other requirements prior to issuing a purchase order requisition. The district relies on the departments and schools to manage their own contracts without providing them process guidelines. For example, the district does not have guidelines to explain when a contract should receive a legal review. According to the Purchasing agent, the school attorney reviews contracts that are deemed complex, but it is up to user departments and schools to decide which contracts meet this definition. As a result, contracts that require a legal review may not receive it.

The review team discovered that the district does not have an executed contract with a professional services company that provided more than $120,000 worth of security services in 2002–03. A professional service contract is generally documented with a letter of agreement that states the service to be performed and the price for the service. Without contracts, the district puts itself at risk of not receiving appropriate services from its vendors. A contract's terms and conditions contain language meant to ensure the district receives contracted goods and services from vendors at the contracted price and in the specified manner.

Many school districts and other governmental entities have contract management policies and procedures that include the following:

- Required legal review of contracts above certain dollar values;
- Identification of individuals who can sign contracts and at what dollar limits; and
- Detailed description of the contract management process to departments and campuses.

For example, the University of Houston has contract management policies, procedures, and guidelines. The guideline has frequently asked questions regarding contract management, contracting forms, and other useful information regarding contracting. The information is available on the following Internet address: http://www.dt.uh.edu/facultyandstaff/contracts/index.html

The Purchasing Department should be given the responsibility to develop and manage contract management policies and procedures. At a minimum, policies and procedures should include the following: standards, such as dollar limits on contract legal review; a list of individuals who can obligate the district with their corresponding limits of authority; and step by step instructions on how the contracting process works. The Purchasing Department should manage all contracts to ensure that they are compliant with all terms and conditions as well as all policies and procedures.

TAX EFFORT

VISD's tax effort is less than the rate that maximizes state funding. The state funding formula for general operations is based on two tiers of funding. Tier 1 funding is based on the adjusted basic allotment for the district times the average daily attendance (ADA) plus weighted funding for certain student populations. These student populations include special education, compensatory education, bilingual/ESL, gifted and talented, and career and technology. The funds generated from ADA-driven funding are referred to as "Tier 1 Entitlement". The new instructional facilities allotment, public education-grant allotment, and the transportation allotment are added to block grants for the total amount of Tier 1 funding.

VISD must share in the cost of Tier 1 funding through the local share. The local share is the equivalent of a $0.86 tax rate on the prior year's values that is subtracted from the Tier 1 amount, and the difference is the state's share. Any tax effort above $0.86, up to the state maximum rate of $1.50, is used to access Tier 2 funding.

Tier 2 funding is based on the weighted average daily attendance (WADA). WADA is calculated by subtracting the transportation allotment, new instructional facilities allotment, and one half of the impact of the cost of the education index from the total Tier 1 amount, adding the set asides withheld from Tier 1, and dividing the result by the basic allotment. The education index accounts for differences in resource costs that are beyond the control of the district. The three components of the education index are: the average beginning salary of teachers in contiguous school districts, the percent of economically disadvantaged students, and district size (in terms of ADA).

The guaranteed yield is $27.14 per penny of tax effort per WADA; a district that cannot generate this

amount with local revenue receives state aid to raise it to the yield for each penny of Tier 2 tax effort. Therefore, the district generates more Tier 2 revenue when the district's tax effort is greater.

Tax effort for purposes of Tier 2 funding cannot exceed $0.64 and is limited to the lesser of the district's tax effort in the final year of the preceding biennium or to the tax effort of the current year. Tax effort is determined by subtracting $0.86 from the effective tax rate. The effective tax rate is the result of dividing the current year's M&O tax collections by the prior year's certified taxable value, multiplied by 100. In order to maximize Tier 2 funding, the effective tax rate must be $1.50 or more.

During the 2003–04 budget process, the administration provided the board with information that the district could earn an additional $333,962 in state revenue by raising the M&O tax rate two cents. The district would also earn additional revenue from the higher property tax levy. The CFO said that the district had presented similar information in prior years and that the board had elected not to increase the tax rate since 2001–02. The board members said they were aware of the district's ability to raise additional state funding, but did not want to raise taxes. In August 2004, the board members again adopted a tax rate that failed to maximize Tier 2 funding.

As a result of not maximizing the Tier 2 state funding, VISD did not receive $5.9 million in state revenue from 1998–99 through 2003–04. **Exhibit 9–1** calculates the difference in funding based on the tax effort the district applied versus the maximum tax effort allowed by the funding formula. The formula for determining the amount of unearned revenue is calculated by multiplying the difference between the maximum tax effort allowed and VISD's tax effort by the WADA, times the guaranteed yield, times 100, less the local fund assignment. The local fund assignment is the quotient of the tax base divided by 100 times the difference in tax effort.

Any increase in state funding received by school districts impacts the state budget. If VISD had maximized Tier 2 funding during this period, it would have cost the state an additional $5.9 million. If the district had maximized Tier 2 funding during this period, the combination of state and local revenues would have provided funds necessary to address some of the district's needs. For example, the district does not have enough instructional computers to support learning; 32 percent of the district's bus fleet is 15 or more years old; and VISD does not offer competitive salaries, which makes it difficult to attract and retain high quality staff.

VISD should evaluate its M&O tax rate in terms of Tier 2 funding from the state. The board should be aware of and recognize the effect of adopting the tax rate in terms of Tier 2 funding. Adopting a rate lower than the rate needed to maximize state funding results in lost revenue to the district both in local taxes and state funding.

The estimated difference in funding for current and subsequent years is presented in **Exhibit 9-2**. These calculations are based upon the following assumptions:

- The district maximizes its tax effort in 2006-07 in order to gain additional state funding in the following biennium;
- The district property values grow at $73 million a year, as per historical data; reported in the September 16, 2004 TEA near final summary of finance;
- The district's WADA remains at the level reported in the September 16, 2004 TEA near final summary of finance; and
- The state funding formula does not change.

EXHIBIT 9–1
STATE FUNDING DIFFERENCE
1998–99 THROUGH 2003–04

	1998–99	1999–2000	2000–01	2001–02	2002–03	2003–04
Maximum Tax Effort	$0.6400	$0.6400	$0.6400	$0.6400	$0.6400	$0.6400
VISD's Tax Effort	$0.6078	$0.5169	$0.5159	$0.6099	$0.6027	$0.5940
Difference	$0.0322	$0.1231	$0.1241	$0.0301	$0.0373	$0.0460
WADA	17,614.2	17,572.9	17,245.8	17,178.1	17,236.9	16,876.3
Guaranteed Yield	$21.00	$24.70	$24.70	$25.81	$27.14	$27.14
Times 100	100	100	100	100	100	100
State Funding Difference	$1,189,815	$5,341,413	$5,286,272	$1,334,842	$1,743,850	$2,105,993
Local Fund Assignment	$834,660	$3,370,890	$3,491,050	$854,605	$1,114,951	$1,390,464
Net Difference in Funding	**$355,155**	**$1,970,523**	**$1,795,222**	**$480,236**	**$628,899**	**$715,528**

SOURCE: Texas Education Agency, Summary of Finance, 1998-99 through 2003-04.

EXHIBIT 9–2
ESTIMATED STATE FUNDING DIFFERENCE
2004–05 THROUGH 2008–09

	2004–05	2005–06	2006–07	2007–08	2008–09
Maximum Tax Effort	$0.6027	$0.6027	$0.6027	$0.6400	$0.6400
VISD's Tax Effort	$0.6027	$0.6027	$0.6027	$0.6027	$0.6027
Difference	$0.0000	$0.0000	$0.0000	$0.0373	$0.0373
WADA	16,876.3	16,876.3	16,876.3	16,876.3	16,876.3
Guaranteed Yield	$27.14	$27.14	$27.14	$27.14	$27.14
Times 100	100	100	100	100	100
State Funding Difference	$0	$0	$0	$1,708,425	$1,708,425
Estimated Tax Base	$3,035,432,372	$3,108,432,372	$3,181,432,372	$3,254,432,372	$3,327,432,372
Divided by 100	$30,354,324	$31,084,324	$31,814,324	$32,544,324	$33,274,324
Local Fund Assignment	$0	$0	$0	$1,213,903	$1,241,132
Net Difference in Funding	$0	$0	$0	$494,522	$467,293

SOURCE: Texas Education Agency, Summary of Finance, 2003–04, September 16, 2004 and vendor estimates.

Because VISD did not implement this recommendation for the 2004–05 year, the district will be limited to the tax effort from 2004–05 for the next biennium. By increasing the M & O tax rate from $1.456 to $1.50 the district would see additional state revenue of $961,815 ($494,522 + $467,293); however, no savings could be realized until 2007–08.

