LEGISLATIVE BUDGET BOARD

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April 20, 2004

Dr. Dee Hartt
Superintendent, Tatum Independent School District

Dear Dr. Hartt:

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

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

The staff of the Legislative Budget Board appreciates the cooperation and assistance that your staff and ValienteHernandez P.A. provided during the preparation of this report.

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

Respectfully submitted,

John Keel, CPA
Director
Legislative Budget Board

cc: Evigester Adams, Jr.
      David Walters
      Dennis Williams
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      George E. York, Jr.
      John Dawson

TATUM INDEPENDENT SCHOOL DISTRICT MANAGEMENT AND PERFORMANCE REVIEW

The Tatum Independent School District (TISD) passed a unanimous motion to request a management and performance review of the district. The following is an Executive Summary of the significant findings and concerns that resulted from the review. A copy of the full report can be found at http://www.lbb.state.tx.us.

GENERAL INFORMATION ABOUT TISD
- TISD is located near Longview in Rusk County, 135 miles east of Dallas and 60 miles southwest of Shreveport, Louisiana.
- TISD is rated *Recognized* by the Texas Education Agency (TEA).
- Using TEA's passing criteria on the Texas Assessment of Knowledge and Skills (TAKS) for 2002–03, TISD scored 68.5 percent compared to the state average of 67.4 percent.
- Texas Utilities has a plant in the district that provides approximately 69 percent of the tax base and makes TISD a property wealthy Chapter 41 district with a property value per student in excess of $951,000.
- The certified preliminary tax value for TISD in 2004-05 exceeds $1.15 billion, with a projected wealth per Weighted Average Daily Attendance (WADA) value of more than $755,000.
- The district's enrollment remains steady due to restricted residential development since Texas Utilities owns a majority of available land or has leased mineral rights on land through 2030.
- To reach the exact enrollment projections identified in their long-range strategic plan, the district accepts up to 150 transfer students from other districts each year.
- Senator Kevin Eltife and Representative Chuck Hopson represent constituents in TISD's geographic area.

SCHOOLS
- Tatum Primary School
- Tatum Elementary School
- Tatum Middle School
- Tatum High School

2002–03 STUDENT DATA
- 1,186 students
- 56.0 percent Anglo
- 21.6 percent Hispanic
- 22.3 percent African American
- 0.2 percent Other
- 53.9 percent economically disadvantaged

2002–03 FINANCIAL DATA
- Operating budget of nearly $9.6 million
- Fund balance of $3.6 million or 19.3 percent of total expenditures
- 171 full-time equivalents on the staff, 85 of which are teachers
- 2002 Tax Rate: $1.47 Maintenance & Operations, TISD has no Debt Service

2002–03 PERCENT SPENT ON INSTRUCTION

- Out of total expenditures of nearly $9.6 million, TISD spent $4.8 million, or 50.5 percent, on instruction, which is comparable to the state average of 51 percent. Looking at operating expenditures only, excluding debt service and bond repayment, TISD spent 50.8 percent on instruction, which is below the state average of 57 percent.

SIGNIFICANT FINDINGS

- TISD maximizes bond revenues through quick repayment of debt and investment of bond funds in higher return accounts. TISD is unique in that it earns revenues by investing bond money in taxable interest-bearing accounts.

- The district prioritizes administrative accountability through five scheduled performance evaluations with the superintendent each year. At each meeting, administrators are expected to have met or exceeded performance goals and professional goals, including a review of management theory literature.

SIGNIFICANT CONCERNS

- Although it has been focusing on moving its accountability rating from *Recognized* to *Exemplary*, TISD has not met its goal of an *Exemplary* rating, as established in the District and Campus Improvement Plans, and the district spends less on instruction than the state average in terms of total operating expenditures.
- Contracting tax collection services through the Rusk County Tax Assessor/Collector would cost less than TISD's present method of collecting taxes through its own district tax office.
- The district does not aggressively pursue all available federal and private industry grant funding.
- TISD lacks a comprehensive disaster recovery plan to ensure its Information Technology systems will function fully in the event of a catastrophe.
- TISD lacks documented procedures districtwide and is at risk of losing valuable institutional knowledge when staff members leave.

SIGNIFICANT RECOMMENDATIONS

Recommendation: Designate a highly qualified teacher as a districtwide academic achievement coordinator.
While the district has prioritized moving to *Exemplary* and requested innovative strategies of the review team to assist in this pursuit when it originally requested the review, it falls short of the goals it has set in the District and Campus Improvement Plans. Designating a master teacher as an academic achievement coordinator could help the district coordinate research, curriculum, and program efforts to enable the district to achieve *Exemplary* status. TISD currently spends 50.8 percent of its total annual operating expenditures on instruction compared to the state average of 57 percent, and the district could add the academic achievement coordinator at a cost of approximately $47,500 each year.

Recommendation: Contract with the Rusk County Tax Assessor/Collector, and close the Tax Office.
TISD spends a greater amount of money by operating its own tax office than if it contracted with Rusk County. The district has previously evaluated closing the district tax office, but elected to keep it open due to concerns that constituents like to walk into the school district office to pay their school taxes. By contracting with Rusk County and closing the tax office, the district could save approximately $28,800 annually.

Recommendation: Include grant research in the Education Foundation charter and contract for grant writer services.
TISD staff and members of the Education Foundation do not actively seek grant funding. All school districts, including other Chapter 41 school districts similar to TISD, are eligible to apply for private and federal grant funding through the use of grant writer services. For an annual recurring cost of $25,000, it is projected that TISD could obtain $100,000 in general grant funding a net annual impact of $75,000.

Recommendation: Develop a comprehensive disaster recovery plan and test it according to a regular schedule.
While having an informal process in place, TISD does not have a comprehensive written disaster recovery plan. Developing a comprehensive disaster recovery plan, including documented steps for individual responsibilities, data recovery, and data back–up would help the district maintain its data and bring Information Technology functions back online as quickly as possible in the event of a catastrophe or natural disaster. The plan should include a component to allow for reciprocal sharing of equipment between TISD and a neighboring district until TISD can make the necessary repairs to its own system.

Recommendation: Create comprehensive written operational procedures.
The district does not have comprehensive detailed documented business, operational, administrative, and departmental procedures. TISD should document all departmental procedures in detail to protect itself from losing institutional knowledge when an employee leaves. For example, with the 2001 retirement of the district's business manager, the lack of detailed procedures hampered the ability of the current business manager to assume business functions quickly. Documented procedures ensure district functions continue with little interruption in the event of employee turnover.

OTHER RECOMMENDATIONS

Recommendation: Ensure compliance with the Public Funds Investment Act.
TISD is not in compliance with all the provisions of the Public Funds Investment Act. While the district's business manager projects the interest earned in the monthly investment reports, the same is not done for the yearly investment report. Forecasting interest in the yearly investment report will bring TISD into compliance with all provisions of the Public Funds Investment Act.

Recommendation: Review and update job descriptions on a scheduled basis.
Some district employees do not possess all of the qualifications specified in their job descriptions, and many of the district's job descriptions are incomplete, inaccurate, or out of date. Periodically updating job descriptions prevents confusion about performance expectations and promotes employment of qualified staff with appropriate experience, education, and job skills.

Recommendation: Implement procedures to update personnel files, scan records, and provide computerized, districtwide access to professional development and training records.

TISD lacks complete, up-to-date personnel files. As a result, campus administrators have no way to view the training records of the staff. Even though the district has the technology in place to maintain training and personnel records on an Information Technology based system, it maintains paper records instead. Electronic copies of personnel files provide easy access and verification of personnel information and increased file safety through electronic back–ups. The district already has all the necessary equipment to maintain its personnel and staff training records on an electronic system at no additional cost.

Recommendation: Schedule and conduct administrative team meetings with all operational directors.

Despite scheduled meetings individually with the superintendent, TISD's operational directors do not meet regularly together as a team. Regular team meetings ensure operational directors are informed how another department's status affects their own, how their department affects others in the district, and fosters team development.

Recommendation: Install and fully implement all existing transportation software.

Although using some of the transportation software capabilities, TISD does not use to its full capacity transportation software that the district purchased for $3,000 and continues to pay $300 annually for help desk support. Full implementation could help the district automatically track and monitor parts and labor costs, fuel costs, and fuel consumption per mile or vehicle.

FISCAL IMPLICATIONS

The table below summarizes the fiscal implications of all 34 recommendations contained in the report.

	2004-05	2005-06	2006-07	2007-08	2008-09	Five–Year (Costs) or Savings	One Time (Costs) or Savings
Gross Savings	$3,877	$111,557	$115,434	$119,311	$123,189	$473,368	$0
Gross Costs	($55,631)	($57,539)	($57,539)	($57,596)	($57,596)	($285,901)	($39,530)
Total	**($51,754)**	**$54,018**	**$57,895**	**$61,715**	**$65,593**	**$187,467**	**($39,530)**

EDUCATIONAL SERVICE DELIVERY

This chapter reviews the educational service delivery of the Tatum Independent School District (TISD) in the following sections:

   A.   Student Performance and Instructional Program Management
   B.   Special Education
   C.   Counseling
   D.   Career and Technology Education
   E.   Bilingual Education/English as a Second Language

A school district serves to educate children. To be successful, a school district must use its human and financial resources efficiently and its system for the delivery of curriculum effectively. A well–designed and managed process for directing instruction, maintaining the curriculum, using assessment data to evaluate and monitor programs, and providing the resources adequate to support programming efforts is essential for a district to meet the needs of the students it serves.

BACKGROUND

TISD, located in Northeast Texas 135 miles east of Dallas and 60 miles southwest of Shreveport, Louisiana, served 1,186 students in 2002–03 in four schools: Tatum High School, Tatum Middle School, Tatum Elementary School, and Tatum Primary School. The district's foundation dates back to the 1840s when pioneer Albert Tatum moved his family and possessions from Alabama to the neighboring community of Harmony Hill. In 1865, Albert Tatum established a farm, which stood on the area now known as the city of Tatum. Albert's son Paul Tatum donated the land for the town itself, a church, school, and cemetery.

In 1882, the city became a boomtown of hotels and mercantile businesses when the Santa Fe Railroad ran through Tatum on the way from Longview to Beaumont. The railroad also allowed farmers and sawmills to get their goods to outside markets. Spurts in growth occurred in the 1950s and 60s when oil and gas were discovered in and surrounding the town.

TISD was created in 1908, and reorganized in 1929 when it consolidated with other area districts making it the largest district in Rusk County. Tatum High School became a four–year high school in 1929 and was the second high school in the county to offer courses affiliated with the Texas Department of Education.

In the early 1970s, the Texas Utilities Company (TXU) moved to Tatum and built Martin Creek Lake for an electrical power generating plant. This company also strip–mined thousands of acres for lignite to fire its steam plant. In 2002–03, TXU composed 69 percent of the district's tax base. Tatum is largely a bedroom community for workers who have jobs in nearby cities.

In 2002–03, TISD served 1,186 students in its four schools, employed 171 people and had an operational budget of more than $9.5 million. In 2003–04, TISD serves 1,226 students. TISD is classified as a property wealthy school district according to Chapter 41 of the Texas Education Code (TEC) with a per student property value of $951,075 as reported by the state in the 2002–03 Academic Excellence Indicator System (AEIS). The district's certified preliminary value for 2004–05

is in excess of $1.15 billion, with a wealth per Weighted Average Daily Attendance (WADA) of more than $755,000. In 1993, the Texas Legislature passed Senate Bill 7, which provided for wealth equalization between Texas school districts through recapture. Resources are recovered from districts with a tax base that exceeds the legislatively defined equalized wealth level and shared with property poor school districts. As of 2003–04, the wealth equalization level is $305,000 in property value per student in weighted average daily attendance. Previously, the equalized wealth level was $280,000 in property value per weighted student from 1993–94 through 1998–99, $295,000 in 1999–2000 and 2000–01, $300,000 in 2001–02, and $305,000 in 2002–03.

The Texas Education Agency (TEA) rated the district and three of its schools as *Recognized*. The middle school has a campus rating of *Academically Acceptable*. Under the state's education accountability system as defined through 2001–02, TEA assigned annual ratings to each district and school based upon statewide assessment results, dropout rates, and data quality. TEA's accountability system included five ratings for districts: *Exemplary, Recognized, Academically Acceptable, Academically Unacceptable*, and *Unacceptable: Data Quality*. To receive an *Exemplary* rating, at least 90 percent of all students and 90 percent of African American, Hispanic, Anglo, and economically disadvantaged students passed the reading, writing, and mathematics portions of the Texas Assessment of Academic Skills (TAAS). To achieve a *Recognized* rating, 80 percent of all students and each student group passed the reading, writing and mathematics portions of the TAAS, while only 50 percent of each student group passed these portions to achieve an *Academically Acceptable* rating.

Beginning in 2002–03, the Texas Assessment of Knowledge and Skills (TAKS) replaced the TAAS and in April 2004, the state announced provisions for a new accountability rating system. The new accountability system is designed as an improvement model or one that provides districts with a way to achieve a rating by meeting either an absolute performance standard or an improvement standard. The state developed the improvement criteria as a way for districts and campuses receiving an *Academically Unacceptable* rating to achieve a higher rating without increasing the number of indicators and measures in the accountability system itself. Higher absolute performance standards can also be established without penalizing large numbers of campuses and districts that realistically cannot be expected to reach these standards for several years. Conversely, lower performing campuses and districts are rewarded for making gains. Since gains are required on each measure for which the absolute standard is not met, no subject or student group is neglected. According to TEA, evaluation of student group performance, considered a strength of the former state accountability system, could be comprised under other designs such as weighted or proportional system. At the *Recognized* level, the improvement option allows campuses and districts that are close to meeting the *Recognized* standard and improving to be assigned the *Recognized* label.

TISD selected four school districts to serve as peer districts for comparative purposes: Carthage, Daingerfield–Lone Star, Linden–Kildare Consolidated, and Jefferson. **Exhibit 1–1** lists the demographic characteristics of TISD's students and those of its peer districts, Regional Education Service Center VII (Region 7), and the state. TISD has a higher percentage of Hispanic students than Region 7 or its peers, but only half as many as the state. It has a higher percentage of students who are economically disadvantaged than Region 7 or the state, but it is in the center compared to its peers.

Exhibit 1–1
Student Demographic Characteristics
TISD, Peers, Region 7, and the State
2002–03

District	Student Enrollment	Demographic Percentages				Percent Economically Disadvantaged
		African American	Hispanic	Anglo	Other	
Carthage	3,007	27.0%	6.2%	66.0%	0.7%	42.3%
Linden–Kildare Consolidated	900	25.2%	1.0%	73.7%	0.1%	51.1%
Jefferson	1,418	44.1%	1.8%	53.8%	0.3%	63.1%
Daingerfield–Lone Star	1,595	40.9%	7.1%	51.5%	0.5%	59.4%
Tatum	**1,186**	**22.3%**	**21.6%**	**56.0%**	**0.2%**	**53.9%**
Region 7	**159,855**	**21.2%**	**15.7%**	**62.2%**	**0.9%**	**50.0%**
State	**4,239,911**	**14.3%**	**42.7%**	**39.8%**	**3.2%**	**51.9%**

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

Exhibit 1–2 shows the student enrollment and composition of TISD for 1998–99 through 2002–03. The two emerging demographic changes for the TISD student population are the number of economically disadvantaged students and the number of Limited English Proficient (LEP) students. Other student demographics have remained fairly stable. In 1998–99, 42.8 percent of TISD's students were economically disadvantaged compared with 53.9 percent in 2002–03. Hispanic students represented 21.6 percent of the district's student enrollment in 2002–03, an increase from 16.4 percent in 1998–99. This increase equates to a 28.0 percent change over this five–year period. While many Hispanic students are fluent in English, the district's LEP population of students has changed from 68 students or 5.6 percent in 1998–99 to 97 students or 8.2 percent of the total enrollment in 2002–03. This results in a 42.6 percent increase in LEP students.

Exhibit 1–2
TISD Student Composition and Enrollment By Percent and Number
1998–99 through 2002–03

Student Composition	1998–99	1999–2000	2000–01	2001–02	2002–03
African American	23.8% or 290 students	25.8% or 331 students	25.0% or 300 students	23.9% or 284 students	22.3% or 264 students
Hispanic	16.4% or 200 students	17.4% or 223 students	17.7% or 212 students	19.3% or 230 students	21.6% or 256 students
Limited English Proficient (LEP) Enrollment	5.6% or 68 students	6.2% or 80 students	7.3% or 88 students	7.6% or 90 students	8.2% or 97 students
Anglo	59.4% or 724 students	56.7% or 727 students	57.1% or 684 students	56.6% or 673 students	56.0% 664 students

Exhibit 1–2 (continued)
TISD Student Composition and Enrollment By Percent and Number
1998–99 through 2002–03

Student Composition	1998–99	1999–2000	2000–01	2001–02	2002–03
Economically Disadvantaged	42.8% or 521 students	48.5% or 622 students	46.6% or 558 students	51.6% or 614 students	53.9% 639 students
Total Enrollment in Numbers	1,218 students	1,283 students	1,198 students	1,189 students	1,186 students

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

In addition to identifying enrollment trends from data reported to the state, the district internally compares and publishes enrollment figures for the first and second day of school each year. **Exhibit 1–3** compares enrollment figures for the first and second days of the school years between 1998–99 and 2003–04, identifying a consistent increase in students by the second day of classes.

Exhibit 1–3
TISD Student Composition By Number
1998–99 through 2003–04

Year	Day 1	Day 2	Annual Enrollment as Reported to the State
2003–04	1,170	1,189	N/A
2002–03	1,160	1,164	1,186
2001–02	1,154	1,167	1,189
2000–01	1,164	1,178	1,198
1999–2000	1,229	1,243	1,283
1998–99	1,190	1,191	1,218

Source: TISD, superintendent's Office, 2003, and Texas Education Agency, AEIS, 1998–99 through 2003–04.
N/A denotes data officially unavailable from the Texas Education Agency as of March 1, 2004.

Teachers, administrators, and board members demonstrate significant pride in the district and believe that they have quality staff in positions at all levels. **Exhibit 1–4** indicates a very high approval rate of the superintendent's leadership with 91.9 percent of the respondents indicating that he is a respected and effective instructional leader. The survey also indicates that morale at the central office is good.

Exhibit 1–4
TISD District Administrative, Support Staff, and Teacher Survey Results
Education Service Delivery and Performance Measurement
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
The superintendent is a respected and effective instructional leader.	59.2%	32.7%	0.0%	6.1%	2.0%
The superintendent is a respected and effective business manager.	67.4%	20.4%	2.0%	6.1%	2.0%
Central administration is efficient.	34.7%	57.1%	4.1%	4.1%	0.0%

Exhibit 1–4 (continued)
TISD District Administrative, Support Staff, and Teacher Survey Results
Education Service Delivery and Performance Measurement
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Central administration supports the educational process.	40.8%	53.1%	4.1%	0.0%	2.0%
The morale of central administration staff is good.	34.7%	46.9%	8.2%	6.1%	2.0%

Source: TISD, School Review Survey, September 2003.

Exhibit 1–5 presents staffing information for TISD, its peer group, Region 7, and the state.

Exhibit 1–5
Percentage of Teachers by Years of Experience
TISD, Peer Districts, Region 7, and the State
2002–03

District	Beginning	1–5 Years	6–10 Years	11–20 Years	20+ Years	11+ Years	Average Years of Expe rience	Average Years in District
Daingerfield–Lone Star	5.7%	14.8%	16.4%	28.3%	34.8%	63.1%	15.5	15.5
Carthage	0.9%	13.9%	20.2%	27.0%	38.0%	65%	15.6	15.6
Linden–Kildare Consolidated	4.1%	18.2%	12.8%	34.6%	30.3%	64.9%	14.6	10.6
Jefferson	4.8%	16.5%	22.3%	22.1%	34.2%	56.3%	14.7	9.3
Tatum	**0.0%**	**25.2%**	**20.6%**	**19.9%**	**34.3%**	**54.2%**	**13.0**	**8.7**
Region 7	**5.9%**	**22.7%**	**18.9%**	**28.1%**	**24.4%**	**52.5%**	**12.9**	**8.1**
State	**7.8%**	**27.8%**	**18.1%**	**24.7%**	**21.6%**	**46.3%**	**11.8**	**7.7**

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

Each of these districts has higher average number of years of experience in its teaching staff than the state. TISD has a higher percentage of teachers at the entry to five years of experience level than its peers, and is at or above state averages in teachers with six to 10 years of experience, 11 or more years of experience, and 20 or more years of experience. During 1999–2000, the district underwent a reduction in force (RIF) and eliminated 17 teaching positions resulting in a 32.3 percent turnover in staff. Because teacher turnover rates are reported on AEIS reports for the prior year, the 32.3 percent turnover is included in the 2000–01 reports. **Exhibit 1–6** shows the teacher turnover rate for the years 1998–99 through 2002–03.

Exhibit 1–6
Teacher Turnover Rate
TISD, Peer Districts, Region 7, and the State
1998–99 through 2002–03

	1998–99	1999–2000	2000–01	2001–02	2002–03
Tatum	**12.7%**	**12.0%**	**32.3%***	**15.5%**	**22.9%**
Carthage	6.3%	8.3%	10.2%	9.2%	14.7%
Daingerfield–Lone Star	14.8%	14.8%	9.7%	12.7%	12.6%

Exhibit 1–6 (continued)
Teacher Turnover Rate
TISD, Peer Districts, Region 7, and the State
1998–99 through 2002–03

	1998–99	1999–2000	2000–01	2001–02	2002–03
Jefferson	11.4%	11.9%	15.2%	21.2%	16.2%
Linden–Kildare Consolidated	11.8%	8.7%	20.0%	16.8%	23.8%
Region 7	**14.4%**	**14.0%**	**15.4%**	**16.0%**	**16.4%**
State	**15.5%**	**15.0%**	**16.0%**	**15.7%**	**15.6%**

Source: Texas Education Agency, AEIS, 1998–99 through 2002–03.
* Reflects the 1999–2000 reduction in force, including the elimination of 17 teaching positions.

Exhibit 1–7 shows results from a 2003 teacher and administrator survey administered by the review team that indicates 63.2 percent of the teachers and administrators feel that teacher turnover is low. The survey also indicates that teacher openings are filled quickly, teachers are rewarded for superior performance, and teachers are counseled about less than satisfactory performance.

Exhibit 1–7
TISD District Administrative, Support Staff, and Teacher Survey
Education Service Delivery and Performance Measurement
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Teacher turnover is low.	16.3%	46.9%	12.2%	22.5%	2.0%
Highly qualified teachers fill job openings.	28.6%	42.9%	16.3%	10.2%	2.0%
Teacher openings are filled quickly.	30.6%	53.1%	14.3%	0.0%	2.0%
Teachers are rewarded for superior performance.	16.3%	34.7%	20.4%	22.5%	6.1%
Teachers are counseled about less than satisfactory performance.	18.4%	44.9%	24.5%	12.2%	0.0%

Source: TISD, School Review Survey, September 2003.

Based on information in the 2002–03 AEIS, the budgeted instructional operating expenditures per student in TISD were higher than their selected peer districts as well as Region 7 and the state (**Exhibit 1–8**).

Exhibit 1–8
Budgeted Instructional Operating Expenditures
TISD, Peer Districts, Region 7, and the State
2002–03

District	Total Instructional Operating Expenditures Per Pupil*	Percent of Instructional Operating Expenditures					
		Regular Education	Gifted and Talented	Special Education	Career & Technology Education	Bilingual & ESL Education	Compensatory Education
Tatum	**$8,076**	**74.0%**	**3.7%**	**7.3%**	**4.6%**	**1.9%**	**8.4%**
Carthage	$6,724	70.8%	4.0%	12.6%	4.7%	0.1%	7.8%
Daingerfield–Lone Star	$7,383	75.9%	1.3%	11.5%	3.5%	0.5%	7.4%
Linden–Kildare Consolidated	$7,569	68.6%	1.8%	12.1%	9.5%	0.1%	7.8%
Jefferson	$7,281	76.3%	0.8%	13.0%	5.2%	0.0%	4.6%
Region 7	**$6,519**	**72.9%**	**1.6%**	**11.3%**	**5.5%**	**1.7%**	**6.4%**
State	**$7,088**	**70.8%**	**1.8%**	**12.6%**	**4.1%**	**4.5%**	**5.2%**

Source: Texas Education Agency, AEIS, 2002–03.
Denotes Instruction expenditures (Functions 11, 95) and Instructional Leadership expenditures (Function 21).

