

SUMMARY REPORT

SOUTH SAN ANTONIO

INDEPENDENT SCHOOL DISTRICT

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MANAGEMENT AND PERFORMANCE REVIEW

The South San Antonio Independent School District (SSAISD) serves a largely economically disadvantaged and minority student population located close to KellyUSA in the south side of San Antonio. The district's students scored below state averages in all areas on the Texas Assessment of Knowledge and Skills (TAKS) in 2002–03, while district dropout rates were higher and attendance rates were lower than those of the state. The district has a history of board governance troubles including intervention from the Texas Education Agency and an inability to cooperatively work as a collective whole and with the superintendent. SSAISD's school review report identifies 20 commendable practices and makes 81 recommendations for improvement. The following is an Executive Summary of the significant accomplishments and findings that resulted from the review. The fiscal impact summary is located on page 32 of this report. A copy of the full report can be found at www.lbb.state.tx.us.

SIGNIFICANT ACCOMPLISHMENTS

- SSAISD identifies and recruits migrant students through a comprehensive process using a variety of media.
- SSAISD implemented an innovative program to reduce classroom disruptions and help elementary school students learn and practice appropriate classroom behavior.
- SSAISD's participation in the textbook credit pilot project has allowed the district to obtain additional textbooks with existing book credits.
- SSAISD uses a unique program, South Sansational Awards, to promote and celebrate elementary student success and promote the transition to middle school.
- SSAISD uses advisory committees to solicit community input and involve the community in district decision-making.
- SSAISD's Purchasing Department cost-effectively manages its bid openings to use a single, consolidated advertisement rather than multiple advertisements while complying with all state regulations.
- SSAISD's implementation of its coordinated health program emphasizes student service and learning to improve overall student and community health.

SIGNIFICANT FINDINGS

EDUCATIONAL PROGRAM REVIEW

- The district does not evaluate all instructional programs to ensure these programs meet district goals and objectives, support improvements in student performance, and are cost-effective.
- SSAISD does not have a defined curriculum for many secondary courses, and secondary student performance is significantly below regional and state averages on statewide, college entrance, and advanced course exams.

GOVERNANCE AND ADMINISTRATIVE ROLES

- The SSAISD board fails to provide appropriate leadership for the district, limiting the ability of the superintendent and staff to accomplish district goals and objectives.
- The current board structure does not provide school district constituents with at-large districtwide school board representation.
- The district does not have a comprehensive contract list, centrally located contract files, or a consistent contract monitoring process with accountability methods to document performance problems or issues of contract non-compliance.
- The Purchasing Department does not directly participate in all aspects of the process to procure professional services.
- The current central organization structure does not address all of the instructional, management, operational, and evaluative needs of SSAISD. The superintendent has 18 direct reports, including all principals and directors, and the instructional delivery reporting structure is fragmented.
- Campus staffing at the middle and high schools exceed industry standards for campus clerical staff.

OPERATIONAL EFFICIENCIES

- SSAISD's Plant Operations management does not adequately plan, budget, or supervise maintenance and custodial activities to ensure clean, well-maintained facilities.

- The district does not have an effective and coordinated energy management program to reduce expenditures that includes energy management goals, related strategies, and subsequent monitoring of utility costs.
- The Technology Department does not have sufficient staffing to address all areas of responsibility or provide backup in key areas.
- SSAISD does not have a process to ensure compliance with federally mandated guidelines for food service fund balances.

SIGNIFICANT RECOMMENDATIONS

EDUCATIONAL PROGRAM REVIEW

- **Recommendation: Design and implement a districtwide instructional program review based on the state's accountability measures and including administrative oversight.** The district should immediately develop a schedule and design to review all instructional programs using the state's accountability factors as a foundation. By instituting a regular review of all programs based upon the state's accountability criteria and by assigning specific administrative oversight, the district should be able to quickly determine program effectiveness, make necessary adjustments, and increase overall student performance.
- **Recommendation: Purchase and/or develop curriculum guides for all subject areas and courses offered.** The guide format currently in use in the district should be modified for use in the development of new guides and to make existing guides course-specific. Curriculum guides should help ensure that students are taught uniformly through the district, that instruction between grade levels are integrated horizontally and vertically, and that the material used for instruction includes state minimums and addresses local needs.

GOVERNANCE AND ADMINISTRATIVE ROLES

- **Recommendation: Assign a Texas Education Agency (TEA) board governance conservator and strengthen existing Code of Ethics policy to limit board involvement in daily operations.** Because significant action is needed to change the pattern of board behavior and community and staff perceptions about its actions, TEA should assign a governance conservator to be available to oversee districtwide governance and preside over monthly board meetings. The board should also adopt detailed language to the existing Code of

Ethics limiting both collective and individual board involvement in districtwide daily operations and regularly self-monitor adherence to all aspects of new and existing board policies. By enacting these significant changes, the SSAISD board should provide appropriate leadership for and engage in appropriate interactions with district administrators, staff, students, and community members.

- **Recommendation: Reconstitute the board by creating two at-large positions and five single-member districts.** The board should alter its makeup to include two at-large positions promoting both districtwide and single-district board representation and providing voters with the opportunity to elect three board members—two at-large and one single-member district. Changing to this type of board composition, similar to 56 other school districts in Texas, may help SSAISD's board members break the long-standing oppositional mindset, encourage more candidates to run for election, and facilitate a greater voter turnout.
- **Recommendation: Implement a districtwide contract monitoring process managed by the Purchasing Department.** The district should implement a consistent contract monitoring process managed by the Purchasing Department to allow the district to better define, monitor, and evaluate vendor and contractor performance, while reducing reliance upon fragmented departmental contract oversight. By immediately transferring all contract files to the Purchasing Department, developing a comprehensive list, and including performance measures in new and renegotiated contracts, the district should ensure districtwide contract compliance, maintain copies of all legal documents, and centralize responses to outside requests for contract information.
- **Recommendation: Require Purchasing Department participation for all procured and contracted services and establish, document, and implement consistent procurement processes districtwide.** SSAISD should require Purchasing Department participation for procured and contracted services. By including the appropriate purchasing staff in all purchasing evaluations as directed by board policy, the district mitigates the risk of perceived or real contracting irregularities and ensures that appropriate staff provide valuable technical assistance or input during evaluations and subsequent contract negotiations.

- **Recommendation: Modify the organization to group like functions, reduce the span of control for the superintendent, and provide coverage for needed central functions.** Through an organizational restructuring that includes a logical grouping of similar functions under a single administrator and reducing the number of direct reports to the superintendent, the district should improve both districtwide and departmental direction and accountability and maintain a balance of responsibilities among senior staff.
- **Recommendation: Implement enrollment-based staffing formulas for clerical staff at schools.** By implementing staffing formulas based upon the Southern Association of Colleges and Schools (SACS) minimum standards the district should reduce unnecessary clerical positions districtwide and realize savings from the elimination of excess positions.

OPERATIONAL EFFICIENCIES

- **Recommendation: Outsource the management of maintenance and custodial functions.** The administrator for School Support Services should develop a comprehensive statement of work that adequately describes the district's maintenance and custodial needs and the expected time frame for achievement prior to issuing a request for proposal in conjunction with the director of Purchasing. By outsourcing the management of maintenance and custodial functions the district should realize efficiencies in both staff and managerial activities.
- **Recommendation: Hire an energy manager to develop and implement an effective energy management program supported by board-adopted policy.** A qualified energy manager should be able to implement and coordinate a districtwide energy management program that is based upon continually monitoring utility expenses, providing user education to reduce energy consumption, and retrofitting old equipment as funds become available. This program should include summer energy conservation efforts. The board should also adopt energy management policy that provides guidance for the overall program along with specific goals.
- **Recommendation: Hire software and Web development specialists.** By hiring software and Web development specialists the district should ensure all hardware and software purchases are compatible with existing systems,

provide necessary software training and continued support, update and maintain the district's website, and promote increased districtwide efforts to implement computerized administrative systems and instructional integration efforts.

- **Recommendation: Implement a process to prevent excess fund balance for the Food Services Department.** By modifying the department's existing profit and loss model to add the capability to project revenue and expenditure requirements and include the effect on ending fund balance, the district should mitigate any future risk of excessive fund balances. In addition, the district should also identify projected uses of fund balance and submit them as a plan to the board during the annual budget process to allow pre-approved expenditures of Food Services Department fund balance once thresholds are reached.

PROGRAM EVALUATION AND STUDENT PERFORMANCE

The district does not evaluate all instructional programs to ensure that these programs meet district goals and objectives, support improvements in student performance, and are cost-effective. In addition, program oversight is fragmented and current review of some programs is not conducted in enough detail to provide administrators with the necessary data to determine whether or not programs are working. SSAISD does not consistently monitor curriculum presentations associated with these programs as well.

As with all districts in Texas, TAKS is used to assess student progress on the statewide curriculum guidelines, the TEKS. TAKS is administered at the local level, scored externally under contract to the state, and returned to the local district for analysis and use. In addition to the subject areas tested by TAKS, evaluations of programs funded through grants or other special funding arrangements are also performed. Few are linked to any formal evaluation design or plan. **Exhibit 1-2** indicates the programs, exclusive of core and non-core subjects covered in the TEKS, available in SSAISD and whether the district evaluates program objectives.

Of the eight programs in **Exhibit 1-2** for which documents indicate the program objectives are to be evaluated, an evaluation plan as recent as June 2003 was provided for only three, Texas Reading First, the Class-Size Reduction Program, and FAST/FASTWORKS. Documentation of evaluation results was provided for two of the remaining five

programs, the Urban Systemic Program in December 2001, and the Coca-Cola Valued Youth Program in February 2002.

Student performance is critical in program evaluation. Although student performance improved between 2002–03 and 2003–04, SSAISD secondary student TAKS performance is significantly behind the state average. **Exhibit 1–3** provides information on the percent of students statewide that passed each of the TAKS sub-tests at each grade level. **Exhibit 1–4** provides the same information for SSAISD students.

SSAISD student performance is the most deficient on the TAKS mathematics and science tests (**Exhibit 1–5**). Beginning with grade 6, SSAISD students' performance on the mathematics test ranges from 11 percentage points below those statewide at that grade to 29 and 26 percentage points at grades 8 and 10, respectively. On the science test, SSAISD students' performance was 21 percentage points below students statewide at grade 10 and 19 points below at grade 11.

At the lower grades, student performance approximates, and in some areas equals or exceeds, that statewide. For example, at grade 3, the performance of SSAISD students exceeds that of students statewide in mathematics and is only slightly below students statewide in reading. At grades 4 and 5, SSAISD student performance is slightly below that of students statewide, the largest difference, 8 percentage points, at grade 5 reading. However, when student performance is compared at grades 6 through 11, the differences become more pronounced, 10 or more percentage points on most tests at the grades 6–8 and 20 or more points in some areas in grades 8 through 11. TAKS results in mathematics, English/Language Arts, and science at grade 10 are 19 to 26 percentage points lower than state results while the English/Language Arts results increase in grade 11 when compared with state results. The percent of SSAISD students meeting the TAKS passing standard in social studies approximates the state percentage in all three grades tested.

Graduation and dropout rates are components of program evaluation and the state's new accountability measures in addition to student performance as measured by TAKS and other assessments. Regular, special, and bilingual programs are traditionally included in such reviews. Programs such as special education and bilingual education that receive federal funding are subject to program review that generally consists of a checklist completed and submitted to TEA at the end of each year. The district, however, is not monitoring the dropout rate

of students identified in the special education program and making necessary programmatic changes. SSAISD's annual and longitudinal dropout rates for special education students exceed the Region 20 and state rates.

As shown in **Exhibit 1–6**, the dropout rate of SSAISD special education students has exceeded Region 20 and state averages since 1999–2000. In 2001–02, SSAISD's annual dropout rate was twice the state rate and more than 50 percent higher than the Region 20 rate. The longitudinal, or four-year, dropout rate of SSAISD special education students has exceeded Region 20 and state averages since 1998–99. In 1997–98, the district's dropout rate was below the regional and state rates. Since that year, the regional and state dropout rates have declined and SSAISD's rates have increased from 10.5 percent to 18.7 percent. The special education students in the class of 2002 at South San High School had a 28.0 percent longitudinal dropout rate.

**EXHIBIT 1-2
SSAISD PROGRAMS AND EVALUATION STATUS
2003-04**

PROGRAM	PROGRAM OBJECTIVES TO BE EVALUATED	TYPE OR DESCRIPTION OF EVALUATION
Urban Systemic Program (USP)	Yes	Multiple measures to determine the extent to which systemic change has occurred.
Class-Size Reduction Program	Yes	Reduction in the number of students in each grade 2 classroom.
Building Good Citizens Program	Yes	Academic performance indicators and service-learning records.
Building Good Health Program	Yes	Academic performance indicators and service-learning records.
Coca Cola Valued Youth Program	Yes	Selected quantitative and qualitative student measure, monthly journals, and various surveys.
Community-Higher Education-Service Partnerships (CHESP)	Yes	Unclear how program evaluation is to be conducted. Evaluation of the service-learning component determined by records of clock hours of service.
FAST/FASTWORKS	Yes	Administration of an "evaluation survey questionnaire."
Texas Reading First	Yes	Per TEA requirements.
Reading Readiness Project	Unknown	The type of evaluation administered by the funding agency is unclear; no results are on file in the district.
Quality Teaching in Mathematics and Science (QTIMS)	Unknown	The type of evaluation administered by an external evaluator is unclear; no results are on file in the district.
Starbase Kelly	Unknown	The type of evaluation administered by the grantor is unclear; no results are on file in the district.
Project SMART	No	Curriculum assessments and various reports on individual students but no evaluation of the program.
Navigator Reading Intervention Program	No	The program information makes no reference to evaluation.

SOURCE: SSAISD, Department of Curriculum, Instruction, and Assessment.