EMPLOYEE HEALTH INSURANCE

The district has not defined an acceptable level of risk for its self-funded healthcare plan. VISD has been unsuccessful in developing effective strategies to respond to escalating health insurance costs, making it vulnerable to being unable to fully fund claims. The district has hired a third party administrator to manage and administer the plan. The premiums paid by VISD employees and the district's contributions are not sufficient to cover the cost of the plan. VISD has implemented cost controls that include, but are not limited to, the following: utilization management, a provider network, and a three-tier prescription drug plan. Despite district efforts, costs continue to escalate, placing VISD at risk of funding claims from the general operating fund balance.

Employee benefits are under the supervision of the chief financial officer, with daily oversight of the health care plan by the payroll supervisor. Two payroll clerks assist the supervisor in these duties.

The district has purchased stop loss coverage through AIG Life Insurance Company/Medical Excess. The stop loss coverage limited annual claims paid from the health insurance fund for the year ending August 31, 2003 to $150,000 for any individual (four individuals had individual stop loss coverage ranging from $235,000 to $315,000) and $8,666,000 for aggregate claims. The insurance company paid $638,159 in aggregate stop loss claims during the year ending August 31, 2003.

One risk facing any self-insured health plan is the potential of claims exceeding revenue sources, which include premium payments made by the district and employees. If the plan is under-funded, the district must transfer additional funds to pay claims.

Exhibit 11–1 illustrates the financial performance of both the health insurance fund and the workers' compensation fund from 1998–2000 through 2002–03. Twice during the period reviewed, funds from the self-insured workers' compensation fund were transferred into the health insurance fund to cover claims.

As indicated in **Exhibit 11–2**, the district has experienced a 73.1 percent increase in paid claims in 2003–04 over those reported in 1999–2000. The largest percentage increase is in prescription drugs. The three-tier prescription plan was implemented in an effort to control costs. Medical, dental, and vision claims all continue to increase. Enrollment continues to grow, with the exception of the alternate plan, which has experienced a decline of 29.7 percent.

Exhibit 11–3 summarizes the 2003–04 contribution rates for the district's health plan. The rates remained at 2002–03 levels.

As demonstrated in **Exhibit 11–4,** the cost of the health care plan has increased by 69.1 percent over the last five years, with the average cost per employee rising by 54.4 percent. As shown in **Exhibits 11–3 and 11–4,** the premium collected for employee-only coverage, which ranges from $271.67 to $322.70, does not cover the cost of the plan. The supplemental dependent coverage does not have an adequate number of participants to make up the difference.

EXHIBIT 11–1
VISD INTERNAL SERVICE FUNDS
1998–99 THROUGH 2002–03

	1998–99	1999–2000	2000–01	2001–02	2002–03	5 YEAR % CHANGE
Health Insurance Fund						
Revenues	$4,645,919	$5,087,868	$7,150,292	$6,658,422	$11,082,164	138.5%
Expenses	$5,546,345	$6,229,912	$6,679,067	$8,053,065	$9,774,232	76.2%
Surplus (Deficiency)	($900,426)	($1,142,044)	$471,225	($1,394,643)	$1,307,932	-245.3%
Interest Income	$79,626	$66,076	$38,649	$5,687	$4,693	-94.1%
Transfers in		$500,000		$900,000		
Beginning Fund Balance	$1,524,013	$703,213	$127,245	$637,119	$148,163	-90.3%
Ending Fund Balance	$703,213	$127,245	$637,119	$148,163	$1,460,788	107.7%
Workers' Compensation Fund						
Revenues	$899,972	$1,025,405	$1,492,385	$1,550,332	$1,070,156	18.9%
Expenses	$963,640	$1,075,382	$943,649	$645,278	$638,497	-33.7%
Surplus (Deficiency)	($63,668)	($49,977)	$548,736	$905,054	$431,659	-778.0%
Interest Income	$116,788	$86,974	$106,809	$49,120	$28,582	-75.5%
Transfers out		($500,000)		($900,000)		
Beginning Fund Balance	$1,116,054	$1,169,174	$706,171	$1,361,716	$1,415,890	26.9%
Ending Fund Balance	$1,169,174	$706,171	$1,361,716	$1,415,890	$1,876,131	60.5%

SOURCE: VISD, CAFR, For the Years Reported.

EXHIBIT 11–2
VISD HEALTH INSURANCE CLAIM HISTORY
1999–2000 THROUGH 2003–04

	1999–2000	2000–01	2001–02	2002–03	2003–04	5 YEAR % CHANGE
Plan Benefits Paid						
Medical Claims - Plan A	$3,016,974	$3,748,071	$5,041,807	$5,545,679	$6,279,254	108.1%
Medical Claims - Plan B	801,262	549,632	516,080	745,821	703,941	(12.1%)
Medical Claims - Alt. Plan C	41,476	29,813	30,460	26,817	19,980	(51.8%)
Dental Claims	352,095	375,674	352,307	462,817	419,002	19.0%
Prescription Claims	877,596	873,167	956,879	1,230,541	1,409,135	60.6%
Vision Claims	30,632	40,064	33,713	35,132	33,691	10.0%
Total Paid	$5,120,035	$5,616,421	$6,931,246	$8,046,807	$8,865,003	73.1%
Number of Medical Claims	18,627	23,326	22,652	28,145	29,535	58.6%
Number of Dental Claims	3,747	3,785	3,663	4,317	3,885	3.7%
Number of Vision Claims	511	575	468	619	582	13.9%
Enrollment (Medical)						
Employee – All	1,521	1,554	1,576	1,660	1,664	9.4%
Spouse	63	71	80	85	91	44.4%
Child	182	183	170	197	209	14.8%
Family	69	63	65	67	79	14.5%
Alternate Plan	629	629	611	514	442	(29.7%)
Total Enrollment	2,464	2,500	2,502	2,523	2,485	0.9%
Paid Claims by						
Employee	$3,365,669	$4,737,640	$5,727,429	$6,226,153	$7,239,239	115.1%
Spouse	421,201	429,540	693,371	1,016,519	679,835	61.4%
Child	297,783	449,243	510,646	746,176	945,929	217.7%
Total Paid	$4,084,653	$5,616,423	$6,931,446	$7,988,848	$8,865,003	117.0%
Claim Performance/Offsets						
Charges Submitted	$8,185,916	$11,100,082	$13,245,073	$17,762,941	$19,313,514	135.9%
Paid Claims	5,120,035	5,616,421	6,931,246	7,900,165	8,865,003	73.1%
Exclusions & Ineligible	3,019,695	4,127,499	4,986,169	8,136,708	8,832,621	192.5%
Major Med Deductible	425,821	498,984	436,455	486,467	473,139	11.1%
Amt Subject to Co pay	610,599	790,903	778,845	888,778	1,008,546	65.2%
COB & Medicare Savings	$ 45,148	$ 63,981	$ 30,831	$ 27,377	$ 26,638	(41.0%)

SOURCE: VISD Health Insurance Claims Report, 1999–2000 through 2003–04 Policy Years.

EXHIBIT 11–3
HEALTH INSURANCE CONTRIBUTION RATES
2003–04

CATEGORY	MONTHLY RATE	MONTHLY DISTRICT CONTRIBUTION	MONTHLY EMPLOYEE CONTRIBUTION	CONTRIBUTION FOR DEPENDENT
PLAN A ($300 DEDUCTIBLE WITH PRESCRIPTION CARD)				
Employee Only	322.70	225.00	97.70	N/A
Employee/Spouse	596.54	225.00	371.54	273.84
Employee/Children	512.26	225.00	287.26	189.56
Employee/Family	765.17	225.00	540.17	442.47
PLAN B ($500 DEDUCTIBLE, NO PRESCRIPTION CARD)				
Employee Only	271.67	225.00	46.67	N/A
Employee/Spouse	494.85	225.00	269.85	223.18
Employee/Child(ren)	425.40	225.00	200.40	153.73
Employee/Family	633.82	225.00	408.82	362.15
ALTERNATE PLAN (FOR EMPLOYEES WITH GROUP MEDICAL COVERAGE ELSEWHERE)				
Employee Only	93.07	83.07	10.00	N/A

SOURCE: VISD, Payroll Department, 2003–04.