The district spends less for special education than any of its peers, Region 7, or the state. It spends less than the state, slightly more than Region 7, and substantially more than its peers on bilingual and English as a Second Language (ESL) education. TISD spends slightly less on Career and Technology Education (CATE) than three of its four peers and Region 7 but slightly more than the state. The district spends more (3.7 percent) than the state (1.8 percent) and Region 7 (1.6 percent) on Gifted and Talented (G/T) instruction.

In this review, student performance comparisons are based upon TEA's 2002–03 Academic Excellence Indicator System (AEIS), the state's reporting system, data using the 2001–02 accountability ratings as explained in **Exhibit 1–9**. The rating assessment uses student performance on the former statewide assessment, the Texas Assessment of Academic Skills (TAAS) test.

Exhibit 1–9
Accountability Rating Standards
2002

	Exemplary*	Recognized*	Academically Acceptable/ Acceptable	Academically Unacceptable/ Low–Performing
Base Indicator Standards				
Spring 2002 TAAS –Reading –Writing –Mathematics	At least 90% passing each subject area ("all students" and each student group*)	At least 80% passing each subject area ("all students" and each student group*)	At least 55% passing each subject area ("all students" and each student group*)	Below 55% passing any subject area ("all students" or any student group*)

Exhibit 1–9 (continued)
Accountability Rating Standards
2002

	Exemplary*	Recognized*	Academically Acceptable/ Acceptable	Academically Unacceptable/ Low–Performing
Base Indicator Standards				
–Social Studies	At least 90% passing each subject area ("all students" only)	At least 80% passing each subject area ("all students" only)	At least 50% passing ("all students" only)	Below 50% passing ("all students" only)
2000–01 Dropout Rate	1% or less ("all students" and each student group*)	2.5% or less ("all students" and each student group*)	5% or less ("all students" and each student group*)	Above 5% ("all students" or any student group*)

Source: Texas Education Agency, website.
*Note: Student groups are African American, Hispanic, White, and Economically Disadvantaged. If a district or school would be rated Academically Unacceptable/Low–performing solely because of a dropout rate exceeding 5 percent for a single student group (not "all students"), then the district will be rated Academically Acceptable/Acceptable if that single dropout rate is less than 10 percent and has declined from the previous year.

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

The TAKS addresses the following subjects in the identified grades:
- math in grades 3 through 11;
- reading in grades 3 through 9;
- English language arts in grades 10 and 11;
- writing in grades 4 and 7;
- social studies in grades 8, 10, and 11; and
- science in grades 5, 10, and 11.

The exit–level examination takes place at grade 11. In order to graduate from high school, students must pass the exit–level statewide assessment test. The state is also transitioning to a new accountability system that became effective in spring 2004. While the previous accountability rating system used a combination of TAAS results and annual dropout rates, the new system will use a combination of TAKS results and longitudinal high school completion rates. Following a particular group or class of students longitudinally as they progress from grades 8 through 12 and using this information in accountability ratings gives parents, educators, and the community a more accurate view of the success of individual campuses and districts on a statewide level.

The federal No Child Left Behind Act (NCLB) implemented in 2002–03 nationally supports increased student performance through defined accountability measures. To adhere to NCLB stipulations, the Commissioner of Education must adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Texas Education Code Section 39.023(a), (c), or (l). NCLB stipulates that assessment results and state's progress must be identified and disaggregated by ethnicity, disability, economic status, and English language proficiency to ensure that no group of students is left behind. School districts and schools that fail to make adequate yearly progress toward

statewide proficiency goals will, over time, be subject to improvement, corrective action and restructuring measures aimed at getting them back on course to meet state standards. Schools that meet or exceed adequate yearly progress objectives or close achievement gaps will be eligible for State Academic Achievement Awards.

TEA, in determining a district accreditation rating, shall consider the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l). The federal government also provides funding for students at risk of dropping out of school and those not performing on grade level. Title I Part A funds are sent to schools by TEA based on their number of economically disadvantaged students or those eligible for free and reduced–price meal benefits. The students served, however, are selected on educational need rather than economic status. Title I Part A funds are supplemental; they must be added to the regular program and must not take the place of regular funds. State rules, however, allow for a great deal of flexibility in identifying students and creating successful programs.

Exhibit 1–10 compares dropout information among TISD, its peers, Region 7, and the state. TISD has a 1.0 percent overall dropout rate for 2001–02, which is slightly higher than Region 7 and the state, and double the previous year's rate of 0.5 percent. The 2001–02 dropout rates for TISD's economically disadvantaged and Hispanic students increased from the previous year, while the Anglo and African American dropout rates remained the same.

Exhibit 1–10
Annual Dropout Rate Grades 7–12
TISD, Peer Districts, Region 7, and State
2000–01 and 2001–02

| | Percentage of Students Dropping Out Annually | | | | | | | | | |
| | All Students | | Economically Disadvantaged Students | | Anglo Students | | African American Students | | Hispanic Students | |
District	2000–01	2001–02	2000–01	2001–02	2000–01	2001–02	2000–01	2001–02	2000–01	2001–02
Daingerfield–Lone Star	1.2%	1.9%	1.0%	1.5%	0.2%	0.7%	2.5%	3.1%	2.2%	5.7%
Carthage	0.4%	0.1%	0.9%	0.0%	0.4%	0.1%	0.0%	0.0%	2.4%	0.0%
Linden–Kildare Consolidated	0.6%	0.0%	0.5%	0.0%	0.3%	0.0%	1.3%	0.0%	*	*
Jefferson	1.7%	1.0%	2.0%	1.0%	1.5%	1.1%	2.0%	0.9%	0.0%	0.0%
Tatum	**0.5%**	**1.0%**	**0.4%**	**0.8%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.0%**	**2.8%**
Region 7	**0.9%**	**0.7%**	**0.9%**	**0.7%**	**0.7%**	**0.5%**	**1.4%**	**1.0%**	**1.7%**	**1.3%**
State	**1.0%**	**0.9%**	**1.3%**	**1.0%**	**0.7%**	**0.5%**	**1.8%**	**1.3%**	**1.9%**	**1.4%**

*Source: Texas Education Agency, AEIS, 2001–02.*
    * No data available.

NCLB also requires local school districts to ensure that all teachers of core academic subjects are highly qualified by the end of 2005–06. In general a "highly qualified teacher" is one with full certification, a bachelor's degree and demonstrated competence in subject knowledge and teaching.

Core subjects include English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history and geography. In addition, all teachers hired after the first day of 2002–03 to teach core academic subjects in Title I Part A programs must be highly qualified.

A.   STUDENT PERFORMANCE AND INSTRUCTIONAL PROGRAM MANAGEMENT

To deliver effective instructional programs, a school district must have a sound instructional management system in place. Instructional leaders both at the district and school levels must be held accountable for ensuring that resources allocated to instructional programs produce continual improvement in student performance. Adequate planning and evaluation systems must be developed so the district can monitor instructional program success. **Exhibit 1–11** displays the instructional team responsible for the management and delivery of the district's instructional programs.

Exhibit 1–11
TISD Instructional Program Delivery Team
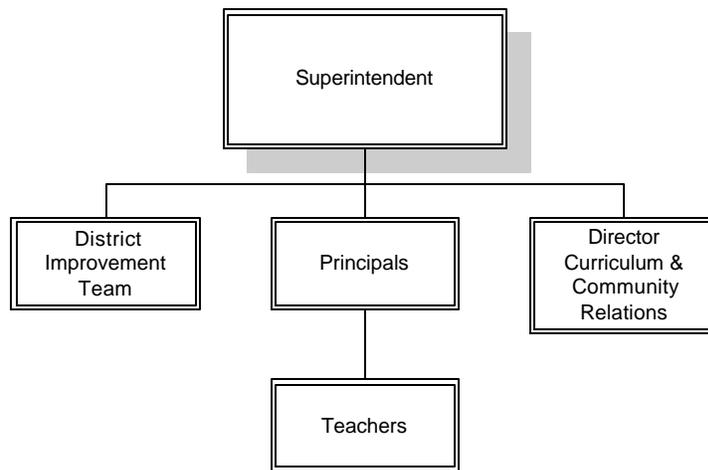
Source: TISD, superintendent's Office.

Exhibit 1–12 indicates that the majority of administrators and teachers believe the district is focused on student achievement with 91.8 percent of the respondents agreeing or strongly agreeing that education is the main priority in the school district. The survey also indicates that 87.7 percent of them believe teachers are given an opportunity to suggest programs and materials that they believe are most effective. They also have a high opinion of the effectiveness of the educational programs offered to students. All of these data point to a very high morale and satisfied work force.

Exhibit 1–12
TISD District Administrative, Support Staff, and Teacher Survey
Education Service Delivery and Performance Measurement
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Education is the main priority in our school district.	57.1%	34.7%	4.1%	2.0%	2.0%
Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	40.8%	46.9%	6.1%	4.1%	2.0%
The needs of the college–bound student are being met.	24.5%	55.1%	16.3%	2.0%	2.0%
The needs of the work–bound student are being met.	16.3%	46.9%	20.4%	10.2%	2.0%
The district has effective educational programs for the following:					
a. Reading	36.7%	51.0%	8.2%	4.1%	0.0%
b. Writing	30.6%	53.1%	8.2%	6.1%	2.0%
c. Mathematics	32.7%	55.1%	10.2%	2.0%	0.0%
d. Science	28.6%	57.1%	8.2%	6.1%	0.0%
e. English or Language Arts	34.7%	51.0%	8.2%	6.1%	0.0%
f. Computer Instruction	32.7%	51.0%	8.2%	6.1%	0.0%
g. Social Studies (history or geography)	26.5%	55.1%	10.2%	8.2%	0.0%
h. Fine Arts	22.5%	63.3%	4.1%	10.2%	0.0%
i. Physical Education	30.6%	55.1%	6.1%	8.2%	0.0%
j. Business Education	22.5%	57.1%	16.3%	4.1%	0.0%
k. Vocational (Career and Technology) Education	10.2%	55.1%	18.4%	14.3%	0.0%
l. Foreign Language	10.2%	61.2%	16.3%	12.2%	0.0%

Source: TISD, School Review Survey, September 2003.

Student performance on the TAAS served as the primary factor in determining a district's accountability rating through 2002. While the state revises its accountability system to include results from the more rigorous TAKS and to respond to requirements from the NCLB, districts retained their 2002 ratings for 2003. Under this assignment, TISD remains a Recognized district. The new system will include evaluation of:

- assessment results for all TAKS subjects and grades, phased in during 2004 and 2005, since results for all subjects and grades must be used for ratings in 2005;
- district, and school, completion rates for grades 9–12, in conjunction with annual dropout rates;
- progress of students who failed in prior years; and
- measures related to the Student Success Initiative.

Certain components of the accountability system will remain the same, including:

- use of multiple rating categories;
- evaluation of the performance of student groups;
- use of ratings based on multiple indicators;

- provisions for small numbers of students and schools serving grades not tested through the state assessment system; and
- use of reports and recognitions based on performance results.

Exhibit 1–13 is a blueprint for the accountability indicators and standards for 2003–04 and 2004–05.

Exhibit 1–13
Blueprint for Accountability Indicators and Standards
2003–04 and 2004–05

	2003–04	2004–05
State Assessments Administered		
TAKS	Reading/English Language Arts (Grades 3–11), Writing (Grades 4 and 7), Math (Grades 3–11), Social Studies (Grades 8, 10–11), Science (Grades 5, 10–11)	Reading/English Language Arts (Grades 3–11), Writing (Grades 4 and 7), Math (Grades 3–11), Social Studies (Grades 8, 10–11), Science (Grades 5, 10–11
State Developed Alternative Assessment (SDAA)	Grades 3–8	Grades 3–10 (Grades 9–10 baseline)
TAKS Passing Rate Standards for all students and each student group		
Exemplary	>= 90 percent	>= 90 percent
Recognized	>= 70 percent	>= 70 percent
Academically Acceptable: Reading/English Language Arts Mathematics Science	>= 50 percent >= 35 percent >= 25 percent	>= 50 percent >= 35 percent >= 25 percent
Academically Unacceptable/Low–Performing	< Acceptable	< Acceptable
Student Passing Standard	Grades 3–10 1 SEM Grade 11 2 SEM	Grades 3–10 PR Grade 11 1 SEM
Progress of Prior Year Failures	To Be Determined	To Be Determined
State Developed Alternative Assessment Standards Required Improvement:	Exemplary >= 90 percent Recognized >= 70 percent Academically Acceptable >=50 percent Recognized – amount of gain from 2003 in percent met Admission, Review, and Dismissal (ARD) expectations required to reach a 70 percent accountability standard in two years; Academically Acceptable – amount of gain from 2003 in percent ARD expectations required to reach 50 percent accountability standard in two years.	To Be Determined: Major changes are scheduled including a new version of the tests, better aligned with the TAKS for grades 3–10. Scores for grades 9–10 will not be included into the accountability indicator until 2006 when information on ARD expectations is available.

	2003–04	**2004–05**
TAKS Passing Rate Standards for all students and each student group (continued)		
Minimum Size Requirements for Evaluation of Student Groups*	30 students (summed across all grades) and at least 10 percent of all test takers in subject OR 50 students even if less than 10 percent of all test takers in subject	30 students (summed across all grades) and at least 10 percent of all test takers in subject OR 50 students even if less than 10 percent of all test takers in subject
Student Success Initiative	Data for Grade 3; To Be Determined	Data for Grade 3; To Be Determined
Dropout and Completion Measures		
Dropout Rate, Grades 7–8, 9–12 (District and School)	Continue reporting dropouts under current state dropout definition and adopt the National Center for Education Statistics dropout definition for 2005–06 leavers for grades 7–8 calculations. Use new dropout rate calculations in completion rate for the class of 2009 when four years of data are available.	Continue reporting dropouts under current state dropout definition and adopt the National Center for Education Statistics dropout definition for 2005–06 leavers for grades 7–8 calculations. Use new dropout rate calculations in completion rate for the class of 2009 when four years of data are available.
Completion Rate Standards (Grades 9–12) for all students and each student group	Include general educational development (GED) recipients as completers as a phase–in to a stricter definition of completer that counts graduates and continuing fifth–year students as high school completers for the 2006 accountability ratings	Include general educational development (GED) recipients as completers as a phase–in to a stricter definition of completer that counts graduates and continuing fifth–year students as high school completers for the 2006 accountability ratings
Exemplary	>= 95 percent	>= 95 percent
Recognized	>= 85 percent	>= 85 percent
Academically Acceptable	>= 75 percent	>= 75 percent
Academically Unacceptable	< 75 percent	< 75 percent
Minimum Size Requirements for Evaluation of Student Groups*	At least 10 dropouts or non–completers, at least 30 students in the group, and the group represents at least 10 percent of students in the class OR at least 50 students even if that represents less than 10 percent of all students in the class.	At least 10 dropouts or non–completers, at least 30 students in the group, and the group represents at least 10 percent of students in the class OR at least 50 students even if that represents less than 10 percent of all students in the class.
District Special Education Compliance Status	Used for Ratings or Acknowledgements	Used for Ratings or Acknowledgement

Source: Texas Education Agency, website, April 2004.
Note: SEM stands for Standard Error of Measurement and PR stands for Panel Recommendation.

Exhibit 1–14 compares 2001–02 passing rates from the final assessment year of the TAAS, for TISD, its peers, Region 7, and the state. TISD had a higher percentage of students passing the TAAS than both Region 7 and the state, but fell in the middle when compared to its peers.

Exhibit 1–14
2001–02 TAAS Pass Rates
Reading, Mathematics, Writing and All Tests
TISD, Peer Districts, Region 7 and State

District	Reading	Mathematics	Writing	All Tests
Daingerfield–Lone Star	93.6%	93.8%	92.6%	88.4%
Carthage	90.7%	92.1%	89.1%	84.9%
Linden–Kildare Consolidated	99.7%	100.0%	99.4%	99.4%
Jefferson	90.0%	89.7%	80.7	80.2
Tatum	**93.6%**	**92.7%**	**90.2%**	**86.1%**
Region 7	**91.8%**	**93.4%**	**88.8%**	**85.9%**
State	**91.3%**	**92.7%**	**88.7%**	**85.3%**

Source: Texas Education Agency, AEIS, 2001–02.

Exhibit 1–15 indicates that the district has exceeded the state's performance in most TAAS categories from 1996–97 through 2001–02.

Exhibit 1–15
TISD Passing Rates: Texas Assessment of Academic Skills
Reading, Mathematics, Writing and All Tests
1996–97 through 2001–02

Year	Reading		Mathematics		Writing		All Tests	
	Tatum ISD	State	Tatum ISD	State	Tatum ISD	State	Tatum ISD	State
1996–97	90.7%	84.0 %	85.0%	80.1%	88.8%	85.3 %	79.2%	73.2 %
1997–98	91.6%	87.0%	85.5%	84.2%	92.6%	87.4%	81.2%	77.7%
1998–99	89.7%	86.5%	88.7%	85.7%	91.2%	88.2%	82.4%	78.3%
1999–2000	88.6%	87.4%	87.3%	87.4%	87.7%	88.2%	79.9%	79.9%
2000–01	90.0%	88.9%	89.9%	90.2%	88.5%	87.9%	82.9%	82.1%
2001–02	93.6%	91.3%	92.7%	92.7%	90.2%	88.7%	86.1%	85.3%

Source: Texas Education Agency, AEIS, 1996–97 through 2001–02.

Exhibit 1–16 shows the comparison of subjects and grades assessed by TAAS under the old system and TAKS under the new system. The TAKS is administered in grades 3 through 11 and tests students on the Texas Essential Knowledge and Skills, which is the state–adopted curriculum required for instruction in all public school classrooms. Results from the first TAKS administration in spring 2003 were released in June 2003, but will not affect the rating of a school district until the 2003–04 test results are compiled and officially released. Preliminary spring 2004 TAKS Reading results for the district's third grade students were released in mid–April 2004 with the same students scheduled to take the math portion of the TAKS in late April 2004.

Math is assessed in grades 3 through 11. Reading is assessed in grades 3 through 9, and English Language Arts in grades 10 and 11. Writing will be assessed in grades 4 and 7; social studies in grades 8, 10 and 11; and science in grades 5, 10 and 11. The exit–level examination is administered in grade 11. In the area of reading, testing is added at the ninth–grade level but testing at the tenth grade level stops. The TAKS adds writing in the seventh grade, but stops testing writing at the eighth and tenth grades. A new English language arts test is added under TAKS at the tenth and eleventh grades. In the area of mathematics, TAKS is added at grades nine and eleven, which means that TAKS tests mathematics at every grade level between grades 3 through 11. Science testing is added under TAKS at grades 5, 10, and 11. Social studies testing is added under TAKS at grades ten and eleven. Hence there is substantially more testing under TAKS than under TAAS.

Exhibit 1–16
TAAS and TAKS
A Comparison of Subjects and Grades

Subject	Grades								
	3	4	5	6	7	8	9	10	11
Reading	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAKS Only	TAAS Only	
Writing		TAAS/ TAKS			TAKS Only	TAAS Only		TAAS Only	
English Language Arts								TAKS Only	TAKS Only
Mathematics	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAAS/ TAKS	TAKS Only	TAAS/ TAKS	TAKS Only
Science			TAKS Only					TAKS Only	TAKS Only
Social Studies						TAAS/ TAKS		TAKS Only	TAKS Only

Source: Texas Education Agency, 2003 Accountability Plan, Updated October 2003.

The state created a panel of 350 educators and citizens to complete extensive research and ensure the TAKS adhered to the federal No Child Left Behind (NCLB) mandates for student performance. This panel recommended the adoption of TAKS passing standards subsequently adopted by the State Board of Education (SBOE) in a three–year transition period. For 2002–03, the standard was set at two standard errors of measurements (SEM) below the panel recommendation. In 2003–04, the passing standard for grades 3 through 10 will be one SEM below the panel recommendation with full implementation of the passing standards in 2005. There is a one–year delayed phase–in for the grade 11 exit–level TAKS with full implementation of panel passing recommendations in 2005–06. **Exhibit 1–17** shows the 2003 TAKS scores for TISD, its peers, Region 7, and the state.

Exhibit 1–17
TAKS 2003 Results
TISD, Peers, Region 7, and the State

District	Met Standard (Sum of All Grades Tested)			Commended Performance (Sum of All Grades Tested)
	Percent at 2 Standard Errors of Measurement (SEM) Below Panel Recommendation	Percent at 1 Standard Errors of Measurement (SEM) Below Panel Recommendation	Percent at Panel Recommendation	Percent
English Language Arts				
Carthage	67.0%	65.0%	62.4%	7.4%
Linden–Kildare Consolidated	82.2%	79.2%	74.3%	8.9%
Jefferson	61.7%	58.6%	52.5%	1.2%
Daingerfield–Lone Star	55.7	51.5	44.9	2.4
Tatum	**74.0%**	**71.8%**	**67.2%**	**0.8%**
Region 7	**69.9%**	**67.2%**	**63.4%**	**4.1%**
State	**71.5%**	**68.7%**	**64.6%**	**5.2%**
Reading				
Carthage	85.3%	80.6%	73.4%	19.5%
Linden–Kildare Consolidated	98.0%	94.3%	90.0%	28.7%
Jefferson	81.8%	73.7%	66.2%	12.4%
Daingerfield–Lone Star	85.9%	79.1%	71.4%	12.8%
Tatum	**86.4%**	**80.9%**	**74.9%**	**18.7%**
Region 7	**86.8%**	**81.6%**	**74.5%**	**18.7%**
State	**85.6%**	**80.2%**	**73.2%**	**18.5%**
Mathematics				
Carthage	79.3%	68.3%	56.2%	9.2%
Linden–Kildare Consolidated	89.8%	80.3%	67.9%	9.5%
Jefferson	71.2%	54.7%	39.4%	4.5%
Daingerfield–Lone Star	73.8%	61.2%	50.3%	8.9%
Tatum	**77.1%**	**67.1%**	**52.3%**	**9.2%**
Region 7	**79.1%**	**69.0%**	**57.9%**	**11.4%**
State	**77.8%**	**67.9%**	**57.4%**	**12.0%**

Writing				
Carthage	73.4%	72.2%	66.7%	9.4%
Linden–Kildare Consolidated	96.8%	94.7%	93.7%	14.7%
Jefferson	80.7%	76.0%	67.8%	9.9%
Daingerfield–Lone Star	82.1%	80.2%	72.5%	10.1%
Tatum	**87.7%**	**85.5%**	**81.9%**	**11.6%**
Region 7	**86.6%**	**83.5%**	**78.5%**	**12.8%**
State	**86.3%**	**82.9%**	**77.8%**	**13.1%**
Science				
Carthage	71.0%	59.2%	45.9%	3.7%
Linden–Kildare Consolidated	85.3%	64.7%	49.3%	1.3%
Jefferson	68.6%	47.1%	33.3%	1.2%
Daingerfield–Lone Star	56.7%	44.0%	35.1%	2.1%
Tatum	**79.7%**	**67.3%**	**44.2%**	**3.7%**
Region 7	**69.9%**	**55.8%**	**40.6%**	**2.3%**
State	**70.7%**	**56.9%**	**42.4%**	**2.9%**
Social Studies				
Carthage	91.0%	85.7%	77.6%	13.4%
Linden–Kildare Consolidated	97.9%	96.6%	93.8%	19.9%
Jefferson	88.0%	78.9%	68.0%	3.0%
Daingerfield–Lone Star	81.5%	74.3%	69.2%	13.0%
Tatum	**94.8%**	**88.4%**	**79.7%**	**8.2%**
Region 7	**89.6%**	**83.3%**	**75.4%**	**11.7%**
State	**90.1%**	**84.0%**	**76.1%**	**13.4%**
All Tests				
Carthage	67.6%	59.0%	47.3%	3.6%
Linden–Kildare Consolidated	83.8%	71.3%	57.5%	3.9%
Jefferson	57.6%	42.7%	29.9%	2.3%
Daingerfield–Lone Star	62.4%	51.1%	41.4%	2.9%
Tatum	**68.5%**	**57.8%**	**43.8%**	**4.3%**
Region 7	**68.0%**	**57.8%**	**46.6%**	**4.4%**
State	**67.4%**	**57.4%**	**46.6%**	**4.7%**

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

In March 2004, the district's third grade students took the Reading portion of the TAKS for the second time. Exhibit 1–18 shows the preliminary results for the district. These same students are scheduled to take the math portion of the TAKS in late April 2004.