**EXHIBIT 1-3
PERCENT OF STUDENTS TESTED STATEWIDE
MEETING TAKS STANDARD BY SUB-TEST AND GRADE
2004**

GRADE	PERCENT OF STUDENTS TESTED MEETING TAKS STANDARD*						
	READING	MATH	WRITING	ENGLISH LANGUAGE ARTS	SCIENCE	SOCIAL STUDIES	ALL TESTS
Grade 3	91%	90%	*	*	*	*	N/A
Grade 4	85%	86%	90%	*	*	*	75%
Grade 5	79%	82%	*	*	69%	*	62%
Grade 6	86%	77%	*	*	*	*	73%
Grade 7	83%	70%	91%	*	*	*	65%
Grade 8	89%	66%	*	*	*	88%	63%
Grade 9	84%	59%	*	*	*	*	57%
Grade 10	*	63%	*	75%	64%	87%	49%
Grade 11	*	85%	*	87%	85%	97%	72%

SOURCE: Texas Education Agency, Texas Assessment of Knowledge and Skills, Summary Report, Spring 2004.

NOTE: The passing standard for 2003-04 equals 1 Standard Error of Measurement (1 SEM) below the recommended passing standard or the Panel Recommendation initially effective in spring 2005.

N/A denotes not available.

TEA's Special Education Data Analysis System for 2003-04 noted the district's special education student dropout rate. Out of 78 dropouts the district had in 2001-02, 16 or 20.5 percent were special education students compared to 15.8 percent statewide.

According to a 2001-02 memorandum, special education staff associated the dropout problem with causes such as students not having learned to read,

failure to meet student needs and interests, "weak teachers in critical situations on campus," poor attendance, discipline issues, and lack of valuing education on the part of parents and students. Recognizing that the district needed to motivate these students, the special education staff made them a priority for services on the high school campus and addressed the concern in those Campus Improvement Plans. However, the District's Improvement Plan, *Blueprint for Success*, does not

EXHIBIT 1-4
PERCENT OF SSAISD STUDENTS TESTED
MEETING TAKS STANDARD BY SUB-TEST AND GRADE
2004

GRADE	PERCENT OF STUDENTS TESTED MEETING TAKS STANDARD*						
	READING	MATH	WRITING	ENGLISH LANGUAGE ARTS	SCIENCE	SOCIAL STUDIES	ALL TESTS
Grade 3	89%	92%	*	*	*	*	NA
Grade 4	79%	80%	91%	*	*	*	69%
Grade 5	71%	77%	*	*	64%	*	53%
Grade 6	76%	66%	*	*	*	*	59%
Grade 7	77%	53%	92%	*	*	*	48%
Grade 8	79%	37%	*	*	*	83%	35%
Grade 9	77%	38%	*	*	*	*	38%
Grade 10	*	37%	*	56%	43%	81%	25%
Grade 11	*	66%	*	84%	66%	95%	49%

SOURCE: Texas Education Agency, Texas Assessment of Knowledge and Skills, Summary Report, May 2004.

NOTE: The passing standard for 2003-04 equals 1 Standard Error of Measurement (1 SEM) below the recommended passing standard or the Panel Recommendation initially effective in spring 2005.

N/A denotes not available.

EXHIBIT 1-5
DIFFERENCE IN PERCENT PASSING TAKS BY SUB-TEST AND GRADE
SSAISD AND THE STATE
2003-04

GRADE	SSAISD PERCENTAGE POINTS ABOVE/(BELOW) STATE AVERAGE					
	READING	MATH	WRITING	ENGLISH LANGUAGE ARTS	SCIENCE	SOCIAL STUDIES
Grade 3	(2)	2	*	*	*	*
Grade 4	(6)	(6)	1	*	*	*
Grade 5	(8)	(5)	*	*	(5)	*
Grade 6	(10)	(11)	*	*	*	*
Grade 7	(6)	(17)	1	*	*	*
Grade 8	(10)	(29)	*	*	*	(5)
Grade 9	(7)	(21)	*	*	*	*
Grade 10	*	(26)	*	(19)	(21)	(6)
Grade 11	*	(19)	*	(3)	(19)	(2)

SOURCE: Texas Education Agency, Texas Assessment of Knowledge and Skills, Statewide Preliminary Summary Report, Spring 2004 and SSAISD, Texas Assessment of Knowledge and Skills, Summary Report-Group Performance, April 2004.

NOTE: The passing standard for 2003-04 equals one Standard Error of Measurement (1 SEM) below the recommended passing standard or the Panel Recommendation initially effective in spring 2005.

N/A denotes not available.

EXHIBIT 1-6
SPECIAL EDUCATION DROPOUT RATES
SSAISD, REGION 20, AND THE STATE
1997-98 THROUGH 2001-02

	1997-98	1998-99	1999-2000	2000-01	2001-02
ANNUAL DROPOUT RATE					
South San Antonio ISD	1.7%	2.1%	3.1%	2.2%	2.2%
Region 20	2.2%	2.1%	2.2%	1.4%	1.4%
State	1.8%	1.8%	1.6%	1.2%	1.1%
LONGITUDINAL DROPOUT RATE					
South San Antonio ISD	10.5%	13.7%	16.7%	17.8%	18.7%
Region 20	13.3%	12.8%	12.4%	11.4%	10.1%
State	13.0%	12.1%	11.0%	9.7%	8.3%

SOURCE: Texas Education Agency, AEIS, 1999-2000 through 2002-03.

include dropout prevention strategies for special education students, or any districtwide programmatic evaluation including such detailed review at all levels.

The primary reason for conducting program evaluation is to collect information or data that help

administrators identify programs that are and are not working with students. Knowing the extent to which a program is meeting its goals will assist greatly in determining whether to continue with no or limited changes or to make significant modifications or even terminate. The current concerns related to

accountability, limited funding, and additional requirements from state and federal agencies has led to a greater emphasis on program evaluation.

The steps in program evaluation are similar to those in many administrative tasks in that it requires deliberate and thoughtful planning to ensure efforts are fruitful and lead to improvement. Guidelines and procedures must be developed early in the process to ensure that the evaluation conducted is comprehensive. The process of evaluation involves gathering information so that decisions are based upon quantifiable data. The process is often completed systematically in many districts and is recorded for future modification or replication based on a review of annual implementation results. In many districts, the results are communicated clearly and accurately so that decisions related to program continuation and resource allocation are justifiably made.

To cause personnel to focus on the importance of program evaluation, Dallas ISD requires all program managers to include evaluation methods in any program proposal. All evaluation designs must receive approval from the appropriate offices and the executive team before the proposals can be submitted for either internal or external funding consideration. In addition, the district developed a monitoring system that allows administrators to evaluate program performance on a monthly basis and to report various performance measures to the superintendent. Dallas included training for program administrators and selected campus personnel to effectively implement the program evaluation districtwide.

Laredo ISD has developed standards to evaluate the effectiveness of non-core curricular and non-academic programs. The format is based on the state's accountability system and includes the specific conditions necessary to meet the ratings of *exemplary*, *recognized*, *satisfactory*, and *unacceptable*.

The district should immediately establish a schedule to review all instructional programs and identify districts and/or campuses to visit for programmatic review at all levels and addressing all programmatic needs. The district should form a team that includes teachers who have the most success with student performance, librarians, counselors, campus administrators, and central office administrators to plan, implement, and provide oversight of the instructional program review and any needed changes or modifications.

For example, campuses with effective secondary instructional programs include Edinburg North High School in Edinburg ISD that was awarded an *AP*

Inspiration Award in 2004 and W.T. White in Dallas ISD that won the award in 2003. Inspiration Awards are given to campuses making strides in increasing student enrollment in Pre-AP and AP courses and increasing the percentage of qualifying test scores.

The fiscal impact of this recommendation is based on the assumption that travel to visit districts, sample program administrators, and classrooms will take place in the first year of the district's effort, and training will be brought to the district periodically to support different initiatives that support the plan. If 16 people are divided into groups of four to travel to Edinburg, Dallas, Laredo, and Galena Park, two automobiles can take four people, each to the designated destinations. The round-trip mileage costs would be \$314 for Edinburg, \$380 for Dallas, \$216 for Laredo, and \$284 for Galena Park for a mileage total of \$1,194 using the state rate of \$.35 per mile and using the state's automatic mileage guide. Additional expenses should include hotel costs for one night (16 x \$80 = \$1,280) and per diem meal costs for two days to accommodate travel and visitation for each person (16 x \$30 x 2 days = \$960) to equal total visitation costs of \$3,434 (\$1,194 + 1,280 + 960).

The cost of training may vary each year depending on the district's needs. Costs for consultants to assist the district in program evaluation efforts include \$400 per day per consultant or regional representative plus associated travel and per diem costs. The district should host consultant-led workshops for two days in length resulting in costs of \$800 for consultant fees + \$200 for mileage/flight + \$60 per day for food for two experts + \$160 for two hotel rooms equaling \$1,220 per session. Since follow-up training during the year will be important, the district should host eight sessions to accommodate district representatives from the elementary, middle, and high school regular, special education, bilingual, and career and technology departments at a cost of \$1,220 x 8 = \$9,760 annually. Five year costs equal \$52,234 (\$13,194 initial year costs + \$9,760 each of the four years thereafter).

SECONDARY CURRICULUM

SSAISD does not have a defined curriculum for all subjects and grade levels particularly for many secondary courses. In addition, South San Antonio High School was one of 199 schools in the state that failed to make Adequate Yearly Progress according to NCLB guidelines for the second year in a row. Currently in SSAISD, curriculum guides available for grades 9–11 are in English/Language Arts, mathematics, science, and social studies. Some of the available guides are course-specific. Others, however,

contain no information to indicate which of the curriculum concepts in the guides are associated with which of the courses offered at that grade. No guides are available for grade 12 or for any enrichment area, and no plans have been made for their development. In spring 2004, however, the State Board of Education mandated use of the TEKS for the enrichment curriculum.

The district's curriculum guides, referred to as *Timeline/Scope and Sequence* documents, are available in four content areas—English/Language Arts, mathematics, science, and social studies—in grades kindergarten through 11. Each guide follows the same format that includes a number of curriculum concepts aligned to the TEKS and TAKS objectives with suggested resources and methods of assessment for each. The guides are divided into timelines, e.g. August 18 through October 3, that identify the timeframe in which the concepts are to be taught. District personnel have developed local benchmark tests that are administered districtwide by grade level and content area three to four times a year. The tests are scored by the district's Office of Student Assessment and returned to the campuses.

The department of Curriculum, Instruction, and Assessment supervises the development and revision of these guides. Teachers are hired for several weeks in June as guide writers and are assisted by vertical

team leaders, teachers with expertise in specific content areas hired to assist with the implementation and quality control of the curriculum development effort. Teacher input, current year TAKS data, and benchmark results are used in the annual guide revision process. The teacher-writers and vertical team leaders provide in-service in August to train teachers in the process of using the documents.

Each SSAISD high school provides a catalog of courses offered as well as other information useful to students in planning their courses of study for the coming year. Each course catalog lists the title of the course, the grade at which the student would typically take the course, the number of credits earned on successful completion, any prerequisite course that must have been taken, and a brief description of the course. Exclusive of athletics and spirit groups, the 2004–05 course catalog for South San Antonio High School lists 214 courses, and the catalog for South San Antonio High School West lists 173 courses. Of that number, 147 are common courses offered at both schools; 67 are offered only at South San Antonio High School; and 26 are unique to the West campus. The number of courses offered and the number of subject area and course specific guides available at one of the two SSAISD high schools by subject area is presented in **Exhibit 1–7**.

EXHIBIT 1–7
SSAISD COURSE OFFERINGS
GRADES 9–12
2004–05

SUBJECT AREA	COURSES OFFERED	SUBJECT AREA	AVAILABLE GUIDES	
			COURSE SPECIFIC	TOTAL
English/Language Arts	21	9 th Grade 10 th Grade	English III	3
Mathematics	19	11 th Grade	Algebra I	2
Science	15	0	Biology I Chemistry Physics Integrated Physics and Chemistry	4
Social Studies	16	0	World History World Geography U.S. History	3
Journalism	9	0	0	0
Spanish	10	0	0	0
French	4	0	0	0
American Sign Language	3	0	0	0
Physical Education/Health	11	0	0	0
Junior ROTC*	5	0	0	0
Communications Applications	1	0	0	0
Fine Arts	31	0	0	0
Business	21	0	0	0
Family and Consumer Science	9	0	0	0
Career and Technology Education	65	0	0	0
Total	240	3	9	12

SOURCE: SSAISD, South San Antonio High School and South San Antonio High School West, Course Catalogs, 2004–05.

*Denotes Reserve Officer Training Corps.

In addition to a listing of high school course offerings and a review of student scores on the statewide assessment, a review of the districts secondary student participation and scores on college entrance examinations and advance placement exams also reveal a disconnect and/or an inconsistency in curriculum presentation and expected student outcomes.

Exhibit 1–8 shows the number of SSAISD students taking AP exams and the number qualifying for college credit. In order to qualify for college credit the student must score “3” or better on the exam. Only 7.3 percent of the students taking exams received a 3 or “qualified” score and 4.0 percent received a 5 or “extremely well-qualified” score. All of the “extremely well-qualified were on the Spanish Language Exam. No students scored 4, “well-qualified.”

The district offers advanced courses including Pre-AP and AP in all core content areas. Funds to support the purchase of advanced materials and training are provided through the Gifted and Talented program’s budget.

Curriculum guides serve as work plans for teachers, identifying instructional priorities for learning and supportive resources, suggesting approaches for delivering instruction in the classroom, and connecting what is to be taught both vertically and horizontally within the system. Well-written guides not only describe what students are expected to be able to do but also how the knowledge or skill learned is to be measured.

Board-approved written curriculum guides help ensure appropriate coordination between what is taught within grades at different schools and among the various grades throughout the district. In the absence of guides for all subjects and courses,

teachers are forced to rely on their own resources in planning and delivering instruction. While the teaching may be excellent, without guides the district has no guarantee that it matches the district’s instructional intent. Guides also provide a basis for uniform monitoring and evaluating of student performance across the district.

Two districts, for example, have developed processes for developing curriculum guides. San Angelo ISD has provided extensive process training to teams composed of teachers and administrators from grades pre-Kindergarten through twelve who drafted subject-area standards using TEKS, national standards, and resources from other school districts, professional organizations, and associations. Laredo ISD has developed academic standards for core areas and technology. Each subject area standard includes statements of understanding, essential questions to be asked, content and performance standards, assessment criteria, TEKS skills, TAKS objectives, and curricular resources where appropriate. Many other districts work with their Regional Education Service Centers to purchase curriculum guides and associated training. Region 4, for example, has a catalog of curriculum guides and associated training and materials that many districts within the state and nation purchase in an individualized fashion.