EXHIBIT 11–4
VISD HEALTH INSURANCE PLAN COSTS
1999–2000 THROUGH 2003–04

	1999–2000	2000–01	2001–02	2002–03	2003–04	5 YEAR % CHANGE
Paid Claims	$5,120,035	$5,616,421	$6,931,246	$7,900,165	$8,865,003	73.1%
Administration Fees	178,556	358,243	207,426	228,098	225,277	26.2%
Flex Admin Fee	2,826	2,714	3,043	2,965	3,676	30.1%
PCS Admin Fee	18,353	-	-	-	-	N/A
Pre-Cert Fee	36,296	43,825	44,431	45,781	46,911	29.2%
PPO Fee	58,981	60,609	61,478	64,281	64,877	10.0%
Broker Fee	-	-	1,649	-	-	N/A
Cost Subtotal	5,415,047	6,081,812	7,249,273	8,241,290	9,205,744	70.0%
Reimbursement Stop/Loss	105,294	195,923	1,017,992	255,216	225,242	113.9%
Reimbursement Subrogation	41	62,289	-	-	-	N/A
Offset subtotal	105,335	258,212	1,017,992	255,216	225,242	113.8%
Net Cost of Plan	5,309,712	5,823,600	6,231,281	7,986,074	8,980,502	69.1%
Avg. Monthly Cost per Employee	$291.46	$312.27	$329.58	$400.85	$449.88	54.4%

SOURCE: VISD Health Insurance Claim Report, 1999–2000 through 2003–04 Plan Years.

VISD PLAN OPTIONS

The district provides two medical plan options to its employees. **Exhibit 11-5** summarizes the benefits and deductibles of each plan.

TRS ACTIVECARE PLAN

The Teacher Retirement System (TRS) offers fully insured health care plans to school districts. TRS ActiveCare plans 1, 2, and 3 are available through Blue Cross and Blue Shield of Texas in every county in the state. VISD is currently reviewing its employee benefits plan and considering options ranging from retaining to replacing the current self-funded health care plan. One option under consideration is the TRS ActiveCare plan. **Exhibit 11-6** summarizes ActiveCare benefit plans, deductibles, and premiums for 2003–04.

Each district is required to contribute a minimum of $150 per month per active TRS member. The state contributes $75 per month per active member. In addition, $500 per year in supplemental compensation is provided by the state to help offset the cost of health coverage for non-professional staff. Those serving in an administrative capacity and those receiving annual compensation for TRS purposes in excess of $50,000 (except for teachers) do not qualify for the supplemental compensation.

EXHIBIT 11–5
HEALTH INSURANCE PLAN
2003–04

	VISD $300 DEDUCTIBLE		VISD $500 DEDUCTIBLE	
BENEFIT	NETWORK	NON-NETWORK	NETWORK	NON-NETWORK
Deductible				
Individual	$300	$300	$500	$500
Family	$900	$900	$1,500	$1,500
Coinsurance (Plan Pays after Deductible)	80% Network Charges	50% Allowable Charges	80% Network Charges	50% Allowable Charges
Office Visit Co pay	$20.00	Deductible & Coinsurance	Deductible & 80% Coinsurance	Deductible & 50% Coinsurance
Emergency Room	$75 Co pay (Waived if Admitted)	$75 Co pay (Waived if Admitted)	$75 Co pay (Waived if Admitted)	$75 Co pay (Waived if Admitted)
Hospital Admission	Deductible & Coinsurance	$200 Admission Co pay, Deductible & 50% Coinsurance	$100 Admission Co pay, Deductible & Coinsurance	$200 Admission Co pay, Deductible & Coinsurance
Out-of-Pocket Maximum				
Individual	$1,000	None	$2,000	None
Family	$3,000	None	$6,000	None
Lifetime Maximum	$1,000,000	$1,000,000	$1,000,000	$1,000,000

SOURCE: VISD, Payroll Department, 2003–04.

EXHIBIT 11–6
TRS ACTIVECARE HEALTH INSURANCE PLAN
2003–04

	ACTIVECARE 1	ACTIVECARE 2		ACTIVECARE 3	
				NETWORK	NON-NETWORK
Medical					
Deductible					
Individual	$1,000	$500		N/A	$500
Family	$3,000	$1,500		N/A	$1,500
Coinsurance (Plan Pays after Deductible)	80% Network/ 60% of Non-Network Charges	80% of Network/ 60% of Non-Network Charges		85% of Network Charge	65% of Allowable Charges
Office Visit Primary/ Specialist Copay	Deductible and coinsurance	$25/$35 Deductible and Coinsurance Non-Network		$20/$30	Deductible and coinsurance
Emergency Room	Deductible and coinsurance	Deductible and coinsurance		$50 Copay (Waived if admitted)	Deductible and coinsurance
Hospital Admission	Deductible and coinsurance	Deductible and coinsurance		Coinsurance	Deductible and coinsurance
Out-of-Pocket Maximum (In addition to deductible)					
Individual	$2,000	$2,000		$1,000	$3,000
Family	$6,000	$6,000		None	None
Lifetime Maximum	Unlimited	Unlimited		Unlimited	$1,000,000
Prescription Drugs		Network	Non-Network		
Retail	Deductible and coinsurance (Discount card included.)				
Generic		$10	$10	$10	$10
Brand Copay (Formulary)		$25	$25	$25	$25
Brand Copay (Non-formulary)		$45	$45 (Patient also pays amount over network cost.)	$40	$40 (Patient also pays amount over network cost.)
Mail Order	Deductible and coinsurance (Discount card included.)				
Generic		$20	N/A	$20	N/A
Brand Copay (Formulary)		$50	N/A	$50	N/A
Brand Copay (Non-formulary)		$90	N/A	$80	N/A

Monthly Cost Note: The rates presented are for the total monthly premium year for each plan.			
	ACTIVECARE 1	ACTIVECARE 2	ACTIVECARE 3
Employee Only	$249	$331	$419
Employee Plus Spouse	$566	$753	$952
Employee Plus Child(ren)	$396	$527	$667
Employee Plus Family	$623	$828	$1,047

SOURCE: www.trs.state.tx.us/TRS-ActiveCare

As demonstrated in **Exhibit 11–3,** VISD currently pays $225 towards the monthly employee-only premium, with current employee contributions of $46.67 and $97.70 for the respective plan options. Employee-only premiums for the TRS plan are summarized in **Exhibit 11-6.** If VISD's current level of contribution continues and the district elects to join the TRS ActiveCare plan, monthly premiums paid by employees would be approximately $24, $106, and $194, respectively.

COST CONTAINMENT BEST PRACTICE

Collier County School District (CCSD) in Florida has been proactive in finding ways to keep the costs of benefits affordable. It has developed an innovative and cost-effective benefits plan. CCSD undertook a number of initiatives in its employee benefit functions to protect the district against catastrophic loss and contain costs in an environment of escalating health care costs and risk, estimating that it will be able to bring its health costs down by 30 percent. Each year, CCSD reevaluates whether its self-insurance program is more cost effective than a fully insured program. The Employee Benefits Committee reviews the cost of providing the same benefits to employees as the previous year and determines if changes to the plan must be made to ensure its financial viability.

The district's benefits committee includes representatives from all employee unions. This practice allows the unions to see the actual cost of benefits and potential cost increases and creates greater buy-in to negotiated benefits. With the help of its insurance consultant, the district has identified medical claims trends and developed strategies to reduce claims costs and further wellness among its employees.

VISD should determine and define as policy an acceptable level of risk for operation of a self-funded health care plan. The district should research and identify methods to keep the self-funded plan solvent, join the TRS ActiveCare plan, and/or conduct an expanded market search for private insurers willing to offer a traditional health insurance product to the district. Opportunities to reduce healthcare costs may include partnering with other public entities to raise buying power and implementing disease management programs.

COMPENSATION

VISD does not offer competitive salaries, making it difficult for the district to attract and retain high quality staff. While the board has increased employee salaries every year since 1995, most VISD employees remain far below the state and regional averages. Teacher pay is lower than the state average for similar school districts and its peer districts at every level of experience. As shown in **Exhibit 4-1,** VISD teacher salaries in 2003–04 (base pay plus stipends) are below the averages of its peer districts at every level of experience and can be summarized as follows:

- Beginning teachers earned 6.3 percent less than the peer average;
- Teachers with 1 to 5 years of experience earned 7.9 percent less than the peer average;
- Teachers with 6 to 10 years of experience earned 6.8 percent less than the peer average;
- Teachers with 11 to 20 years of experience earned 5.1 percent less than the peer average; and
- Teachers with 20 or more years of experience earned 7.5 percent less than the peer average.

The same situation exists in teacher pay across programs when comparing VISD to its peers. **Exhibit 4–2** presents this comparison showing that in 2003-04, with the exception of bilingual, English as a second language, and compensatory education programs, VISD was far below the peer average in terms of teacher pay by program area.

