

Summary

Performance Review of the Brownsville Independent School District

BACKGROUND

The Texas School Performance Review (TSPR) is State Comptroller strategy for promoting better elementary and secondary education in Texas through improved school district management and cost efficiency. Through the TSPR Comptroller's Office has found many ways that school districts could increase the funds available for direct instructional services by maximizing the efficiency of instructional support and administrative functions.

The Brownsville Independent School District (BISD) and four other school districts joined the list of TSPR participants in 1994. BISD and the 15 other TSPR districts reviewed by the Comptroller represent a cross section of the geographic and demographic characteristics of Texas school districts. However, the BISD's student demographics are unique. Nearly all BISD students are Hispanic, four out of five are economically disadvantaged and one-third have limited English proficiency. Thus, nearly one-half of the teaching (on a full-time equivalency basis) is done in special programs.

In January 1994, the Comptroller contracted with MGT of America, Inc. to perform the management and performance review of BISD. An overview of the approach and timing of MGT's review is shown in Exhibit A.

ACKNOWLEDGMENTS

MGT wishes to thank the BISD Board of Trustees, Superintendent Esperanza Zendejas, and many school district employees, students and community residents who provided information as the review team prepared for and conducted on-site activities. MGT gives special thanks to the district for providing meeting room facilities, equipment and helpful staff to accommodate the reviewers' on-site needs. MGT also thanks the entire staff of the Comptroller's Office in Brownsville for use of their facilities and for assistance during the public input phase of the review.

SUMMARY RESULTS

The recommendations identified in this review represent savings opportunities of \$1.6 million in fiscal year 1995 and \$23.4 million in total savings opportunities through 1999. Due to this report being released late in the school district budget cycle, savings in the first year are limited. Savings opportunities rise in the second year of the report, fiscal year 1996, to \$5.85 million or 3.2 percent of the current annual school district operating budget.

The recommendations also include investment opportunities of \$564,000 in fiscal year 1995, one-time investment opportunities of \$453,000 and total investment opportunities of \$4.5 million by 1999. The savings opportunities are conservative and should be considered the minimum savings that can be realized if the recommendations and investment opportunities are implemented.

The total cumulative net savings (savings less investments) from all recommendations for BISD are expected to exceed \$18.5 million by fiscal year 1999.

EXHIBIT A
BISD MANAGEMENT AND PERFORMANCE REVIEW MAJOR
ACTIVITIES BY MONTH

MONTH	MAJOR ACTIVITIES
January 1994	Contract signed between MGT and the Comptroller of Public Accounts
February 1994	Conducted initial meetings between MGT and officials of BISD and the Comptroller's Office
	Designed surveys of BISD principals, teachers and students
	Designed interview and focus group instrument
	Obtained existing reports and material on BISD
February and March 1994	Analyzed existing reports and material and on BISD obtained from the district state
	Conducted and analyzed results of surveys of BISD principals, teachers and students
	Conducted and summarized findings from interviews with BISD school board

members and community leaders, and from focus group sessions with selected groups

March and April 1994	Conducted on-site audit using tailored guidelines to reflect unique local conditions and public, employee and student input and concerns
	Analyzed data collected on-site
April information needed and May 1994	Collected and analyzed additional information needed
	Developed draft report
staff and	Reviewed draft report with Comptroller's revised
June and July 1994	Presented final findings and recommendations for the BISD management performance review

An exhibit representing the total savings and costs associated with the recommendations of this report is provided at the end of this executive summary. A large number of recommendations throughout this report do not have a direct financial implication, but nevertheless represent important improvements over current policies and operating practices. The reader is urged to consult the full text of the report which contains all of the recommendations.

The TSPR is a management and performance review and not a financial audit. Therefore, it was not within the scope of this project to conduct a comprehensive and detailed examination of the BISD's fiscal records and past financial transactions.