Many districts experiencing greater numbers of students achieving benchmark-passing criterion for SAT/ACT and AP exams credit this achievement to stringent classroom study tactics and enhanced curriculum. At minimum, secondary courses use current curriculum aligned to the state’s standards, the TAKS, and, often, national standards. Cedar Hill ISD regularly reviews AP course offerings on an annual basis using historical student passing trends to adjust curriculum and to ensure teachers have received AP training in the appropriate areas.

EXHIBIT 1–8
SSAISD ADVANCED PLACEMENT EXAMINATION GRADES
2002–03

COURSE DESCRIPTION	STUDENTS TAKING EACH EXAM	GRADE OF 3 (QUALIFIED)	GRADE OF 4 (WELL-QUALIFIED)	GRADE OF 5 (EXTREMELY WELL-QUALIFIED)
Biology	11	*	0	0
Calculus	18	*	0	0
English Lang/Comp	65	*	0	0
English Lit	23	*	0	0
Physics	*	0	0	0
Spanish Language	16	*	0	8
Spanish Lit	11	*	0	0
U.S. History	29	*	0	0
Government	13	0	0	0
Macro-Eco	13	0	0	0
Total	203	15	0	8
Percent with Grades 3, 4, or 5	N/A	7.4%	0%	3.9%

SOURCE: College Board Student Grade Roster, May 2003.

NOTE*: Not identified per FERPA regulations.

Teachers and administrators serve on teams to achieve these reviews.

The district should purchase and/or develop curriculum guides for all subject areas and courses offered particularly those at the secondary level. The guide format currently in use in the district should be modified for use in the development of new guides and to make existing guides course-specific. Objectives should be clearly stated and the concept, knowledge, or skill that the student is expected to know or learn keyed to specific local or state assessments. Efforts should be taken to ensure that alignment of the curriculum across grade levels and between sequential courses is addressed appropriately. To be most useful to teachers, guides must be current. They should be reviewed according to a three-five year cycle to ensure they remain updated with subject advances, contain the elements useful to classroom teachers, and match statewide textbook adoptions. The district should annually prioritize development, review and update of curriculum guides.

This fiscal impact assumes the district will obtain outside assistance from an entity such as Region 4 that specializes in curriculum development and provide a stipend of \$1,000 each to teachers to assist in document customization.

New funds for development of guides for the 224 courses at grades 9–12 for which guides are not currently available is estimated at \$319,400 as an initial investment by the district. This fiscal impact is conservatively based upon allocations of \$1,000 per course or \$224,000 for initial course assessment and base document development, an additional \$225 per course for related materials for a total of \$50,400, and an additional \$45,000 for teacher stipends allocated to a team of teachers directed to lead the curriculum efforts ($\$224,000 + \$50,400 + \$45,000 = \$319,400$). Region 4 also provides specialized curriculum assistance to districts in core areas; as a result, the district may review monetary allocations to address curricular needs, including the 224 courses at the secondary level, and appropriately fund courses or core areas as necessary.

BOARD LEADERSHIP

The SSAISD board fails to provide appropriate leadership for the district, limiting the ability of the superintendent and staff to accomplish district goals and objectives. Current board members do not work together effectively and do not cooperate with the superintendent or district staff on many major issues such as budget development, creation of new positions, selection of principals, or evaluation of student performance. Instead, board members

appear to compete with each other, the superintendent, and district staff.

These problems are not limited to the current board. The review team reviewed board minutes between 1997 and 2004 and identified similar problems in board minutes throughout the entire period. Board members, district staff, and community members said in interviews that these problems have existed for many years. They described school boards that for 30 years have been split along shifting majority (four of seven) / minority (three of seven) voting blocs of board members. According to interviews, district staff members have even given the process a name, “the South San Way.”

Exhibit 2–1 lists the current board members by district, including their years of experience, profession or occupation, and term.

Listed below are examples demonstrating the board’s lack of leadership that have been documented in board minutes and interviews conducted for this review with board members and school district employees.

- **Lack of cooperation among board members.** Board members in interviews referred to the current majority/minority split as a permanent way of doing business. When asked about the inability of board members to cooperate, members from both sides described an environment where there is little discussion of issues and few attempts to reach agreement. These majority/minority divisions do not apply to all issues brought before the board, but are documented in examples from board minutes relating to the bond construction program, redistricting, selection of attorneys and other professional services, and the performance of the superintendent. Board minutes also documented personal attacks between members and the use of quorum requirements to prevent, limit, or end discussion of agenda items. For example, in the July 30, 2003 special called meeting to address three agenda items, two of five members excused themselves from the meeting for items one and two, creating a situation of no quorum. The excused members rejoined the board for discussion of the third agenda item. As a result, the board could not take action on items one and two for lack of a quorum.

EXHIBIT 2-1
SSAISD BOARD MEMBERS
JULY 2004

DISTRICT NUMBER	MEMBER	YEARS OF EXPERIENCE	PROFESSION	END OF TERM
1	Manuel R. Lopez, Vice President	7	Police Officer	2006
2	Trinidad T. Mata	6	Air Conditioning Repair	2007
3	Homer Flores	*	Retired	2005
4	Jamie A. Gallegos, Secretary	1	Mechanic	2006
5	Connie Prado	6	Executive Assistant	2007
6	Cyndi A. Ramirez	4	Paraprofessional	2006
7	David E. Carreon, President	2	Supervisor	2005

SOURCE: SSAISD, Superintendent's Office, July 2004.

*NOTE: Homer Flores, appointed in July 2004 to fill a board vacancy, previously served on the board from 1996 to 1999.

Board members periodically file complaints with TEA regarding the behavior of other board members. The lack of cooperation reached such a level that the board adopted a local policy, BE (LOCAL), on August 25, 2003, that allows the board president to admonish board members that are disruptive and then eject them, if necessary, from the meeting. This policy is published with each board meeting agenda.

Board members described other members of the board as not acting in good faith and lacking concern for students and the district as a whole. The 2003–04 board president said that the board's majority/minority way of doing business was the way all school boards work. Another board member stated that there was no possible way that the members of the board could ever work together. An official from the Texas Association of School Boards (TASB) who has worked with the district on board governance for more than 10 years described the board's problems as intractable or not easily cured.

- **Inability to work effectively with the superintendent and district staff.** In May 2004, the district needed to replace four principals at South San Antonio High School, Kazen Middle School, the Alternative School, and Benavidez Elementary School. In July 2004, the elementary school principal at Five Palms Elementary resigned, creating an additional vacancy. By August 4, the board had not approved two district staff recommendations for the high school principal and two recommendations for the Benavidez Elementary principal, and had not filled additional vacancies at South San Antonio High School, including four assistant principals, two guidance counselors, and the band director. On August 16, after students had already returned to school for the start of the 2004–05 year, the board approved staff to fill the high school and two elementary school principal vacancies. However, students continued to attend school during the

first and second weeks of the year with interim staff. Often, principals are key participants in decisions regarding assistant principals at their schools. All of the key positions remained vacant due to the delays in hiring and actual placements of the new principals. As of August 23, 2004, the district was unable to fulfill the high school principal vacancy as offered on August 16 to the approved candidate and again went through the approval process as students and staff continued in the educational process lacking adequate and permanent campus leadership.

Despite leaving key positions open throughout the summer, the board expressed significant concerns regarding the district's performance on the spring 2004 administration of the Texas Assessment of Knowledge and Skills (TAKS). Secondary student performance on the 2003–04 TAKS in science and math was approximately 20 points behind that of students statewide.

Summer months are critical planning periods for schools. Principals and campus staff use this time to review student performance data and to identify and prioritize areas of need. By not filling the principal position responsible for two-thirds of the district's high school students, the board limited the ability of the district and campus staff to proactively address student performance issues, including professional development needs, additional campus administrative and professional vacancies, and teacher assignments during the summer months. In September 2004, TEA notified district officials that South San Antonio High School was one of 1999 campuses statewide that failed to meet federal No Child Left Behind Average Yearly Progress for the second year in a row. As a result, the district was required to immediately notify parents that they may transfer their son/daughter to another public school with transportation expenses paid by SSAISD.

- Interference in administrative and campus operations.** In October 2001, the TEA School Governance Unit investigated board governance based on board member complaints. The investigation’s report found a lack of understanding of the board’s roles and responsibilities that clearly indicated governance problems. The report found that conflict and distrust existed between some board members. Additionally, TEA’s report noted, “there is a persistent tendency for board members to act outside the scope of their authority.” TEA required a number of improvement actions, including board training and the submission of board meeting agendas, minutes, and audiotapes to the TEA School Governance Unit. The board attended the required training and implemented policies BBE (LOCAL) to clearly define board member roles. According to interviews with the board and senior staff, both board members and staff felt that overall board member relations have improved since the 2001 TEA investigation. However, interviews with campus staff indicated that individual board members have continued through May 2004 to contact staff regarding student discipline and employee job conduct.

During the June 9, 2004 board meeting, district staff presented student performance information from the spring 2004 administration of the TAKS. TEA releases the initial results directly to districts and finalizes them after combining spring and summer results, investigating any protested results, and re-verifying student performance. After the initial staff presentation of these student performance results, two board members offered their own presentations of student performance data that differed from staff presentations. The board then voted, without discussion or explanation, not to extend the superintendent’s contract. The newly elected board president abstained from the vote.

- Disruption of budget efforts.** There is no common vision, understanding, or agreement among board members and district administrators regarding the district, its facilities, resources, teachers, or number and organization of administrators. After adoption of the annual budget in August 2001 for example, the board continued to approve raises for selected categories of staff. During a special called meeting on October 10, 2001, the board voted for additional pay raises of \$.50 per hour for pay grade 1A positions (food service worker, manual trades, and custodians) and pay grade 1 positions (food service worker and custodians).

During the 2003–04 budget process, there were several workshop sessions held to review and discuss the budget. Board members waited until the August 25, 2003 meeting, scheduled for adoption of the 2003–04 budget, to offer separate budget presentations from the two different blocs of board members.

During this same budget process, the board eliminated funding of the math and science director (instructional specialists) positions, although math and science had been identified as areas of greatest need after the new TAKS assessment. The board cited budget reasons for the funding reductions, although the district had and continues to have a fund balance that is in excess of the optimum fund balance standards developed by TEA.

Although the board has a Code of Ethics, board policy BBF (LOCAL), that establishes board roles and governance principles, the board does not follow its own policy. The examples outlined in the aforementioned bullets point to long-standing problems in board governance and cooperation. By failing to work together and with the superintendent and staff on many important matters, the board reduces its effectiveness and decreases its standing in the community.

Exhibit 2–2 lists the responses of 340 out of approximately 670 district teachers to the statement,

**EXHIBIT 2–2
SSAISD TEACHER SURVEY RESPONSES—
DISTRICT LEADERSHIP, ORGANIZATION, AND MANAGEMENT
MAY 2004**

THE SCHOOL BOARD HAS A GOOD IMAGE IN THE COMMUNITY.	
RESPONSE	TEACHERS (N=340 OF A TOTAL 670 SAMPLE)
Strongly Agree	1.5%
Agree	11.8%
No Opinion	23.5%
Disagree	33.5%
Strongly Disagree	27.1%
No Response	2.6%

SOURCE: Legislative Budget Board, SSAISD Surveys, May 2004.
NOTE: Responses may not add to 100 percent due to rounding.

“The school board has a good image in the community.” Sixty percent of the teachers who responded disagreed or strongly disagreed with this statement and 13 percent agreed or strongly agreed with the statement.

Twenty-six of 37 principals and assistant principals who responded answered in a similar manner to the statement, “School board members understand their role as policymakers and stay out of the day-to-day management of the district.” As shown in **Exhibit 2-3**, 46 percent of principals and assistant principals who responded to this statement disagreed or strongly disagreed with the statement, while 19 percent who responded agreed with the statement.

These responses are in sharp contrast to the responses to the survey statement regarding the leadership of the superintendent—both as an instructional leader and as a business manager. As shown in **Exhibit 2-4**, 88 percent of principals and assistant principals, 74 percent of teachers, 54 percent of parents, and 62 percent of administrators and support staff who responded to the surveys agreed or strongly agreed with the statement, “The superintendent is a respected and effective instructional leader.”

Exhibit 2-5 shows a similar response to the statement, “The superintendent is a respected and effective business manager.” Eighty-eight percent of the principals and assistant principals who responded agreed or strongly agreed with the statement, while no one disagreed with the statement. Sixty-six percent of teachers who responded, 44 percent of parents who responded, and 60 percent of administrators and support staff who responded agreed or strongly agreed with the statement.

Actual survey responses from participants most frequently referenced board conduct. The comments were almost all negative and included statements that questioned the honesty of board members, noted their inability to work together to the detriment of the students, and identified their constant power struggles. There have been numerous articles and editorials in the San Antonio papers criticizing the board and their conduct in elections, their oversight of the district’s bond programs, failure to renew the superintendent’s contract, and delays and failure to accept recommendations from staff to fill principal vacancies in lieu of approving their own appointments to some of these positions.

Effective school boards may disagree on matters brought before them, but always work together for

EXHIBIT 2-3

SSAISD PRINCIPAL AND ASSISTANT PRINCIPAL SURVEY RESPONSES— DISTRICT LEADERSHIP, ORGANIZATION, AND MANAGEMENT MAY 2004

SCHOOL BOARD MEMBERS UNDERSTAND THEIR ROLE AS POLICYMAKERS AND STAY OUT OF THE DAY-TO-DAY MANAGEMENT OF THE DISTRICT.	
RESPONSE	PRINCIPALS (N=26 OF 37 TOTAL SAMPLE)
Strongly Agree	0.0%
Agree	19.2%
No Opinion	30.8%
Disagree	19.2%
Strongly Disagree	26.9%
No Response	3.8%

SOURCE: Legislative Budget Board, SSAISD Surveys, May 2004.