EXHIBIT 4–1
AVERAGE TEACHER SALARIES BASED ON YEARS OF EXPERIENCE
VISD VERSUS PEER DISTRICTS
2003–04

YEARS EXPERIENCE	BRYAN	LAMAR CISD	TYLER	VICTORIA	WICHITA FALLS	PEER AVERAGE**
Beginning	31,720	37,198	32,949	$31,332*	$31,884	$33,438
1 to 5	34,229	38,423	34,730	32,418	33,488	$35,215
6 to 10	35,350	40,963	36,430	34,745	36,412	$37,289
11 to 20	41,178	45,664	43,094	40,813	42,001	$42,984
20 & Over	47,709	54,734	50,196	46,868	50,021	$50,665
Average Salary	$37,904	$43,680	$40,539	$39,003	$39,903	$40,349

SOURCE: *Texas Education Agency, PEIMS, 2003–04.*

**Includes stipends, beginning base pay for VISD beginning teachers was $30,500.*

***The peer average excludes Victoria*

Central administrators, campus administrators, educational aides, professional support staff, and auxiliary staff are all paid below the average of the district's peers. **Exhibit 4–3** compares the 2003–04 average salaries of all VISD staff categories to its peer group. The average salaries for every staffing category are summarized as follows:

- The superintendent earned 9.0 percent less than the peer average; Assistant superintendents earned 0.4 percent less than the peer average;
- Central administrators, excluding superintendents and assistant superintendents, earned 5.7 percent less than the peer average;
- Campus administrators earned 12.0 percent less than the peer average;
- Teachers earned 3.0 percent less than the peer average;
- Educational aides earned 12.0 percent less than the peer average;
- Professional support staff earned 6.6 percent less than the peer average; and
- Auxiliary staff earned 3.8 percent less than the peer average.

On August 26, 2004, the board approved a substantial pay increase for all staff categories. However, the superintendent's salary has not been modified, as this requires a separate action by the board. Although the increase will bring the district closer to its peer group, it still remains below the average in most categories. With respect to non-teaching positions, the district remains below the peer average with the exception of the assistant superintendents and auxiliary personnel, who are slightly above the average. The result of the new salary increases as compared to the 2003–04 peer averages is summarized as follows:

- The superintendent still earns 9.0 percent less than the peer average;
- Assistant superintendents earn 3.4 percent above the peer average;
- Central administrators earn 1.0 percent less than the peer average;

EXHIBIT 4–2
AVERAGE TEACHER SALARY BY PROGRAM AREA
VISD VERSUS PEER DISTRICTS
2003–04

PROGRAM AREA	BRYAN	LAMAR CISD	TYLER	VICTORIA	WICHITA FALLS	PEER AVERAGE
Regular Education	$39,875	$44,879	$42,191	**$39,492**	$40,931	$41,969
Bilingual	35,357	38,987	35,401	**37,689**	35,553	36,325
Compensatory Education	38,876	44,358	39,335	**40,866**	40,764	40,833
Gifted & Talented	35,991	43,666	41,399	**38,385**	46,495	41,888
Vocational Education	41,076	47,437	40,321	**40,608**	44,211	43,261
Special Education	38,885	43,246	41,660	**39,408**	40,659	41,113
English as Second Language	38,991	42,947	37,228	**41,456**	38,145	39,328
Adult Education	35,356	38,453	N/A	**25,432**	N/A	36,905
Honors Program	38,515	43,139	38,468	**38,569**	39,150	39,818
Migrant Education	N/A	N/A	N/A	**N/A**	32,899	N/A

SOURCE: Texas Education Agency, PEIMS 2003–04.

EXHIBIT 4–3
COMPARISON OF AVERAGE SALARIES
VISD VERSUS PEER DISTRICTS
2003–04

STAFF CATEGORY	BRYAN	LAMAR CISD	TYLER	VICTORIA	WICHITA FALLS	PEER AVERAGE
Superintendent	$153,216	$157,590	$167,671	**$142,000**	$146,000	$156,119
Assistant Superintendents	$89,524	N/A	$95,000	**$92,446**	$94,000	$92,841
Central Administration	$64,887	$79,518	$73,032	**$69,013**	$75,409	$73,212
Campus Administration	$60,373	$66,393	$61,309	**$54,087**	$57,805	$61,470
Teachers *	$36,787	$42,168	$39,231	**$37,832**	$37,824	$39,003
Educational Aides	$13,621	$14,312	$14,715	**$12,317**	$13,336	$13,996
Professional Support	$43,038	$48,481	$45,800	**$42,804**	$45,932	$45,813
Auxiliary	$15,827	$18,932	$18,764	**$17,002**	$17,154	$17,669

SOURCE: Texas Education Agency, 2003–2004 Staff Salaries and FTE Counts, Totals by District, 2003—04.
** Teacher averages vary from those reported in other because these numbers are corrected from the original PEIMS submission.*

- Campus administrators earn 2.9 percent less than the peer average;
- Educational aides earn 3.4 percent less than the peer average;
- Professional support staff earns 1.7 percent less than the peer average; and
- Auxiliary staff earns 3.0 percent above the peer average.

Teachers remain below the 2003–04 peer average at every level of experience and can be summarized as follows:

- Beginning teachers earn 4.8 percent below the peer average;
- Teachers with 1 to 5 years of experience earn 4.4 percent less than the peer average;
- Teachers with 6 to 10 years of experience earn 2.8 percent less than the peer average;
- Teachers with 11 to 20 years of experience earn 0.5 percent less than the peer average; and
- Teachers with 20 or more years of experience earn 4.9 percent less than the peer average.

Exhibit 4–4 summarizes the approved increase by staff category.

To attract and retain qualified employees, a district must offer competitive salaries and benefits. Fort Worth ISD's Compensation Plan is designed to stay competitive with appropriate labor markets; reflect the levels of skill, effort, and responsibility required of different jobs; reward continued length of service; be fiscally controlled and cost effective; comply with all federal, state, and local laws and Board of Education policies; and encourage outstanding individual and team performance.

VISD should phase in salary adjustments to bring all categories of VISD employees up to the 2003–04 peer average by 2008–09 and should annually evaluate district salaries against peer districts. With the exception of the assistant superintendents and the auxiliary staff, every employee group remains below the peer average. It is assumed that the district will phase in additional salary adjustments beginning in 2005–06 and continue over the subsequent three years. The annual percent increase in salary is based on the total variance between the VISD compensation level and the average compensation level of the peer districts, with equal increases each year until VISD reaches the 2003–04 peer average. Therefore, the fiscal impact associated with implementing this recommendation has been calculated as follows:

NON-TEACHING STAFF

- The superintendent receives a 1.8 percent increase each year beginning in 2004–05 until the compensation adjustment in 2008–09 is 9.0 percent higher than the base compensation paid in 2003–04.
- Central administrators, excluding the superintendent and assistant superintendents, receive an additional 0.25 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 1.0 percent higher than the base compensation paid in 2004–05.
- Campus administrators receive an additional 0.725 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 2.9 percent higher than the base compensation paid in 2004–05.
- Educational aides receive an additional 0.85 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 3.4 percent higher than the base compensation paid in 2004–05.
- Professional support receives an additional 0.45 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 1.7 percent higher than the base compensation paid in 2004–05.
- Auxiliary staff is above the peer average in salary and will not receive a wage increase.

It will cost the district $874,383 ($2,556 + $88,716 + $174,877 + $261,037 + $347,197) over the next five years to bring salaries of non-teaching staff up to the 2003–04 peer average. **Exhibit 4–5** presents the incremental cost to the district each year.

EXHIBIT 4–4
APPROVED SALARY INCREASES
2004–05 BUDGET

STAFF CATEGORY	INCREASE
Administrators	5% Midpoint of salary
Teachers	$1,000 plus step increase (2.4%–6.9%)
Classified & Paraprofessionals	Greater of 5% Midpoint or $1,200

SOURCE: VISD, Chief Financial Officer, August 27, 2004.

EXHIBIT 4–5
INCREMENTAL FISCAL IMPACT OF NON-TEACHING SALARY ADJUSTMENTS

STAFFING CATEGORY	STAFF COUNTS	2004–05 APPROVED TOTAL SALARY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Superintendent	1.0	$142,000*	$2,556	$5,112	$7,668	$10,224	$12,780
Assistant Superintendents	3.0	$277,338	$0	$0	$0	$0	$0
Central Administration	7.9	$545,203	$0	$1,363	$2,726	$4,089	$5,452
Campus Administration	49.0	$2,650,263	$0	$19,214	$38,429	$57,643	$76,858
Professional Support	181.0	$7,747,096	$0	$32,925	$65,850	$98,775	$131,701
Education Aides	287.5	$3,541,384	$0	$30,102	$60,204	$90,305	$120,407
Auxiliary	626.0	$10,643,252	$0	$0	$0	$0	$0
Total	1,155.4	$25,546,536	$2,556	$88,716	$174,877	$261,037	$347,197

SOURCE: Gibson Consulting Group, Inc, May 2004, and Texas Education Agency, 2003-04 Staff Salaries and FTE Counts, Totals by District, 2003–04.
*Fiscal impact assumes the board does not approve a pay increase for the superintendent in current 2004–05 budget.