Exhibit 1–18
TISD Preliminary Third Grade TAKS Reading Scores
March 2004 Administration

	Percent Met Standard	Percent Commended Performance
All Students	95 %	35%
African–American	100%	18%
Hispanic	95%	35%
Anglo	94%	42%
Economically Disadvantaged	94%	31%
Limited English Proficient	93%	33%
English As A Second Language	92%	23%
Special Education	*	*
Gifted/Talented	100%	100%
At–Risk	94%	33%

Source: Texas Education Agency, Preliminary Data Results, April 2004.
*Note: Not reported for privacy reasons.

TISD set higher standards in reading at the primary level to avoid higher retention rates in later grades. The value of retaining low–achieving students is strongly debated among educators, policy–makers, and parents. Advocates of retention believe that promoting a child regardless of achievement potentially puts an unprepared child into the future workplace. These advocates maintain that holding a child back in the early grades can boost readiness and self–esteem by improving the child's basic skill foundation. In later grades, some believe that retention can be a consequence for low achievement, forcing students to be accountable for their academic work.

Retention has traditionally been used as a remedy for student failure, and without other targeted intervention or remediation it often places children that are retained back in the same type of environment in which they previously did not succeed. Opponents of retention point to years of research that shows retention does not help children academically or socially.

In an interview with the superintendent, he said that the current TISD philosophy agrees that retention in the early grades boosts readiness for future success. Under guidelines from the NCLB implemented in 2003–04, children who do not pass the third grade reading portion of the TAKS will be retained in third grade.

Exhibit 1–19 compares the district's retention rates by grade from 1998–99 through 2002–03 to the state's rates. In 2001–02 TISD had substantially higher retention rates in grades 2, 5, and 7. In 1999–2000, the district retained students at a lesser degree than the state in all grades except grade 4, where the retention rate was higher by 0.1 percentage point. By employing stricter standards at the early grades, teachers and administrators believe they can address student needs and promote a smooth

transition for students to the secondary level. In comparison to 2001–02, the district's retention rates in 2002–03 increased in grades K–1, decreased in grade 2 and were eradicated in grades 3–8. Meanwhile the state retention rates remained virtually unchanged for all grade levels.

Exhibit 1–19
TISD Retention Rates Compared to the State
1998–99 through 2002–03

Grade	1998–99		1999–2000		2000–01		2001–02		2002–03	
	TISD	State	TISD	State	TISD	State	TISD	State	TISD	State
K	0.0%	1.7%	0.0%	2.0%	1.3%	2.3%	0.0%	2.6%	13.9%	2.7%
Grade 1	1.5%	5.4%	0.0%	5.9%	1.3%	5.8%	2.9%	5.8%	16.0%	5.9%
Grade 2	0.0%	2.8%	0.0%	3.0%	1.5%	3.1%	9.7%	3.5%	2.9%	3.5%
Grade 3	0.0%	1.8%	1.4%	2.3%	1.3%	2.2%	1.5%	2.5%	0.0%	2.5%
Grade 4	2.5%	1.2%	1.3%	1.2%	0.0%	1.3%	0.0%	1.4%	0.0%	1.3%
Grade 5	2.4%	0.7%	0.0%	0.7%	3.6%	0.8%	3.8%	0.8%	0.0%	0.7%
Grade 6	0.0%	1.6%	0.0%	1.5%	3.9%	1.6%	0.0%	1.5%	0.0%	1.4%
Grade 7	2.4%	2.8%	2.4%	2.9%	1.1%	2.8%	5.5%	2.5%	0.0%	2.2%
Grade 8	1.1%	1.9%	1.3%	2.0%	0.0%	1.9%	0.0%	1.9%	0.0%	1.6%

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

TISD offers Gifted and Talented (G/T) classes at every grade level. The district offers a pullout program at the elementary level where students are taken out of their regular classrooms to attend G/T classes. The district serves G/T students at the middle and high school level in identified courses, many of which are also Advanced Placement (AP) or International Baccalaureate classes.

FINDING

TISD implemented a Curriculum, Instruction, and Assessment program to ensure it aligns its curriculum with the TEKS and the TAKS. This ensures that the curriculum objectives selected are rigorous and meet or exceed state standards. At the beginning of this initiative in June 2001, 53 teachers from grades K–11 participated in three days of curriculum alignment workshops. At the conclusion of the three workdays, teachers developed benchmark instruction targets set for each six–week instructional period aligned to the TEKS as well as the TAAS, the statewide assessment instrument in place at that time. The teachers expressed a sense of accomplishment as evidenced by remarks on the November 2001 evaluations obtained from the superintendent's office saying such things as, "I planned out my whole year! It's a good reference point to keep me on track with TAAS," and, "It opened the lines of communication among teachers and set guidelines for the new year." The district gave 45 of the teachers grant–funded stipends totaling $20,000 for their work. The eight additional teachers received compensatory time for use later that year.

The curriculum initiative includes ongoing vertical team review and update of the curriculum by subject area. It requires curriculum alignment professional development on an annual basis for all

new and many returning teachers. In particular, the Curriculum, Instruction, and Assessment consists of the following components:

- Curriculum benchmark timelines are correlated to TEKS and TAKS.

  Curriculum vertical teams meet each summer and during four early release times each year to develop and improve the curriculum benchmarks.

- Instruction is correlated to the curriculum and higher order thinking skills or conceptual knowledge.

  Specific staff development in curriculum alignment is required and provided for all new teachers and many returning teachers. TISD administrative staff monitors instructional practices when conducting teacher observations through the Professional Development and Appraisal System. Administrators provide each teacher with feedback from at least two scheduled, walk–through observations per semester and four snapshots or unannounced visits each year. Additionally, the district encourages principals is to practice Management by Walking Around to further support the instructional efforts and needs of teachers observed on a daily basis.

- End of grading cycle assessments are correlated to TAKS and developed benchmark practice tests.

  The district is working toward providing centrally developed tests each grading period to coordinate with the developed benchmarks. Some testing is being developed centrally, and teachers are developing other assessments. All assessments are correlated to the objectives identified as taught during that grading period in the curriculum benchmarks.

- Technology is used to score assessments and maximize data review through analysis and report generation.

  The assessments are scored using available technology, scantrons and available software, and are disaggregated by objective and student demographics to identify strengths and weaknesses in instructional presentation.

- Teachers collaborate for data analysis of assessment results to sub–groups, using technology:

  Teachers can collaboratively analyze test results by vertical teams, campus, and grade levels as they pertain to the review and improvement of curriculum presentation.

- Whole class and individual student interventions are developed from data results.

  The district requires principals to use disaggregated data to further identify objectives that must be presented to the entire class. Teachers collaborate with principals to identify individual students who need further instructional intervention, and then incorporate it into daily instruction.

The district adheres to a curriculum alignment plan that ensures all curriculum is continuously aligned with the TEKS, updated to match the more rigorous TAKS, and consistently implemented at each grade–level.

COMMENDATION

TISD prioritizes curriculum consistency, review, and alignment to statewide standards through grade–level team efforts, training, data analysis, and districtwide oversight.

FINDING

District and campus administrators disaggregate student performance data by demographic groups and for individual students to address identified instructional deficiencies. Because TISD is prioritizing student performance and achieving an Exemplary accountability rating, the superintendent, principals, and teachers continuously review each student's individual progress to make necessary changes to classroom instruction.

In an effort to enhance student performance and increase the amount of student performance data available for review, the district contracted with Regional Education Service Center VIII (Region 8) in Mount Pleasant for use of their test bank data, known as Formative Assessment of Academic Skills. TISD then developed benchmark tests for grades 3 through 8 in the core academic areas addressed in the Texas Essential Knowledge and Skills. The district began administering the benchmark tests every six weeks in 2001–02, scoring the results with scantron software, AEIS–IT, available through Region 7. The district uses these test results for analysis in conjunction with teacher input, student report cards, annual performance data, and district, campus, and individual statistics provided through the state's data collection and reporting system, the Public Education Information Management System (PEIMS).

To specifically monitor student performance in kindergarten and first grade, Tatum Primary School focuses on standards developed in 2001–02 from the state's Texas Primary Reading Inventory as shown in **Exhibit 1–20**. The district administers the Texas Primary Reading Inventory in the fall and spring of each year and assesses student strengths and weaknesses through teacher observation, classroom performance, and benchmark test results.

Exhibit 1–20
Tatum Primary School Standards

Kindergarten	First Grade

• Phonemic Awareness
  - Rhyming
  - Blending word parts
  - Blending phonemes
  - Detecting initial sounds
  - Detecting final sounds
• Graphophonemic Knowledge
  - Letter name identification
  - Letter to sound linking
• Listening Comprehension
	• Phonemic awareness
	  - Blending word parts
	  - Detecting initial sounds
	  - Detecting final sounds
	• Graphophonemic Knowledge
	  - Initial consonant substitution
	  - Final consonant substitution
	  - Middle vowel substitution
	  - Initial blending substitution
	  - Blends in final position
	• Listening/Reading Comprehension
	  - Reading accuracy level
	  - Reading fluency level

Source: TISD, director of Curriculum and Community Relations.

Exhibit 1–21 shows a longitudinal data analysis of TISD's overall reading scores. The gray boxes descending diagonally represent student scores on the TAAS reading assessment beginning in 1997–98 as the students incrementally progress from third grade through seventh grade in 2001–02. Scores steadily improved, indicating that TISD students continued to improve over time. In addition, grade 10 scores increased from 91 percent to 95 percent during that same time period. While these scores represent different children each year, this is also an indicator that the instructional program constantly improved. The expectation is that this same group of students who began with grade 3 reading scores of 84.1 percent in 1997–98 will continue to increase overall reading scores by at least 0.5 percentage points each year.

Exhibit 1–21
TISD Percentage Passing TAAS Reading
Grades 3–10
1997–98 Through 2001–02

Grade Level	Percent Passing TAAS 1997–98	Percent Passing TAAS 1998–99	Percent Passing TAAS 1999–2000	Percent Passing TAAS 2000–01	Percent Passing TAAS 2001–02
Grade 3	84.1%	95.9%	89.2%	96.8%	96.9%
Grade 4	89.9%	82.2%	84.2%	89.7%	95.0%
Grade 5	90.3%	89.9%	84.8%	92.0%	90.2%
Grade 6	94.3%	91.7%	81.3%	87.5%%	95.5%
Grade 7	93.4%	81.6%	90.2%	83.6%	89.5%
Grade 8	96.6%	90.1%	93.9%	88.1%	95.9%
Grade 10	91.0%	94.3%	94.6%	94.8%	95.0%

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

The district performs similar data analysis to identify both positive and negative student performance trends. TISD's principals and teachers also use this information to prepare instructional programs, update curriculum, and individualize lesson plans prior to the start of each year.

COMMENDATION

TISD uses disaggregated student performance data to identify academic areas of need and address deficiencies through annual curriculum and program updates.

FINDING

TISD promotes post–secondary education through board–supported enrollment in the state's rigorous Distinguished Achievement Program (DAP), student role modeling, and transitional academic counseling. Beginning in 1999–2000, TISD offered all necessary courses and encouraged students to graduate under the highest of three graduation plans permitted under state law. At that time, students statewide could complete coursework to graduate under the Minimum Graduation Program, the Recommended Graduation Program, and the Distinguished Achievement Program. The district proactively encouraged students to take the rigorous program, with the belief that students would increase performance on classroom, statewide, and national assessments. **Exhibit 1–22** illustrates the requirements for the Distinguished Achievement Program.

Exhibit 1–22
Distinguished Achievement Program Requirements
High School Level

Course	Requirements
English	Four credits
Math	Three credits – Algebra I&II, Geometry plus another course
Science	Three credits minimum
Social Studies	Three and one–half credits minimum
Economics	One–half credit
Languages other than English	Three credits
Health	One–half credit
Fine Arts	One credit
Physical Education	One–half credit
Electives	Five and one–half credits
Technology Applications	One credit
Speech	One–half credit
Additional Components	Distinguished Achievement Program students take English, math, science, social studies courses each year of high school
Advanced Measures	Distinguished Achievement Program students must achieve a combination of original research/projects, score three or above on College Board Advanced Placement (AP) classes or four or above on an International Baccalaureate (IB) exam, qualify as a National Merit Scholar or complete a college course with a grade or 3.0 or higher including tech–prep programs.

Source: Texas Administrative Code, Section 74.13.

The district begins preparing students in grade 6 for this more rigorous graduation plan and offers pre–Advanced Placement and Advanced Placement courses to students in the middle grades. This is supported with the Tatum High School Academic Ambassadors, a diverse group of high–achieving high school students that assists grade 6 students in developing a high school academic plan that stresses personal achievement and at minimum promotes graduation under the state's recommended high school program. These Academic Ambassadors also represent a cross section of the student body in ethnicity and participation in various leadership and extracurricular activities.

Tatum Middle School offers a career investigation class with a curriculum that discusses academic programs. Each student in grade 8 is required to re–visit the academic plan developed in grade 6 and make changes where necessary. Again, the emphasis is on personal achievement, motivation, and success in a challenging academic environment supported with counselor presentations.

At the high school level, students in grade 9 individually meet with the counselor, while tenth grade students have a scheduled parent conference with a counselor. Each of these meetings focuses on academic preparation and graduation plans for each student.

The district offers one dual credit course at the high school that provides students the opportunity to earn both high school and college credits through the local community college after successful course completion. TISD additionally offers college courses through distance learning to help students fulfill the advanced measures in the Distinguished Achievement Program.

Exhibit 1–23 shows the number of students graduating in 2001 and 2002 under the Distinguished Achievement Program in TISD, the peer districts, Region 7, and the state.

Exhibit 1–23
TISD Distinguished Achievement Program Graduates

District	DAP Graduates Class of 2001	DAP Graduates Class of 2002
Tatum	**74.3%**	**76.2%**
Linden–Kildare Consolidated	48.9%	53.7%
Carthage	45.0%	52.6%
Jefferson	37.0%	40.8%
Daingerfield–Lone Star	32.7%	50.6%
Region 7	**47.2%**	**53.2%**
State	**51.1%**	**58.2%**

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

In 2003–04, the state began requiring all districts to enroll grade 6 students in the Recommended Graduation Program, a program with less stringent parameters than those of the Distinguished Achievement Program.

COMMENDATION

TISD prioritizes secondary education through emphasis on graduation from the Distinguished Achievement Program, student mentoring, and transitional counseling.

FINDING

While the district offers optional pre–AP courses in middle school and AP courses in high school, a smaller percentage of TISD's students received passing scores on college entrance examinations in 2000–01 and 2001–02 than both state and regional averages. In 2003–04, the district offers one pre–AP English class out of five sections in the sixth grade and one pre–AP class out of six Mathematics sections in the seventh grade. Participation in pre–AP and AP courses is open to any student. The district offers an optional Scholastic Aptitude Test (SAT) preparation course through a private company after school hours, and the new high school counselor has encouraged college entrance exam participation. In addition, the district offers optional participation in the pre–SAT (PSAT), a precursor to the SAT exam.

District administrators believe that AP and pre–AP courses help students prepare for SAT and ACT examinations in addition to preparing students for participation in AP examinations. TISD had fewer than 30 students participate in the SAT in 2001–02, resulting in a year of unreported scores, although the participation rate or percentage of students tested was higher than the region, state, and all but one of its peers. District students did, however, participate in sufficient numbers to receive reports from the American College Testing (ACT) examinations for 2001–02. The resulting ACT scores were below both state and regional scores in 2000–01 and 2001–02.

Exhibit 1–24 depicts the SAT/ACT results of TISD, its peer districts, Region 7, and the state. In 2000–01, the percent of TISD students with scores at or above the TEA criterion is one percentage point below Region 7 and more than four percentage points below the state.

Exhibit 1–24
SAT/ACT Results and Percent Tested
TISD, Peers, Region 7, and the State
2000–01 and 2001–02

District	SAT/ACT Percent Tested		Percent At/Above Criterion		Mean SAT Score		Mean ACT Score	
	2001	2002	2001	2002	2001	2002	2001	2002
Carthage	53.6%	64.3%	25.6%	36.1%	1,062	1,050	21.4	21.2
Linden–Kildare Consolidated	82.3%	80.4%	18.5%	26.7%	945	1,059	19.7	20.3
Jefferson	58.4%	71.7%	11.1%	9.3%	989	906	19.4	18.6
Daingerfield–Lone Star	59.3%	51.9%	11.8%	26.8%	912	977	19.5	16.4
Tatum	**67.0%**	**63.4%**	**22.5%**	**15.4%**	**1,080**	**Not Reported**	**19.6**	**18.7**
Region 7	**57.4%**	**57.0%**	**23.5%**	**22.6%**	**990**	**985**	**19.9**	**19.7**
State	**62.9%**	**61.9%**	**26.9%**	**26.6%**	**987**	**986**	**20.2**	**20.0**

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

The SAT is designed to assess the academic skills that are considered important to a student's college success. As a result, most colleges and universities use either the SAT or the ACT as a requirement for entry. TEA has also set scores of 21 on the ACT and 1,110 on the SAT as the minimum criterion for student scores to be acknowledged in the district's accountability ratings.

Some districts train teachers to present PSAT and SAT classes to students in tutorials both during and after school hours at no cost to students. These districts provide an avenue for all students to practice skills necessary for passing scores on college entrance and AP examinations. Glen Rose ISD (GRISD) uses materials developed by Region 11 to increase awareness of and preparation for the ACT and SAT college entrance examinations at the junior high school level. While not required, GRISD is also considering requiring all junior high students to take pre–AP courses to further increase student academic success in high school and in preparation for educational opportunities beyond high school graduation.

Recommendation 1:

Increase pre–Advanced Placement courses, pre–Scholastic Achievement Test (PSAT), and college entrance examination preparation tutorial opportunities.

By increasing students' exposure to pre–AP courses and by encouraging increased participation in the PSAT, the district should provide a better foundation for students taking the SAT and ACT college examinations in the eleventh and twelfth grades. The district should also consider offering teacher–provided tutorials for the SAT and ACT. The district's director of Curriculum and Community Involvement should include appropriate training opportunities for middle and high school teachers, and the district should contact a representative from Region 11 to obtain the materials for PSAT preparation.

FISCAL IMPACT

This fiscal impact assumes the district will provide SAT and ACT preparation tutorials to students at a cost of $5,000 for teacher training offered during one professional development day. In addition, this fiscal impact assumes the district will obtain the materials available from Region 11 for PSAT preparation at a one–time cost of $2,500.

Increasing pre–AP math and English courses at the middle school from one course to three offered sections also assumes the district will train and offer stipends to four additional teachers. Summer AP Institute training costs $450 per teacher, a part of which is eligible for state reimbursement if the designated teachers teach approved AP or pre–AP courses in the year immediately following training. Summer training will equal $1,800 or 4 x $450 plus an annual stipend of $1,500 each teacher. The stipend total equals $6,000. Because the state cannot guarantee what portion of the $450 training fee is eligible for reimbursement, this fiscal impact conservatively assumes the district will bear the entire cost.

Total one–time training and material costs equal $9,300 ($5,000 + $2,500 + $1,800) and annual stipends equal $6,000. Total first year costs equal $15,300 and annual costs thereafter equal $6,000.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Increase pre–Advanced Placement courses, pre–Scholastic Achievement Test (PSAT), and college entrance examination preparation tutorial opportunities.	($6,000)	($6,000)	($6,000)	($6,000)	($6,000)
Teacher training and PSAT materials	($9,300)	$0	$0	$0	$0
Net (Cost)/Savings	**($15,300)**	**($6,000)**	**($6,000)**	**($6,000)**	**($6,000)**

FINDING

While the district has prioritized moving to an *Exemplary* rating status in its long–range strategic plan, its District Improvement Plan, and Campus Improvement Plans, it has not yet achieved this goal. In addition, the district requested that the school review team suggest strategies to assist in this pursuit. The district is also spending a smaller percent on instruction than its peers, Region 7, and the state. In 2002–03, the district spent 50.5 percent of its total expenditures on instruction compared to a state average of 51 percent. When subtracting debt service or bond repayment, the district spent 50.8 percent of its expenditures on instruction compared to the state average of 57 percent. In both instances, the district spent less than state averages. In 2001–02, a bond repayment year, the district spent 48.7 percent of its total budgeted expenditures on instruction as compared to 57.2 percent for the state. The district's percent of total budgeted expenditures on instruction in 2001–02 were also less than all the peer districts and Region 7 expenditures as well.

Exhibit 1–25 details TISD, peer, Region 7, and state budgeted instructional expenditures for 2001–02 and 2002–03.

Exhibit 1–25
Budgeted Instructional Expenditures and Percentages Compared to Total Operational Costs
TISD, Peers, Region 7, and the State
2001–02 through 2002–03

Entity	2001–02 Instruction Amounts*	Percent of Total Operating Expenditures	2002–03 Instruction Amounts*	Percent of Total Operating Expenditures
Tatum	**$4,230,298**	**48.65%**	**$4,832,914**	**50.8%**
Carthage	$11,657,906	57.9%	$10,829,708	54.5%
Daingerfield– Lone Star	$6,118,283	55.8%	$5,623,312	52.9%
Jefferson	$4,562,573	52.4%	$4,763,920	53.4%
Linden–Kildare Consolidated	$4,421,344	63.7%	$3,867,772	59.0%
Region 7	**$529,667,199**	**56.8%**	**$536,679,988**	**56.0%**
State	**$14,631,385,818**	**57.2%**	**$15,258,107,372**	**57.0%**

Source: Texas Education Agency, AEIS, 2001–02 through 2002–03.
*Note: Includes Instructional expenditures (functions 11 and 95) only.

The first goal of the district plan states, "Tatum ISD has a community that sets and supports HIGH EDUCATIONAL EXPECTATIONS." In addition, the first objective for the goal states, "Tatum ISD is an Exemplary district."

Many districts pursuing increased accountability ratings and seeking to further student academic performance include total instructional expenditures as a percentage of overall budgeted expenditures in districtwide and board budget documents and as a consideration in program and operational expenditures. Many districts further plan to incrementally increase instructional expenditures to meet or exceed identified peers or regional and state averages by identifying additional instructional programs for increased funding.

Galena Park ISD (GPISD), although significantly larger than Tatum ISD, has a high minority and economically disadvantaged student population and moved from an Academically Acceptable status to Exemplary in three years. One of the strategies used by GPISD is employment of campus instructional specialists at the elementary– and middle–school levels. These specialists are master teachers promoted from within the district to work with teachers and students, coordinate benchmark tests, assist with curriculum scope and sequence evaluation and development, and lead small–group instruction. Campus instructional specialists meet monthly with program directors and specialists for each academic area and centrally coordinate a tutoring program staffed by district volunteers. District instructional specialists also perform teacher observations in addition to observations required for annual job evaluations performed by campus administrators. After these observations, the instructional specialists leave detailed written observation forms and provide follow–up demonstration lessons in the classroom if necessary. These campus instructional specialists also relieve counselors and campus administrators from performing statewide and benchmark assessment– related duties.

Recommendation 2:

Designate a highly qualified teacher as a districtwide academic achievement coordinator.

The district should consider elevating a highly qualified or master teacher from within existing teaching resources to fill the coordinator of academic achievement position to help coordinate research, curriculum and program efforts. In addition, the district should consider hiring an experienced replacement teacher so as not to diminish the district's institutional knowledge in the affected grade and/or subject area. When creating the job description for this position, the district should consult with the director of Curriculum and Instruction to determine if some of the duties from that position should be transferred. Implementing this recommendation should help the district realize an increase in instructional resources available to improve student performance that is necessary to achieve its goal of reaching Exemplary status. It should also effectively raise the district's percentage of instructional expenditures by providing increased services to all students in additional efforts to reach an Exemplary status.

FISCAL IMPACT

This fiscal impact is conservatively based upon the highest reported average teacher salary in the 2002–03 AEIS data. TISD's average teacher salary was $37,682 in 2002–03, while teachers with more than 20 years of experience earned $44,226 annually. Using this information, the cost of hiring a replacement teacher if the district elevates a master teacher as the academic achievement coordinator is $44,226 plus $3,288 in benefits for an annual cost of $47,514.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Designate a highly qualified teacher as a districtwide academic achievement coordinator.	($47,514)	($47,514)	($47,514)	($47,514)	($47,514)

FINDING

TISD staff and members of the Education Foundation do not actively seek grant funding. Although the district received some non–competitive state technology money previously available through the Telecommunications Infrastructure Fund and at one time unsuccessfully hired a grantwriter on a commission basis, the superintendent said the district does not pursue additional grant possibilities. The Education Foundation, begun in Fall 2003, designates awarding student scholarships as the primary purpose in its charter. TISD's administration and board supported this initial focus. All school districts are eligible to apply for many federal and private–sector grant opportunities.