EXHIBIT 2-4

SSAISD SURVEY RESPONSES— DISTRICT LEADERSHIP, ORGANIZATION, AND MANAGEMENT MAY 2004

THE SUPERINTENDENT IS A RESPECTED AND EFFECTIVE INSTRUCTIONAL LEADER.				
	PRINCIPALS (N=26)	TEACHERS (N=340)	PARENTS (N=39)	ADMINISTRATORS/STAFF (N=282)
Strongly Agree	46.2%	20.0%	7.7%	23.8%
Agree	42.3%	54.1%	46.2%	38.7%
No Opinion	3.8%	14.1%	28.2%	23.4%
Disagree	0.0%	6.5%	10.3%	7.8%
Strongly Disagree	3.8%	2.1%	5.1%	3.9%
No Response	3.8%	3.2%	2.6%	2.5%

SOURCE: Legislative Budget Board, SSAISD Surveys, May 2004.

NOTE: Responses may not add to 100 percent due to rounding.

EXHIBIT 2-5
SSAISD SURVEY RESPONSES—
DISTRICT LEADERSHIP, ORGANIZATION, AND MANAGEMENT
MAY 2004

THE SUPERINTENDENT IS A RESPECTED AND EFFECTIVE BUSINESS MANAGER.				
	PRINCIPALS (N=26)	TEACHERS (N=340)	PARENTS (N=39)	ADMINISTRATORS/STAFF (N=282)
Strongly Agree	42.3%	18.2%	5.1%	20.9%
Agree	46.2%	47.9%	38.5%	39.0%
No Opinion	7.7%	22.9%	35.9%	28.7%
Disagree	0.0%	5.3%	15.4%	6.0%
Strongly Disagree	0.0%	2.6%	2.6%	2.5%
No Response	3.8%	2.9%	2.6%	2.8%

SOURCE: Legislative Budget Board, SSAISD Surveys, May 2004.

NOTE: Responses may not add to 100 percent due to rounding.

the common good of the district. Effective school boards have a vision or understanding of what different pieces of the system—facilities, resources, teachers, administrators, and community—will look like in the future. Effective board members do not act independently but as a cohesive whole, drawing from individual strengths for the collective good of the district. They do not surprise district staff or other board members with presentations or sudden agenda deviations during meetings. They conduct themselves in the manner in which they were elected—to serve all children in the district, not just certain communities. Effective board members model the behavior they want to see displayed in schools and follow the principles outlined in their Code of Ethics. They also perform regular self-assessments.

Because significant action is needed to change the pattern of board behavior and community and staff perceptions about district actions, TEA should assign a governance conservator one day per week starting January 2005 to oversee districtwide governance and preside over monthly board meetings at a cost of \$560 per day or a total of \$14,560. The board should also adopt detailed language to the existing Code of Ethics limiting both collective and individual board involvement in districtwide daily operations, and regularly self-monitor adherence to all aspects of new and existing board policies. The policy wording

should be strengthened to outline the board's responsibility as policy makers and not administrators. It should also identify appropriate and inappropriate actions. By enacting these significant changes, the SSAISD board should provide appropriate leadership for and engage in appropriate interactions with district administrators, staff, students, and community members.

The fiscal impact estimates SSAISD will need to appropriate \$560 per day for one day each week beginning January 2005, a total cost of \$14,560 ($\$560 \times 26 \text{ weeks} = \$14,560$). The district will only need a conservator two days out of each month during the second year ($\$560 \times 26 \text{ weeks} = \$14,560$).

BOARD STRUCTURE

The current board structure does not provide school district constituents with at-large, districtwide school board representation. Few constituents participate in SSAISD elections, and overall participation is declining. As of June 2004, 23,972 registered voters live in the boundaries of the district. **Exhibit 2-6** lists the voter turnout in recent elections. During the recent June 12, 2004 bond election, only 243, or approximately 1 percent, of the registered voters participated in the election. For example, a comparison of the voter turnout in the 2002 bond election to the voter turnout in the 2004 bond election shows a decline of 57 percent.

EXHIBIT 2-6
SSAISD VOTER TURNOUT
1998 THROUGH 2004

ELECTION	VOTER TURNOUT
1998 Board of Trustees Election, May 2, 1998	1,680
1999 Board of Trustees and School Bond Election May 1, 1999	2,098
2000 Board of Trustees Election, May 6, 2000	1,524
2001 Board of Trustees Election, May 8, 2001	1,679
2002 Board of Trustees Election, May 4, 2002	1,034
2002 School Bond Election, June 8, 2002	561
2003 Board Member Election	1,399
2004 Board Member Election, May 15, 2004	1,322
2004 School Bond election, June 12, 2004	243

SOURCE: SSAISD, Board Minutes, May 1998 through June 2004.

In Texas, there are 56 school districts that combine single-member with at-large representatives for their governing boards. Many boards, regardless of their composition, strive to collaborate and encourage voter turnout in efforts to best represent the students, families, and community members districtwide.

Under §11.052(a) of the Texas Education Code, the school board may decide that no fewer than 70 percent of the members of the board, or five positions, are to be elected from single-member districts, with the remaining two members elected from the district at-large. The board must hold a public hearing at which registered voters of the district have an opportunity to comment on the order. The board must publish notice of the hearing in a newspaper that has general circulation in the district at least seven days before the hearing date. This order must be entered no later than 120 days before the first election date at which all or some of the board members are elected.

The board should alter its makeup to include two at-large positions, which promotes both districtwide and single-district board representation and provides voters with the opportunity to elect three board members—two at-large and one single-member district. Changing to this type of board composition, which is similar to 56 other school districts in Texas, may help SSAISD's board members break the long-standing oppositional mindset, encourage more candidates to run for election, and facilitate a greater voter turnout. Board elections should be held in conjunction with scheduled November or May elections to minimize one-time costs to an estimated \$12,000 for reconfiguration of districts and to maximize voter turnout.

INEFFECTIVE CONTRACT OVERSIGHT AND MAINTENANCE

The district does not have a comprehensive contract list, centrally located contract files, or a consistent contract-monitoring process with accountability methods to document performance problems or issues of contract non-compliance. The director of Purchasing said that while the Purchasing Department monitors the performance of contracts processed through that department, it relies on the various user departments to provide first line vendor performance monitoring and resolve problems, with goods or services provided according to contracted terms. The Purchasing Department also does not monitor the performance of any contracts processed directly to the board, such as those that may be extended for professional services provided by counselors, diagnosticians, attorneys, or architects. The lack of a central file location or a comprehensive

contract list makes it difficult for Purchasing Department staff to determine which contracts are in effect, answer outside contract-related questions, review contract terms and conditions, and assess overall contractor performance.

In 2003–04, the Technology Department monitored information technology contracts; the Food Services Department monitored grease trap cleaning, food service equipment repair, and garbage equipment; and the Maintenance Department monitored maintenance-related contracts. Although infrequent, the director of Purchasing deletes a vendor from the district's vendor list if the Purchasing Department receives a lot of complaints about a vendor's performance.

Effective organizations maintain master contract lists and files in a central location, include accountability terms in executed contracts, and monitor contract terms and conditions to verify contractor performance and ensure receipt of quality goods and services as specified in individual contracts. Many organizations and districts rely on user departments as the initial point for monitoring and documenting contractor performance and compliance; however, their processes often include Purchasing Department support and oversight to address contractor performance problems and monitor renewals. The Purchasing Department assists the user department with assessing and documenting non-compliance and developing and initiating corrective actions with the contractor.

The district should immediately institute a process that establishes centralized contract files, a master contract list, accountability measures in all contracts, and consistent monitoring and notification procedures. Implementing a consistent contract monitoring process managed by the Purchasing Department should allow the district to better define, monitor, and evaluate vendor and contractor performance and renewals, while reducing reliance upon fragmented departmental contract oversight. The district should centralize all files and develop a comprehensive list of all contracts currently in effect, with the contractor's name, date of the contract, a brief description of the goods and/or services being provided, the amount and payment terms of the contract, the contract expiration date, and the name and title of the SSAISD employee in charge of administering and monitoring the contract.

Purchasing Department staff should then review and ensure that all contracts include performance and accountability measures and work with user departments to identify necessary accountability measures for inclusion in future. Purchasing Department staff should also provide training to user

departments and assist in developing written steps to ensure proper monitoring and documentation of contractor performance, including the notification procedure and district requirements for instances of contract non-compliance.

EXCLUSION OF PURCHASING DEPARTMENT IN PROFESSIONAL SERVICE PROCUREMENT

The Purchasing Department does not directly participate in all aspects of the process to procure professional services. The board delegates the authority to negotiate professional service contracts to the district's legal counsel and allows individual departments to bypass the Purchasing Department when procuring, negotiating, and submitting professional service requests. There are several different processes used to procure professional services, depending on the type of service required.

The Purchasing Department does not review or monitor the procurement of services related to programs such as diagnosticians, counselors, occupational therapists, and speech therapists. In 2003–04, for example, the board authorized more than \$141,500 in payments for contracted services of more than \$10,000 each to individuals for speech therapy services independent of the Purchasing Department. Purchasing is also not involved in procurement of outside legal counsel. For example, the board changed attorneys without the use of a Request For Proposal (RFP) or assistance from the Purchasing Department and directly approved contract payments of more than \$49,000 to its legal counsel in 2003–04.

The Purchasing Department is involved in the preliminary coordination of the Request for Qualification (RFQ) process used to procure architect and engineering services. The Purchasing Department obtains and compiles specification information from requesting departments, advertises it in the form of an RFQ, and forwards received vendor responses back to user departments or committees. Although the Purchasing Department coordinates these RFQ steps, the director of Purchasing is not involved in the evaluation or negotiation process and does not generally participate in any subsequent negotiations currently handled by the district's legal counsel. In 2003–04, the district paid an architectural firm nearly \$445,000 and another architectural firm nearly \$308,000 for services related to the 2002 bond on contracts that were awarded without input from or managerial oversight by the Purchasing Department.

Oftentimes, Purchasing Department participation in the procurement of all professional services provides

benefits and protection to both districts and their respective communities. Districts and businesses using this participation and input benefit from technical advice, previous experience, and market research conducted by Purchasing Department staff during the procurement process. These staff often have access to many procurement databases, experience in identifying competitive market prices for similar services, and can serve as an independent source and offer the user an unbiased perspective. The staff helps ensure a developed scope of work does not unfairly restrict competition and mitigate any tendency for users to simply obtain services from a previously-hired vendor without fully researching and negotiating the best value from available and comparable vendors.

Purchasing Department staff assists users in developing evaluation criteria that will meet identified needs, yet allow qualified vendors to be fairly and impartially evaluated. The Purchasing Department's supervision of the evaluation process assures vendors and the outside community that the evaluation is being performed fairly and that contact and communication between evaluators and vendors before, during, and after the evaluation process is consistent and appropriate. Because of its access to market research and knowledge of local vendors, these Purchasing Department participants also assist users in developing a negotiating strategy to obtain the best pricing. Another significant benefit for entities that include Purchasing Department staff in these processes is legal and financial protection in its contracts. Purchasing Departments often cooperatively work with legal counsel to develop contracts that are consistent, allow a district or business to monitor contract performance, and include legal and financial accountability for non-performance.

Although professional services involve a negotiated procurement and may not be bid in the same manner as commodities, the approach used to procure them should be no different than any other district purchase. Professional services are often more complex and the determination of the best value is more complicated than commodities; however, the goal is to obtain needed services at the best value for the district, while ensuring that all vendors have open access to the district to provide those services and are treated ethically and consistently throughout the procurement process. In establishing a consistent contract development process for professional services, the district should define staff roles and responsibilities and identify the expected level of Purchasing Department participation in the process. This participation may vary by the type of service being purchased. For example, the Purchasing

Department may help to pre-qualify providers of frequently used services such as diagnosticians or counselors. District schools and departments would then select a provider from the pre-qualified list without further assistance from the department. In other cases the Purchasing Department would perform a more active role.

The district should document all Purchasing Department roles and responsibilities in detailed administrative procedures that address technical assistance in the development of a detailed scope of work, use market research to identify potential vendors and pricing information, employ active vendor solicitation based on market research, supervise of the evaluation process to ensure that it is conducted fairly and that there is no improper communication between evaluators and potential vendors, and participate in the negotiation and contract development process. The director of Purchasing should establish a committee of key users consisting, at a minimum, of principals and administrators that most frequently procure professional services, to cooperatively help develop the purchasing processes and defined procedures. The committee should present a draft of the procedures to the executive director for Business and Finance Services and the superintendent for approval. Once approved, the director of Purchasing should conduct training for principals and department heads on the new procedures. The director of Purchasing should also work with the district Webmaster to put the new procedure on the district website for easy access.

CENTRAL ADMINISTRATION ORGANIZATION

The current central organization is inadequately staffed and does not address all of the instructional, management, operational, and evaluative needs of the district. The district organization structure disperses instructional responsibilities among several senior administrators and does not provide coverage of significant districtwide functions such as program evaluation. The current organization structure is the result of the administration's attempt to balance the budget by eliminating two of three associate superintendent's positions and consolidating a number of director and assistant director positions into one position. In 2003–04, the superintendent had 18 direct reports including all principals and administrators. This occurred in several departments including Special Education, Accelerated Instruction and Technology. The superintendent has 21 direct reports including 15 principals. This creates such a large span of control that it is difficult to provide the necessary oversight to each individual.

SSAISD's top central administration includes the superintendent and five senior administrators—three executive directors, one administrator responsible for School Support Services, and one administrator K-12. The administrator k-12 is primarily responsible for curriculum functions but also currently oversees Technology, Career Education and the two alternative school principals. These functions were overseen by the one remaining associate superintendent position that is currently vacant and as of August 2004 has been neither eliminated nor filled. There are 14 directors. Director positions include positions that manage large support organizations such as food service as well as instructional specialists that do not manage other positions. There are also eight other positions with districtwide responsibilities including coordinators, Communications and Community Relations officer, the police chief, the assistant director of Food Services and the General Accountant. SSAISD's current organizational structure is presented in **Exhibit 4-2**.