TEACHERS

The salary adjustment for teachers was calculated based on the number of years of experience as compared to the peer districts. More than half of VISD's teachers have more than 10 years of teaching experience, making the fiscal impact of increasing teacher pay significant.

- Beginning teachers receive an additional 1.26 percent increase beginning in 2005-06 until the compensation adjustment in the fifth year is 4.8 percent higher than the base compensation paid in 2004–05.
- Teachers with between 1 and 5 years experience receive an additional 1.1 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 4.4 percent higher than the base compensation paid in 2004-05.
- Teachers with between 6 to 10 years experience receive an additional 0.7 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 2.8 percent higher than the base compensation paid in 2004-05.
- Teachers with between 11 to 20 years experience receive an additional 0.125 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 0.5 percent higher than the base compensation paid in 2004–05.
- Teachers with more than 20 years experience receive an additional 1.225 percent increase beginning in 2005–06 until the compensation adjustment in the fifth year is 4.9 percent higher than the base compensation paid in 2004–05.

It will cost the district $3,179,032 ($317,903 + $635,806 + $953,709 + $1,271,614) over the next five years to bring teacher salaries up to the 2003–04 peer average. **Exhibit 4–6** presents the incremental cost to the district each year.

The five-year fiscal impact for implementing this recommendation is $4,053,415 ($874,383 + $3,179,032). This fiscal impact does not consider any subsequent increases in the average peer salary.

STAFFING STANDARDS

VISD's staffing standards for principal and assistant principal positions are not consistent with those established by the Southern Association of Colleges and Schools (SACS), the regional accrediting association. Compared to SACS standards, all the VISD elementary schools are overstaffed with assistant superintendents, while the high school Stroman campus is understaffed.

VISD's staffing standards assign a principal to every school and allocate elementary school assistant principals at 1 per 400 students and secondary school assistant principals at 1 per 500 students. SACS recommends an assistant principal for every 263 students at the elementary level and an assistant principal for every 249 students at the secondary

EXHIBIT 4–6
INCREMENTAL FISCAL IMPACT OF TEACHING SALARY ADJUSTMENTS

YEARS EXPERIENCE	STAFF COUNTS	2004–05 APPROVED TOTAL SALARY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Beginning	49.9	$41,588,417	$0	$19,061	$38,122	$57,183	$76,244
1 to 5	223.3	$7,519,810	$0	$82,718	$165,436	$248,154	$330,872
6 to 10	171.2	$6,204,309	$0	$43,430	$86,860	$130,290	$173,721
11 to 20	255.9	$10,941,183	$0	$13,676	$27,353	$41,029	$54,706
20 & Over	269.4	$12,981,037	$0	$159,018	$318,035	$477,053	$636,071
Total	969.7	$39,234,735	$0	$317,903	$635,806	$953,709	$1,271,614

SOURCE: Gibson Consulting Group, Inc, May 2004, and Texas Education Agency, 2003-04 Staff Salaries and FTE Counts, Totals by District, 2003–04.

level. According to the SACS standards, the high school is overstaffed by one assistant principal at the Senior campus and understaffed by four assistant principals at the Stroman campus. The SACS standards use a higher student to staff ratio for assigning elementary school principal and assistant principals than does VISD. At the elementary schools the district has a total of 26 principal/assistant principal positions, however, SACS recommends 13.5, a difference of 12.5. The SACS standard for high schools adds an assistant principal for every 250 students more than 1,500 as needed, whereas VISD's staffing standard allocates one assistant superintendent for every 500 students. Compared the to SACS standard, Stroman is understaffed by four assistant principal positions.

SACS accredits more than 12,000 public and private institutions, from pre-kindergarten through the university level, in more than 11 states in the Southern United States, including Texas, and Latin America. Member institutions are accredited through one of three SACS commissions: the Commission on Colleges, the Commission on Secondary and Middle Schools, and the Commission on Elementary and Middle Schools. The standards represent a common core of expectations that help develop and maintain quality schools.

Exhibit 2–6 shows the SACS standards for elementary, middle, and high school principals and assistant principals.

Exhibit 2–7 presents the staffing standards of VISD.

Exhibit 2–8 compares VISD's 2003–04 staffing levels to those established by SACS. The review team conducted the analysis by combining principal and assistant principal positions to determine a total staffing level standard. In doing so, overall staffing for principal and assistant principal positions in VISD schools is shown to be understaffed by 3 positions at the high school level, overstaffed at the middle school level by 1.5 positions, and overstaffed by 12.5 positions at the elementary school level.

By aligning its campus leadership staffing standards with the SACS recommended standards, VISD can eliminate 12.5 elementary school assistant principals and 1.5 middle school assistant principals and add 3 high school assistant principal positions. The fiscal impact is estimated by using average salaries for assistant principals, $44,949 for elementary positions, $47,538 for middle school positions, and $52,711 for high school positions. Variable benefits of 2.8 percent of base salary and annual fixed benefits of $2,700 are also included. Eliminating 12.5 elementary school assistant principal positions results in a savings of $611,345 ([$44,949 average salary x 1.028 variable benefits] + $2,700 fixed benefits x 12.5 positions). Eliminating 1.5 middle school assistant ([$47,538 average salary x 1.028 variable benefits] + $2,700 fixed benefits x 1.5 positions). Adding three assistant principal positions at the high school campuses results in a cost of $170,661 ([$52,711 average salary x 1.028 variable benefits] + 2,700 fixed benefits x 3 positions). The total fiscal impact of this recommendation is a net savings of $518,038 ($611,345 + $77,354 - $170,661) beginning in 2005–06.

EXHIBIT 2–6
SACS ACCREDITATION STANDARDS FOR CAMPUS PRINCIPALS AND ASSISTANT PRINCIPALS

ENROLLMENT	PRINCIPAL	ASSISTANT PRINCIPAL
ELEMENTARY SCHOOL STAFFING STANDARDS		
1–263	0.5	0.0
264–439	1.0	0.0
440–659	1.0	0.0
660–879	1.0	0.5
880–1,099	1.0	1.0
1,100–1,319	1.0	1.5
1,320–up	1.0	2.0
MIDDLE SCHOOL STAFFING STANDARDS		
1–249	1.0	0.0
250–499	1.0	0.5
500–749	1.0	1.0
750–999	1.0	1.0
1,000–1,249	1.0	1.5
1,250–1,499	1.0	2.0
1,500–up	1.0*	2.0*
HIGH SCHOOL STAFFING STANDARDS		
1–249	1.0	0.0
250–499	1.0	0.5
500–749	1.0	1.0
750–999	1.0	1.5
1,000–1,249	1.0	2.0
1,250–1,499	1.0	2.5
1,500–up	1.0*	2.5*

SOURCE: Southern Association of College and Schools Checklist of Standards for the Accreditation of Elementary Schools, 2001–02; Southern Association of Colleges and Schools Additional Standards Unique to Middle Schools, 2001–02; Southern Association of Colleges and Schools High School Accreditation Standards, 2000.
NOTE: Plus one FTE where needed for each 250 students over 1,500.

EXHIBIT 2–7
VISD STAFFING STANDARDS FOR CAMPUS PRINCIPALS AND ASSISTANT PRINCIPALS

	ALLOCATIONS		
POSITION	**ELEMENTARY SCHOOLS**	**MIDDLE SCHOOLS**	**HIGH SCHOOL**
Principal	1 per campus*	1 per campus	1 oversees MHS (both the Senior and Stroman campuses)o
Assistant Principal	1 per every 400 students	1 per every 500 students	1 per every 500 students
Associate Principal	N/A	N/A	1 per each campus

SOURCE: VISD Staffing Guidelines, Human Resources Department, January 31, 2002.
** NOTE: Exception is William Wood and Guadalupe Elementary Schools, each having 0.5 principal positions.*

EXHIBIT 2–8
CAMPUS ADMINISTRATION
VISD VERSUS SACS STANDARDS
2003–04

CAMPUS	ENROLLMENT	PRINCIPAL/ASSISTANT PRINCIPAL		
		VISD	SACS	OVER (UNDER)
Memorial High – Senior	1,614	4.5	3.5	1.0
Memorial High – Stroman	2,267	5.5	9.5	(4.0)
Total	3,881	10.0	13.0	(3.0)
Crain Middle	1,011	3.0	2.5	0.5
Howell Middle	1,066	3.0	2.5	0.5
Patti Welder Middle	1,056	3.0	2.5	0.5
Total	3,133	9.0	7.5	1.5
Aloe Elementary	553	2.0	1.0	1.0
Chandler Elementary	591	2.0	1.0	1.0
Dudley Elementary	521	2.0	1.0	1.0
FW Gross Elementary	499	2.0	1.0	1.0
Guadalupe Elementary	123	0.5	0.5	0.0
Hopkins Elementary	458	2.0	1.0	1.0
Juan Linn Elementary	457	2.0	1.0	1.0
DeLeon Elementary	606	2.0	1.0	1.0
Mission Valley Elementary	209	1.0	0.5	0.5
O'Connor Elementary	583	2.0	1.0	1.0
Rowland Elementary	497	2.0	1.0	1.0
Shields Elementary	646	2.0	1.0	1.0
Smith Elementary	519	2.0	1.0	1.0
Vickers Elementary	564	2.0	1.0	1.0
William Wood Elementary	120	0.5	0.5	0.0
Total	6,946	26.0	13.5	12.5
Grand Total	13,960	45.0	34.0	11.0

SOURCE: VISD staffing counts, Business and Finance Department, April 2004 as compared to SACS standards.
NOTE: SACS standards do not apply to alternative and specialized schools, so Mitchell Guidance Center, Profit Academic Center, and Coleto Creek Elementary were not included in this table.