It is important to note that this executive summary focuses on major opportunities to improve BISD management and operations. There is no intent to diminish the importance of the numerous commendations contained in this report that recognize the many exemplary activities and programs within BISD. Several of these are listed below:

EXEMPLARY PROGRAMS AND PRACTICES IN BISD

- The BISD Superintendent maintains several positive vehicles of communication with the Board of Trustees. Board meeting agenda packages clearly communicate background, fiscal implications and

recommendations for each agenda item. The Superintendent meets regularly with board members and uses a voice mail system to improve communications between the administration and board members. In addition, a comprehensive weekly report is sent to each board member.

- The district implemented an Accountability Plan to improve student performance, especially at 19 low performing schools. The Plan includes three district wide initiatives: Saturday Academies, a Homework Hotline and additional instructional monitoring at each school.
- Through federal grant funds, BISD operates two Family Centers four evenings per week. The Family Centers offer professional services, counseling and support groups at no cost to BISD residents.
- BISD broadcasts 24 hours per day on a cable television station. The broadcasts have drawn national attention for innovation in educational programming. The broadcasts also provide an excellent means of communicating information to the Brownsville community.
- The HOSTS (Help One Student To Succeed) tutoring program at two BISD elementary schools has produced exceptional academic improvement among fourth grade students. The program is expanding and training 600 volunteer reading tutors.
- The BISD Finance Department provides on-line account balance information to campuses and departments at the detailed account code level.
- The district installed an integrated payroll/purchasing system, replacing the inefficiency of two separate systems. ... BISD replaced its telephone system with one that will save the district about \$6,000 per month.
- The BISD's Food Services Department has received numerous state, regional and national awards. Most recently, the department has been recognized for innovative and creative practices, nutrition promotion and education and overall program excellence. The department provides free meals to all students. However, through effective management of federal revenues, local sales and operating costs, the department operates profitably each year.
- Lopez High School and Porter High School are recent recipients of Innovative Education Grants from the TEA. Each year, about 300 schools throughout the state apply for these grants, but only about 20 are selected for grant awards. The additional grant funding is used to support innovative practices to improve the academic achievement of low-performing students.
- The BISD Health Services Department helps prevent additional student absenteeism by treating and returning to their classes 78

percent of the students processed through the nurses' offices in schools.

- BISD implemented one of the first comprehensive programs in Texas to serve student students with dyslexia. Computer-assisted instruction is an integral part of this program.
- By using parent volunteers instead of adding personnel, the BISD has saved countless dollars while increasing the level of parental participation in the schools.

MAJOR FINDINGS AND CONCLUSIONS

Unique Demographics - The student demographics of the BISD are unique. Nearly all students are Hispanic; 81 percent are economically disadvantaged; 34 percent have limited English proficiency, and many new immigrants from Mexico arrive in Brownsville each year. All school age students who reside in Brownsville are entitled to public school education regardless of their immigration status.

Comparative Expenditures - BISD most frequently compares itself with five other Texas school districts: Corpus Christi ISD, El Paso ISD, Laredo ISD, Northside ISD and Socorro ISD. In the most recent school year for which comparative expenditure data are available (1992-93), BISD had higher per pupil total operating expenditures and higher direct instructional expenditures than any of the five comparison districts. However, BISD's expenditures for administration were much less than those of four of the five comparison districts.

District Organization and Management - The organizational structure of BISD is very unstable and not logically grouped. Positions and responsibilities fluctuate on a regular basis, and several temporary assignments are being made to fill voids in the central office. School-level personnel are unclear as to central office roles and responsibilities.

School Board Governance - The BISD Board conducts too much of its business in executive (closed) sessions. Additionally, the board's involvement in the budget process comes too late to seriously provide direction to the Superintendent on budget priorities.

Staff Development - The consequence of decentralizing the staff development function to a site-based management level has been inconsistent teacher training and cost inefficiencies. Many BISD principals and teachers believe staff development is inadequate. Staff development is a critical function that requires full-time coordination at the central office.