Due to constraints of being a wealthy district, some Chapter 41 districts assign grant research to established Education Foundations. In 2003–04, Lago Vista Independent School District (LVISD), a Chapter 41 district, assigns a staff member to monitor the execution of any grant–funded programs and assigns the responsibility of grant research and application to its Education Foundation. In addition, the Education Foundation awards individual or program grants to teachers who apply from within the district. For example, the Education Foundation awarded a $500 grant to a high school

social studies teacher who applied to receive funds as initial investment capital for a program study in the free enterprise system. Students in the program invested the money and, at the conclusion of the class, were so successful in their investment strategies that they returned the initial $500 to the Education Foundation for use in another grant. LVISD previously shared a grant–writer with two other districts. In 2001–02, the district paid a salary of $10,000 plus additional fees to the part–time grant writer. Using those services, each participating district earned between $150,000 and $200,000 in grant funds.

Lasara Independent School District hired a former superintendent to write grants. Galveston Independent School District, while much larger than TISD, independently contracted with a grant writer at an annual cost of $18,000 in 1999 while receiving $2.6 million in grant awards for the same year. San Angelo Independent School District contracted with a grantwriter who lived in a different city to obtain grants for the district.

Marble Falls Independent School district, a district that reached Chapter 41 status in 2003–04, hired an experienced grantwriter at a salary of $39,000 who obtained more than $2.9 million in grant funds from 2000–01 through 2002–03. The grantwriter works in cooperation with teachers, campus administrators, and central office staff to locate and successfully receive grant awards.

Recommendation 3:

Include grant research in the Education Foundation charter and contract for grant writer services.

The district should explore the feasibility of either cooperating with several neighboring districts to share the expense of grant writer services or the possibility of individually contracting. The district should also contact Region 7 to explore the possibility of coordinating a contract with a grant writer individually or collectively through the service center. Including grant research in the Education Foundation charter should also help the district explore additional grant–funding opportunities.

FISCAL IMPACT

This fiscal impact conservatively presumes the district will budget a $25,000 annual cost associated with grant–writing services. In addition, savings are conservatively estimated to begin in the second year of implementation, because many grant applications require a six– to 12–month waiting period prior to award funding. This fiscal impact is also based upon $100,000 in obtained grant funds during each year thereafter. Total annual savings for implementation years two through five are therefore based upon the yearly grant awards less the annual $25,000 salary amount. The initial implementation year will result in a cost of $25,000.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Initial Salary Investment	($25,000)	$0	$0	$0	$0
Include grant research in the Education Foundation charter and contract for grant writer services.	$0	$100,000	$100,000	$100,000	$100,000
Net Cost/Savings	**($25,000)**	**$75,000**	**$75,000**	**$75,000**	**$75,000**

B.   SPECIAL EDUCATION

The federal Individuals with Disabilities Act mandates a free and appropriate public education for all children regardless of the severity of the disability. This law, which also is designed to protect children and parents in educational decision–making, requires school districts to conduct a non–discriminatory assessment and develop an individualized education program for each child with a disability.

In addition, the federal law requires school districts to provide students with disabilities an education in the least restrictive environment. In 1997, the federal government re–authorized the Individuals with Disabilities in Education Act and included several significant revisions. The amended law states that the individualized education program must be more clearly aligned with those of students in general education and include general education teachers in the decision–making process. The 1997 law also requires including students with disabilities in states and districts' assessment programs and in setting and reporting performance goals.

TEA annually issues a Program Analysis System/Data Analysis System (PAS/DAS) report to each district as part of the legislative requirements to develop a comprehensive monitoring system for special programs and for special education. This report is used to identify districts and charter schools for District Effectiveness and Compliance (DEC) audits to be conducted by TEA. Selection for a DEC visit is based upon a risk level of four in any program. Risk factors are assigned based upon a number of items, such as the percentage enrolled in special education programs. Risk level three or four on more than one item are signs that those districts need to examine their practices to avoid a reduction in their accreditation status. TISD has a risk factor of zero, the lowest possible risk factor, on its PAS/DAS in the area of special education, which is an indicator that it is effectively meeting the needs of its special education students.

FINDING

TISD provides a variety of special education services through a cooperative agreement with the Rusk County Special Education Shared Services Arrangement (RCSESSA) located in Henderson. There are six schools participating in the RCSESSA, although none of them are used for peer comparison purposes of this report. They are Carlisle, Laneville, Leverett's Chappel, Mount Enterprise, Overton and Tatum. The RCSESSA offers occupational therapy, physical therapy, special education counseling, speech therapy, and visually impaired services. Each district provides its own resource classes, self–contained classes and mainstream classes. Contract services are engaged to provide the services of a diagnostician on an as–needed basis through the cooperative. Sharing the cost of the professionals with other districts allows member districts access to the services on an as–needed basis without each one having to hire those services on a full–time basis, which would be a duplication of costs. Therefore it is more cost efficient to hire their services through a cooperative agreement.

TISD uses the referral process provided by the cooperative, which is consistent with the requirements of the Individuals with Disabilities in Education Act. Each district in the cooperative must follow a pre–referral process before asking the cooperative to provide testing for a student's inclusion in the special education program. Four items must be considered prior to referring the student for testing and must be submitted to the RCSESSA within 10 working days after securing parent permission. The four submitted items are:

- Notice of Procedural Safeguards: Rights of Parents of Students with Disabilities

  The principal must explain the Notice of Procedural Safeguards: Rights of Parents of Students with Disabilities to the parents or adult who has legal authority to make educational decisions for the child, who must then submit a signed permission to proceed with the necessary steps to determine special education eligibility.

- Notice of Full Individual Evaluation

  The referring district must complete a form with the reason for the referral, options already considered and tried before referral to special education, and why these options were not successful.

- Consent for Full Individual Evaluation

  Each parent is given a form to check appropriate boxes to request services, and they must sign the form.

- Notice of Release of Information

  Each parent must also sign a Notice of Release of Information allowing RCSESSA to release a copy of the Full Individual Evaluation to the parent.

In a survey conducted by the review team in fall 2003, 71.1 percent of parents and 75.5 percent of teachers and administrators strongly agree or agree that TISD has effective special education programs (**Exhibit 1–26**).

Exhibit 1–26
TISD Survey Results
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
The district has effective special programs for Special Education.	Parent Response				
	31.1%	40.0%	20.0%	4.4%	4.4%
	District Administrative, Support Staff, and Teacher Response				
	24.5%	51.0%	14.3%	10.2%	0.0%

Source: TISD, School Review Survey Responses, September 2003.

Exhibit 1–27 compares TISD with its peers with respect to the number of students receiving special education services and with teachers employed to deliver special education services.

Exhibit 1–27
Special Education Program Information
TISD Compared to Peer Districts
2002–03

District	Students in Special Education		Expenditures	
	Number Enrolled	Percent	Total Expenditures	Percent
Carthage	446	14.8%	$1,360,976	12.6%
Daingerfield–Lone Star	220	13.8%	643,989	11.5%

Exhibit 1–27 (continued)
Special Education Program Information
TISD Compared to Peer Districts
2002–03

District	Students in Special Education		Expenditures	
	Number Enrolled	**Percent**	**Total Expenditures**	**Percent**
Linden–Kildare Consolidated	186	20.7%	467,027	12.1%
Jefferson	257	18.1%	621,511	13.0%
Tatum	**124**	**10.5%**	**$354,060**	**7.3%**
Region 7	**21,004**	**13.1%**	**$60,855,814**	**11.3%**
State	**491,259**	**11.6%**	**$1,924,085,228**	**12.6%**

Source: Texas Education Agency, AEIS, 2002–03.
**Note: This number does not include the district's share of teachers and professionals available
from the Rusk County Special Education Shared Services Arrangement.*

TISD provides a variety of services and contains the cost of providing special education services to students. As a result of this cost containment, TISD employs the lowest percentage of special education teachers and spends less money on special education programs than its peers, Region 7 or the state. TISD performance on TAKS exceeds Region 7 and state performance in virtually every category and exceeds its peers with the exception of Linden–Kildare CISD. The State Developed Alternative Assessment (SDAA) testing data indicates that TISD is testing almost 95 percent of its children with the appropriate test. This suggests that even though TISD has a lower special education percentage than its peers, Region 7 and the state, it is providing an appropriate education for its students and at a cost that is lower than its comparison group.

COMMENDATION

TISD provides special education services in a cost–effective manner otherwise unavailable in scope and cost to a small district through participation in a countywide cooperative.

FINDING

While the district is providing cooperative services for students in special education, the percentage of students taking the SDAA in 2001–02 and 2002–03 and subsequently meeting Admission, Review, and Dismissal (ARD) committee expectations is 20 percentage points or more below state levels and 30 or more percentage points below regional averages (**Exhibits 1–28** and **1–29**). The SDAA, developed and initially administered in 2001–02, is given to students in special education as an alternative to TAKS.

Exhibit 1–28
Percent of Students Taking State Developed Alternative Assessment (SDAA) That Met
Admission, Review, and Dismissal (ARD) Expectations
TISD, Peers, Region 7, and the State
2001–02

District	Percent of Students Taking SDAA that Met ARD Expectations	TAKS Participation Grades 3–11 SDAA Only	Students Not Tested using the TAKS/ SDAA
Carthage	72.9%	6.3%	3.2%
Daingerfield–Lone Star	80.0%	7.2%	3.7%
Linden–Kildare Consolidated	92.1%	18.3%	6.2%
Jefferson	46.3%	14.0%	3.1%
Tatum	**47.1%**	**7.6%**	**3.7%**
Region 7	**75.5%**	**8.8%**	**3.3%**
State	**69.6%**	**6.7%**	**3.8%**

Source: Texas Education Agency, AEIS, 2001–02.

Exhibit 1–29
SDAA TISD and Peers
2002–03

District	Percent SDAA Met ARD Expectations	TAKS Participation Grades 3–11 SDAA Only	Not Tested TAKS/ SDAA
Carthage	80.9%	4.9%	5.1%
Daingerfield–Lone Star	66.7%	6.4%	5.0%
Linden–Kildare Consolidated	94.2%	12.8%	9.8%
Jefferson	67.1%	7.8%	7.5%
Tatum	**28.2%**	**5.8%**	**5.2%**
Region 7	**75.6%**	**6.7%**	**5.4%**
State	**69.2%**	**4.8%**	**5.1%**

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

Many districts create formal monitoring committees or require districtwide reports of benchmark assessments and statewide results for students in special education programs to avoid continually falling below designated student performance expectations. By closely monitoring these results, districts more rapidly identify individual students deficiencies and implement immediate instructional changes.

Recommendation 4:

Include parents and special education professionals in a monitoring committee to review State Developed Alternative Assessment (SDAA) expectations and resulting student scores.

The district should immediately form a committee of district staff, cooperative staff members and parents of students in the special education program to review monthly objectives outlined on students Individual Education Plans as related to identified expectations for the SDAA. The district should closely monitor any benchmark assessments as indicators of SDAA student performance and adjust instruction to match individual needs. The district should carefully adhere to any and all privacy provisions and all federal, state, and local regulations associated with reviews of information regarding students in special education programs.

FISCAL IMPACT

This fiscal impact can be implemented with existing resources.

C.   COUNSELING

During the Seventy–seventh Legislative session, the Texas Legislature passed state law pertaining to the work of the school counselor regarding higher education. Beginning in a 2001–02, state law requires each counselor at an elementary, middle, or junior high school, including an open–enrollment charter school offering those grades, to advise students and their parents or guardians regarding the importance of higher education, coursework designed to prepare students for higher education, financial aid availability, and requirements.

Additionally, the high school counselor is required to provide information to a student and parents during the student's first year and senior year in high school regarding:

- the importance of higher education;
- the advantages of completing the recommended or higher high school program;
- the disadvantages of taking courses to prepare for a high school equivalency;
- coursework designed to prepare students for higher education;
- financial aid availability and requirements;
- instruction on how to apply for federal financial aid;
- the eligibility and academic performance requirements for the TEXAS Grant;
- information concerning the financial aid center operated by the Texas Higher Education Coordinating Board under TEC Section 61.0776; and
- the automatic admission of students who graduate with a grade point average in the top 10 percent of the student's graduating class as provided by TEC Section 51.803.

TEC Sections 33.001, 33.005–33.006 require all school counselors to assume responsibilities for working with school faculty and staff, students, parents and community to plan, implement and evaluate a developmental guidance and counseling program. The guidance and counseling program shall include:

- a guidance curriculum to help students develop their full educational potential;
- a responsive services component to intervene on behalf of any student whose immediate personal concerns or problems put the student's continued educational, career, personal or social development at risk;
- an individual planning system to guide a student as the students plans, monitors and manages the student's own educational, career (including interests and career objectives), personal and social development; and
- a system of support to strengthen the efforts of teachers, staff, parents and other members of the community in promoting the educational, career, personal and social development of students.

In addition, the counselor shall:

- participate in planning, implementing and evaluating a comprehensive developmental guidance program to serve all students and to address the special needs of students:
  a) who are at risk of dropping out of school, becoming substance abusers, participating in gang activity or committing suicide;
  b) who are in need of modified instructional strategies;
  c) who are gifted and talented, with emphasis on identifying and serving gifted and talented students who are economically disadvantaged.
- consult with a student's parent or guardian and make referrals as appropriate in consultation with the student's parent or guardian;
- consult with school staff, parents, and other community members to help them increase the effectiveness of student education and promote student success;
- coordinate people and resources in the school, home, and community;
- with the assistance of school staff, interpret standardized test results and other assessment data that help a student make educational and career plans; and
- deliver classroom guidance activities or serve as a consultant to teachers conducting lessons based on the school's guidance curriculum.

Exhibit 1–30 reflects the four components of developmental school guidance and counseling program as required by TEA.

Exhibit 1–30
Four Components of a Developmental
School Guidance and Counseling Program

Component	Component	Component	Component
Guidance Curriculum	**Responsive Services**	**Individual Planning**	**System Support**
Provides guidance content in a systematic way to all students.	Addresses the immediate concerns of students.	Assists students in monitoring and understanding their own development.	Includes program and staff support activities and services.
Purpose	**Purpose**	**Purpose**	**Purpose**
Awareness, skill development, and application of skills needed in everyday life.	Prevention and intervention	Student planning and goal setting	Program delivery and support

Areas Addressed	Areas Addressed	Areas Addressed	Areas Addressed
Self–confidence development Motivation to achieve Decision–making, goal–setting, planning, and problem–solving skills Interpersonal effectiveness (including social skills) Communication skills Cross–cultural effectiveness Responsible behavior	Academic concerns School–related concerns: • tardiness • absences and truancy • misbehavior • school–avoidance • drop–out prevention Relationship concerns Physical/sexual/emotional abuse as described in Texas Family Code Grief / loss Substance abuse Family issues Harassment issues Coping with stress	EDUCATIONAL Acquisition of study skills Awareness of educational opportunities Appropriate course selection Lifelong learning Utilization of test scores CAREER Knowledge of potential career opportunities Knowledge of career and technical training Knowledge of positive work habits PERSONAL–SOCIAL Development of healthy self–concepts Development of adaptive and adjustive social behavior	Guidance program development Parent education Teacher/administrator consultation Staff development for educators School improvement planning Counselor's professional development Research and publishing Community outreach Public relations
Counselor Role	**Counselor Role**	**Counselor Role**	**Counselor Role**
Guidance Consultation Program implementation and facilitation Professionalism	Counseling Consultation Coordination Referral Professionalism	Guidance Consultation Assessment Professionalism	Program management Consultation Professionalism

Source: Texas Education Agency.

FINDING

TISD's counselors cost–effectively provide a range of services through coordination of effort at the campus and district level and through professional training to support students, staff and administrators. In both 2002–03 and 2003–04, TISD employed three guidance counselors to oversee

and implement the district's guidance and counseling program. Counselors provide both individual and group counseling on request and assist teachers by providing classroom instruction on select curriculum such as the Right Choice Character Development program. The counselors are also involved in scheduling, Section 504 identification, Gifted and Talented identification and testing, and English as a Second Language administrative documentation. They further complete grade reporting every six weeks at grades pre–Kindegarten through 8 and every nine weeks at the high school.

One counselor serves the primary school students in grades pre–Kindegarten through 3. The elementary school and the middle school share a counselor that serves grades 4 through 8 at physically connected schools. The high school has one counselor, hired in 2002–03, serving its students. Counselors also attend a wide variety of professional development opportunities, many through Region 7.

Exhibit 1–31 shows TISD's campus and districtwide enrollment and the corresponding number of counselors assigned.

Exhibit 1–31
TISD School Counselor Assignments
2002–03

	Tatum Primary School	Tatum Elementary School	Tatum Middle School	Tatum High School	District Total
Enrollment	363	263	191	369	**1,186**
Number of Counselors Assigned	1	0.5	0.5	1	**3**
Grades Served	pre–K–3	4–6	7–8	9–12	

Source: Texas Education Agency, AEIS, 2002–03 and TIS,D superintendent's Office.

Ratio recommendations are wide–ranging. According to state statute, TEC 33.002(a), a district should employ one counselor per 500 elementary students. The Texas School Counselor Association, Texas Association of Secondary School Principals, and the Texas Elementary Principals and Supervisors Association have recommended ratios of 1:350. However, the actual counselor to student ratio in most schools still remains higher than the recommendation.

In 2002–03, TISD's three counselors served 1,186 students, which is a ratio of 1:395. While administrators said they thought the counselor–to–student ratio was too high, they also reported that services provided by these professionals were exemplary.

COMMENDATION

TISD cost–effectively provides a range of counseling services to students within industry standards by collaborative efforts and professional training opportunities.

D.   CAREER AND TECHNOLOGY EDUCATION

Eventually, most students enter into the workplace, whether they continue their education after high school or not. A major pipeline feeding the workforce is the K–12 educational system. TEC Section 29.181 requires school districts to provide a curriculum that affords each student the opportunity to

"master the basic skills and knowledge necessary for managing the dual roles of family member and wage earner; and gaining entry–level employment in a high–skill, high–wage job or continuin g the student's education at the post–secondary level."

A TEA rule requires school districts to offer Career and Technology Education (CATE) courses selected from three of eight career and technology educational areas: agricultural science and technology, business education, health science technology, home economics, industrial technology, marketing, trade, and industrial and career orientation.

FINDING

TISD's students can earn college credit while still in high school through the availability of technical preparation programs (Tech Prep) and college articulation agreements. The district has a technical preparation agreement with Northeast Texas Community College for its Agriculture program that grants credit to students completing a course or courses under defined guidelines (**Exhibit 1–32**). This six–year program is for students to follow during their four years of high school and two years at the college. Students must sign a letter of intent to pursue the program, earn a grade of B or higher in the courses, be currently enrolled at Northeast Texas Community College, and have completed 12 semester hours of credit with a grade point average of 2.5 or higher, have an approved Northeast Texas Community College degree plan, and petition for college credit within two years of high school graduation.

Exhibit 1–32
Tech–Prep Agreement
Northeast Texas Community College and TISD

High School Course	College Course
Business Computer Information System II	ITSC 1309 – Integrated Software Applications I
AgSC 375 – Entrepreneurship in Agriculture and AgSC 376 – Computer Applications in Agriculture	AGRI 1131 – The Agricultural Industry or AGRI 1309 – Computers in Agriculture
AgSC 332 – Animal Science	AGRI 1311 – Dairy Science or AGAH 1453 – Beef Production
AgSc 321 – Agriculture Structures Technology and AgSc 322 – Metal Fabrication Technology or AgSc 422 – Ag Mechanics I	WLDG 1221 – Introduction to Welding Fundamentals
AgSc 261 – Introduction to Horticulture or AgSc 361 – Landscape and Design	AGRI 1315 – Horticulture or HALT 1301 – Principles of Horticulture

Source: TISD Upper East Texas Tech–Prep/School–to–Work Partnership.

Tatum High School has worked with Panola College and Kilgore College to develop Tech Prep agreements in areas such as Health Science Technology, Cosmetology, and Welding. The Tech Prep agreements submitted by Panola College and Kilgore College are pending approval.

The district also offers CATE classes that are based on an extensive examination of the job market. The district annually examines job market trends to determine the demand for employees in CATE areas. If the demand does not support the need for a class, then the class is redirected to offer training

in an area that has a higher demand. For example, this is the second year that the district has offered courses in the Health Science Technology field based on the need for more health professionals.

COMMENDATION

TISD students earn early college credit through the district's use of technical preparation programs and college articulation.

E. *BILINGUAL EDUCATION/ENGLISH AS A SECOND LANGUAGE*

TEC Chapter 29 requires all school districts with an enrollment of 20 Limited English Proficient (LEP) students in the same grade level to offer Bilingual Education English–as–a–Second Language (ESL) or an alternative language program. A LEP student is defined as one whose primary language is other than English and whose English language proficiency limits the student's participation in an English–language academic environment.

The law specifies that bilingual education must be provided in pre–kindergarten through the elementary grades and that bilingual/ ESL or other transitional language instruction approved by TEA is provided in post–elementary grades through grade 8. For students in grades 9–12, only instruction in ESL is required.

FINDING

Recognizing a need to address an increasing enrollment of ESL students, the district formed advisory committees, offered Spanish classes to staff, and proactively provided both required and optional ESL and related courses. The district required six hours of professional development on ESL strategies for classroom implementation for its teachers and offers optional conversational Spanish classes to employees. Beginning in 2003–04, the district offers six sessions of the Spanish conversation classes during the fall semester on two weekday afternoons. District administrators anticipate that, through involvement in this program, staff will be better able to communicate with students and parents, ultimately assisting the student's transition into the school system. Currently, 105 employees are attending these Fast Spanish classes taught by an instructor from Henderson. Eighteen additional employees, mostly of coaches and bus drivers, are using the Fast Spanish curriculum and companion tapes to learn Spanish through independent study.

TISD's advisory committees meet to develop strategies to engage parents of limited English– speaking students in the district's programs and services. The 2003–04 LPAC parent advisory group requested and assists with adult ESL classes offered cooperatively through the district and is planning two parent information meetings scheduled for spring 2004. TISD partnered with Kilgore College to offer the adult English–as–a–Second Language classes to Spanish–speaking parents and other adults in the community on Tuesday and Thursday evenings from 6:00 – 9:00 pm at Tatum High School. In 2003–04, the district is serving thirty–eight adults through this program.

Teachers report and analyze student progress in language acquisition three times during the year at each grading cycle and implement improvement strategies if necessary. Teachers also include failure rates and honor roll reports when monitoring student performance and each grading cycle.

In 2002–03 Tatum Primary School has an enrollment of 363 students in pre–kindergarten through grade 3 and serves 74 students through the ESL program. In 2003–04, the district employs 10 ESL –endorsed teachers, one of whom is fluent in Spanish, and two instructional aides who are also fluent in Spanish. During 2002–03, the school served 61 students with the support of one English–as–a–Second Language –endorsed teacher and two instructional aides. During the summer of 2003, eight primary school teachers formed a study group and attended a district–sponsored review session to prepare for the English–as–a–Second Language teaching certification assessment or the ExCET. One other primary school teacher, who has an English–as–a–Second Language endorsement, agreed to work with the program, bringing the total to 10 primary school teachers with English–as–a–Second Language endorsements to work with the 74 students at the school. Because the program was expanded from one English–as–a–Second Language teacher to 10 teachers with English–as–a–Second Language endorsements, more flexibility now exists to provide services to better meet the needs of each English–as–a–Second Language student. The services range from pullout to intensive instruction within the regular classroom to additional time in special English–as–a–Second Language literacy groups and various combinations depending on the individual needs of the students.

Exhibit 1–33 depicts Goal 3 of the TISD strategic plan "TISD is well–prepared to educate non–English speaking students." During the spring of 2003, in development of 2003–04 campus improvement plans, the district developed the following information:

Exhibit 1–33
TISD Goal 3: "TISD is well prepared to educate non–English speaking students"

Goal/Objective	Area of Emphasis for School Goals/Objectives	Suggested Strategies
3.1 ESL students are academically successful	Language acquisition and reading fluency growth Participation in extra–curricular and student leadership activities Increasing promotion rates of ESL students Increasing passing rates at grading periods Decrease failure rates of ESL students Increase success on TAKS	Staff development Planned parent meetings, transportation, food, and babysitting Core curriculum support – tutorials after school Monitor grades on 3–week basis Intervention strategies Newcomer program
3.2 ESL parents and community are involved in the education of their children	Increase parent community member participation in volunteer programs Involve parents in the education of their child at home Increase education level of parents	Communication in Spanish (verbal and written) Parent training to support learning at home Adult education programs

Source: TISD, superintendent's Office.