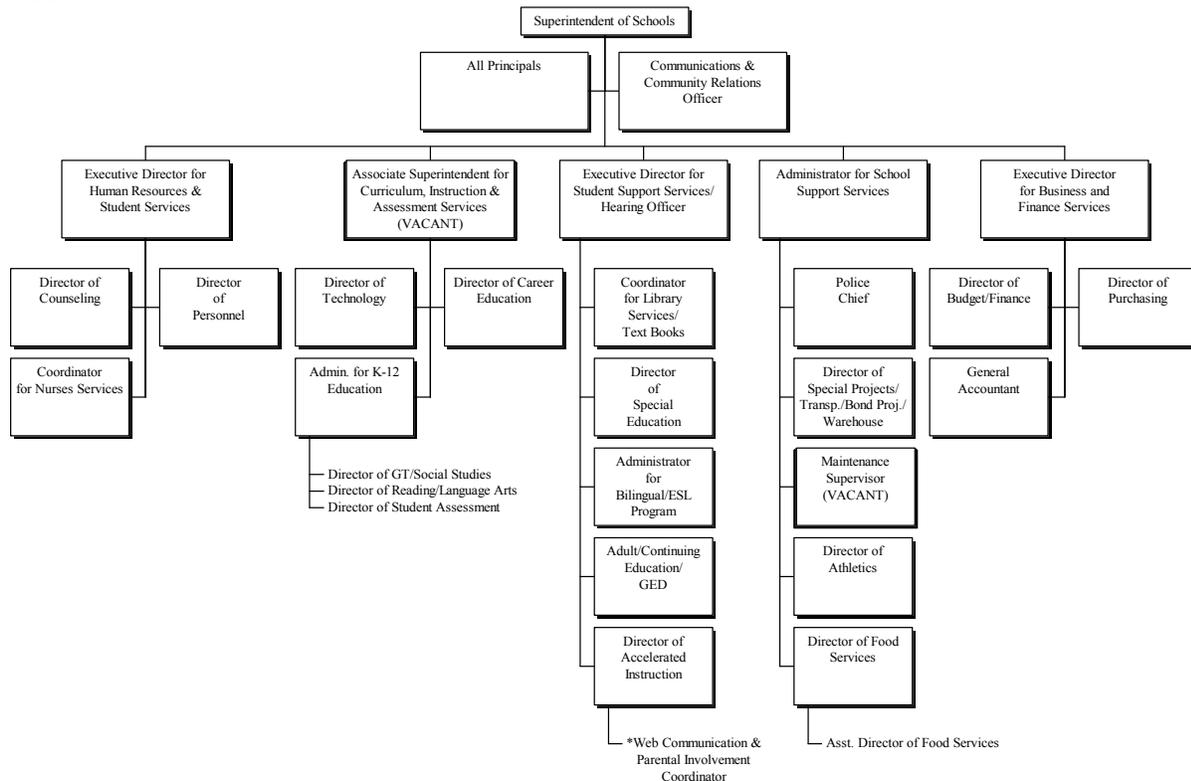
Beginning in 1997–98 the district began a strategy designed to address operating deficits and increase the district's General Fund Balance. The district established a fund balance goal of three month's operating expenditures and, according to several administrators, took several difficult, but essential steps to reach that goal. The district instituted stringent staffing formulas for use in campus staff allocations and froze portions of school and departmental general fund budgets. The district implemented an Early Retirement Incentive Plan to encourage more experienced and higher paid employees to retire. Upon retirement and excluding most teaching positions, the district did not fill subsequent vacancies but reassigned the associated roles and responsibilities to other employees based on skills and time available. As a result, the district saved \$386,000 annually used to meet the established fund balance goal.

However, the district applied this process to all vacant central administrative positions regardless of the position's importance or relevance to the district's instructional program or other key support functions. The board also refused to add any administrative positions regardless of need and resulted in instructional and operational inefficiencies.

Fragmented responsibilities that resulted from a lack of adequate administrative oversight include the following:

- The executive director for Human Resources and Student Services is responsible for two student support services—counseling and

**EXHIBIT 4-2
SSAISD ORGANIZATION
2003-04**



SOURCE: SSAISD, superintendent's Office, May 2004.

nursing—while the other instructional support positions report to the executive director for Student Services/Hearing Officer.

- Principals for the alternative programs report to the executive director for Student Services/Hearing Officer while the 15 other principals report directly to the superintendent.

District-level instructional and operational functions that are not performed due to a lack of central personnel include the following:

- There are no central instruction specialist positions responsible for the important core subjects of science and math. Although administration has requested these positions, the board deleted them during the budget process.
- The district does not routinely evaluate instructional programs, other than conducting evaluations required by statute or from grant regulations that are often simple checklists.
- Currently the district does not have a risk manager and has experienced increases in the number and amount of worker compensation claims filed without this position.

SSAISD current staffing levels are similar to the staffing levels in the four other districts selected by SSAISD as peer districts. The peer districts selected include: Harlandale, Edgewood, Mercedes, and Roma ISDs. The comparison was made in several different ways to develop an understanding of how positions are deployed in each district.

Exhibit 4-3 compares overall staffing in SSAISD to its peers. Two of the peers, Mercedes and Roma ISDs, are substantially smaller than SSAISD, so the comparison was made based on the percentage of positions by category in each district. In most categories, SSAISD was very similar to its peers in how it allocated positions across the district. SSAISD had slightly more teachers as a percent of total staffing and fewer professional support staff than the peer districts. The district had the same percentage of central positions as a percentage of total staffing as its peers (1.1 percent) except for Edgewood that had 0.2 percent of its staff in central administrative positions. SSAISD had a slightly higher percentage of campus administrative positions and fewer auxiliary positions, including clerical positions, than its peers.

**EXHIBIT 4-3
COMPARISON OF TOTAL STAFFING
SSAISD AND PEER DISTRICTS
2002-03**

STAFFING TYPE	SOUTH SAN ANTONIO	EDGEWOOD	HARLANDALE	MERCEDES	ROMA
Teachers	672.0	805.6	983.5	336.1	417.7
Professional Support	83.8	185.9	194.3	61.2	48.1
Campus Administration	40.7	41.4	56.1	19.7	25.0
Central Administration	14.8	3.0	25.0	9.0	11.0
Education Aides	176.6	193.3	201.4	128.9	160.5
Auxiliary	373.8	629.0	717.9	265.7	328.9
Total	1,361.7	1,858.1*	2,178.3*	820.6	991.2
STAFF CATEGORY AS PERCENT OF TOTAL					
Teachers	49.3%	43.4%	45.2%	40.9%	42.1%
Professional Support	6.2%	10.0%	8.9%	7.5%	4.9%
Campus Administration	3.0%	2.2%	2.6%	2.4%	2.5%
Central Administration	1.1%	0.2%	1.1%	1.1%	1.1%
Education Aides	13.0%	10.4%	9.2%	15.7%	16.2%
Auxiliary	27.5%	33.9%	33.0%	32.4%	33.2%
Totals	100.0%*	100.0%*	100.0%	100.0%	100.0%

SOURCE: Texas Education Agency, Academic Excellence Indicator System (AEIS), 2002-03.
*Total from AEIS report may not sum to individual staffing due to rounding.

The district's lack of a risk manager, however, has been a particular concern of both Business and Human Resource staff and has also resulted in the lack of a districtwide risk management or job safety-training program. The district was declared a hazardous employer in 1999-2000 by the Texas Workers' Compensation Commission (TWCC) and submitted an acceptable accident prevention plan that included review and oversight by a risk manager. A major component of the plan was also to provide job safety training to employees to reduce the number and severity of work related injuries.

When the risk manager left in 2000-01, the district did not officially redistribute the training oversight duties to ensure accountability for provision of training and to promote employee safety. Therefore, the schools and departments began independently and inconsistently providing job safety training.

The district's Workers' Compensation claims have steadily increased after reducing to a low of \$435,772 in 2000-01 back to \$541,329 in 2002-03, an increase of more than 24 percent, although the number of actual claims has inconsistently increased and decreased since 1998-99. **Exhibit 4-4** presents the Workers' Compensation claims paid by the district through its self-insurance fund from 1998-99 through 2002-03. In addition to the claims paid, the district has reserved \$1.6 million for claims incurred but not paid in 2002-03. This represents an increase

of more than \$425,000 in reserves from the designated amount in 2001-02.

The district changed third party administrators effective June 1, 2004. The firm chosen provides leading-edge technology for monitoring claims, an aggressive audit and claim handling service, comprehensive reporting capabilities, and the integration of claims and nurse management. The director of Budget and Fiscal Services said the district anticipates that services from the new company will help them reduce the number and amount of claims. As of September 1, 2004, the district still had not hired a risk manager.

Many districts that are self-insured for Workers' Compensation claims hire a risk manager to oversee claims, safety training, follow up with injured workers, and analyze reports prepared by third-party administrators for trends in injuries or by department. Brownsville ISD hired a risk manager, implemented a safety-training program, and saved more than \$500,000 or 10 percent of claims after one year.

Many additional school districts also use Early Retirement Incentive Programs and stringent staffing formulas to control personnel costs as SSAISD has done. However, these practices in these other districts are often coupled with a willingness to fill essential or cost-effective positions as needed.

**EXHIBIT 4-4
WORKERS' COMPENSATION CLAIMS
1998-99 THROUGH 2002-03**

	1998-99	1999-2000	2000-01	2001-02	2002-03
Cost of Claims	\$643,671	\$778,374	\$435,772	\$521,051	\$541,330
Number of Claims	168	200	217	199	245

SOURCE: SSAISD, Workers' Compensation claims history, May 2004.

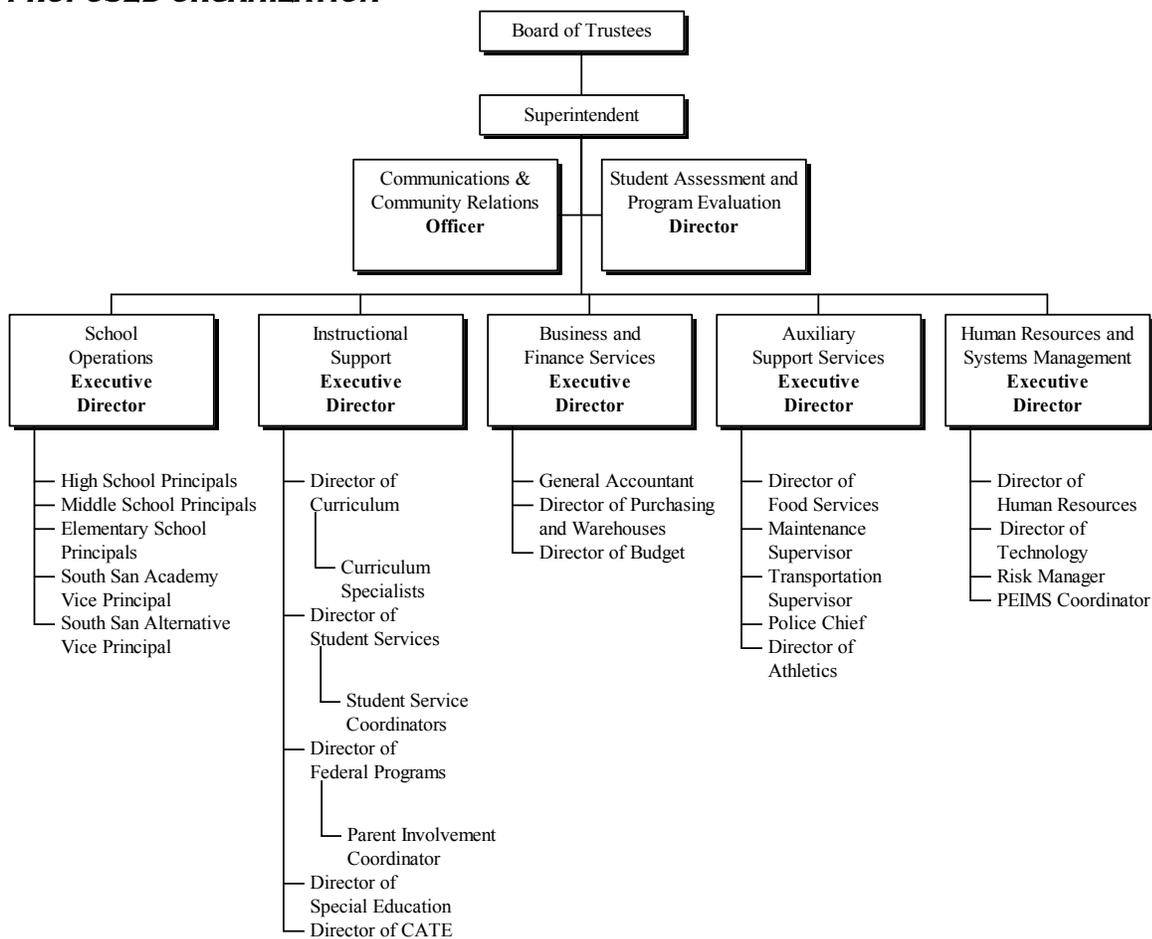
The superintendent should restructure the organization to group similar functions under a single administrator to provide improved direction and accountability and propose the reorganization to the board. **Exhibit 4-5** illustrates the proposed organizational structure that groups functions in a logical manner while maintaining a balance of responsibilities among senior staff. The proposed organization groups all school operations under one position, while grouping instructional and student support functions under a separate administrator. The district should continue to group Finance and Business functions and Support Services functions under separate executive directors. The district should assign Technology and Risk Management to the executive director of Human Resources and Student Services and change that position's title to executive director of Human Resources and Systems Management. To provide coverage of needed functions, the superintendent should add one senior level administrative position to manage and direct school operations, including supervision of

principals. The superintendent should also add one director level position to address program evaluation needs, two curriculum specialists to address math and science core subjects, and a risk manager. These positions should be phased-in as funds permit.

The cost to implement these organizational changes is based upon the mid-point salaries of the recommended positions. The mid-point for the recommended executive director position (pay grade 7) is \$65,165. The mid-point (pay grade 5) for the curriculum specialists and director of Program Evaluation is \$56,918. Fringe benefits are 10.4 percent of base salaries.