STAFFING FORMULAS

VISD does not use staffing formulas for non-instructional positions and compared to the Southern Association of Colleges and Schools (SACS) standards is overstaffed in the number of clerks.

Based on research and best practices in effective schools SACS developed standards presenting a common core of expectations to help districts develop and maintain quality schools. **Exhibits 4–7, 4–8,** and **4–9** present the SACS accreditation standards for campus clerical positions in elementary, middle, and high schools, respectively.

Exhibit 4-10 compares VISD's non-federally funded clerical staffing counts to SACS staffing standards. As this chart shows, VISD high schools are overstaffed by 15 positions. VISD middle schools are overstaffed by 9 positions, and the elementary schools are overstaffed by 13.5 positions.

EXHIBIT 4–7
SACS ACCREDITATION STANDARDS
FOR CAMPUS CLERICAL STAFF
ELEMENTARY SCHOOLS

ENROLLMENT	SECRETARY/CLERKS
1-263	0.5
264-439	1.0
440-659	1.0
660-879	1.5
880-1,099	1.5
1,100-1,319	2.0
1,320-up	2.0

SOURCE: Southern Association of Colleges and Schools Checklist of Standards for the Accreditation of Elementary Schools, 2001-02.

EXHIBIT 4-8
SACS ACCREDITATION STANDARDS FOR CAMPUS CLERICAL STAFF MIDDLE SCHOOLS

ENROLLMENT	SECRETARY/CLERKS
1–249	0.5
250–499	1.0
500–749	1.5
750–999	1.5
1,000–249	2.0
1,250–499	2.0
1,500–up	2.0

SOURCE: Southern Association of Colleges and Schools Checklist of Standards for the Accreditation of Elementary Schools, 2001-02

EXHIBIT 4-9
SACS ACCREDITATION STANDARDS FOR CAMPUS CLERICAL STAFF HIGH SCHOOLS

ENROLLMENT	SECRETARY/CLERKS
1–249	1.0
250–499	2.0
500–749	3.0
750–999	3.5
1,000–1,249	4.0
1,250–1,499	4.5
1,500–up	4.5

SOURCE: Southern Association of Colleges and Schools Checklist of Standards for the Accreditation of High Schools, 2001–02.

EXHIBIT 4-10
VISD NON-FEDERALLY FUNDED CAMPUS STAFF COUNTS VERSUS SACS STANDARDS 2004

CAMPUS	ENROLLMENT	CAMPUS CLERICAL STAFF		
		VISD	SACS	OVER (UNDER)
Memorial High - Senior	1,614	12.0	4.5	7.5
Memorial High - Stroman	2,667	12.0	4.5	7.5
Total	**4,281**	**24.0**	**9.0**	**15.0**
Crain Middle	1,011	5.0	2.0	3.0
Howell Middle	1,066	50	2.0	3.0
Patti Welder Middle	1,056	5.0	2.0	3.0
Total	**3,133**	**15.0**	**6.0**	**9.0**
Aloe Elementary	553	2.0	1.0	1.0
Chandler Elementary	591	2.0	1.0	1.0
Dudley Elementary	521	2.0	1.0	1.0
FW Gross Elementary	499	2.0	1.0	1.0
Guadalupe Elementary	123	1.0	0.5	0.5
Hopkins Elementary	458	2.0	1.0	1.0
Juan Linn Elementary	457	2.0	1.0	1.0
DeLeon Elementary	606	2.0	1.0	1.0
Mission Valley Elementary	209	1.0	0.5	0.5
O'Connor Elementary	583	2.0	1.0	1.0
Rowland Elementary	497	2.0	1.0	1.0
Shields Elementary	646	2.0	1.0	1.0
Smith Elementary	519	2.0	1.0	1.0
Vickers Elementary	564	2.0	1.0	1.0
William Wood Elementary	120	1.0	0.5	0.5
Total	**6,946**	**27.0**	**13.5**	**13.5**
Grand Total	**14,360**	**66.0**	**28.5**	**37.5**

SOURCE: Staffing standards established by the Southern Association of Colleges and Schools, 2000 and 2002; VISD staffing counts by location, VISD Business Office, April 2004.

VISD should adopt staffing standards for non-instructional staff. The district will reduce the number of campus clerical staff by 37.5 positions and save $738,289 annually. At the high school level, the district will save $297,906 ([$16,693 average salary x 1.028 variable benefit rate] + $2,700 fixed benefit rate x 15 positions). It will save $180,011 at the middle school level ([$16,830 average salary x 1.028 variable benefit rate] + $2,700 fixed benefit rate x 9 positions). At the elementary level, the district saves $260,372 ([$16,135 x 1.028] + $2,700 fixed benefit rate x 13.5 positions). Assuming that these savings will begin in January 2005, the district will save $492,193 in the first year ($738,289/ 12 months x 8 months).

MAINTENANCE STAFFING

VISD lacks a well-defined maintenance staffing standard or formula. As a result, VISD 's maintenance staffing levels exceed established standards by more than eight percent, resulting in unnecessary costs to the district. The district does not plan to reduce staff hired to perform a portion of the 1997 bond project that is virtually complete. The director of Plant Maintenance and Purchasing informed the review team that the bond work will be completed in fall 2004, and staff funded by bond money will then be paid through local funds to perform on-going maintenance work.

Exhibit 5–15 lists the current maintenance staff and compares VISD staffing to standards established by the Association of Physical Plant Administrators (APPA). APPA is a national organization that focuses on facilities staffing and operations for educational facilities.

The Plant Maintenance staff also performs after-hour security duties in addition to normal maintenance work. The district staff informed the review team that the maintenance staff works evenings and weekends driving from campus to campus to deter vandalism. The department has been performing this task for approximately two years. The district does not have a security department. They contract with the City of Victoria Police Department for the services of five police officers that work at the two high school campuses and the three middle schools during school hours. Security guards are hired from private companies for the high schools and middle schools and, like the police officers, these guards work during school hours. In addition, many of the campuses do not have security systems.

The historical trend from 1998–99 through 2002–03 for maintenance costs relating to in-house work in comparison to contracted services is shown in **Exhibit 5–16**.

A closer look at the data in **Exhibit 5–16** identifies trends at odds with the perceptions of staff. The district's costs from 1998–99 through 2002–03 for contracted services relating to maintenance operations have remained the same while in-house expenditures have continued to increase. Maintenance salaries and wages for the past five years increased by 32.8 percent. Insurance and bonding costs also increased substantially each year, with a five-year increase of 211.7 percent. The Plant Maintenance staff that was interviewed informed the review team that the district has increased its self-performance workload and reduced reliance on outsourcing. Although there is a reduction in contracted services, as seen in the exhibit below, the decrease is due to professional services. Professional services are related to architectural and engineering costs. Contracted maintenance and repair costs remained the same while the miscellaneous costs have increased by 45.5 percent in the past five years.