Exhibit 1–34 shows that TISD has 7.3 percent of its students enrolled in bilingual/ESL classes. This is substantially higher than its selected peer group and slightly higher than Region 7. While this is well below the state figures, the message is clear that TISD must be prepared to serve the needs of these children.

Exhibit 1–34
TISD and Peer Bilingual/ESL Program Data
2002–03

District	Percent Students Enrolled in Bilingual/ESL Education	Percent Teachers in Bilingual/ESL Program	Percent Budgeted Instructional Operating Expenditure for Bilingual/ESL Education
Carthage ISD	1.7%	0.9%	0.1%
Daingerfield–Lone Star ISD	2.6%	1.3%	0.5%
Linden–Kildare CISD	0.6%	0.0%	0.1%
Jefferson ISD	0.4%	0.0%	0.0%
Tatum ISD	**7.3%**	**1.7%**	**1.9%**
Region 7	**7.2%**	**3.4%**	**1.7%**
State	**13.5%**	**8.1%**	**4.5%**

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

TISD also tracks ESL student progress. **Exhibit 1–35** indicates the TAAS passing rate for ESL students in the areas of reading, math, and writing. TISD ESL students averaged 32.7 percent passing scores. The superintendent said they further disaggregate the data by student for each teacher at each grade level to use the data in planning lessons and in monitoring progress of these students.

Exhibit 1–35
TISD English–as–a–Second Language TAAS Passing Rate
2001–02

Grade	Total Students	Reading		Math		Writing	
		Passed	Percent	Passed	Percent	Passed	Percent
3	*	*	40.0%	*	40.0%	*	40.0%
4	*	*	100.0%	*	50.0%	*	100.0%
5	*	*	50.0%	*	50.0%	*	100.0%
6	*	*	25.0%	*	25.0%	0	0.0%
Total Elementary School	8	6	75.0%	*	62.5%	*	62.5%
7	*	*	33.3%	*	33.3%	*	33.3%
8	*	0	0.0%	0	0.0%	0	0.0%
Total Middle School	7	*	14.3%	0	0.0%	0	0.0%
Total High School	14	*	35.7%	*	35.7%	*	35.7%
Total Tatum	**49**	**19**	**38.7%**	**16**	**32.7%**	**16**	**32.7%**

Source: TISD, superintendent's Office.
* Fewer than five students.

Exhibit 1–36 shows the fluency and promotion rates of TISD's ESL students. The district has a goal of assisting all of its ESL students in becoming fluent in English, so it is tracking the progress of these identified students. TISD is concentrating its efforts on Tatum Primary School that serves 52 students, the largest number in the district, in its ESL program.

Exhibit 1–36
TISD ESL Fluency and Promotion Rates
2003

ESL Fluency & Promotion Rates					
Grade	Students	Fluent	Number Exited	Promoted	Percent
Pre–Kindergarten	11	0	0	11	100%
Kindergarten	12	*	0	12	100%
1	13	*	0	13	100%
2	11	7	0	10	92%
3	*	*	*	*	80%
Primary School	52	16	*	50	96%
4	*	*	*	*	100%
5	*	*	*	*	100%
6	*	*	*	*	100%
Elementary School	8	*	*	8	100%
7	*	*	*	*	100%
8	*	0	0	*	100%
Middle School	7	*	*	7	100%
High School	14	*	*	*	21%
Tatum Total	**81**	**22**	**19**	**68**	**84%**

Source: TISD, superintendent's Office.
* Fewer than five students.

Exhibit 1–37 shows the administrator and teacher survey results and parent survey results indicating that 71.5 percent of teachers and administrators and 55.5 percent of parents believe the district has effective special programs for ESL.

Exhibit 1–37
School Review Survey Responses
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
The district has effective special programs for English as a Second Language.	Parent Response				
	22.2%	33.3%	42.2%	0.0%	2.2%
	District Administrative, Support Staff, and Teacher Response				
	18.4%	53.1%	12.2%	16.3%	0.0%

Source: TISD, School Review Survey, September 2003.

COMMENDATION

To address the academic needs of an increasing bilingual student population, TISD formed broad–based committees, trained districtwide personnel on emergent bilingual issues and conversational Spanish, and holds regularly scheduled community meetings.

FINANCIAL MANAGEMENT

This chapter reviews the financial management functions of the Tatum Independent School District (TISD) in the following sections:

A.   Financial Performance
B.   Planning and Budgeting
C.   Accounting and Payroll
D.   External Audit
E.   Tax Appraisal and Collections
F.   Cash Management
G.   Risk Management
H.   Bond Issuance and Indebtedness Processes
I.   Fixed Asset Management
J.   Textbooks and Purchasing

Effective financial, asset and risk, and purchasing management in school districts requires thoughtful planning and decision making to obtain the best possible financial performance. Financial managers must ensure that a school district receives all available revenue from local, state, and federal government resources and that these resources are spent in accordance with law, statute, regulation, and policy to accomplish the district's goals.

Texas school district board members, administrators, and managers have a responsibility to protect the publicly financed assets for which they are accountable. Cash, employees, borrowing capacity, land and buildings are school district assets that must be administered appropriately. Texas school district board members, administrators and managers, in addition to efficiently accomplishing their day–to–day financial management duties, must also ensure ongoing financial feasibility for future generations.

Asset management involves managing the district's cash resources and physical assets in a cost–effective and efficient manner. This includes providing a system of controls for the collection, disbursement and use of cash as well as accounting for assets and safeguarding them against theft and obsolescence. Risk management includes the identification, analysis, and reduction of risk to the district's assets and employees through insurance and safety programs. Asset management for a growing district involves proper oversight of capital improvement spending, including multi–year financial and budget planning.

School districts operate in a highly regulated financial environment. The Texas Education Agency (TEA) provides detailed requirements for Texas school districts including charts of accounts and detailed reporting requirements. Federal and state laws, pronouncements from rule setting authorities such as the Governmental Accounting Standards Board (GASB) and internally developed policies also impact a district's financial management operations.

BACKGROUND

The district's expenditure budget for 2002–03 was more than $9.5 million, while budgeted revenues generated from federal, state, local, and other sources were more than $8.8 million, as shown in **Exhibit 2–1**. Total revenues for the district increased by about 12 percent from 1999–2000 to 2002–03. During this same period, local revenues did not change significantly, but state revenues increased by nearly 45 percent, and federal revenues increased by 36 percent.

Exhibit 2–1
TISD Budgeted Revenues by Source and Tax Rate History
1999–2000 through 2002–03

Revenues by Source	1999–2000		2000–01		2001–02		2002–03	
Local	$6,462,631	81.6%	$11,483,514	88.0%	$10,479,896	85.9%	$6,849,706	77.1%
Other Local and Intermediate	529,950	6.7%	638,080	4.9%	857,010	7.0%	705,650	7.9%
State	703,867	8.9%	645,968	5.0%	590,607	4.8%	1,021,822	11.5%
Federal	225,000	2.8%	278,000	2.1%	278,000	2.3%	307,000	3.5%
Total Revenues	**$7,921,448**	**100%**	**$13,045,562**	**100%**	**$12,205,513**	**100%**	**$8,884,178**	**100%**
Total Revenues per Pupil	$6,174		$10,889		$10,265		$7,491	
Maintenance & Operations Tax Rate	$1.47		$0.98		$1.16		$1.47	
Interest & Sinking Tax Rate	$0.00		$0.49		$0.31		$0.00	
Total Tax Rate	**$1.47**		**$1.47**		**$1.47**		**$1.47**	

Source: Texas Education Agency, Academic Excellence Indicator System (AEIS), 1999–2000 through 2002–03.

The district's federal revenues are the smallest source of public education funding. Most federal funds pay for specific programs or fund services designed to benefit a specific group of students. The National School Lunch and School Breakfast Programs are an example. The district's federal revenues for 2002–03 were 3.5 percent of budgeted revenues.

State revenues are generated through grants and appropriations from the state's two–tier funding system—Tier I and Tier II. Tier I funding—commonly known as the basic allotment—is generally designed so that the district and the state share the cost of providing basic educational services. The share funded by each depends on the district's property tax wealth per student. The greater the district wealth per student, the larger the share provided by the district's property tax base. The smaller the district wealth per student, the larger the share funded by the state. In short, school districts with higher property wealth receive less state funding than low wealth school districts.

Districts receive Tier II funds based on the number of weighted students in average daily attendance (WADA). Weighted students in average daily attendance is a measure of student need that recognizes that certain types of students require additional resources to meet their educational needs. To treat school districts fairly in funding, the state uses WADA to measure the extent to which students participate in special programs. Special weightings that differ by type are given for special education students; other weights are given for students that participate in compensatory, bilingual, and gifted and talented education programs.

Tier II provides equalization funds to school districts beyond the base funding level in Tier I. The Tier II tax rate generates resources for education in the form of a guaranteed yield. One cent of local tax rate will generate about $27 per student in WADA from a combination of local and state resources. Districts with wealth above $295,000, $300,000 and $305,000 per WADA respectively for 2000–01, 2001–02 and 2002–03, are subject to wealth–reduction provisions of Chapter 41 of the Texas Education Code (TEC), Equalized Wealth Level. TISD has been a Chapter 41 district since Chapter 41 was enacted in 1993–94. Under Chapter 41, districts considered "property wealthy" give tax revenue to the state for redistribution among "property poor" districts.

Local revenues are primarily generated through the local property tax system. Districts adopt two tax rates each year: maintenance and operations rate (M&O), which is subject to a statutory maximum of $1.50 per $100 of taxable value, and a debt service or interest sinking fund tax rate (I&S) if the district has bonded indebtedness. The statutory maximum I&S rate is $0.50 per $100 of taxable value. The district receives 77 percent of its revenues from local sources. For 2002–03, TISD's M&O tax rate is $1.47 with no I&S tax rate.

Exhibit 2–2 presents the district's budgeted revenues for the years 2002–03 and 2003–04. Over this two–year period, the district's budgeted revenues are expected to grow by $454,920 or 2.6 percent.

Exhibit 2–2
Comparison of Budgeted Revenues 2002–03 through 2003–04

Revenue Source	2002–03	2003–04	Dollar Increase/ (Decrease)	Percent Change From 2002–03
Ad valorem taxes	$16,346,208	$16,806,095	$459,887	2.8%
Penalties and interest	32,500	32,500	0	0.0%
Investment income	400,000	200,000	(200,000)	(50.0%)
Other local and intermediate	96,650	74,650	(22,000)	(22.8%)
State per capita	329,400	400,000	70,600	21.4%
State hold harmless	95,000	0	(95,000)	(100.0%)
State foundation	0	203,477	203,477	N/A
Teacher retirement system on–behalf	295,454	333,410	37,956	12.8%
Total	**$17,595,212**	**$18,050,132**	**$454,920**	**2.6%**

Source: TISD, budget documents for 2002–03 and 2003–04.

Exhibit 2–3 presents the district's budgeted expenditures for the last two years. During this period, the district increased its budgeted spending by about $883,000 or 10 percent.

Exhibit 2–3
TISD Total Budgeted Expenditures by Function
and as a Percent of Total in Comparison to the State
2001–02 through 2002–03

Function	2001–02	Percent of Total	2002–03	Percent of Total	Average Percent State	Dollar Increase/ (Decrease) 2001–02 to 2002–03	Percent Increase/ (Decrease) 2001–02 to 2002–03
Instruction	$4,230,298	48.7%	$4,832,914	50.5%	50.8%	$602,616	14.2%
Instructional–Related	549,292	6.3%	636,507	6.6%	2.7%	87,215	15.9%
Instructional Leadership	37,393	0.4%	38,050	0.4%	1.2%	$657	1.8%
School Leadership	$535,465	6.2%	622,684	6.5%	5.3%	87,399	16.3%
Support Services–Student	258,216	3.0%	298,763	3.1%	4.0%	40,547	15.7%
Student Transportation	255,369	2.9%	293,802	3.1%	2.6%	38,433	15.0%
Food Services	539,902	6.2%	564,885	5.9%	4.9%	24,983	4.6%
Extracurricular Activities	566,334	6.5%	546,741	5.7%	2.3%	(19,593)	(3.5%)
Central Administration	649,171	7.5%	563,778	5.9%	3.6%	(85,393)	(13.2%)
Plant Maintenance & Operations	854,889	9.8%	932,084	9.7%	10.0%	77,195	9.0%
Security & Monitoring	17,726	0.2%	14,335	0.1%	0.6%	(3,391)	(19.1%)
Data Processing	90,331	1.0%	166,383	1.7%	1.2%	76,052	84.2%
Other*	110,269	1.3%	67,120	0.7%	10.9%	(43,149)	(39.1%)
Total	**$8,694,655**	**100.00%**	**$9,578,226**	**100.00%**	**100.00%**	**$883,571**	**10.2%**

Source: Texas Education Agency, AEIS, 2001–02 through 2002–03.

TISD's certified preliminary taxable value issued January 31, 2004, is $1,159,544,098 for 2004–05. The projected Weighted Average Daily Attendance (WADA) is 1535.31. The district's projected wealth per WADA is $755,253.

TISD selected four districts as its peers for comparison purposes in this review. **Exhibit 2–4** presents certain financial indicators for TISD and the peer districts for 2002–03. TISD has the greatest property value per student and 3.92 times the state average. The district's total tax rate is higher than two of the peer districts, but it is lower than the state average. The district spends more per student than any of its peers or the state. The district spent $1,310 (19.5 percent) more per student for operations than the average of the other four peer districts.

Exhibit 2–4
TISD and Peer Districts
2002–03 Comparative Information

District	Tatum	Daingerfield–Lone Star	Carthage	Linden–Kildare Consolidated	Jefferson	State
Number of students	**1,186**	1,595	3,007	900	1,418	**4.24 million**
Property value per student	**$951,075**	$422,123	$610,280	$149,634	$281,559	**$242,559**
M&O* Tax Rate	**$1.47**	$1.50	$1.50	$1.432	$1.222	**$1.43**
I&S* Tax Rate	**$0.00**	$0.131	$0.06	$0.00	$0.156	**$0.103**
Total Tax Rate	**$1.47**	$1.631	$1.56	$1.432	$1.378	**$1.533**
Per Student Expenditures – Operations	**$8,019**	$6,659	$6,610	$7,281	$6,286	**$6,317**
Accountability Rating	***Recognized***	*Recognized*	*Academically Acceptable*	*Exemplary*	*Academically Acceptable*	**N/A**

Source: Texas Education Agency, AEIS, 2002–03.
* Maintenance and Operations tax rate supports school operations.
** Interest and Sinking tax rate provides funds for the repayment of bonds.

Exhibit 2–5 shows a comparison of per student expenditures for operations among peer districts.

Exhibit 2–5
TISD and Peer Districts Expenditures per Student
2002–03 Comparative Information

District	Tatum	Daingerfield–Lone Star	Carthage	Linden–Kildare Consolidated	Jefferson
Number of students	**1,186**	1,595	3,007	900	1,418
Instruction and Instructional Leadership	**$4,107**	$3,526	$3,678	$4,298	$3,431
School Leadership	**$525**	$468	$448	$398	$381
Central Administration	**$475**	$377	$335	$360	$395
Other Operating	**$2,912**	$2,289	$2,149	$2,225	$2,080
Total	**$8,019**	$6,659	$6,610	$7,281	$6,286

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

School districts operate in a highly regulated financial environment. TEA provides detailed requirements for Texas school districts including a chart of accounts and reporting requirements. The TEC Section 44.008 requires all Texas school districts to have an annual financial audit conducted by a certified public accountant to determine the fairness of the district's financial statements. Federal and state laws, pronouncements from rule setting authorities such as the Governmental Accounting Standards Board and internally developed policies and procedures also regulate district financial management operations.

The Business manager supervises the Central Business Office and reports directly to the superintendent. This department has four full–time positions. **Exhibit 2–6** displays the Central Business Office organization. There has been substantial turnover in the department as all, except one, individuals have been in their positions fewer than three years. The Business manager is responsible for compliance with all of the regulations and requirements established for school financial management and reporting.