Strategic Planning - The BISD Strategic Plan is not linked with the annual budget and resource allocation process. Similarly, there is no link between resource needs identified in Campus Improvement Plans and development of the annual budget.

Dropout Prevention - BISD's 9.0 percent dropout rate in 1991-92 was much higher than that found in BISD's district group (5.0%), Region I (5.5%) or the state as a whole (3.8%). BISD's dropout rate increased to 9.8 percent for the 1992-93 school year, keeping it among the highest in the state. The position of At-Risk Programs Coordinator had been vacant for most of the 1993-94 school year. Thus no one was assigned full-time to coordinate dropout prevention efforts throughout the district.

Guidance Counselors - Although TEA required BISD to increase the number of counselors in the district and to achieve a 600:1 student-counselor ratio in all schools by August 1994, 10 elementary schools have a student-counselor ratio that exceeds 600:1.

Instructional Aides - BISD has about twice as many aides per student as found statewide. BISD has a much greater proportion of aides and a smaller proportion of teachers as a percentage of total staff than seen in BISD's district comparison group or statewide.

Instructional Technology - Most BISD principals and teachers believe that the district is doing a "poor" or only a "fair" job of providing adequate instructional technology. After its recent (1994) site-visit to the district, TEA reported that most campuses need upgraded and updated technology designed to enhance instruction for students. This review found a widespread disparity in the number of instructional computers available per student in different schools.

Facility Planning - Despite BISD's major facility problems resulting from inadequate current instructional space in many schools, expected continuing rapid enrollment growth, the poor condition of many school facilities and the excessive use of portable buildings, the district has no approved facility planning guidelines.

Financial Management - BISD has had lax financial controls, limited oversight, and little documentation involving the management and use of activity funds and principal funds. Further, the district is not reconciling some accounts in the General Ledger in a timely manner. Thus, the accuracy and timeliness of information presented in some financial reports is inadequate.

Transportation - Nearly 30 percent of the district's school bus fleet is comprised of pre-1977 vehicles. The district pays bus drivers for non-

driving time, and has not effectively managed bus driver overtime expenses.

Undocumented Persons - Despite many years of raising the issue of the impact of undocumented persons on the BISD, the district has not identified the total number of undocumented persons or analyzed the cost of educating them. Further, the district has not accessed the full amount of federal Emergency Immigrant funds for which it is eligible.

Asset Management - BISD maintains large daily cash balances in many different bank accounts. By maintaining all of its bank accounts as Zero Balance Accounts and by using TEXPOOL accounts as the master account, the district could have earned nearly one-quarter million dollars in additional interest income last year.

SAVINGS AND INVESTMENT REQUIREMENTS

The implementation of many of MGT's recommendations will result in savings and revenue increases that can be used by BISD to more effectively meet the needs of its students. As mentioned previously, the savings opportunities identified in the report are conservative and should be considered the minimum savings that can be realized if the recommendations are implemented.

Investment requirements describe the recommended areas in which BISD should consider making expenditures. These investments are usually related to creating an efficiency or savings to the district, thereby enhancing productivity and effectiveness.

Note that the reader is urged to consider both savings and investment opportunities for many recommendations. This relationship provides for a total package from which the BISD can benefit. To single out individual savings or investment opportunities may not derive the full effect of implementing a savings recommendation without also implementing the related investment.

School Year	Annual Savings of (Costs)
1994-95	\$1,063,300
1995-96	\$4,857,791
1996-97	\$5,022,775
1997-98	\$3,994,098
1998-99	\$3,980,732
Total One Time (Costs) and Savings	(\$453,268)
GRAND TOTAL	\$18,465,428

Implementation strategies and timelines follow each recommendation of this report. The implementation section associated with each recommendation highlights a series of steps -- some of these should be implemented immediately, some over the next year or two and some over several years.

This report has identified major opportunities for BISD to improve its efficiency and effectiveness. MGT recommends that the board have the district administration review all recommendations and then report back to the board regarding implementation progress and a plan to proceed.