This fiscal impact also assumes that the positions will be phased in over time with the two curriculum specialists hired for one-half of a year in 2004-05 for a salary and benefits cost of \$62,838. The estimated salary for a risk manager is \$62,838 (\$56,918 based on the mid-point of pay grade 5 plus benefits of 10.4 percent or \$5,919). The district should be able to reduce the cost of claims by 10 percent of the

**EXHIBIT 4-5
PROPOSED ORGANIZATION**



SOURCE: SDSM, Inc.

current claims cost or \$54,133 based on the activities of a risk manager. The net annual impact on the district is therefore calculated as \$8,704 (\$62,838 – \$54,133 = \$8,705). During the first year, however, this fiscal impact does not include any percentage savings from districtwide risk management expenses. During 2004-05, salary and benefits costs for one-half of a year for the risk manager equal \$31,419 (\$62,838/2). Total first year costs for the risk manager and two curriculum specialists are estimated at \$94,257 (\$31,419 + \$62,838).

The district should hire the director of Program Evaluation in 2005-06 and the executive director position responsible for School Operations in 2006–07. Implementation costs during the second year include full year salaries and benefits for the curriculum specialists (\$62,838 x 2 = \$125,676), the risk manager and a 10 percent program savings estimated at a cost of \$8,705 (\$62,838 – \$54,133 = \$8,705), and the addition of the salary and benefits for the director of Program Evaluation (\$56,918 x 1.104 = \$62,838) for a total second year cost of \$197,222. Third year implementation costs equal year two costs plus salary and benefit costs for the executive director responsible for School Operations (\$65,165 x 1.104 = \$71,942) or a total of \$269,164

(\$71,942 + 197,222). The \$269,164 in incurred costs should continue on an annual basis for years three through five for total five-year costs of \$1,098,971.

CAMPUS CLERICAL STAFFING

SSAISD is not consistently using and implementing industry staffing standards for clerks. Clerical staff at the secondary schools exceeds recommended industry standards. SSAISD elementary and alternative school clerical staffing, however, conforms to the Southern Association of Colleges and Schools (SACS) standards. SACS recommends minimum personnel standards based upon the enrollment in a given school and accredits more than 12,000 public and private institutions, from pre-kindergarten through the university level, in 11 states in the Southeastern United States including Texas. SACS also recommends minimum clerical personnel requirements for middle and high schools, based on enrollment, in its *Accreditation Standards 2000: Resources, Human Resources*.

The SACS minimum standards for high schools are shown in **Exhibit 4-6**.

Exhibit 4-7 compares SSAISD staffing to SACS standards at the middle and high school levels. Differences between the SACS standard and actual

EXHIBIT 4-6 SACS MINIMUM PERSONNEL REQUIREMENTS FOR MIDDLE AND HIGH SCHOOLS ACCREDITATION STANDARDS 2000: HUMAN RESOURCES

NUMBER OF STUDENTS	MIDDLE SCHOOLS	HIGH SCHOOLS
	0.5	1.0
250–499	1.0	2.0
500–749	1.5	3.0
750–999	1.5	3.5
1000–1249	2.0	1–249
1250–1499	2.0	4.5
1500–Up	*	4.5

SOURCE: Southern Association of Colleges and Schools, Commission on Secondary and Middle Schools, 2000.

NOTE: *One full-time equivalent staff member shall be added where needed for each additional 250 students of 1,500.

EXHIBIT 4-7 SSAISD MIDDLE AND HIGH SCHOOLS COMPARISON OF SACS STANDARDS FOR CLERICAL STAFFING TO ACTUAL STAFFING BY SECONDARY SCHOOL

SCHOOL	ENROLLMENT	POSITION	SACS STANDARD	ACTUAL POSITIONS	DIFFERENCE OVER/ (UNDER)
Dwight Middle School	808	Secretary or Clerk	5.0*	6.0	1.0
Kazen Middle School	817	Secretary or Clerk	5.0*	7.0	2.0
Shepard Middle School	570	Secretary or Clerk	4.0*	6.0	2.0
South San Antonio High School (001)	1,765	Secretary or Clerk	9.0	11.0	2.0
South San Antonio High School West	631	Secretary or Clerk	6.0	8.0	2.0
Total	4,591		29.0	38.0	9.0

SOURCE: Compiled from SACS Standards and SSAISD Salary Listing, 2003–04 and Texas Education Agency, District and School Directory.

*NOTE: SACS recommended half-time positions were rounded to full-time positions for comparison purposes. SACS clerical standards were increased by one to address time spent on PEIMS reporting activities in Texas schools.

district positions are shown in the Difference column.

The district should consistently implement clerical staffing formulas at all levels, particularly at the secondary level. Implementing industry formulas such as those produced by the Southern Association of Colleges and Schools, which the district follows at the elementary levels, should help the district reduce the number of clerks at the secondary level by nine and realize overall districtwide savings. The fiscal impact of this finding is conservatively based on the minimum salary for a clerk in pay grade 1 or \$9,712 plus benefits of 10.4 percent to equal \$10,722. Annual salary and benefit savings for nine school clerical positions equal \$96,498 (\$10,722 x 9 positions = \$96,498). During the first year, the district should realize savings for five out of a total ten months by reducing staff in January 2005. These first year savings equal \$48,249 [(\$96,498 / 10) x 5]. Five-year savings should reach \$434,241 [\$48,249 + (4 x \$96,498)].

MAINTENANCE AND CUSTODIAL MANAGEMENT

SSAISD’s Plant Operations management does not adequately plan, budget, or supervise maintenance and custodial activities to ensure clean, well-maintained facilities. Effective management requires detailed planning and allocation of resources, prompt

response to daily requirements, consistent supervision and training, and continued monitoring and evaluation of the program. SSAISD’s management does not perform these necessary activities in an organized or consistent manner. SSAISD outsourced the management of custodial operations and, according to several custodians, it functioned as a much better program than exists today. **Exhibit 5–1** compares SSAISD management to best practices. A “+” in the status column indicates that SSAISD is performing the function; a “-” indicates it is not performing the function.

The Maintenance and Operations Department does not have Standard Operating Procedures (SOPs), which outline the standard of repair expected, organization charts, work order flow, how to obtain parts and other information necessary for the maintenance worker. Staff relies on verbal instructions and individually defined criterion to determine what is required for job accomplishment. There are also no written standards of cleaning or an inspection program in which district personnel evaluate the campus cleaning effort. The condition of each building reflects the expectations of the building principal and the head custodian. This process results in buildings that range from very clean to unacceptable.

The director of Plant Operations has not developed SOPs that define the flow of work orders in a rapid,

**EXHIBIT 5–1
COMPARISON OF SSAISD MAINTENANCE/
CUSTODIAL MANAGEMENT TO KEY SUCCESS FACTORS**

SUCCESS FACTOR	BEST PRACTICE	STATUS (+/-)
Planning	Facilities maintenance plan exists with long- and short-term objectives, budget and timelines.	-
	Facilities Department has a vision for maintenance and cleanliness that is shared by stakeholders and is of high priority and supported by administration.	-
	Facilities plan is based on solid analysis and assessment of need.	-
Staff Management	Standard Operating Procedures manual exists to govern day-to-day operations for maintenance and custodial staff. Manual is accessible and easy to read and includes items such as: mission statement, personnel policies, purchasing regulations, accountability measures, cleaning procedures, asbestos procedures, repair standards, vehicle use guidelines, security standards, and work order procedures.	-
	Workload is analyzed as a basis for allocating maintenance and custodial staff and obtaining additional resources as square footage is added.	-
	Orientation and ongoing training in areas such as equipment instructions, safety, and performance expectations is provided for staff.	-
	Staff is closely supervised and developed and routine feedback and evaluation provided.	-
Responsiveness and Preventive Maintenance	Preventive maintenance plans exist and are based on facilities audits outlining the condition of buildings, grounds, and equipment.	-
	Computer Maintenance Management System exists to track preventive and other maintenance costs.	-
	Organization uses flexible work schedules and schedules maintenance and cleaning during non-school hours.	-
Evaluation	Work order flow is managed to minimize maintenance down time and user frustration.	-
	Computer work order systems exist to track workload and responsiveness. Systems allow user to easily evaluate staff productivity and monitor maintenance trends by type of maintenance such as preventive, emergency or routine.	-
	Site inspections are routinely performed and documented.	-
	Maintenance and custodial staff is involved in developing the budget.	-
	Department routinely uses customer surveys to obtain feedback for improvement.	-

SOURCE: National Center for Education Statistics, Planning Guide for Maintaining School Facilities, February 2003.

organized manner to reduce maintenance down time. Emergency work orders are telephoned to the Maintenance and Operations Department for review and approval by the director of Plant Operations prior to worker dispatch. Routine work orders originate at the campus level in paper form and are sent by distribution to the Maintenance and Operations Department. Once approved, the work orders are held until for scheduled visits to each campus by maintenance personnel resulting in delays for regularly requested repairs. Schools are scheduled for maintenance once every 20 days, regardless of the size or number of repairs needed.

SSAISD does not schedule staff to effectively accomplish tasks. For example, the district does not schedule night maintenance crews to accomplish the maintenance tasks, depending solely on maintenance performed during school hours. Use of night maintenance crews increases the time available for maintenance without increasing the number of personnel. Not using a night maintenance crew limits the amount and type of maintenance that can be performed without interrupting classroom activities.

Custodial staff is not supervised and communication with supervisors is limited. The district assigns head custodians, whose primary purpose is the management and supervision of the custodians, during the day shift while the majority of the cleaning is conducted at night. Custodians said during focus groups that meetings with head custodians do not occur, and the custodians have no means to convey their concerns to management other than one-on-one conversation with the operation supervisors. The district also purchases cleaning supplies without input from the custodians and based upon cost rather than effectiveness. For example, the district stopped using chemical dispensing systems for cleaning solutions without any input from the custodians. These systems are typically used to increase custodial efficiencies and enhance safety by controlling the amount of cleaning solutions dispensed and eliminating the need to physically pour chemicals that, at times, are hazardous. Many of these systems are still stored in the campus custodian rooms while the district returned to bulk product

purchase and use of these cleaning fluids. In addition, many of the actual custodian closets and cabinets containing these materials were found unlocked.

Custodians reported that a formal training program exist to instruct and train custodians on cleaning procedures, the proper use of cleaning equipment, and safety and security issues does not exist.

The district also has not provided the financial resources for effective cleaning or maintenance. For example, the cleaning equipment used by the custodians fails because of excessive age. The district out sources the repair of equipment, which often breaks upon return. One buffer belonging to South San High School was repaired and was broken again three days after its return. There is no spare equipment or loaner equipment to replace equipment being repaired by the contract repair company, so the custodian either doubles up with another custodian or does not perform that cleaning function.

In another example, the district spends less on maintenance in comparison with peer districts chosen for this review: Harlandale ISD, Edgewood ISD, Mercedes ISD, and Roma ISD (**Exhibit 5-2**). Compared to its peers, SSAISD budgets the least amount per student at \$647 per student. SSAISD spends approximately 9.4 percent of the district budget on maintenance, which includes maintenance, custodial operations, and energy expenditures. By comparison, peer districts spend from \$665 to \$920 per student, ranging from 11.4 percent to 13 percent of their budgets.

The lack of planning, resources, and supervision results in facilities that are unclean and in disrepair as observed during the review team's site visit (**Exhibit 5-3**).

SSAISD also does not survey its users to obtain feedback for improvement. The review team surveyed teachers, principals, parents and staff in the district concerning maintenance and cleanliness of facilities. **Exhibit 5-4** presents these survey responses.

EXHIBIT 5-2
BUDGETED MAINTENANCE EXPENDITURES
SSAISD AND PEER DISTRICT
2003-04

SCHOOL DISTRICT	STUDENT POPULATION	BUDGET AMOUNT	PERCENTAGE OF DISTRICT BUDGET	AMOUNT PER STUDENT
South San Antonio ISD	9,928	\$6,428,228	9.4%	\$647
Roma ISD	6,222	\$4,136,800	11.4%	\$665
Mercedes ISD	5,329	\$4,527,000	12.3%	\$850
Edgewood ISD	12,873	\$11,366,490	12.9%	\$883
Harlandale ISD	14,072	\$12,944,718	13.0%	\$920

SOURCE: Texas Education Agency, PEIMS, 2003-04.

As seen in **Exhibit 5-4**, parents rated maintenance positively with approximately 50 percent responding that they strongly agreed or agreed that buildings were maintained and repairs occurred timely. Staff and teachers rated maintenance the least positively, with approximately 25 percent of staff and teachers

favorably rating maintenance. Responses regarding cleanliness varied. Teachers, students, and staff rated facility cleanliness the least positively with 51 percent of teachers, 48 percent of students, and 44 percent of staff disagreeing or strongly disagreeing with the statement, "Schools are clean." Parents rated the

**EXHIBIT 5-3
VISUAL INSPECTION OF SSAISD FACILITIES
MAY 2004**

CAMPUS	PROBLEM
West Campus High School	Many broken, missing and mold covered ceiling tiles
	Evidence of excessive roof leaks
	Mechanical rooms contain trash
	Mechanical rooms used as storage
	Many broken floor tiles
	Classrooms in need of painting
Armstrong Elementary	Missing ceiling tiles
	Missing light lens
	Air filters not change on regular schedule
	Dirty tiles adjacent to the supply vent
Five Palms Elementary	Outside of building needs painting
	Front doors needs repair
	Clouded and scratched lexan in windows
Dwight Middle School	Water standing on mechanical room floor
	Mechanical room used for storage
	Main entrance contains cracked glass
Kindred Elementary	Ceiling tiles with mold in hall
	Dirty air filters
	Ceilings stained from dirty air
Palo Alto Elementary	No filters in two air conditioners
	Ceiling in Room 11 black with dirt
Kazen Middle School	Needs painting
	Ceiling tiles with mold
	Chewing gum on floor

SOURCE: SDSM, Inc., visual inspection of selected SSAISD campuses, May 17, 2004.