Exhibit 2–6
TISD Central Business Office Organization
September 2003

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                    ┌──────────────────┐
                    │  Superintendent  │
                    └──────────────────┘
                             │
                    ┌──────────────────┐
                    │ Business Manager │
                    └──────────────────┘
          ┌──────────────┼──────────────┐
 ┌────────────────┐ ┌──────────────┐ ┌────────────────────┐
 │ Payroll Benefits│ │Accounts Payable│ │        Tax        │
 │    Specialist   │ │     Clerk      │ │ Assessor/Collector│
 └────────────────┘ └──────────────┘ └────────────────────┘
```
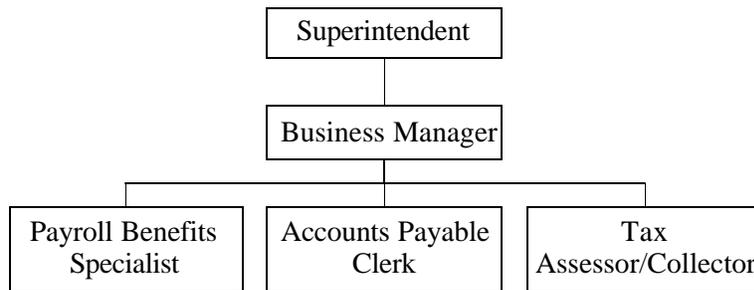
Source: TISD, Business manager.

Three of the four Central Business Office employees are relatively new to the positions they hold. The Business manager has served in this position since June 2002. The accounts payable clerk also replaced a long time employee and has held this position since November 2002. The payroll/benefits specialist assumed the position in July 2000 following the resignation of a long time employee. The tax assessor/collector, however, has been in the position since 1974.

The district has a policy manual that is a comprehensive, well organized, and regularly updated compilation of federal and state law, case law, State Board of Education rules, and other legal authority affecting the governance of Texas school districts. The manual provides the *"what to do"* but does not include procedural matters. **Exhibit 2–7** presents the results of a survey of stakeholders on financial management. Of those responding to all four questions, more than 60 percent agreed or strongly agreed with the survey questions.

Exhibit 2–7
Staff Survey Opinions on Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Site–based budgeting is used effectively to extend the involvement of principals and teachers.	20.4%	42.9%	24.5%	10.2%	2.0%
School administrators are well trained in fiscal management techniques.	28.6%	38.8%	26.5%	4.1%	2.0%
The district's financial reports are easy to understand and read.	20.4%	44.9%	30.6%	2.0%	2.0%
Financial reports are made available to community members when asked.	22.5%	38.8%	34.7%	2.0%	2.0%

Source: TISD, School Review Survey Responses, September 2003.

The district's financial system provides monthly detail and summary reports for general ledger accounts, expenditure, revenue, and project transactions. The Business manager reviews these reports before providing information to the superintendent for presentation to the board.

In addition to tracking and accounting for expenditures and budgets, the Central Business Office prepares district checks for payment of equipment, supplies and services and payroll expenditures. Checks are prepared using the district's integrated financial computer system. The board is presented with a detailed list of all checks for approval on the consent agenda during regular board meetings. Checks are mailed timely and the board makes after the fact approval. Any checks greater than $25,000 are held for board approval.

The district prepares one payroll for its full–time employees on a monthly basis. It prepares a second payroll for substitute employees. The payroll/benefits specialist stated that she expects to prepare some 206 checks per month, including checks for substitutes. During the first payroll of the 2003–04, the clerk prepared 184 checks, a lower than normal amount since the first payroll period has fewer substitutes than any subsequent period. Of the 184 checks prepared for this cycle, 115 were hard copy checks and 69 were directly deposited to the employees' bank accounts.

The payroll/benefits clerk encourages district employees to use direct deposit to save the district money principally by describing the benefits of the direct deposit option to new employees at the orientation meeting. Before the beginning of each school year there is a meeting with newly hired teachers and substitute teachers where the direct deposit option is fully explained, however participation in the direct deposit program is relatively low at nearly 38 percent.

The district assesses and collects it own taxes. Tax receipts are deposited upon receipt on the same or next business day depending on the time of day the funds were received. Only cash or checks are accepted for payment; credit cards are not.

The district's single largest taxpayer makes payment in October for its total tax liability that accounts for approximately 69 percent of total tax receipts. Early payment by this taxpayer enables the district to avoid cash flow problems during the early part of the school year and allows the district to maximize interest earnings on these invested funds.

A. FINANCIAL PERFORMANCE

During the fiscal year ended August 31, 2002, TISD adopted the reporting model mandated by Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," of the Governmental Accounting Standards Board (GASB 34). Under this new basis of reporting, among other things, capital assets are subject to depreciation. Under the previous reporting model, fixed capital assets were reported at cost without depreciation. Under the new GASB 34 model, governments need to book accumulated depreciation as of the beginning of the fiscal year with an offset to beginning fund balance.

FINDING

TISD prioritized and achieved fund balance growth and equalization through careful financial monitoring and implementation of management strategies such as the use of internal staffing formulas and quick bond repayment methods. The district significantly improved its financial condition as reflected in its unrestricted net assets and has brought its fund balance close to but not exceeding the maximum amount when computing Optimum Fund Balance according to School FIRST (Financial Integrity Rating System of Texas) Indicator number 18. School FIRST serves as the reporting vehicle for a district's financial performance.

As of August 31, 2003, TISD's net assets represented 95.7 percent of total assets while total liabilities represented 4.3 percent of total assets. Liquid assets consisting of cash, cash equivalents and investments represented 36.9 percent of total assets. Under these conditions, the district shows a rather strong financial position as of August 31, 2003. Under the newly adopted GASB 34 model, total net assets as of August 31, 2002 were $16,674,655. Total net assets increased by $723,855 or 4.3 percent during 2002–03.

Since 1999–2000, TISD's general fund balance has increased by $1,575,676 or 58.0 percent. **Exhibit 2–8** presents fund balance information for the general fund for 1999–2000 through 2002–03.

Exhibit 2–8
Change in General Fund Balance
1999–2000 through 2002–03

	1999–2000	2000–01	2001–02	2002–03	Percent Change From 1999–2000
Beginning Fund Balance	$2,299,406	$2,714,596	$3,530,090	$3,644,515	58.5%
Net Change in Fund Balance	$415,190	$815,494	$114,425	$645,757	55.5%
Ending Fund Balance	$2,714,596	$3,530,090	$3,644,515	$4,290,272	58.0%
Percent Change	18.1%	30.0%	3.2%	17.7%	

Source: TISD, Audited Financial Statements, 1999–2000 through 2002–03.

Exhibit 2–9 shows a four–year comparison of actual fund balance compared to Optimum Fund Balance and Cash Flow per worksheet contained in the audited financial statements. Indicator 18 of the School First accountability system establishes whether the total fund balance in the general fund is more than 50 percent and less than 150 percent of Optimum Fund Balance according to the worksheet in the annual financial report. The district exceeded the Optimum Fund Balance for one year.

Exhibit 2–9
Comparison of Actual Fund Balance to Optimum Fund Balance
1999–2000 through 2002–03

Description	1999–2000	2000–01	2001–02	2002–03
Total General Fund Balance	$2,714,596	$3,530,090	$3,644,515	$4,290,272
Optimum Fund Balance	$2,664,063	$880,050	$1,486,132	$3,464,648
Excess	$50,533	$2,650,040	$2,158,383	$825,624
Percentage	1.9%	301.1%	145.2%	123.8%
Compliance with School First Indicator 18; Acceptable Range > 50 % and < 150%	Within range	High by 151.1%	Within range	Within range

Source: TISD, Audited Financial Statements, 1999–2000 through 2002–03.

In the past, the district has explained its excess of the Optimum Fund Balance by stating that it believes that it is prudent policy to retain a minimum of three months' operating requirement in its fund balance. The district receives a minimal amount of state funding and is retaining fund balance for future operations.

Exhibit 2–10 shows that when compared to its peers, TISD's fund balance as a percent of total budgeted expenditures is within peer average.

Exhibit 2–10
TISD and Peer Districts
Comparison of General Fund Balance

	Tatum	Daingerfield–Lone Star	Jefferson	Carthage	Linden–Kildare Consolidated
Fund Balance (audited, 2001–02)	**$3,644,515**	$2,375,917	$2,727,567	$3,423,308	$1,256,857
Percent of Total Budgeted Expenditures (2002–03)	**19.3%**	21.6%	30.6%	11.6%	18.3%

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

COMMENDATION

Through consistent monitoring and use of strict financial management strategies, TISD improved and stabilized its fund balance.

B.   PLANNING AND BUDGETING

All Texas school districts must comply with TEC sections 44.002 through 44.006 and the guidelines contained in TEA's *Financial Accountability System Resource Guide* (FASRG) when preparing their budgets. The budgetary process begins with sound planning, which defines the goals and objectives of individual schools and the school district and develops programs to attain those goals and objectives. Budgets also provide information that can help citizens and taxpayers hold policymakers and administrators accountable for their actions.

An effective school district budget links spending plans to the board's strategic goals, priorities, and initiatives. School district budget development becomes a collaborative effort requiring the input, participation, and cooperation of various individuals and groups across the district. A school district budget reflects the financial stewardship of the administration, the board, and the local community.

After districts develop their budgets, they need to evaluate the document. During development and evaluation of the budget, district officials must be aware of the fund balance.

The superintendent annually prepares or directs the preparation of a proposed budget covering all estimated revenues and proposed expenditures for the following year.

The budgetary process is within the powers and duties of the district's Board of Trustees. Chapter 44.004 of the TEC requires that the board, giving public notice, discuss and adopt the budget and proposed tax rate.

The district has written policies for its budgetary process. Called "Annual Operating Budget," the district's procedures state in detail how to arrive at the annual budget. The district's policies identify budget planning as an integral part of overall program planning, so that the budget will effectively reflect its programs and activities. Through the budget process, the district provides the resources to implement these programs and activities.

Among the steps followed are:
- budget planning – General educational goals, specific program goals, and alternatives for achieving program goals are considered. Input is obtained from the districtwide and school level planning and decision–making committees. The budget planning and evaluation are continuous processes;
- budget preparation – Follows Education Code 44.002. The superintendent proposes a budget covering revenue estimates and proposed expenditures for the following year. This step is timed in order to provide sufficient time to comply with the August 20th deadline;
- a notice, not earlier than 30 days or later than 10 days before the scheduled proposed budget public meeting, is published in a newspaper circulated within the district. This public notification indicates the time, date and location of the meeting and its purpose of setting the budget and the proposed tax rate;
- proposed budget open public meeting, which follows the Open Meetings Act, where all persons desiring to provide input are allowed to do so. In this meeting, the proposed budget is discussed by the board with the intention of adoption; and
- the adopted budget provides authority to expend funds for the purposes indicated and in accordance with state statutes, the board's own policies, including purchasing procedures.

The proposed budget document is presented to the board as a formal document during August of each year. The proposed budget document presents totals in four funds. The four funds are listed below:

- general operating, athletic fund, a component of the general operating fund;
- food service fund;
- debt service fund; and
- capital projects fund.

The budgets meet the TEC requirements for adopting fund and function level budgets.

TISD produces a budget calendar annually that includes major processes in the budget process. **Exhibit 2–11** presents the budget calendar for 2003–04.

Exhibit 2–11
TISD Budget Calendar
2003–04

Date	Process
2/9/04	Superintendent and Business manager meet to review information and forms to be disseminated.
2/12/04	Budget forms are disseminated to principals, department heads, and supervisors.
3/4/04	Personnel and staffing needs are due from principals, department heads, and supervisors.
3/15/04	Teacher assignments and funding sources.
3/30/04	Budget forms are due from principals, department heads, and supervisors.
4/5/04	Superintendent and Business manager review estimated personnel costs and budget requests.
5/11/04	Preliminary budget presented at board meeting.
6/8/04	Hold additional budget meetings on regular board meeting nights.
7/13/04	Hold additional budget meetings on regular board meeting nights.
7/13/04	Recommend a proposed tax rate prior to publication of notice.
8/10/04	Hold additional budget meetings on regular board meeting nights.
8/10/04	Hold a public meeting to adopt the budget and proposed tax rate.
8/29/04	Adopt budget on or before this date.
9/14/04	Adopt the tax rate.
9/30/04	Adopt tax rate on or before this date.

Source: TISD, Business manager, January 2004.

TISD became subject to provisions of Chapter 41 during 1993–94. Once they reached this status, a tax rate increase was approved and it rose from $1.2835 to $1.4016 and ultimately, to $1.47 per $100 dollars of assessed value.

During the tax years 2000 through 2003, real property appraisals have increased by 18.7 percent and mineral and industrial appraisals have increased by 28.9 percent. **Exhibit 2–12** shows data about TISD's tax appraisal roll for tax years 2000 through 2003.

Exhibit 2–12
TISD Tax Appraisal Roll
Tax Years 2000 through 2003

Item	2000	2001	2002	2003
Net real estate roll	$76,070,160	$79,560,620	$87,753,120	$90,304,310
Net mineral, industrial roll	$822,370,760	$1,061,521,940	$1,031,343,130	$1,060,389,370
Total approved appraisal roll	$898,440,920	$1,141,082,560	$1,119,096,250	$1,150,693,680
Percent change from prior year	54.6%	27.0%	(1.9%)	2.8%

Source: Certified Appraisal Roll for the years indicated as filed by the Rusk County chief appraiser.

FINDING

The TISD superintendent maintains a dialog with all parties involved that determine the value of the district's largest taxpayer and monitors outside effects on its industry. A single taxpayer accounts for much of the district's relative wealth and makes up approximately 69 percent of the property tax base. Texas Utilities (TXU) has a coal fired electrical generating plant and owns much of the land in the district while also holding extensive mineral rights for coal throughout the district which were recently renewed through 2030.

Starting in January of each year the superintendent meets with representatives from TXU, Rusk County, and a data processing services vendor. All parties tour the mining operations and the plant itself. They then cooperatively work together on an ongoing basis to project the total valuation of TXU's operations using gas prices as the starting point. In addition, the superintendent remains informed about TXU operations through physical and phone meetings held throughout the year.

The district is not unique in its reliance on a single taxpayer. The Glen Rose ISD, for example, relies on the Comanche Peak nuclear plant for up to 90 percent of its tax revenue. Glen Rose ISD illustrates what can happen when outside forces beyond the control of the district impact the district's high value taxpayer. Electric deregulation reduced Glen Rose ISD's property tax base from $6.8 billion in 1999–2000 to about $2.2 billion in 2001–02.

While there is no indication that the coal fired utility plant will diminish in value due to external forces or regulatory decisions, the superintendent manages district operations with the realization that factors outside the control of the school district could impact the amount of funds available to operate TISD. Through open communication, the superintendent is able to plan for the amount of revenue that will be generated by TXU.

COMMENDATION

The superintendent communicates with all stakeholders involved in determining the valuation of the district's largest taxpayer and monitors forces which might effect this valuation that are beyond the school district's control.

C.   *ACCOUNTING AND PAYROLL*

Financial accounting and reporting provides information to determine whether revenues are sufficient to pay for expenditures. Financial accounting and reporting demonstrates whether an organization obtains and uses its resources in accordance with the entity's legally adopted budget. It also demonstrates compliance with other finance–related legal or contractual requirements. Financial reporting provides information to assist users in assessing the service efforts, costs, and accomplishments of a governmental entity.

TISD's Central Business Office is responsible for the accounting and reporting functions. The district's accounting software package provides general ledger, subsidiary ledgers, accounts payable, payroll, comparative financial reports for both the current period and the year–to–date.

This accounting system and underlying software produces the information TISD needs to fulfill TEA's financial reporting requirements. This includes the reporting of financial information for the Public Education Information Management System (PEIMS) as required by TEC Section 42.006. The system also accounts for revenues and expenditures based on FASRG's fund, function, object, cost center, and program intent codes.

The district provides the board with a packet of information entitled "Regular Reports of the Superintendent" each month that contains the following information:

- a year–to–date financial statement with budget, actual to date, and balance remaining for all funds;
- an investment report; and
- a tax collection report.

Payroll represents the district's largest budgeted expenditure. Many guidelines and laws govern payment to employees. TISD prepares one payroll for regular employees plus substitutes on a monthly basis. The payroll and benefits specialist under the Business manager handles the payroll processing and reporting function. The payroll system generates account distribution reports and automatically merges information into the accounting system.

Certain aspects of internal control over collections, disbursements, and payroll are discussed with the Business manager. Collections from tax receipts are reconciled to the appropriate tax roll by the tax assessor/collector, who prepares a report reconciling amounts received to deposits made during that reporting period. The Business manager receives and totals the original bank deposit receipts, and compares the results to the report by the tax assessor/collector.

All disbursements are documented through the accounts payable system and are approved by the Business manager or the superintendent before the printing of the checks, which require dual signatures. Changes to an employee's pay are documented in the Central Business Office, approved by the Business manager or the superintendent, and followed up by the payroll clerk.

FINDING

Improper segregation of duties exists within the Central Business Office. While no material breach of internal controls was noted during the review nor impropriety suspected, proper internal controls are not in place over the district's payroll.

The payroll and benefits specialist or Business manager may enter employee information in both the personnel records and payroll modules of the software system. The entries are made based on information from human resources. This creates an internal control weakness because the same individual who establishes an employee in the system can also change the compensation level of employees.

The software is designed for the entries establishing an employee to be made by human resources and the entries to pay the individual to be made by the business office. Both offices have the ability to input certain information into the system and that information is merged to create a complete employee file. TISD noted that the Business manager and the payroll and benefits specialist have access to make both entries because the director of Human Resources works on a part–time basis.

Proper internal controls dictate a segregation of duties to prevent potential abuse of district policies, even in a small district. Appropriate internal controls prevent problems, such as payments to nonexistent or terminated employees. The segregation of duties not only protects the district from abuse, it also protects the employees that have access to the system.

Many districts segregate duties related to payroll processing to help ensure the district is protected. Some districts segregate the establishment of employees in the software from the Business office. Most of these districts have these duties located in the human resources office. This provides the districts with assurance that no one employee or department can both create and pay an employee in the system.

Recommendation 5:

Establish internal controls to segregate payroll and human resources functions.

Separation of duties will increase the internal controls over payroll, the district's largest single expenditure category. TISD's director of Human Resources works on a part–time basis, but the district could still consider moving the duties of creating employee records back to her office to ensure proper segregation of duties. The software could also be set up to split the entry responsibilities and access between the Business manager and the payroll and benefits specialist.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D.   EXTERNAL AUDIT

Federal and state law requires school districts in Texas to have annual financial audits. TISD used the firm of Karen A. Jacks & Associates, P.C., Certified Public Accountants, Longview, Texas, in 1999–2000 through 2001–02. In 2002–03, Richard Loughlin, CPA, of Longview, Texas, was hired on a five–year engagement, annually renewed at the district's option, to perform the independent audits. In 2002–03, TISD paid a total of $17,761 for its external, dropout, and compensatory education audits.

The district has received an unqualified opinion from its auditor each of the past three years. The external auditor also prepares a report to management concerning internal accounting controls and other matters related to significant deficiencies in the design or operation of the internal control system. The independent auditor personally presents the audit report to the school board, and it includes a discussion on the overall financial statements and any findings or comments made by the auditor for improving of internal controls.

The Business manager periodically reports to the school board on any action taken by the district in response to the auditor's findings and comments. The district has corrected the deficiencies noted by its independent auditors during each of the last three years' audits. **Exhibit 2–13** shows the auditors' findings and corrective action for the years ending August 31, 2003, 2002 and 2001.

Exhibit 2–13
Problems Documented by the External Auditor in its
Schedule of Findings and Questioned Costs for
The Year Ended August 31, 2003, 2002 and 2001

Year	Problems Noted	Corrective Action	Corrected
2002–03	Expenditures exceeded appropriations in one functional area.	The Business manager will more closely monitor expenditures to ensure compliance with the budget.	In Progress
2001–02	Expenditures exceeded appropriations in five functional areas.	The district's Business manager is closely monitoring expenditures to ensure compliance with the budget.	Partially
	The district's bank deposits were not fully insured or collateralized at all times during the year.	The district's Business manager is more closely monitoring bank balances and is working with the district's depository bank to ensure compliance.	Yes
	The district's bank accounts were not reconciled; inter–fund accounts receivable and payable were not in agreement; budget amendments were recorded in the accounting records without board approval; and, expenditures exceeded appropriations in several functional areas. According to the auditor the cause of the situation was that the Business manager was not sufficiently trained to properly conduct these responsibilities.	The district acknowledged the limited experience of its Business manager and is providing him with technical training to properly carry out the functions of the district's Business office.	Yes
2001–02	High error rates were found in determining student eligibility for free and reduced lunch and breakfast program.	The district determined that its Food Service director did not have an adequate understanding of the district's software and as a result, prior year eligible students were carried over as eligible for the free and reduced meal programs when 2001–02 applications were not processed for those students. The district verified the accuracy of its 2002–03 student eligibility data and believes that this problem has been corrected.	Yes

Exhibit 2–13 (continued)
Problems Documented by the External Auditor in its
Schedule of Findings and Questioned Costs for
The Year Ended August 31, 2003, 2002 and 2001

Year	Problems Noted	Corrective Action	Corrected
	The district reported a deficit of about $9,000 in the fund balance for Fund 240, National School Breakfast and Lunch program.	The district's Business manager is monitoring the net activity of Fund 240 and transfers funds from the General Fund if necessary to ensure the deficit balance does not continue.	Yes
2000–01	Expenditures exceeded appropriations in one functional area.	The Business manager will more closely monitor expenditures to ensure compliance with the budget.	Yes

Source: TISD, Audited Financial Statements, 2000–01 through 2002–03.

FINDING

Although not required by law, the district did not use a request for proposal process to select the new audit firm. The district requested information concerning their auditor's reputation and skills from several surrounding districts. The district then mailed three audit firms an invitation to submit a proposal for the district's annual audit, but did not advertise or solicit responses from any other firms. The district did not request a proposal from its prior auditor and only one firm submitted a proposal.

The FASRG states, "The process of selecting an auditor consists of re–engaging the prior year auditor or seeking new auditors through the request–for–proposal process. A request for a proposal from independent audit firms can enhance the effectiveness of the audit procurement process. A request for qualifications, if used, would only be appropriate when an auditor change is being contemplated and would not be appropriate annually. Expenses for administering and preparing the request for qualifications can be substantial."

The Government Finance Officers Association recommends that governmental entities use a competitive process for the selection of independent auditors on a periodic basis. This process should include actively seeking all qualified firms available to perform the annual audit. Competitive procurement on a periodic basis helps to reduce audit costs.

Many school districts have established policies for the periodic use of a competitive process for the procurement of external audit services. San Benito Consolidated ISD (SBCISD) has a policy of seeking proposals every five years. Their policy does not exclude the possibility of the audit firm being re–engaged by the district when proposals are received. The external audit firm for SBCISD has performed the annual audit for six years. SBCISD has continuity in the audit process and is assured the fees are competitive.

Recommendation 6:

Procure audit services through the use of a request for proposal to ensure fees are competitive.

The district would ensure that they are obtaining the best service at the lowest price using the request for proposal system. The use of the request for proposal system would also bring TISD procedure in line with the recommendations of the Government Finance Officers Association.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

E.   TAX APPRAISAL AND COLLECTIONS

The assessment and collection of school district property taxes involve different entities with distinct responsibilities. In accordance with state law, TISD's board sets the tax rate after the adoption of the district budget. The local appraisal district sets property values and certifies tax rolls. In May of each year, the appraisal district provides a tax value estimate but does not provide certified tax rolls until July 25. TISD's Board of Trustees sets the tax rate based on the certified property values. In accordance with TEC chapter 45.231, TISD internally certifies property values and collects ad valorem taxes. The district contracts with its legal counsel to collect its minimal delinquent taxes.

TISD policy requires that, in accordance with the Property Taxation Professional Certification Act, the district tax officials be registered with the Board of Tax Professional Examiners. It also provides that the district's board may:

1. Require the county to assess and collect taxes for the school district. Texas Tax Code, chapter 6.22(c)
2. Contract with another taxing unit or the countywide appraisal district(s) to assess and/or collect. Texas Tax Code, chapter 6.24(a)
3. Employ a person to assess or collect taxes. TEC, chapter 45.231.

Exhibit 2–14 gives TISD's total tax levy history and collection rates for 2000–01 through 2002–03.

Exhibit 2–14
TISD Total Tax Collections and Collection Rate
2000–01 through 2002–03

	Tatum		
	2002–03	**2001–02**	**2000–01**
Maintenance Collections	$16,254,962	$13,099,028	$8,710,693
Debt Collections	$0	$3,500,602	$4,355,346
Total Collections	**$16,254,962**	**$16,599,630**	**$13,066,039**
Unadjusted Total Levy	$16,446,745	$16,735,585	$13,172,531

Exhibit 2–14 (continued)
TISD Total Tax Collections and Collection Rate
2000–01 through 2002–03

	Tatum		
	2002–03	**2001–02**	**2000–01**
Adjustments	($1,136)	($27,290)	($18,041)
Adjusted Total Levy	**$16,445,609**	**$16,708,295**	**$13,154,490**
Delinquent Tax Accounts Receivable	$426,188	$320,995	$314,323
Overall Collection Rate	**98.8%**	**99.3%**	**99.3%**
Delinquent Tax Accounts Receivable as a Percent of Adjusted Tax Levy	**2.6%**	**1.9%**	**2.4%**

Source: TISD, Audited Financial Statements, 2000–01 through 2002–03.

Exhibit 2–15 shows the 2002–03 tax information and collection rates for TISD and its selected peer districts.

Exhibit 2–15
Total Tax Levy and Collection Rates for TISD and Peer Districts
2002–03

	2002–03				
	Tatum	**Carthage**	**Daingerfield–Lone Star**	**Jefferson**	**Linden–Kildare Consolidated**
Maintenance Collections	**$16,254,962**	$26,515,851	$8,981,872	$4,410,419	$1,697,511
Debt Collections	**$0**	$1,060,590	$784,217	$563,960	$0
Total Collections	**$16,254,962**	**$27,576,441**	**$9,766,089**	**$4,974,379**	**$1,697,511**

Exhibit 2–15 (continued)
Total Tax Levy and Collection Rates for TISD and Peer Districts
2002–03

	2002–03				
	Tatum	**Carthage**	**Daingerfield–Lone Star**	**Jefferson**	**Linden–Kildare Consolidated**
Unadjusted Total Levy	**$16,446,745**	$28,041,097	$10,280,524	$5,527,718	$1,798,058
Adjustments	**($1,136)**	$0	$279,182	$157,605	($17,324)
Adjusted Total Levy	**$16,445,609**	**$28,041,097**	**$10,559,706**	**$5,685,323**	**$1,780,734**
Delinquent Tax Accounts Receivable	**$426,188**	$1,242,742	$963,811	$2,337,045	$344,211
Overall Collection Rate	**98.8%**	**98.3%**	**92.5%**	**87.5%**	**95.3%**
Delinquent Tax Accounts Receivable as a Percent of Adjusted Tax Levy	**2.6%**	**4.4%**	**9.1%**	**41.1%**	**19.3%**

Source: TISD and Peer Districts, Audited Financial Statements, 2002–03.

FINDING

TISD's present method of assessing and collecting taxes is inefficient when a less–costly alternative exists. TISD assesses and collects its own school taxes.

Since it changed from a Common School District to an Independent School District in 1939, the district has had three tax assessor/collectors; the first served from 1939 to 1970. From 1970 until 1974, the superintendent was given this responsibility. Since 1974, the present tax assessor/collector has held the position. In this capacity, this person is responsible for calculating tax rates and assessing taxes; preparing tax correspondence, forms and reports; receiving, processing and posting all tax revenues; and preparing tax assessor/collector reports. In addition to the work as tax assessor/collector, the incumbent is the switchboard operator, helps with early voting clerks, and assists the Business manager. This person also orders, sells, and distributes football game tickets for TISD. **Exhibit 2–16** presents the number of parcels and tax bills for the tax years 2001 through 2003.

Exhibit 2–16
Number of Parcels on the Tax Rolls of TISD and
Actual Tax Bills Sent from 2001 through 2003

Tax Year	Number of Parcels	Number of Tax Bills Sent
2001	31,667	10,618
2002	38,712	10,629
2003	40,377	10,606

Source: TISD, Business manager.

The Business manager estimates that the functions performed by the incumbent tax assessor/collector that are not directly related to what the title implies, could be performed by a clerical staff person with an approximate cost of $21,000 plus benefits of $3,288 for a total cost of $24,288.

In addition to the salary cost of the tax assessor/collector, other significant costs incurred for tax appraisal, assessment, and collection are the cost of the services provided by the Rusk County Appraisal Division and by a vendor that provides consulting and data processing services for creation of the tax roll. The estimated cost per tax bill during 2003–04 is $38.52. **Exhibit 2–17** shows TISD's cost of tax appraisal, assessment, collection, and cost per tax bill from 2001–02 through 2003–04.

Exhibit 2–17
TISD's Cost of Tax Appraisal, Assessment, and Collection

Year	Actual Salaries and Estimated Benefits*	Actual Appraisals Paid to Rusk County Appraisal Division	Actual Data Processing Services Contract	Estimated Mailing Cost	Other Estimated Expenditures	Total	Estimated Cost Per Tax Bill Sent
2001–02	$41,362	$315,203	$25,003	$3,929	$4,000	$389,497	$36.68
2002–03	$41,570	$325,000	$30,074	$3,933	$4,000	$404,577	$38.06
2003–04	$42,735	$325,500	$32,431	$3,924	$4,000	$408,590	$38.52

Source: TISD, Business manager.
* Note: Business manager noted that even though Tax Assessor/Collector's salary is all coded to the Tax Office in the district's PEIMS submission, 50 percent of the position includes other functions.

According to the TISD tax assessor/collector, the district school board considered contracting its tax assessing and collecting activities to the Rusk County (the county) Assessor/Collector about 10 to 15 years ago. TISD's tax assessor/collector stated that the district's board rejected the proposal because (1) the district's collection rate of 98 percent was better than the County's collection rate of 95 percent; (2) transfer of tax receipts from the county would not be as timely as self–collection, and (3) the county proposed charging more than the district was spending to assess and collect taxes. None of these reasons was documented. The superintendent also noted that when the district had its reduction in force it understood that maintaining the tax office was an increased cost to the district and closing the tax office was considered, but the board decided against it because district constituents like to pay their tax bills onsite in the district.

TISD is located within Rusk and Panola Counties. The Rusk County Tax Assessor/Collector began assessing and/or collecting taxes for school districts with tax year 2003. Previously, a consulting and data processing services vendor, currently under contract with TISD, operated a tax collection office that served many of the school districts and other taxing entities in Rusk County; its collection office

was closed with the completion of tax year 2002. The Rusk County Tax Assessor/Collector currently has contracts to perform assessment and collection for two fire districts, three cities, and seven school districts based on a flat fee. The Rusk County Tax Assessor/Collector contracts with the district's current data processing services vendor for a pc–based tax system.

According to the Rusk County Tax Assessor/Collector, the school districts – Carlisle ISD, Henderson ISD, Laneville ISD, Leverett's Chapel ISD, Mt. Enterprise ISD, Overton ISD, and West Rusk CCISD—made the decision to contract with the county to conserve limited resources. The Rusk County Tax Assessor/Collector stated that the Henderson ISD was expected to save about 34 percent and the West Rusk CCISD was expected save 40 percent by transferring tax assessment and collection to the county. She further stated that the County could not profit from providing the service.

The Rusk County Tax Assessor/Collector was unable to provide an exact quote for tax collection services; however, the county estimates TISD would pay $30,000 to the Rusk County Tax Assessor/Collector. She further stated that arrangements could be made for almost instant transfer of the payment from the district's single largest taxpayer so that the district would continue to earn interest on the payment and any other benefits the district enjoys. The county tax office routinely transfers current and delinquent tax funds collected on behalf of clients every Tuesday and issues a detailed statement monthly.

Recommendation 7:

Contract with the Rusk County Tax Assessor/Collector, and close the district Tax Office.

The district noted earlier when evaluating whether to maintain the tax office that a substantial number of district constituents like to walk into the district to make their payment. A Business Office staff member could be deputized, at no cost to the district, to receive only school property tax payments from walk–in constituents and deposit the payments.

By contracting with the Rusk County Tax Assessor/Collector one of the three positions reporting to the TISD Business manager would be reclassified to carry out such duties other than tax assessing/collecting performed by the incumbent at a salary reduction of more than $18,000. In addition, such newly reclassified position could also perform such other activities necessary to meet adequate segregation of duties within the Central Business Office.

FISCAL IMPACT

By contracting with the Rusk County Tax Assessor/Collector the district would achieve a cost savings of approximately $28,802 annually. Rusk County would charge the district $4,000 for the assessment/collection of taxes, and $26,000 as its allocated cost of the vendor's data processing pc–based system and tax roll preparation. The district would no longer employ a certified tax collector, and would instead hire a person to carry out the other non–tax collection related duties currently being performed by the in–house tax assessor/collector.

Description	Number of Full–Time Employees	Actual District Salaries *	Data Processing Services Contract Related Expenses	Estimated Mailing Costs and Other Expenditures	Total
In–house Tax Assessment/ Collection Operation	1.0	$39,447	$32,431	$7,924	$79,802
Contract with Rusk County Tax Assessor/Collector	1.0	$21,000**	$26,000***	$4,000***	$51,000
Annual Savings by Outsourcing tax assessment/ collection function		$18,447	$6,431	$3,924	$28,802
Percent Difference: Outsource vs. In–house Tax Collection Function		46.8%	19.8%	49.5%	36.1%

Source: TISD, Business manager, Rusk County Tax Assessor/Collector, and Pritchard and Abbott, Inc.
*District benefits are not included because it is a flat rate, the same for both positions.
** Note: TISD Business manager noted that even though Tax Assessor/Collector's salary is all coded to the Tax Office in the district's PEIMS submission, 50 percent of the position includes other functions, which could be performed by hiring a full time employee at a salary of $21,000 annually.
***Note: Totals to $30,000 cost TISD would pay to Rusk County Tax Assessor/Collector.

An estimated one–time fee of $5,000 would be charged by the data processing services vendor for transferring the districts tax data to the county's database. The district's contract with the data processing service vendors ends in December 2004. This fiscal impact assumes that the in–house tax assessment/collection function is transferred to the Rusk County Tax Assessor/Collector beginning with tax year 2005, so the district's tax data would be transferred in the spring or summer of 2005 and charged accordingly.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Contract with the Rusk County Tax Assessor/Collector, and close the Tax Office.	$0	$28,802	$28,802	$28,802	$28,802
Transfer tax data to Rusk County	($5,000)	$0	$0	$0	$0
Net (Cost)/Savings	**($5,000)**	**$28,802**	**$28,802**	**$28,802**	**$28,802**

F.   CASH MANAGEMENT

In cash management Texas school districts must comply with the TEC, chapter 45, subchapter G when they select the district's bank depository and with Texas Government Code chapter 2256, Public Funds Investments, also known as the Public Funds Investment Act (PFIA), when they adopt written investment policies and make investments.

To meet the requirements of the TEC, chapter 45, a school district must select a bank located in Texas as its depository. TISD has selected the Texas Bank, Henderson, Texas, as its depository and has entered into a depository contract using the form approved by TEA. During 2003–04, TISD bid its depository contract and as a result changed from Citizens National Bank in Henderson, Texas, to the Texas Bank, also in Henderson. Both banks have a branch in Tatum.

Cash management in TISD is under the direction of the superintendent and the Business manager who is responsible for bidding and managing the depository contract and accounting for cash management.

TISD has eight bank accounts at its depository bank used to manage the district's day–to–day cash needs. **Exhibit 2–18** presents the balances in these accounts as of December 2003.

Exhibit 2–18
TISD Bank Account Balances
December 2003

Account Name	Ending Balance	Average Balance	Interest Rate
Financial Clearing	$25,978	$126,455	0.0%
Payroll Clearing	9,756	45,771	0.0%
Operating Fund	34,828	92,176	1.0%
Workers Compensation	2,092	2,189	0.0%
Special Funds	(28,519)	(7,490)	0.0%
Debt Services	8,136	8,093	1.0%
Capital Projects	$1	27	1.0%
Benefits Clearing	93,762	62,925	0.0%
Total	**$146,034**	**$330,146**	

Source: Texas Bank account statements, December 2003.

The depository agreement with Texas Bank does not require the district to maintain any set balance in the accounts, pays interest on certain accounts at a floor of 1 percent, and provides all banking services to TISD at no charge.

TISD is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement and publicize an investment policy. TISD had done so as school board policy number CDA (Legal) Other Revenues: Investments which requires that all of the district's investments comply with the Public Funds Investment Act and school board policy number CDA (Local) Other Revenues: Investments which states that the main goal of the TISD investment program is to ensure its safety and maximize financial returns within market conditions in accordance with this policy.

Investments under the district's policy are made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12–month period any market price losses resulting from interest–rate fluctuations by income received from the balance of the portfolio. No individual investment transaction is undertaken that jeopardizes the total capital position of the overall portfolio.

FINDING

The district has developed a conservative investment policy and practice, following applicable statutes, whereby cash is invested at the highest interest rate available, at the lowest possible risk. Consequently, the district cash is available when needed and at low levels of risk.

The district maintains investment accounts with MBIA Class and TexPool, but has not used these investment pools since September 2002. The district ceased using these accounts when interest rates fell below the floor established in the depository contract. **Exhibit 2–19** presents the investments of TISD for 2002–03.

Exhibit 2–19
TISD Investments
2002–03

Month	Ending Certificate of Deposit Balance
September	$7,347,324
October	18,016,034
November	17,530,381
December	17,258,990
January	18,558,855
February	18,206,153
March	16,481,443
April	13,923,714
May	11,861,613
June	9,800,906
July	8,004,194
August	6,108,021
Average	**$13,591,469**

Source: TISD investment reports, January 2004.

Exhibit 2–20 presents a comparison of interest rates for 2002–03.

Exhibit 2–20
Interest Rate Comparison
2002–03

Month	TexPool	Three–month Treasury Bill	Citizens National Bank
September	1.87%	1.63%	3.30%
October	1.86%	1.58%	3.30%
November	1.56%	1.23%	3.30%
December	1.46%	1.19%	3.30%
January	1.39%	1.17%	3.30%
February	1.35%	1.17%	3.30%