Another concern, beyond the cost implications of an internal delivery approach, is that some of the functions may be performed by unlicensed workers, may void warranty work on recent construction projects, may involve hazardous materials that would expose the employee and the district to health risks,

EXHIBIT 5–15
VISD MAINTENANCE PERSONNEL VS. APPA STANDARDS 2001–02

DEPARTMENT	# OF PERSONNEL **	APPA STANDARDS	RECOMMENDED STAFFING	EXCESS (DEFICIENT)
Grounds (includes 2 furniture movers and 1 garbage collector)	23	*	23	0
Electrical (includes an audio visual repairer)	6	1:380,000 GSF	5	1
Air Conditioning	11 (including 2 filter changers and 2 energy management employees)	1:450,000 GSF	4	7
Plumbing	3	1:390,000 GSF	5	(2)
Construction	24	1:200,000 GSF (Carpenters) 1:500,000 GSF (General Maintenance) 1:200,000 GSF (Painters)	10 4 10	0
Welders	1	*	1	0
Work order clerk	1	*	1	0
Vehicle shop	3	*	3	0
Mechanics	3	*	3	0
Total	75		69	6

SOURCE: VISD, Plant Maintenance Department and Association of Higher Education Facilities Officers (APPA).
**These positions do not have established standards. For this comparison, the actual number of positions was treated as the standard.*
*** Numbers include both licensed and non-licensed employees.*

EXHIBIT 5–16
VISD SELECTED ACTUAL EXPENDITURES PER STUDENT COMPARISON OF IN-HOUSE EXPENDITURES WITH CONTRACTED SERVICES RELATED TO MAINTENANCE 1998–99 THROUGH 2002–03

OBJECT CODE	1998–99	1999–2000	2000–01	2001–02	2002–03	PERCENT CHANGE FROM 1997–98 TO 2002–03
Costs Associated with Performing Work In-house						
Salaries & Wages	$305.41	$340.47	$360.45	$383.95	$405.60	32.8%
Insurance and Bonding Costs	9.31	10.47	10.36	21.34	29.02	211.7%
Total In-house Costs	**$314.72**	**$350.94**	**$370.81**	**$405.29**	**$434.62**	**38.1%**
Percent Change		11.5%	5.7%	9.3%	7.2%	
Costs Associated with Contracted Services						
Professional Services	$10.66	$8.87	$0.63	$0.40	$1.62	(84.8%)
Contracted Maintenance and Repair	34.66	39.07	31.11	32.90	34.96	0.9%
Miscellaneous Contracted Services	5.67	6.22	6.73	7.56	8.25	45.5%
Total Contracted Services *	**$50.99**	**$54.16**	**$38.47**	**$40.86**	**$44.83**	**(12.1%)**
Percent Change		6.2%	(29.0%)	6.2%	9.7%	

SOURCE: Texas Education Agency, PEIMS Function 51 All Funds, 2002–03.
** VISD's contracted services are understated because some contracted services expenditures relating to preventive maintenance are recorded as miscellaneous other operating costs.*

may involve accidents that will increase the district's workers' compensation claims, and may involve substantive construction projects for which the district does not have adequate engineering or construction supervisory expertise.

Midland ISD completed an analysis of staffing requirements for handling ordinary facilities repair and maintenance needs. In this analysis, the district determined the number and frequency of specialized work orders and the typical peak workload times. Based on this analysis, the Plant Maintenance Department maintains a small core maintenance staff to meet ongoing facilities repair and maintenance needs, and contracts with private companies during unexpected and peak workloads and for specialized jobs. This practice helps the district avoid significant staff downtime and reduces payroll cost.

VISD should develop staffing formulas for its maintenance workers based on objective industry standards such as those developed by APPA, on peer comparison analysis, and on identified district needs. Staffing should be reduced to meet the objective standards. The departmental work processes, job descriptions and educational credentials, management tools, and accountability should be studied in-depth to realign processes with a customer feedback program. The review team uses the APPA standards in calculating this fiscal impact. Savings will consist of salaries as well as fixed and variable benefits. Fixed benefits consist of health insurance with a $2,700 contribution. Variable benefits consist of: Medicare (1.45%), workers' compensation (7.289%), and retirement (0.4%) for a total of 9.139 percent of total salaries. The implementation of this recommendation will result in the elimination of six maintenance positions, resulting in an annual savings of $185,880. The calculation for this impact is: [$155,472 salaries ($25,912 x 6) + $14,208 ($155,472 x 9.139%) + $16,200 ($2,700 x 6) = $185,880. This calculation assumes that the district will begin to reduce staff by January 2005 for a total first year savings of $123,920 [($185,880 / 12 months) x 8 months].

CUSTODIAL STAFFING / WORK SCHEDULES

VISD is overstaffed in custodial operations, staffing formulas do not match industry standards, and the scheduling of workers is inefficient. This overstaffing of custodial positions and the inefficient scheduling of workers costs VISD funds that could otherwise be allocated to other needs.

The staffing formula used by VISD has been in place since the 1980s. VISD staff stated that the current formula is referred to as the "A&M formula." A copy of the formula, without any reference to its origin, was provided to the review team. The formula appears on two pages photocopied from a small pamphlet. By observation, the formula appears to have been typed on a typewriter and appears to date back to the 1980s. Regardless of its origin, the formula is outdated and no longer a relevant standard for school districts in Texas and nationwide. The A&M formula provides that each custodian is assigned an area based on the following factor based formula:

- Number of campus teachers divided by eight;
- Number of campus students divided by 225;
- Number of campus classrooms divided by 11;
- Campus square footage divided by 15,000;
- Acreage of campus divided by two; and

- Add total factors, divide by five, multiply by eight, and divide by eight for the number of custodians per campus.

As shown in **Exhibit 5–17**, the district does not completely follow its own staffing formulas. Even though the district has excessive staffing levels, many principals complain about a lack of custodial staff due to the following:

- Vandalism occurring in the high schools and middle school restrooms;
- Inadequate, minimal, or obsolete janitorial equipment;
- Custodians are assigned lunchroom duty; and
- Transferring poor performing custodians from other campuses.

In 2003–04, VISD employed 150 custodians. **Exhibit 5–17** shows current staffing levels and allocations based on VISD standards and recognized industry standards.

The staffing formula used by the district shows that the district needs approximately 159 custodians total, while the industry standard formula recommends a total of 102 custodians, a difference of 57. The district currently employs 150 custodians; however, several of these custodians work part-time. The district has a total of 143 full-time equivalents, which is a difference of 40.76 from the industry standard total.

Interviews with principals and head custodians revealed that the district is experiencing significant numbers of vandalism incidents in the high school and middle school bathrooms. Examples of vandalism are graffiti, throwing rolls of toilet paper or paper towels in toilets, and yanking paper towel or toilet paper dispensers from the wall. The vandalism occurring in bathrooms and efforts to use custodians to deter this behavior partially explain why the schools overstaff custodians at the high schools and middle schools. Bathrooms have to be cleaned more frequently at these campuses, thereby requiring more day-shift staff at these campuses.

The head custodians interviewed by the review team stated they needed more positions because they do not have adequate time after school hours to thoroughly clean the facilities. The district has two shifts for custodians and the shift times vary by campus. The morning shift for most campuses starts at 7:00 a.m., with some employees working four hours and others eight hours per day. The second shift begins at some campuses at 10:00 a.m. and 11:00 a.m. at others. The second shift employees work until 7:00 p.m. Two head custodians are assigned to each high school campus and each of the three middle schools. One head custodian works the morning shift while the other works the second shift. Most custodians work the second shift. District staff that was interviewed stated that second shift custodians come in at 11:00 a.m. to assist with cafeteria duty, which includes disposing of trash, cleaning tables, and mopping spills. The custodians are not responsible for cleaning the kitchens; this responsibility is assigned to the Food Services staff.

The scheduling of second shift custodians during the school day adversely affects productivity. Head custodians at two schools said not much cleaning is done while kids are there. Custodians must clean hallways and bathrooms at least twice a day because of constant student use and vandalism throughout the day.

San Angelo ISD maximizes the efficiency of the custodial staff through scheduling. At the high schools and middle schools, one custodian typically works from 6:00 a.m. to 3:00 p.m., one custodian works from 9:00 a.m. to 6:00 p.m., and the other custodians work from 2:00 p.m. to 11:00 p.m. At the elementary schools, typically one custodian works a split shift from 7:00 a.m. to 12:00 p.m. and 4:00 p.m. to 7:00 p.m., and the remaining custodians work from 12:00 p.m. to 9:00 p.m. By arranging the custodial schedules in this way, the district maximizes the efficiency of the custodial staff by allowing most of the custodians to work after school hours while, at the same time, always having at least one custodian working during school hours.

The Association of School Business Officials (ASBO) publishes standards for custodial operations. The ASBO standard is 20,000 GSF per custodian. Using this standard, the district is overstaffed by a substantial number of positions. VISD's peer districts have successfully implemented custodial standards at 19,000 to 20,000 GSF per custodian, as illustrated in **Exhibit 5–18**.

The district should develop staffing formulas based upon objective industry standards and use those formulas to immediately reduce staff. In addition, the custodial supervisor and head custodians should develop more efficient work schedules with more cleaning after school. The practice of using custodians to monitor halls and restrooms should be discontinued. The district should consider using employees in the workers' compensation return-to-work program to cover hall and bathroom monitoring. Using limited duty employees to perform these jobs will allow the custodians more time to concentrate on cleaning schools. Another benefit of assigning these employees to perform hall and bathroom monitoring duties is to deter vandalism.