**EXHIBIT 5-4
FACILITY MAINTENANCE SURVEY RESULTS
MAY 2004**

SURVEY QUESTION	STRONGLY AGREE	AGREE	NO OPINION	DISAGREE	STRONGLY DISAGREE
BUILDINGS ARE PROPERLY MAINTAINED IN A TIMELY MANNER.					
Students	3.6%	32.8%	22.6%	22.6%	16.8%
Staff	2.8%	24.8%	16.0%	31.6%	23.0%
Teachers	3.8%	25.0%	7.9%	34.1%	28.5%
Parents	5.1%	48.7%	15.4%	12.8%	12.8%
Principals	0.0%	42.3%	3.8%	42.3%	11.5%
REPAIRS ARE MADE IN A TIMELY MANNER.					
Students	3.6%	15.3%	24.8%	27.7%	27.7%
Staff	2.5%	21.3%	12.8%	34.8%	27.7%
Teachers	2.1%	20.6%	7.9%	36.8%	32.1%
Parents	2.6%	48.7%	15.4%	15.4%	10.3%
Principals	0.0%	26.9%	7.7%	53.8%	11.5%
EMERGENCY MAINTENANCE IS HANDLED PROMPTLY.					
Students	5.8%	32.1%	32.8%	15.3%	13.1%
Staff	7.4%	29.8%	14.5%	25.5%	19.9%
Teachers	4.4%	35.3%	17.1%	27.1%	15.9%
Parents	7.7%	41.0%	17.9%	20.5%	7.7%
Principals	7.7%	46.2%	11.5%	34.6%	0.0%
SCHOOLS ARE CLEAN.					
Students	4.4%	19.7%	27.0%	26.3%	21.9%
Staff	6.4%	33.3%	14.5%	25.5%	18.8%
Teachers	5.9%	34.4%	7.9%	31.2%	20.3%
Parents	7.7%	56.4%	7.7%	7.7%	15.4%
Principals	7.7%	50.0%	3.8%	38.5%	0.0%

SOURCE: SSAISD, School Review Surveys, May 2004.

NOTE: Percentages may not add to 100 percent due to "no responses."

cleanliness the most favorably with 64 percent agreeing or strongly agreeing with the statement.

Many districts outsource maintenance and custodial functions to gain needed managerial expertise in these areas. Coppell ISD out sources both maintenance and custodial management and cites benefits because of the expertise brought to the district by the vendor. The outside company provides the district with SOPs, training, management, and equipment that it could not provide on its own. One example of savings achieved through outsourcing is the reduction in cleaning supply costs. Often a vendor saves at least 10 percent from a district’s individual cost of cleaning supplies by using an established network of supplies available at large bulk discounts.

SSAISD should outsource its maintenance and custodial functions. The director of Purchasing should work with the administrator for School Support Services to develop a statement of work. **Exhibit 5–5** outlines some of the items that should be addressed in the statement of work.

To communicate expectations and reduce employee stress, the district should also schedule meetings with district personnel and maintenance and operation employees to explain what is to be expected under the terms of outsourcing the management function. The district should provide a press release to the

news media explaining the decision to outsource services and the expected accomplishments. The administrator for School Support Services should work with the executive director for Business and Finance Services and the director of Purchasing to prepare a Request for Proposal (RFP) to outsource the maintenance and custodial management function. The director of Purchasing and administrator for School Support Services should contact districts that have outsourced the management function to obtain sample copies of their RFP and contract and to discuss “lessons learned” from the implementation.

The district should use the researched information to competitively procure services through the RFP process and complete vendor evaluation using a committee representing a cross section of district and community personnel. The committee should then develop and submit a recommendation to the board for approval. The district should assign immediate contract oversight to the administrator for School Support Services with periodic reports to the director of Purchasing. The administrator for School Support Services should work with the director of Purchasing to review contract terms and performance measures and methods for remedy if the selected vendor does not meet performance measures. Contracts of this type should cover an initial three-year period and provide for review prior to renewal. While outsourcing the management of the maintenance and

**EXHIBIT 5–5
EXAMPLE STATEMENT OF WORK ELEMENTS**

TOPIC	ITEMS OF CONSIDERATION
Staffing	Number of vendor maintenance/custodial management personnel Required skills/qualifications of vendor maintenance/custodial management personnel Location of office Hours of management office operations Time frame within which management office will be staffed and operational
Tasks/Program	List the types of tasks/services the vendor is expected to perform such as: Provide department SOPs; Provide department job descriptions; Train staff to use maintenance and cleaning standards and techniques; Provide and implement a computerized maintenance management system; Assess condition of all district facilities and identify immediate, intermediate, and long-term maintenance requirements; and Develop and provide recommended preventive maintenance program for major building components along with an estimated cost for the life of the contract.
Schedules and Deliverables	Documented schedules and deliverable dates for each of the task areas with assigned responsibilities for completion.
Other Issues	Listing of equipment that will be provided and who will replace equipment Identifying who will manage contract Control and escalation factors for multi-year contracts Job pricing for services that are in addition to tasks scoped in contract Costs for key contract items such as chemicals
Management and Reporting	Identification of vendor and district points of contact for contract performance monitoring Scheduled coordination meetings with principals and administrators to communicate program expectations Frequency of status reports Invoice procedures and payment schedule Methods to obtain and incorporate district staff feedback related to vendor performance Regular monitoring points to review and discuss progress such as semi-annual program status reviews Performance measures and procedures for renewal of contract

SOURCE: SDSM, Inc., May 2004.

custodial functions will produce savings of \$10,327 annually or \$45,308 after five years, the primary reason to outsource the maintenance function is to improve the quality of maintenance work performed in the district and the condition of the schools.

The cost of outsourcing is estimated as the cost of salaries and benefits for a director, custodial supervisor, and secretary. The base salary cost of the three positions is estimated as \$110,000. Fringe benefits of 30 percent and profit of 35 percent are applied for an estimated annual cost of \$193,050 (\$110,000 x 1.30 benefits x 1.35 profit = \$193,050). The cost of outsourcing is offset by estimated savings from the elimination of management and administrative positions in the district. By outsourcing, the district can eliminate four positions—the director of Plant Operations, the maintenance secretary, the maintenance supervisor, and the custodial supervisor.

The actual salaries for the director of Plant Operations and maintenance secretary are \$101,141. Fringe benefits of 10.4 percent are applied to the actual salaries for a total savings of \$111,660 (\$101,141 actual salaries x 1.104 fringe benefits = \$111,660).

The actual salaries for the custodial supervisor and the maintenance supervisor are \$71,682. Fringe benefits of 27.95 percent are applied to the actual salaries for a total of \$91,717 (\$71,682 actual salaries x 1.2795 fringe benefits = \$91,717). Total savings from elimination of the four positions are estimated at \$203,377.

Although the maintenance supervisor is vacant, it is a funded position. The calculation for its savings was estimated as \$31,027 based on a mid-point for job grade 7 of \$16.16 per hour at 240 days per year (\$16.16 per hour x 8 hours a day x 240 days a year = \$31,027).

The district should realize estimated savings of \$10,327 annually after full implementation based on estimated cost of outsourcing (\$193,050) less the savings from the elimination of four positions (\$203,377) beginning in 2005–06.

ENERGY MANAGEMENT PROGRAM

The district does not have an effective energy management program that includes identified energy management goals, monitored utility costs, or coordinated energy management strategies. There is

also no formal, written energy management policy. The district had an energy manager through 2001–02 who was responsible for tracking utility invoices. In 2002–03, the district eliminated that position after the individual left the district. Although staff have since presented outsourced energy management programs to the board, they have not been approved.

In 2003, an outside energy company performed an energy review of electric utility invoices, which resulted in limited utility rebates. The district also has replaced older, inefficient equipment during bond program renovations. At 10 campuses, the district replaced 233 air conditioning units and boilers. In addition, the district replaced exterior glass at seven campuses with energy efficient windows. In 1996, the district initially converted fluorescent lights to a more efficient, lower wattage light bulb in all district facilities except Dwight Middle School and the administration building. The district upgraded the remaining lighting in these facilities in 2003. The two newest schools in the district have energy-efficient, direct-digital temperature controls that are set and monitored by computer. However, a large number of district buildings have manual thermostats controlled by individual occupants. The district tries to conserve energy during the months of June and July when most facilities are closed, but does not have procedures or practices in place to ensure that energy conservation occurs.

While the district has implemented some energy management strategies and recognizing that overall utility costs have increased, the district’s energy costs have still risen nearly \$400,000 since the energy manager resigned. **Exhibit 5–7** identifies the district’s actual utility costs for 1999–2000 through 2003–04.

The district cited one reason for increased utility costs as the addition of new facilities. In 2003–04, the district’s utility cost was \$1.09 per square foot based on a total square footage of 1,581,925. In 2002–03, SSAISD spent \$1.5 million or 89 percent of the district’s \$1.7 million total utility costs on electricity, an amount higher than the average 80 percent for Texas school districts according to state energy managers. Electricity costs during the 2003 summer months of June and July were \$282,265 or 18.4 percent of the annual \$1,536, 888 total.

SSAISD’s current summer conservation practice is to attempt to limit facility use to those campuses that

**EXHIBIT 5–7
SSAISD UTILITY COSTS
1999–2000 THROUGH 2003–04**

	1999–2000	2000–01	2001–02	2002–03	2003–04
Utilities	\$1,220,446	\$1,511,083	\$1,488,706	\$1,329,695	\$1,726,639

SOURCE: Texas Education Agency, PEIMS, 1999–2000 through 2003–04.

offer summer school programs—two elementary schools and one high school. The director of Plant Operations encourages custodians to keep the air conditioning settings at 78 degrees, but finds that this is not always done. He mentioned instances where he found empty buildings being cooled.

Other school districts are taking aggressive action to reduce energy costs during the summer months of June and July when most facilities are closed. Leander ISD (LISD) is in the third year of a nine-week conservation program that saved \$300,000 in energy costs during the summer of 2003 and estimated savings of \$350,000 for the summer of 2004. According to the district's energy manager, this savings represents approximately 50 percent of the cost of electricity during these two months. The district limits the number of schools opened to five of 19 regular campuses, only cools the administrative offices and custodial areas at the remaining campuses, and shortens each work week to 8:00 am to 5:00 pm on Monday through Thursday. All administrative offices and most campuses are closed on Friday excluding summer school and day care sites. The district monitors humidity levels in school libraries to protect book collections and sets lights, HVAC, and other equipment controls to unoccupied settings to achieve the greatest reduction in energy costs. Over the last three years LISD has reduced the cost of energy from \$1.15 per square foot to approximately \$0.80 per square foot through their summer program and additional energy saving measures implemented during the school year.

Many Texas districts have implemented a comprehensive, coordinated energy program, to isolate cost inefficiencies, analyze trends, and identify strategies to reduce overall utility costs. A comprehensive program consists of monitoring utility costs to identify billing errors and areas where there may be faulty equipment or excessive waste; educating users to conserve energy and retrofitting older, inefficient equipment, with newer energy-efficient equipment. The National Center for Education Statistics Planning Guide for Maintaining School Facilities outlines the following guidelines to help districts achieve more efficient energy management:

- Establish an energy policy with specific goals and objectives;
- Assign someone to be responsible for the district's energy management program, and give this energy manager access to top-level administrators;
- Monitor each building's energy use;

- Conduct energy audits in all buildings to identify energy-inefficient units;
- Institute performance contracting when replacing older, energy-inefficient equipment;
- Reward schools that decrease their energy use;
- Install energy-efficient equipment; and
- Install motion detectors on lights.

Another strategy used by school districts is user education. Watt Watchers is a state-sponsored program that is provided free of charge to school districts. The program challenges students to look for energy waste in their schools. Galveston ISD (GISD) was a pilot site for the Watt Watchers program and reduced its electric bill by \$25,000 a year.

The district should implement an energy management program by developing and adopting board policy to identify energy conservation goals and by hiring an energy manager to cultivate and monitor the program. The district should include an aggressive summer energy conservation program in its overall energy program.

The associated fiscal impact includes the cost of an energy manager, summer savings based upon those achieved by Leander ISD with a June 2005 beginning, and an overall programmatic savings of 3 percent achieved incrementally. The district should realize the incremental savings by the third to fifth year of implementation to approximate \$1.00 utility cost per square foot by 2008–09.

The cost of the salary and benefits for the new energy manager is based upon comparable positions classified as job grade 2 within the district. The midpoint for this job grade is \$181.70 per day, for 240 days with fringe benefits at 10.4 percent. The salary for an energy manager is estimated at \$48,143 ($\$181.70 \times 240 \text{ days a year} \times 1.104 \text{ benefits rate}$) for 2005–06 through 2008–09. First year salary and benefits for the energy manager equal \$24,072 ($\$48,143/2$). The summer conservation savings are determined by multiplying the actual SSAISD electricity costs during the summer months of June and July 2003 (\$282,265) by 50 percent, the percentage of savings achieved by Leander ISD for an annual estimate of \$141,133 ($\$282,265 \times .5 = \$141,133$). Overall energy savings are based upon the district's 2003 utility cost per square foot of \$1.09, calculated as utility costs of \$1,726,639 divided by total square footage of 1,581,925. The district should be able to reduce its energy use by 3 percent a year or \$51,799 beginning in 2006–07 ($.03 \text{ reduction} \times \$1,726,639 = \$51,799$) after instituting an aggressive energy program for one year. Cost savings are

calculated as \$144,789 (\$141,133+\$51,799-\$48,143) and will incrementally increase by \$51,799 each year.

TECHNOLOGY DEPARTMENT STAFFING

The Technology Department does not have sufficient staffing to address all areas of responsibility including hardware, software, and website training, planning, evaluation, and support. Technology Department staff in 2003–04 consisted of the director and four support staff including a network administrator, a systems specialist, a hardware specialist, and a help desk secretary that performed specialized duties and assignments. In May 2002 the Technology Department lost a software specialist and as of November 2004, the district is not listing the hardware specialist on its 2004–05 website. During interviews, staff said they do not have enough time to perform all of their required duties or to functionally cross-train to provide each other with internal backup. The Technology Department identified and included the need to hire and maintain additional technical staff in its Technology Plan needs assessment. The director of Technology is not available to participate in planning meetings for acquiring and evaluating new technology. The Technology Department also does not provide the amount of annual training that it once provided prior to May 2002 when the district had a director and five support staff.