March	1.33%	1.13%	3.30%
April	1.26%	1.13%	3.30%
May	1.23%	1.07%	3.30%

Exhibit 2–20 (continued)
Interest Rate Comparison
2002–03

Month	TexPool	Three–month Treasury Bill	Citizens National Bank
June	1.20%	0.92%	3.30%
July	1.06%	0.90%	3.30%
August	1.04%	0.95%	3.30%

Source: TexPool website; Federal Reserve website; TISD investment reports.

TISD had more than $16.7 million in investments in December 2003 (**Exhibit 2–21**). All of the investments are certificates of deposit with Texas Bank and are at or above market rates with maturities of seven to 90 days.

Exhibit 2–21
TISD Investments
2003–04

Investment Type	Amount	Interest Rate
MBIA Investment Pool	$0	1.03% to 1.04%
TexPool Investment Pool	$0	1.03%
Texas Bank CDs	$16,715,244	1% to 1.30%
Three–month Treasury Bill	$0	0.90%

Source: TexPool website; Federal Reserve website, TISD Business manager, and TISD investment reports.

Maximizing the return on invested funds while ensuring the safety and liquidity of investments is a high priority. Effective cash management programs provide market rates of return through the use of various investment instruments, are based on a comprehensive written investment policy approved by the board, allow personnel to become skilled in investment procedures and techniques, and stay abreast of money markets.

Cash and investments must be managed daily for a school district to achieve its instructional goals and objectives. Effective cash and investment management involves establishing and maintaining beneficial banking relationships, ensuring funds are available when needed, managing cash receipts, controlling cash disbursements and maximizing returns on assets by investing funds in appropriate, approved and safe investment vehicles.

COMMENDATION

The district uses a safe, conservative, and prudent policy to invest and maximize the interest earnings on its investment portfolio.

FINDING

TISD does not comply with all provisions of the Public Funds Investment Act (PFIA) under Chapter 2256 of the Texas Government Code that governs the investment of governmental funds. The district's investment policies mirror the PFIA guidelines. But the review team found several shortcomings in the district's compliance with the investment policy.

Exhibit 2–22 presents the major areas of compliance outlined in board policy CDA (Legal).

Exhibit 2–22
PFIA Compliance Requirements

PFIA Requirement	TISD Meets Requirement
Investment policy requirements	Yes
Investment strategy approval	Yes
Annual review of policy and strategy	No
Designated investment officer	Yes
Investment policy presented to companies	No
Annual compliance audit	Yes
Training requirements	Yes
Investment reports	No

Source: TISD, board policy CDA (Legal), 2003.

The PFIA requires the investment policy and strategy to be reviewed not less than annually. Policy CDA (Legal) states, "the Board shall adopt a written instrument stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies." Although the board adopted a revised policy in December 2003, the board did not adopt such a statement.

A written copy of the investment policy is required to be presented to any person offering to engage in an investment transaction with an investing entity or to an investment management firm under contract with an investing entity to invest or to manage the entity's investment portfolio. Policy CDA (Legal) states,

> "for purposes of this policy, a business organization includes investment pools and an investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio. The qualified representative of the business organization offering to engage in an investment transaction with the District shall execute a written instrument in a form acceptable to the District and the business organization substantially to the effect that the business organization has:
>
> • Received and thoroughly reviewed the District investment policy; and
> • Has acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the organization that are not authorized by the District's policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.
>
> The investment officer may not acquire or otherwise obtain any authorized investment described in the District's investment policy from a person who has not delivered to the District the instrument described above."

The district has not submitted the revised investment policy to TexPool, MBIA, or Texas Bank.

As of January 2004, the TISD board designated the Business manager, who has completed all required PFIA training, as the sole investment officer for the district. The Business manager's job description lists maintaining the investment portfolio as a job duty, but does not include responsibility for PFIA compliance. The PFIA requires the investment officer(s) of the district to sign all investment reports. The Business manager is the only individual in TISD that signs investment reports. While the

district's Business manager projects the interest earned in the monthly investment reports the same is not done for the yearly investment report, also required by the PFIA.

Many districts designate the responsibility for PFIA compliance as part of the job description for the cash management function. Districts that assign responsibility and hold the position accountable through the evaluation process ensure continual compliance with the PFIA.

Recommendation 8:

Ensure compliance with the Public Funds Investment Act.

The job description for the Business manager should include ensuring compliance with the PFIA.

The superintendent and Business manager should develop procedures to ensure the district complies with all requirements of the PFIA. These procedures may include a checklist that includes obtaining acknowledgement from investment companies of the district's investment policy for new investment firms and each time the policy is updated, annual review of the investment policy, annual investment report, and other compliance related issues such as attendance at required investment seminars.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

TISD does not prepare monthly or annual cash flow forecasts. While the district has an exact description of its daily cash position according to daily cash reports from the depository bank, it has no forecast of its future cash position.

Texas school districts, including TISD, receive the majority of funds for day–to–day operations from the state and local property tax collections. The major cash outflow for Texas school districts like TISD is payroll and workforce–related costs, such as health insurance, workers' compensation, and other benefits paid by the district. In most districts, payroll expenditures occur evenly throughout the year. TISD has a schedule of payments to partner districts based on the purchase of attendance credits to satisfy Chapter 41 wealth equalization. Other expenditures vary from month to month.

TEA provides school districts with a payment schedule that includes both the timing and amount of payments the district will receive. TISD receives this information from TEA. In addition, TISD has historical tax collection information as well as cash revenue information about special programs and bond issuance and interest funds.

The TEA *Financial Accountability System Resource Guide* (*FASRG*) states "a cash flow projection report is an important management tool that directs decisions about the maturity of various investment instruments, in accordance with projected uses of cash to liquidate financial obligations. All investments should be made with the school district's cash needs and cash flow forecast in mind." According to TEA, cash flow forecasts provide information to districts about possible shortfalls and surpluses and allow districts to plan accordingly. TEA recommends cash management planning to provide a district with opportunities to maximize earnings and ensure adequate funds are available to meet future cash needs. Without cash flow forecasts, TISD may fail to identify opportunities to maximize earnings and ensure adequate funds are available to meet future cash needs.

An effective cash flow forecasting methodology involves the identification of daily cash balances and an extrapolation of such on a monthly and annual basis, and an estimate of revenues by source. Developing an effective cash management program can provide a district with additional revenues to fund essential programs and operations.

TISD's largest taxpayer represents approximately 69 percent of the tax base and has consistently paid their liability in October providing ample excess funds to operate the district until all other taxpayers pay their taxes. This allows the district to operate for approximately seven months of the school year from payment received from a single taxpayer.

Many school districts prepare cash flow forecasts to assist the district in managing cash and investments. Some districts use software programs that are integrated with their financial management software to produce cash flow forecasts while other districts use spreadsheets to project their cash flow. For example, Hitchcock ISD (HISD) prepares cash flow forecasts at the beginning of each year. The chief financial officer prepares a spreadsheet forecasting cash flow for each month of the year for each major account. The chief financial officer updates the cash forecast monthly by adding actual revenues and expenditures for each month as the year progresses. As a result, the forecast is always current. **Exhibit 2–23** presents an excerpt from HISD's cash flow forecast.

Exhibit 2–23
Abstract of HISD Cash Flow Schedule

Month	State Aid	Taxes	Other In Flows	Total In Flows	Payroll Costs	Operational Costs	Total Out Flows	Monthly Net Flow	Net Cash Position
Aug.	–	–	–	–	–	–	–	–	$2,892,802
Sept.	$711,036	–	$28,500	$739,536	($501,442)	($342,813)	($844,255)	($104,719)	$2,788,083
Oct.	$582,542	$148,480	$23,500	$754,522	($501,442)	($185,022)	($686,464)	$68,058	$2,856,141
Nov.	$306,940	$214,823	$22,500	$544,263	($501,442)	($254,712)	($756,154)	($211,891)	$2,644,250

Source: Hitchcock Independent School District, Business Office, September 2002.

Many districts use monthly and annual cash flow forecasts to determine the amount of cash necessary to meet future cash needs. These forecasts identify potential cash shortfalls or excesses and allow the district to plan accordingly. If cash shortfalls are forecast these districts may need to borrow funds to cover the shortfall and are accordingly prepared for the situation. If excess cash is available, these districts invest the excess cash in investments and calculate maturation dates in accordance with projected times when the cash will be needed. This effectively maximizes their interest earnings. These districts estimate the amount and timing of cash inflows and use historical tax collection data based on predictable patterns, special program revenues based on expenditure of funds and bond proceeds based on issuance, monthly interest and remaining bond monies to determine cash flow forecasts for their districts.

Some districts also prepare cash flow forecasts for each type of account or fund due to the legal requirements for segregation of cash imposed on bond funds, special revenue funds, debt service funds and general operating funds. Many districts submit the forecasts to the Board of Trustees as a part of the monthly financial reports prepared by the district.

Recommendation 9:

Prepare monthly and annual cash flow forecasts.

The Business manager should prepare the monthly and annual cash flow forecasts for the major funds of the district. The forecasts should be updated monthly based on actual inflows and outflows in each of the major funds.

The Business manager should use the cash flow forecasts to determine the type and maturity of investments for the district. This will allow the district to maximize interest earnings in each of the funds.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

G.   *RISK MANAGEMENT*

An effective risk management program can limit a district's exposure to loss. The objectives of a school risk management program should include conserving district resources so more money can be available for education, protecting school district's assets and improving the quality of decision–making.

A risk management program includes a decision–making and management process. The decision–making process involves the following steps:

- identifying risk exposures to property, liability, finances and personnel within the district;
- analyzing the risk exposures;
- selecting and applying the proper risk management technique, loss control and/or risk financing; and
- monitoring and making adjustments as needed.

To protect itself against significant losses, the district must have accurate insurable values through annual appraisals of property values and documentation for all district–owned property through annual fixed assets inventories. Districts also assess hazards and implement programs to reduce those losses to minimize claims and reduce premiums for workers' compensation.

Texas school districts must comply with many federal and state laws in the area of asset and risk management. In risk management such as health insurance benefits, Texas districts must comply with the TEC, sections 22.004 and 22.005, which outline group health benefits for school district employees and the establishment of a health care plan and fund. In asset management, Texas school districts must comply with the reporting requirements outlined in TEA's *Financial Accountability System Resource Guide.*

An effective asset and risk management program aims to control costs by ensuring that the district is adequately protected against all significant losses with the lowest possible insurance premiums. This involves the identification and measurement of risk and techniques to minimize the impact of risk.

Risk management has become an essential part of school district operations. Rising costs for health, property and liability insurance coverage has placed pressure on administrators to begin cost containment programs. Successful risk management programs start with strong support at the top including the governing board, superintendent, and senior financial administrators. Commitment from

upper management to the fundamental goals of risk management is essential if risk management practices are to be effective. Sound risk management involves:

- analyzing alternatives for insurance coverage such as self–insurance and other industry trends;
- analyzing insurance plans including deductible amounts, co–insurance levels, and types of coverage provided;
- assessing hazards and implementing programs to minimize exposure to potential losses; and
- continuously monitoring if the district is in compliance with various laws and regulations.

Before 2002–03, TISD's employees were covered by a health plan organized as the East Texas Schools Coop, a public entity risk pool operating under contractual provisions of Article 4413(32c), Interlocal Cooperation Act. Under this arrangement, TISD contributed $230 per month per employee to the plan. As of August 31, 2002, the pool reported a deficit of $670,986. TISD's share of this deficit was $44,127 and this figure was reflected in its financial reports for the fiscal year ended August 31, 2002.

Effective September 1, 2002, TISD management decided to go with the statewide program offered by the Teacher Retirement System of Texas (TRS) for their health insurance program. This decision was based on the cost effectiveness of this option as compared with a self–funded program. The cost per each employee per month is $274 or $3,288 per year.

TISD uses the TASB unemployment compensation fund at a 2003–04 cost of $7,276 to provide for unemployment claims. TISD is a member of the East Texas Educational Insurance Association, an Interlocal agreement, for purposes of obtaining workers' compensation insurance. Claims administration costs are based on a percentage of total payroll and the district pays up to the $225,000 stop loss for each claim. Administrative costs for 2002–03 were $24,725. **Exhibit 2–24** presents the loss payments for workers' compensation for 2000–01 through 2002–03.

Exhibit 2–24
Workers Compensation Claims
2000–01 through 2002–03

	2000–01	2001–02	2002–03
Unpaid Claims at beginning of year	$54,064	$30,050	$45,067
Claims incurred in the year	$50,616	$46,513	$26,523
Claims paid in the year	$74,630	$24,931	$40,809
Unpaid claims at the end of the year	$30,050	$51,632	$30,780

Source: TISD, Workers' compensation plan statement of change in liability, 2000–01 through 2002–03.

FINDING

The district achieved savings on district insurance premiums with the help of an external adviser. TISD is exposed to various risks of loss including damage or destruction of assets, errors and omissions, injury to employees, natural disaster, and legal suits filed against the district. According to TISD policy, the district may procure contracts with any insurance company authorized to do business in Texas to insure against these risks. TISD completed its property and casualty insurance to be effective September 1, 2003. This policy covered general liability, educators' liability, property damage, other property, boiler, and crime. TISD engaged an expert to prepare specifications and to evaluate the bids. TASB was selected to provide the coverage. The result of the competition was a

reduction in total premium of about 10.4 percent from the prior year. **Exhibit 2–25** shows the result of the bid process.

Exhibit 2–25
Comparison of Bids for Liability Insurance

Coverage	Limit	TASB	Competitor 1	Competitor 2	Previous Year's Provider
General Liability	$1,000,000	$820	$1,178	$2,950	$2,849
Educators' Liability	1,000,000	4,151	7,068	13,770	12,962
Property Damage	27,953,226	60,099	71,753	76,978	58,747
Other Property	990,947	470	102	1,628	Included
Boiler		1,732	Included	Included	Unknown
Crime	100,000	351	351	911	924
Total Premium		**$67,623**	**$80,452**	**$96,237**	**$75,482**

Source: ValienteHernandez tabulation based on information provided by TISD Business manager.

COMMENDATION

The district uses an external insurance advisor to monitor liability insurance needs, prepare bid specifications, and evaluate the bids.

H.   BOND ISSUANCE AND INDEBTEDNESS PROCESSES

Bonds are contractual representations that a debt is owed by one party, the issuer, to one or more other parties, the investors. Bonds may be secured by lien on personal or real property or may be unsecured. The contract between the issuer and the investors is the bond indenture. The bond indenture specifies the: maturity date, interest payments, denominations of principal, call and or conversion provisions, security, the trustee, repayment plans, such as a bond sinking fund and special provisions.

FINDING

TISD passed two successful bond initiatives without raising its total tax rate. In 2000 and 2001, the citizens of Tatum approved two bond issues totaling $7.725 million. The bond issues were passed with more than a 90 percent approval rate and the district began a five–year spending plan. The spending plan included a number of renovation, facility construction, capital acquisition, and facilities improvement projects (**Exhibit 2–26**).

Exhibit 2–26
TISD 2000 and 2001 Bonds
(In Millions)

Project Description	Amount
2000 Bond	
Replacement of heating, ventilation and air conditioning systems; roof replacements and carpet replacement	$3.165
Facility improvements: Sidewalks, playground equipment, parking lots, athletic facilities and security	0.310

Exhibit 2–26 (continued)
TISD 2000 and 2001 Bonds
(In Millions)

Project Description	Amount
Technology: student and teacher workstations, computer lab equipment, distance learning equipment, network equipment and cabling, and internet connectivity	0.250
Replacement of four buses immediately and five buses over the next five years	0.500
Total 2000 Bond	**$4.225**
2001 Bond	
Middle school construction: demolish two quad classroom sections, construct five new classrooms, administrative offices, library, and science labs	2.179
Renovation of transportation, maintenance and storage	0.271
Five–year facility improvement plan	1.050
Total 2001 Bond	**$3.500**

Source: TISD superintendent, TISD bond election information, 2000 and 2001.

The district paid off each of the bond issues in two years and did not have to increase the total tax rate to fund the payment of the bonds. In 2000–01, the district was able to keep the total tax rate at $1.47, while increasing the interest and sinking (I&S) tax rate and lowering the maintenance and operations (M&O) tax rate (**Exhibit 2–27**). The I&S taxes are used to pay bonded debt of the district and are not subject to recapture under the state funding plan for Chapter 41 districts.

Exhibit 2–27
TISD Tax Rate History
1998–99 through 2002–03

Year	M&O Tax Rate	I&S Tax Rate	Total Tax Rate
1998–99	$1.438	$0.000	$1.438
1999–2000	1.470	0.000	1.470
2000–01	0.980	0.490	1.470
2001–02	1.160	0.310	1.470
2002–03	1.470	0.000	1.470

Source: TISD, Audited Financial Statements, 2002–03.

TISD structured the bonds to take advantage of the one–year lag in equalization of property tax values by the state. School districts do not have property value increases in the current year equalized through the state funding formulas until the following year. This allows school districts to use these funds for one year. However, Chapter 41 districts are subject to recapture in the year the taxes are collected and equalization in the following year.

TISD did not call the bond elections until they had received the property tax values for the following year. The amount of bonds was approximately the same as the increase in tax revenues due to property value increases. Since the I&S taxes are not subject to recapture, the district was able to keep all the funds in TISD and not increase property taxes. While this process maximized local dollars and did not raise the total tax rate to district constituents, an unintended consequence is that less money was recaptured and made available for other school districts due to the reduction of TISD's M&O rate. **Exhibit 2–28** presents property values, taxes generated and recapture for 2000–01 through 2002–03.

Exhibit 2–28
TISD Property Value
2000–01 through 2002–03

Description	2000–01	2001–02	2002–03
Property tax value	$896,890,544	$1,138,475,170	$1,118,823,190
Increase (decrease) from prior year	$315,449,804	$241,584,626	($19,651,980)
Percent increase (decrease) from prior year	54.3%	26.9%	(1.7%)
Taxes generated at $1.47 per $100 of valuation	$4,637,112	$3,551,294	($288,884)
Recapture rate	46%	46%	46%
Funds recaptured if only M&O rate	$2,133,072	$1,633,595	($132,887)

Source: TISD, TISD bond election information, 2000 and 2001; TISD Audited Financial Statements, 2002–03.

COMMENDATION

TISD passed successful bond initiatives to fund capital improvements without increasing the total tax rate.

FINDING

TISD maximizes bond revenues through quick repayment of debt and investment in high return accounts. TISD is unique in that it earns interest revenues by investing taxable bond sale proceeds in interest–bearing accounts. TISD mapped out five–year spending plans for the 2000 and 2001 bond proceeds. Due to its financial position, the district was able to quickly pay off its incurred bond debt over a two–year period and therefore chose to sell taxable bonds and invest the proceeds in lieu of selling tax–exempt bonds and being limited to no interest income due to arbitrage regulations. As funds are needed for the planned capital improvement items they are taken as scheduled according to the five–year spending plans from the investment accounts. While TISD has to pay taxes on the bond proceeds' interest earnings, the interest generated has been in excess of taxes owed, resulting in additional revenues to the district.

COMMENDATION

TISD earned additional revenue by investing bond funds in taxable interest bearing accounts.

I.   FIXED ASSET MANAGEMENT

Fixed asset management should account for district property efficiently and accurately and safeguard it against theft, dissipation, and obsolescence. Fixed asset expenditure planning and control are critical to the long–term financial health of any school district. Generally, expenditures for larger fixed assets require significant financial resources. These large purchase decisions are difficult to reverse, and the investment affects district financial performance over a long period of time.

TEA defines fixed assets as purchased or donated items that are tangible in nature, have a useful life longer than one year, have a unit value of $5,000 or more and may be reasonably identified and controlled through a physical inventory system. The TEA's *Financial Accountability System Resource Guide* requires assets costing $5,000 or more to be recorded in the Fixed Asset Group of

Accounts. Items costing less than $5,000 are recorded as an operating expense of the appropriate fund.

GASB 34 requires governments to report and depreciate capital assets. TEA required all districts to comply with GASB 34 for accounting periods after June 15, 2001. TISD has complied with this requirement.

FINDING

The district lists its assets and checks its inventory each year. TISD's Business manager has overall responsibility for capital assets, also referred to as "fixed assets" in statutes, publications, and common usage. The maintenance director is responsible for the annual inventory of fixed assets and maintaining the detailed inventory. Other parties may have a more direct responsibility for assets such as inventory of materials, supplies, and expendable items.

All capital assets are tagged when received. The district annually reconciles capital asset expenditures to the capital asset additions. Construction project values are accumulated in a work in process account, and at the project's completion, the value is transferred to an asset account.

The district maintains a detailed subsidiary record of capital assets that conforms to applicable rules and reconciles the subsidiary records to the general ledger annually. All tangible property in the district is properly identified. The district had previously outsourced the taking of an annual physical inventory of tangible personal property; however, it encountered repeated problems with this process and has recently internalized the inventory function. The district requires a written explanation for all unaccounted for property, and files reports with local law enforcement authorities on stolen property.

The district appropriately accounts for capital assets acquired with restricted source funds by including the funding source information in the property records.

In addition, the district maintains a list of all property valued at less than $5,000 and inventories these items on a rotating basis. This listing includes computers, peripheral technology equipment, televisions, overhead projectors, desks, chairs, maintenance equipment, custodial equipment, and other assets. The inventory also maintains details about the item's location, recording both building address and room number.

COMMENDATION

TISD maintains a comprehensive list of fixed assets and performs annual inventories.

J.   *TEXTBOOKS AND PURCHASING*

TISD uses the TEA's Education Materials Management System (EMAT) to purchase textbooks. EMAT is a textbook management database system that facilitates the acquisition and tracking of State Board of Education (SBOE) adopted educational materials for use in Texas school districts.

The elementary school principal functions as the district's textbook coordinator and works with the other school principals and the assistant principal to conduct the annual inventory of textbooks. The textbook coordinator orders textbooks from TEA using its online ordering system. Districts are entitled to 110 percent of their pupil enrollment for the grade or subject when ordering pupil editions.

When the district's order is received at the central administration building, a clerk hand–stamps each book with an identification number. The identification number is only used to comply with state law, not as a tracking mechanism.

A survey conducted by the review team shows that staff is highly satisfied with the purchase of textbooks, with the timeliness of the issuance of textbooks to students and with the condition of textbooks. The survey results are shown in **Exhibit 2–29**.

Exhibit 2–29
Survey Results
Purchasing and Warehousing, Textbooks

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Students are issued textbooks in a timely manner.	18.4%	61.2%	16.3%	2.0%	2.0%
Textbooks are in good shape.	22.5%	57.1%	10.2%	8.2%	2.0%
The school library meets student needs for books and other resources for students.	26.5%	71.4%	2.0%	0.0%	0.0%

Source: TISD, School Review Survey Responses, September 2003.

An effective purchasing system allows a school district to provide quality materials, supplies, and equipment in the right quantity in a timely, cost–effective manner. Purchasing includes those activities involved in the identification and purchase of supplies, equipment, and services needed by the district, and includes the storage and distribution of goods. Goods and services must be obtained according to the specifications of the users at the lowest possible cost and within state laws and regulations including the state's general government purchasing and bid requirements and the Texas Education Code.

The Texas Education Code (TEC), Chapter 44, includes state purchasing regulations designed to provide the best value to school districts through a competitive bidding process. During the 1999 legislative session, the regulations for competitive procurement were revised to further explain the competitive bidding process to vendors and show that the process is conducted fairly and openly, and provides maximum value to the district. Generally, when districts purchase items valued above $25,000, or multiple like–items with a cumulative value of more than $25,000 in a 12 month period, one of the following nine processes must be employed:

- Competitive bidding: Requires that bids be evaluated and awarded based solely upon bid specifications, terms and conditions contained in the request for bids, bid prices offered by suppliers and pertinent factors affecting contract performance. Forbids negotiation of prices of goods and services after proposal opening.
- Competitive sealed proposals: Requires the same terms and conditions as competitive bidding, but allows changes in the nature of a proposal and prices after proposal opening.
- Request for proposals: Generates competitive sealed proposals and involves several key elements, including newspaper advertisement, notice to proposers, standard terms and conditions, special terms and conditions, a scope–of–work statement, an acknowledgment form/response sheet, a felony–conviction notice and a contract clause.
- Catalog purchases: Provides an alternative to other procurement methods for the acquisition of computer equipment, software, and services only.
- Interlocal contract: Provides a mechanism for agreements with other local governments, the state, or a state agency to perform governmental functions and services.

- Design–build contracts: Outlines a method of project delivery in which the school district contracts with a single entity for both the design and construction of a project. (The "single entity" is usually a team of firms including a general contractor, architect, and sometimes an engineer. One firm almost never does both the design and the construction.)
- Job order contracts: Provides for the use of a particular type of contract for jobs (manual labor work) for minor repairs and alterations.
- Construction management contracts: Outlines the use of a contract to construct, rehabilitate, alter, or repair facilities using a professional construction manager.
- Reverse auction procedure: Outlines a bidding process that involves submission of bids by multiple suppliers, unknown to each other, in a manner that allows the suppliers to bid against each other.

School districts must advertise bids worth $25,000 or more at least once a week for two weeks in any newspaper published in the county where the district is located. Bids worth between $10,000 and $25,000 must be advertised in two successive issues of any newspaper in the district's county. TEC requires advertisements to specify the categories of property to be purchased and to solicit vendors who are interested in supplying them. School districts can also meet competitive–bidding requirements with interlocal or cooperative purchase agreements.

Exceptions to competitive–bidding requirements include contracts for professional services such as those performed by architects, attorneys, or fiscal agents. The TEC also allows exceptions for school districts to purchase items as "sole source" purchases; items that are available from only one source, if the item being purchased fits one of the following descriptions:

- An item for which competition is precluded because of the existence of a patent, copyright, secret process or monopoly;
- A film, manuscript or book;
- A utility service including electricity, gas or water; and
- A captive replacement part or component for equipment, i.e. parts that are specific to a particular piece of equipment and are not available from more than one vendor.

To properly use the sole–source arrangement, a school district must obtain and retain vendor documentation that clearly states the reasons the purchase must be made on a sole–source basis. Sole–source exceptions do not apply to mainframe data processing equipment and peripheral attachments with a single–item purchase price of more than $15,000.

A centralized purchasing system concentrates the authority, responsibility, and control of purchasing activities in one administrative department. In a decentralized purchasing system, these activities are delegated to or shared with users in the operating departments. TISD operates a decentralized purchasing system. The Business manager is responsible for developing bids and requests for proposals, reviewing and evaluating all proposals, approving purchase orders, supervising the processing of checks to vendors and recording the fixed–asset balances in the district's accounting system.

The school or department secretary enters requisitions into a uniform, internally designed form. The requisition is forwarded to the Business manager for review and approval as to availability of funding and coding into the proper general ledger account. Subsequently, the Business manager returns the requisition to the originating school or department who input a purchase order using the accounting system. The accounts payable clerk generates the purchase orders on district forms and submits the purchase orders to the Business manager for approval. The Business manager reviews these purchase

orders for matching with the approved requisition and submits the purchase orders to the superintendent for final approval. The purchase orders are returned to the accounts payable clerk for distribution to the vendor and school or department making the purchase and files a copy in the Business office. Purchases are done in a timely fashion.

The district uses just–in–time delivery for most products to the school or department making the purchase. The district uses a traditional central receiving method for paper and stores paper in a central warehouse for distribution to the schools and departments.

TISD is a member of the Region 7 purchasing cooperative and uses the awarded vendors for purchasing items available through the cooperative. This provides the district with expanded purchasing power as Region 7 assesses all member districts' needs for the bid process. This also reduces the number of bids TISD must produce internally to comply with bid laws and district policy.

A survey conducted by the review team shows that staff is satisfied with the purchasing practices in place and the quality of goods and services purchased. The survey results are shown in **Exhibit 2–30**.

Exhibit 2–30
Survey Results
Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Purchasing gets me what I need when I need it.	18.4%	42.9%	16.3%	14.3%	8.2%
Purchasing acquires the highest quality materials and equipment at the lowest cost.	12.2%	42.9%	30.6%	6.1%	8.2%
Purchasing processes are not cumbersome for the requestor.	18.4%	34.7%	20.4%	18.4%	8.2%
The district provides teachers and administrators an easy–to–use standard list of supplies and equipment.	12.2%	32.7%	28.6%	20.4%	6.1%

Source: TISD, School Review Survey Responses, September 2003.

FINDING

TISD does not comply with the competitive procurement requirements of the TEC or board policy on all purchases. The district does advertise for vendors interested in providing quotes for goods or services expected to cost from $10,000 to $25,000. TISD also routinely uses vendors that are on the approved vendor list for Region 7 or the state when not bidding a purchase.

Based on a review of purchases for 2002–03, one set of purchases made exceeded the threshold for competitive purchases. Purchasing laws require the district to aggregate purchases over the entire year to determine if the purchase needs to be bid. Although none of the individual purchases for network cabling exceeded $8,000, in total the purchases were $22,332. These projects were not put out for bid and the vendor does not appear on the approved list for Region 7 or the state.

Competitive procurement is designed to provide the district with the best goods and services at the lowest price. Competitive procurement enables the district to obtain the best prices by stimulating competition. The *Handbook on Purchasing for Texas Public Schools, Junior Colleges and Community Colleges* states, "If a district advertises purchasing needs relating to large expenditures, then economies of scale – purchasing in large quantities – will probably result in lower costs either per unit item or in the aggregate." Competitive procurement maximizes the limited resources available to districts to provide instructional programs and support services.

Many school districts have processes to ensure compliance with the competitive procurement requirements. Districts will often review vendor purchases from the prior year to determine if any vendors received more than threshold for competitive procurement from the district. If these purchases require a bid, then the district obtains bids for the goods or services purchased from the vendor. This process helps these districts to ensure compliance with the competitive procurement requirements. For example, Clear Creek ISD's Purchasing Department generates a monthly report called a non–contract blanket purchase–order report that identifies items not purchased using the pre–approved contract for certain items. With this report, the Purchasing Department staff analyzes expenditures to determine when a group of items is getting close to thresholds that require bidding.

Recommendation 10:

Use competitive procurement methods for purchases greater than $10,000.

Using competitive procurement will ensure compliance with existing state law and established school board policy. Competitive procurement will enable the district to receive the lowest prices on goods and services purchased.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

COMPUTERS AND TECHNOLOGY

This chapter reviews the computer and technology functions of the Tatum Independent School District (TISD) in the following sections:

A. Organization, Staffing, and Budgeting
B. Policies, Procedures, and Planning
C. Infrastructure, Hardware, Software, and Operations
D. Instructional Technology

A technology–rich educational environment requires hardware, software, training, and administrative support. The responsibilities of technology service operations vary in Texas public school districts. Some offices support administrative functions only, while others, like TISD, are responsible for supporting both day–to–day administration and integrating technology into curriculum and learning. To achieve its technology–related goals, a school district must have an organizational structure that encourages using and supporting new technologies. A well–managed technology and information services department follows a clearly defined plan that consists of appropriate goals, strategies to deliver technology services and support, clearly assigned responsibilities, and timelines to assess progress.

BACKGROUND

TISD's Information Services Department must be familiar with both administrative and instructional operations. The Information Services Department is led by one person on a day–to–day basis, with the district using a part–time technician to provide additional support.

As of February 2004, the district has 518 total individual workstations and laptops that the Information Services Department supports, including 344 student–accessible computers, giving a ratio of one computer for every three students. For 2004–05, the district plans to purchase an additional 25 desktop computers and 55 laptop computers for a total cost of $107,096.

Technology has evolved rapidly for TISD due to the success of general obligation bond proceeds. Bond elections passed in 2000 and 2001 that totaled $7.725 million. The bond issues included spending for the purchase of buses and vans for transportation, a new lighting and sound system at Tatum High School, maintenance and building improvements, and improvement of classroom technology. Bond proceeds of $250,000 allocated to technology provided additional student and teacher workstations; computer lab equipment; distance learning equipment; network equipment and cabling; and Internet connectivity.

At the start of 2003–04, high school teachers received new laptop computers. This acquisition of computer equipment follows the middle school and elementary school teachers receiving laptop computers during 2002–03.

Important technology service elements in a school district include network support services, which support the district's information technology infrastructure. The infrastructure in TISD includes a wide area network (WAN) connecting district facilities, local area networks (LANs) in schools and administrative offices, and in some cases, the telephone system.

To ensure consistent support, the district uses services provided by the Regional Education Service Center VII (Region 7), also referenced as ESC7Net. ESC7Net began in 1997 as a consortium of educational institutions formed to develop a regional telecommunications network. The telecommunications network that ESC7Net offers is designed and managed for K–12 schools in East Texas. Other degree–granting educational institutions that include universities, colleges, community colleges, libraries, and K–12 schools can connect to the network in Region 7.

Exhibit 3–1 shows the technology budget for 2000–01 through 2002–03. TISD's technology expenditures ranged from $339,230 in 2000–01 to $435,763 in 2001–02, and the district spent $425,058 in 2002–03. The expenditures included staff; new equipment such as computers, PDAs, printers, servers, software; and recurring services such as telecommunications.

Exhibit 3–1
TISD Technology Budget
2000–01 through 2002–03

Fiscal Year	Expenditures
2000–01	$339,230
2001–02	435,763
2002–03	425,058

Source: TISD, superintendent.

According to the director of Information Services, the district has had a consistent record of receiving Telecommunications Infrastructure Fund (TIF) grants dating back to 1998–99 and relies on these grants. Change of state law passed in the Seventy–eighth Legislative Session resulted in the elimination of the TIF grant program in August 2003. **Exhibit 3–2** shows the funding history for TIF grants at TISD.

Exhibit 3–2
TIF Grant Funding History for TISD
1998–99 through 2002–03

Grant Type*	Grant Year	Amount
PS3	1998–99	$100,000
PS6	1999–2000	$80,000
PS9	2001–02	$100,000
SP1	2002–03	$44,000

Source: TISD, Information Services Department.
* These grant types are used by the Telecommunications Infrastructure Fund Board for infrastructure projects, typically helping schools provide access to the Internet.

A.   ORGANIZATION, STAFFING, AND BUDGETING

TISD's Information Services Department consists of one director to handle districtwide hardware, software and network support for all four schools, which includes the primary, elementary, middle, and high school. The director of Information Services is responsible for trouble shooting technical problems as reported, technology planning, and inventory management. Budgeting is a minor role for the director of Information Services, with the primary responsibility for budget development being with the superintendent. As the system administrator, the director of Information Services is responsible for server, personal computers, software, and network

support. The district also hired a part–time support position that works four hours each day to assist the director of Information Services with his duties.

Exhibit 3–3 shows TISD's Information Services Department organization.

Exhibit 3–3
Information Services Department Organizational Chart
2003–04

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                          ┌──────────────────┐
                          │  Superintendent  │
                          └──────────────────┘
            ┌──────────────────┬──────────────────────┐
   ┌─────────────────┐ ┌─────────────────┐ ┌─────────────────┐
   │   Director of   │ │   Director of   │ │  Tatum School   │
   │  Information    │ │  Curriculum &   │ │  Principals (4) │
   │    Services     │ │ Community Rel.  │ │                 │
   └─────────────────┘ └─────────────────┘ └─────────────────┘
   ┌─────────────────┐ ┌─────────────────────┐
   │   Part-Time     │ │ Technology Integration │
   │ Support Technician│ │   Specialists (4)   │
   └─────────────────┘ └─────────────────────┘
```
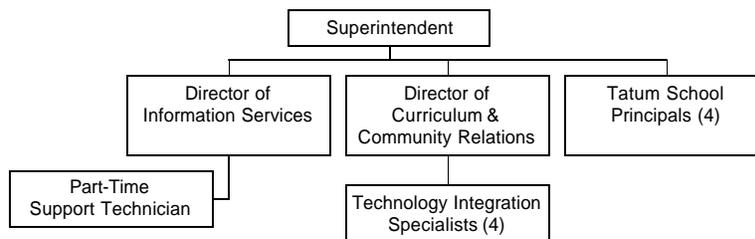
Source: TISD, superintendent, February 2004.