EXHIBIT 5–17
VISD CUSTODIAL STAFFING
2003–04

SCHOOL	CURRENT CUSTODIANS	PERMANENT AND PORTABLE AREA (GSF)	TOTAL CUSTODIANS REQUIRED PER VISD STANDARD	TOTAL CUSTODIANS REQUIRED PER INDUSTRY STANDARD (1 PER 19,000 GSF)	DIFFERENCE BETWEEN CURRENT CUSTODIANS AND CUSTODIANS REQUIRED PER INDUSTRY STANDARD (1 PER 19,000 GSF) OVER/(UNDER)
Aloe Elementary	4.50	59,563	5.76	3.13	1.37
Chandler Elementary	5.50	72,681	5.40	3.83	1.67
DeLeon Elementary	5.00	59,773	4.80	3.15	1.85
Dudley Elementary	5.50	65,429	4.98	3.44	2.06
FW Gross Elementary	4.00	48,514	4.17	2.55	1.45
Guadalupe Elementary	1.50	22,305	2.08	1.17	0.33
Hopkins Elementary	5.00	64,383	6.73	3.39	1.61
Juan Linn Elementary	5.00	56,117	4.28	2.95	2.05
Mission Valley Elementary	2.00	27,151	2.87	1.43	0.57
O'Connor Elementary	6.00	66,321	5.37	3.49	2.51
Rowland Elementary	6.00	65,724	5.17	3.46	2.54
Shields Elementary	5.50	67,286	5.52	3.54	1.96
Smith Elementary	5.50	61,220	5.00	3.22	2.28
Vickers Elementary	5.00	62,272	4.92	3.28	1.72
William Wood Elementary	2.00	22,418	2.18	1.18	0.82
Crain Middle School	12.00	127,282	9.04	6.70	5.30
Howell Middle School	8.00	135,904	8.99	7.15	0.85
Patti Welder Middle School	13.00	103,592	11.18	5.45	7.55
MHS – Stroman	16.00	259,563	24.80	13.66	2.34
MHS – Senior	17.00	204,786	7.00	10.78	6.22
Athletic Ag Bldg & Port Bldg	3.00	86,382	2.64	4.55	(1.55)
Career Development School	2.00	75,600		3.98	(1.98)
Coleto Creek	1.00	8,876	1.00	0.47	0.53
Mitchell Guidance Center	2.00	24,154	1.42	1.27	0.73
Profit Academic	2.00	19,658	2.00	1.03	0.97
Administration	3.00	38,200	5.51	2.01	0.99
Athletic Office	*	768	2.64	0.04	(0.04)
Family Connection	*	4,860		0.26	(0.26)
Hope School	*	5,040		0.27	(0.27)
Maintenance	3.00	23,500	3.00	1.24	1.76
Transportation	*	3,200		0.17	(0.17)
Total	150.00	1,942,522	158.45	102.24	47.76
Full-time Equivalent Adjustment	(7.00)				
Total Full-time Equivalent	143.00			102.24	40.76

SOURCE: VISD, Plant Maintenance Department, May 2004 and Association of School Board Officials (ASBO) Custodial Standards.
** The three custodians noted by Maintenance also clean these areas.*
NOTE: The Association of School Business Officials (ASBO) standards are 20,000 square feet per custodian; however, the review team is using 19,000 square feet to compensate for the inadequate equipment, age of buildings, and vandalism problems experienced by the district.

Exhibit 5–17 indicates that VISD is overstaffed by 41 custodial positions (143 current full-time equivalents – 102 industry standard). The review team used 19,000 instead of the recommended industry standard 20,000 GSF because it took into consideration problems the district is experiencing with vandalism and the poor quality of the janitorial equipment. The analysis does not round custodial positions at the school level, assuming an efficient organization. As discussed earlier in the chapter, 12 custodian positions would be eliminated with the closing of three elementary schools. Therefore, to be conservative, this fiscal impact reduces the number of custodians to eliminate from 41 to 29 employees (41 custodians overstaffed – 12 custodians eliminated with the closing of three schools).

Efficient districts proactively use schedules to increase efficiency of custodial staff and regularly assign staff to multiple locations. While complete efficiency may not be feasible, VISD should be able to eliminate most of the excess positions. Savings will consist of salaries as well as fixed and variable benefits. Fixed benefits consist of health insurance with a $2,700 contribution. Variable benefits consist of: Medicare (1.45%, workers' compensation (7.289%), and TRS (0.4%) for a total of 9.139 percent of total salaries. Eliminating 29 positions from the custodial staff will save VISD $551,986 per

EXHIBIT 5–18
PEER DISTRICTS CUSTODIAL STAFFING STANDARDS
2003–04

SCHOOL DISTRICT	CUSTODIAL STAFFING STANDARD
Bryan ISD	20,000*
Lamar CISD	20,000
Tyler ISD	19,000

SOURCE: Bryan ISD, Lamar ISD, and Tyler ISD, May 2004.
* Bryan ISD uses the Texas Association of School Business Officials recommended gross square feet; however, it modifies it based on the type of programming and after school use of the facility.

year. These costs are calculated by assuming an average annual salary of $14,966 per position. Annual benefits amount to $4,068 per position ($1,368 variable benefits +$2,700 insurance). Total annual salary is $19,034 ($14,966 salary + $4,068 benefits). Total savings is achieved through 29 positions at $19,034 per position ($19,034 x 29 = $551,986). The savings for 2004–05 will not begin until January 2005 for a first year savings of $367,991 [($551,986 total annual savings / 12 months) x 8 months = $367,991)].

GENERAL INFORMATION

- Victoria ISD covers approximately 605 square miles and is located in the "Golden Crescent" of Texas, surrounded by Houston, Austin, San Antonio, and Corpus Christi.
- The district's enrollment has decreased by 2.3 percent over the last five years.
- In 2003-04, VISD employed 2,123.8 full time equivalents (FTEs), including 969.7 teachers.
- VISD's schools and administrative and support facilities encompass a total capacity of 2 million square feet.
- Based on the passing criteria identified by the Texas Education Agency (TEA) for the 2002–03 statewide assessment, VISD scored 64.8 percent, compared to the state average of 69.1 percent.
- The Texas Education Agency (TEA) rated VISD as 'Academically Acceptable' in 2003–04. Nine of the district's elementary schools achieved a Recognized rating and all the secondary schools were Academically Acceptable.
- VISD is served by the Education Service Center Region VI.
- VISD consolidated its two high schools into one school with two campuses (a ninth and tenth grade campus and an eleventh and twelfth grade campus). This consolidation has resulted in overcrowding at one school and underutilization at the other, and remains an issue that divides the community.
- In August 2004, the board approved a significant pay increase for all employees without determining how the district would pay for the salary increase.
- Senator Kenneth L. Armbrister and Representative Geanie Morrison represent the Victoria ISD geographical area.

SCHOOLS

- Fifteen elementary schools
- Three middle schools
- Three high schools (1 regular and 2 alternative)

ALTERNATIVE EDUCATION PROGRAMS

- Mitchell Guidance Center, the district's alternative education program
- Profit Academic Center for Success, school of choice for high school students at risk of dropping out

2003-04 STUDENT DATA

- 14,316 students enrolled
- 53 percent Hispanic
- 37.4 percent White
- 8.4 percent African American
- 0.3 percent Native American
- 0.9 percent Asian/Pacific Islander
- 53 percent economically disadvantaged

2003-04 FINANCIAL DATA

- Total budgeted expenditures: $89,982,427
- Fund Balance: 15 percent of 2002-03 budgeted expenditures
- The total 2003 tax rate: $1.5535 ($1.456 Maintenance and Operations and $0.0975 Interest and Sinking). The recently adopted total tax rate for 2004 remains at $1.5535.

2003-04 PERCENT SPENT ON INSTRUCTION

- Of the total budgeted expenditures, VISD spent 55.1 percent on instruction, which is higher than the state average of 50.4 percent. Looking at operating expenditures only (excluding debt service and bond repayment), VISD spent 58.5 percent on instruction, which is higher than the state average of 56.6 percent.

The following table summarizes the fiscal impact of all 102 recommendations contained in the report.

FISCAL IMPACT

	2004-05	2005-06	2006-07	2007-08	2008-09	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
Gross Savings	$1,247,588	$5,154,021	$5,163,454	$5,355,058	$5,392,943	$22,313,064	$2,157
Gross Costs	($1,508,064)	($4,013,201)	($4,506,088)	($4,910,151)	($5,180,816)	($20,118,320)	($435,323)
Total	($260,476)	$1,140,820	$657,366	$444,907	$212,127	$2,194,744	($433,166)