Exhibit 6–1 lists the organization chart provided to the review team in May 2004 that includes a software specialist position that has remained unfilled since May 2002 when that individual became the current

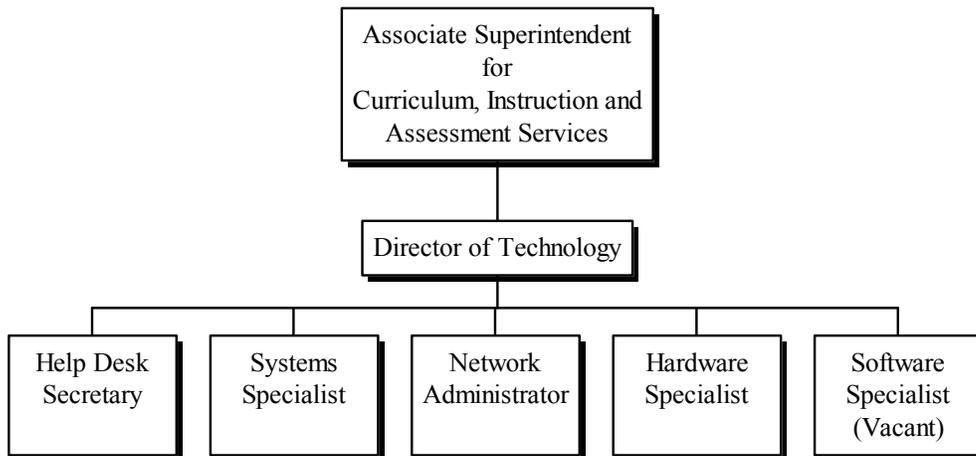
director of Technology.

The director of Technology is responsible for supervising staff, planning, grant development, and budget development. The director also provides technology instruction to administrators, teachers, and staff and maintains the district’s website. The network administrator manages installation and coordination of networked application software, maintains the web server, and manages the integration of servers. The system specialist installs and maintains software, maintains routers and switches, and assists with installation of equipment. The hardware specialist, no longer listed in November 2004, previously previewed and recommended hardware purchases, performed troubleshooting activities, and installed and repaired hardware systems. The support staff also share responsibilities for disaster recovery. The help desk secretary provides software application and hardware problem assistance over the phone and records and tracks all technology requests.

Prior to May 2002, the district offered summer training in both the mornings and afternoons and after school training during the academic year. Since that time, the director of Technology performs training in the mornings and then manages the department in the afternoon during the summer months and has been unable to offer routine training during the academic year. During interviews, the director of Technology said that technology training is ad hoc and is not done unless a principal specifically requests it for presentation during a staff development day.

The vacant software specialist position also limits the

**EXHIBIT 6–1
SSAISD TECHNOLOGY DEPARTMENT ORGANIZATION
2003–04**



SOURCE: SSAISD, Technology Department, May 2004.

instructional technology software support that the Technology Department is able to provide. **Exhibit 6-2** lists SSAISD's specialized instructional software for 2003-04. The district uses this software from Pre-Kindergarten through grade five for reading, writing, and math skills. The middle school software for grades six through eight introduces Spanish, accelerated reading, reading assessment, and keyboarding skills. The district has also added additional programming and multimedia software for use in various high school courses.

The director of Technology serves as a part-time Web master in addition to training district staff and

managing the department. The review team noted several deficiencies on the SSAISD website (**Exhibit 6-3**). The district said it had contracted with a Web hosting company in April 2004 for training and templates to allow district staff to update website information. In fall 2004, the district also assigned new responsibilities for processing much of the information on the district website to the director of Communication. However, the district still has not hired a specialist with background and training in technical website development and maintenance. In September 2004, the district implemented the new website templates, but as late as November 2004, most of the sites remain incomplete stating that specific information is under construction.

EXHIBIT 6-2
LIST OF SPECIALIZED SOFTWARE 2003-04
SCHOOL PROGRAM SOFTWARE

PROGRAM TITLE	CURRICULUM CONNECTION	GRADE LEVEL
Microsoft Office PRO	Writing, Multimedia, Math	2-12
NSC Learn SME	Reading Skills, Math	Pre-K-3, 6-12
CEI	Reading Skills	Pre-K-3
Sleek	Reading Skills, Math, Writing, Spanish	4-5, 6-8
Accelerated Reader	Reading	1-8
Renaissance Start Reading	Reading Assessment	1-5
Microsoft Encarta	World Geography	1-12
Science Probe Software	Science	6-12
Southwestern Alphabetical	Keyboarding	7-12
Southwestern Numerical	Keyboarding	7-12
Micro-type	Keyboarding	7-8
Kaleidoscope	Keyboarding	7-8
Sunburst Type to Learn	Keyboarding	7-8
Southwestern Micro Type Multimedia	Keyboarding	7-12
Novanet	All core areas	9-12
Microsoft Front Page	Web development	9-12
Macromedia	Multimedia	10-12
Geometer's Sketchpad	Math	9-12
READ 180	Reading	9-12
Photoshop	Multimedia	10-12

SOURCE: SSAISD, Technology Department, April 2004.

**EXHIBIT 6-3
SSAISD WEBSITE DEFICIENCIES**

ISSUE	EXAMPLES/COMMENTS
Website does not include Spanish translations.	The website does not include any materials for its Spanish-speaking community members.
Website does not inform the public of important events.	2004 bond issue information was not available on the district website beyond a link titled, "Bond Information" that further linked to a page titled, "Foster CM Group, Inc." No description of the proposed bond was ever listed prior to the election. Board agendas and minutes are unavailable. District and Campus Improvement Plans are unavailable. School student/parent handbooks not available. District Improvement Council minutes for 2003-04 are unavailable.
Website does not include information about district's educational programs.	Links are provided to district departments, but only contact information is provided.
Website does not include links for parents, businesses, volunteers, or the community.	Communications and Community Relations Department does not have its own web page.
Information is outdated.	District Improvement Council minutes are listed for 2001. Technology division training calendar is for August 2002. District Improvement Council members are for 2001-02. List of trustees is from May 2003. Department of student assessment information was updated in 2002. Texas Summer Academy provides a description for the 2003 summer program.
School websites do not include sufficient information and are inconsistent.	Only South San Antonio High School and Dwight Middle School provide information other than name, address, and contact information. School websites have different layouts and there are no common links or logo to help users identify the web pages with SSAISD.
School website layouts and designs are hard to read or poorly designed.	One page of the Shepard Middle School website has blue text on a black background, which is difficult to read.

SOURCE: SSAISD, District website, May 2004.

Effective organizations maintain a level of staffing necessary to perform all functions adequately. This staffing level is known as critical mass. Organizations evaluate all duties that need to be performed and then provide a level of staffing to perform the duties as well as provide backup to continue operations in case of absence. The district should hire two additional technology staff providing staff and time for departmental cross training in key areas. A website specialist should help the district develop and support the district's website, allowing the director of Technology the time to resume management and oversight responsibilities and to participate more actively in technology evaluation and acquisition decisions. The additional software specialist staff position should also allow the Technology Department to provide direction to administrative technology users and provide additional training and assistance so users can learn how to use the applications more effectively.

SSAISD should hire two additional Technology Department staff and reorganize functional assignments. The director of Technology and executive director for Human Resources and Student Services should specify 60 percent of the software specialist job duties on training, 20 percent for review and evaluation of software products, and 20 percent on software diagnostic support. The individual selected for this position should have a

combination of technical hardware and software skills as well as the ability to train and effectively communicate how to use the hardware and software. The individual selected for the Web specialist position should have a combination of web programming skills as well as communication and graphic layout skills. The director of Technology should request that the positions and funding be approved in the 2004-05 budget. Once approved, the director of Technology and the executive director for Human Resources and Student Services should develop job descriptions reflecting the desired qualifications and duties for each position. The positions should be advertised, applicants screened and interviewed, and qualified individuals hired as soon as possible. Once the district fills the positions, the director of Technology should develop and implement a training plan to cross train Technology Department staff in all areas. The plan should identify the basic levels of knowledge and skills required for each position with tasks and deadlines to achieve the required skills by the end of the 2004-05. Strategies that should be considered include: using train-the-trainer method during staff development days to share knowledge between staff; sending staff to additional outside training; or even trading jobs for short periods to require staff to become proficient. As new technology is acquired, at least two staff should be trained in the new technology

eliminating the need for ongoing cross training except when necessary due to staff turnover.

The fiscal impact to address this need is estimated as the cost of the salary and benefits for the software specialist and web specialist positions. The hardware, network, and systems specialist positions are classified as job grade two which is then used as the basis for the added positions. The midpoint for this job grade is \$198.99 per day, with fringe benefits at 10.4 percent. Each new position, therefore would cost the district \$52,724 annually (\$198.99 a day x 240 days a year x 1.104 benefits rate) for a total of \$105,448. The district should budget for one half of these salaries in year one for a targeted January 2005 hiring date at a cost of \$52,724 for 2004–05 and \$105,448 each year thereafter for total five year costs of \$474,516.

FOOD SERVICE DEPARTMENT FUND BALANCE

SSAISD does not have a process to ensure compliance with federally mandated guidelines for child nutrition department fund balance levels. The NSLP guidelines require participating programs to operate a non-profit food service operation. Section 1.3.2.4 of TEA’s Financial Accountability System Resource Guide states that a school district may not have a child nutrition fund balance exceeding three months’ average food service operations expenditures. If a district’s child nutrition fund exceeds the allowable balance, the school district must either reduce the balance or have an acceptable plan to reduce the surplus within a year. If a district takes no action, they place themselves at risk of having to return the surplus dollars to the Texas Department of Agriculture (TDA). The district must submit the reduction plan to TDA’s Child Nutrition Program Division.

SSAISD’s external auditors have repeatedly cited the district for noncompliance for child nutrition fund balance levels (**Exhibit 9–1**). Each time it was cited, the district identified expenditures to reduce the fund balance.

While SSAISD corrected the excessive fund balance when it was noted or submitted appropriate corrective plans, the district did not create a process that would prevent further occurrences. The director of Food Services has identified long-term uses of fund balance to address the compliance issue; however, the planned expenditures have not been pre-approved by the board and have not been linked to projected fund balance thresholds. The comprehensive spreadsheet profit and loss model developed by the director of Food Services is used to monitor expenditures but is not used to project cash flow requirements and estimate the ending fund balance timely to trigger expenditures as thresholds are approached.

School district food service operations constantly monitor fund balance limits to ensure compliance with NSLP. As thresholds are approached, the districts put the funds to pre-determined uses. SSAISD continues its risk of noncompliance as long as it does not have a process to identify and promptly expend excess fund balances.

The director of Food Services should work with the executive director for Business and Finance Services and modify the department’s existing profit and loss model to add the capability to project revenue and expenditure requirements and include the effect on ending fund balance. The director of Food Services should also identify projected uses of fund balance and submit them as a plan to the board during the annual budget process to allow pre-approved expenditures of Food Services Department fund balance once thresholds are reached.

**EXHIBIT 9–1
SSAISD FOOD SERVICES DEPARTMENT
EXCESS FUND BALANCE AMOUNTS
2000–01 THROUGH 2002–03**

AUDIT FINDING	2000–01	2001–02	2002–03
Ending Fund Balance Amount	\$2,662,226	\$1,905,296	\$2,225,109
Fund Balance Excess Amount	\$1,188,000	\$11,100	\$549,090

SOURCE: SSAISD, annual audited financial reports, 2000–01 through 2002–03.

GENERAL INFORMATION ABOUT SSAISD

- Rated *Academically Acceptable* by the Texas Education Agency (TEA) for 2004.
- According to state-released results, 78 percent of SSAISD’s students met the 2003–04 passing criteria for reading, 92 percent for writing, 86 percent for social studies, 62 percent for mathematics, and 59 percent in science. Regional Education Service Center XX’s (Region 20) students scored 84 percent in reading, 90 percent in writing, 90 percent in social studies, 74 percent for mathematics, and 72 percent in science. The state’s students as a whole achieved, 85 percent in reading, 91 percent in writing, 91 percent for social studies, 76 percent for mathematics, and 72 percent in science.
- The certified tax value for SSAISD in 2003 was nearly \$782 million; the district’s property value per student was approximately \$78,800.
- Enrollment remains relatively stable near 10,000 since 1999.
- SSAISD had a 2003–04 operating budget in excess of \$77.5 million.

2003–04 STUDENT DATA AND SCHOOLS

- 9,928 total students
- 95.3 percent Hispanic
- 2.9 percent White

- 1.5 percent African American
- 0.3 percent Asian/Pacific or Native American
- 89.9 percent economically disadvantaged compared to 52.8 percent for the state.
- 17 total schools including 11 elementary (one newly opened in August 2004), three middle, two high schools, and one district alternative school

2002–03 AUDITED FINANCIAL DATA

- Total expenditures of \$64.1 million
- Fund balance of nearly \$21.2 million or 30.2 percent of total expenditures
- 1,361.7 total staff, 672.0 of which are teachers
- 2003 Total Tax Rate \$1.72: \$1.50 Maintenance & Operations, \$0.22 Interest and Sinking Fund

2002–03 PERCENT SPENT ON INSTRUCTION

- When compared to total annual expenditures SSAISD spent 50.4 percent on instruction equal to the state average; when examining this amount with total annual operating expenditures the district spent 57.3 percent on instruction, above the state average of 56.6 percent.
- The following table summarizes the fiscal impact of all 81 recommendations contained in the report. Note that the fiscal impact for both the General Fund and the Child Nutrition Fund are provided.

FISCAL IMPACT GENERAL FUND

	2004–05	2005–06	2006–07	2007–08	2008–09	TOTAL FIVE-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
Gross Savings	\$202,386	\$484,436	\$536,235	\$586,034	\$639,833	\$2,448,924	\$0
Gross Costs	(\$237,391)	(\$472,960)	(\$537,888)	(\$547,614)	(\$557,340)	(\$2,353,193)	(\$692,392)
Total	(\$35,005)	\$11,476	(\$1,653)	\$38,420	\$82,493	\$95,731	(\$692,392)

FISCAL IMPACT CHILD NUTRITION FUND

	2004–05	2005–06	2006–07	2007–08	2008–09	TOTAL FIVE-YEAR (COSTS) OR SAVINGS	ONE-TIME (COSTS) OR SAVINGS
Gross Savings	\$17,291	\$17,291	\$17,291	\$17,291	\$17,291	\$86,455	\$0
Gross Costs	(\$126,861)	(\$126,861)	(\$126,861)	(\$126,861)	(\$126,861)	(\$634,305)	\$0
Total	(\$109,570)	(\$109,570)	(\$109,570)	(\$109,570)	(\$109,570)	(\$547,850)	\$0