The district's technology organization consists of one full–time director of Information Services who reports to the superintendent, a part–time support technician, and four technology integration specialists (TIS) who have a dual reporting structure between the school principals and the director of Curriculum and Community Relations. The support that the TIS provide to the campuses is an informal, loosely structured system to assist with technical support, but the director of Information Services has no formal authority over the TIS.

FINDING

TISD has one full–time person responsible for delivering technology services and support that is aided with a part–time assistant. It is cost effective to the district to use the one full–time and one part–time person to provide technology support. At the beginning of the review, the part–time assistant position was vacant, and district personnel noted the need for extra technical support. TISD has since filled the part–time assistant position, which allows the director of Information Services to also monitor planning and attend training.

To fill the technical support gap, TISD has four TIS who respond to technical service requests. A single TIS is in place for each campus. They are the first person at their school called when someone requires technical assistance. If the TIS cannot fill the service request, then it is forwarded to the director of Information Services and the part–time assistant. The type of requests and work that the TIS perform far exceeds the scope of their roles, as shown in **Exhibit 3–4**.

Exhibit 3–4
Technology Integration Specialist Designed
Role Compared to Day–to–Day Activities
2003–04

Technology Integration Specialist Designed Role	Technology Integration Specialist Day–to–Day Activities
• Research resources and viability of websites for teachers • Facilitate use of MS Office • Maintain application standards • Meet with faculty members • Communicate awareness of standards • First response to technical needs	• First response to technical needs • Trouble–shoot Level 1* technical support and Level 2* technical support • Map network drives • Reset network hubs and wireless access points • Reset passwords • Assist teachers with electronic data processing issues • Prepare PowerPoint presentations • Load printers onto computers

Source: TISD, Technology Integration Specialist staff interviews, September 2003.
* Level 1 support consists of the first contact between the customer and the support group. This level includes logging the issue, collecting all customer information, and answering basic questions. Level 2 consists of resolving complex issues that may require more in–depth support.

Exhibit 3–5 shows a comparison of the number of technology support staff and the number of computers that each of the peer districts support.

Exhibit 3–5
Peer District Full–Time Technical Support Staffing Ratio
2003–04

District	Administrative	Support	Number of Computers	Ratio of Computers to Support Staff
Daingerfield–Lone Star	1 – Assistant Superintendent	1 – Technical Support	607	303:1
Jefferson	1 – Technology Director	1 – Technology Assistant	550	275:1
Linden–Kildare Consolidated	1 – Technology Director	3 – Campus Technicians	590	148:1
Carthage	1 – Technology Director	1 – Network Administrator 5 – Campus Contacts 1 – Media Repair Technician 1 – Media and Cable Technician	1,200	150:1
Tatum	**1.5 – Director and Part–Time Assistant**	**2 – TIS (4x 0.5)**	**518**	**148:1**

Source: TISD, Information Services Department and Peer District Survey Data, October 2003.

The use of TIS personnel allows TISD to maintain a low computer to support staff ratio at minimal cost to the district. By using existing personnel, the district has not had to dramatically increase its salary costs by creating new positions but instead relies on the expertise of existing district staff as the first–line of support.

COMMENDATION

TISD uses existing campus–level staff to provide low–cost technology support.

B. POLICIES, PROCEDURES, AND PLANNING

The Texas Education Code requires each school district to include provisions for the integration of technology into instructional and administrative programs in its district improvement plan. Some districts compile these plans with only a few of the elements required to guide a district's efforts to use and improve its technology effectively. For example, many technology plans contain goals and strategies for instructional technology but contain little about the effective use of technology to automate or streamline administration. Improved automation and integration of administration can improve operations and eliminate excessive paper shuffling that drains district resources from the classroom.

The best planning contains clear goals, objectives, and action plans for technology projects; assigns individual responsibility for implementation steps; allocates adequate funding and identifies milestone dates for completion.

To aid in planning for technology TISD has formed a Technology Committee. The superintendent leads the TISD Technology Committee, which meets periodically to discuss technology purchases and needs across the district. The rest of the Technology Committee is composed of the director of Information Services, director of Curriculum and Community Relations, the four school principals, four TIS, and five campus representatives.

FINDING

The district's Technology Plan includes a formal planning process, strategies, budgets and timelines, and an evaluation component in the form of a Technology Monitoring Report. The Technology Plan assigns each computer to a specific campus or office. The plan goes on to list the specifications of each computer, the room to which it is assigned, the year purchased, type of processor, amount of RAM, and the hard drive capacity.

In addition to benefiting from having a thorough Technology Plan, TISD assesses its own progress with a Technology Monitoring Report (**Exhibit 3–6**). Monitoring the Technology Plan ensures that goals set by the district are being met or are in progress. The internal assessment also allows the district to gauge when modifications to the Technology Plan are needed.

Exhibit 3–6
TISD Technology Monitoring Report

GOAL 1: The District shall provide the necessary connectivity, hardware, & support to sustain technology as a curriculum, instructional & administrative tool.

OBJECTIVE 1.1 Develop and maintain an equipment plan that provides adequate hardware.

Actions
- Equipment inventory reported in the November 2002 Program Evaluation: Technology
- Computer ratios in the district are reported in the November 2002 Program Evaluation: Technology
- TPS, TES & THS have one "wireless" laptop lab
- TPS & TMS faculty members have one "wireless" laptop
- THS has a distance learning lab being used for dual credit college course work

OBJECTIVE 1.2 Provide connectivity via the Intranet and Internet to sustain the integration of technology.

Actions
- All spaces in the district are connected to the network with "hard cable"
- All instructional, administrative spaces are connected with "wireless" technology
- Currently testing remote Internet access through the TISD server: provide administrative access in 2002–03, faculty and student access 2003–04

OBJECTIVE 1.3 Provide peripheral equipment to sustain the integration of technology.

Actions
- Peripheral equipment ratios in the district are reported in the November 2002 TISD Program Evaluation: Technology
- All campuses have networked laser printers in a 5:1 classroom to printer ratio

OBJECTIVE 1.4 Provide technical and financial support to sustain the integration of technology.

Actions
- Full time network administrator with full–time assistant
- 2000 bond increase in available funds, allowing $50,00 through 2004–05, TISD Board of Trustees allocated an additional $100,000 in 01–02
- Staffing of Technology Integration Specialist (TIS) at each campus: TPS & THS – Media Specialists serving as the TIS with an aide assisting in the library; TES & TMS – a TIS on staff: The TIS will serve as first response on technical calls and will assist the staff in the integration of technology into the curriculum & training

Exhibit 3–6 (continued)
TISD Technology Monitoring Report

GOAL 2: The District shall foster the integration of technology into curriculum, instruction, and administrative functions.

OBJECTIVE 2.1 The District will provide staff development to sustain the efforts of the staff to integrate technology.

Actions
- Providing on–line staff development for all staff members
- Provide ongoing training in Microsoft Office products and Internet
- Provided Compass Learning and NovaNet training
- TIS provides ongoing training and Promising Practices training
- TISD staff averaged five hours of technology training

OBJECTIVE 2.2 The District will develop train & assess staff technology benchmarks with an emphasis on integration into curriculum, instruction and administrative functions.

Actions
- Each CIP identifying at least two areas for integration into the campus (administrative and C&I), monitoring those plans during the year
- CIA program using technology for curriculum development, assessment and data analysis
- TIS assisting integration in 2001–02
- E–mail communication on each campus
- Each campus using grade book & attendance
- Each campus using View Student Information (VSI) for parent communication
- Maintenance department soliciting service requests via Intranet & custodial surveys
- Marquee, technology, & transportation requests via the internet
- Food service department computerized in 2001–02
- Administrative hand held pilot project in 2001–02
- Planning the implementation of lesson plans during the 2002–03

OBJECTIVE 2.3 The District will use technology to enhance curriculum integration.

Actions
- Each CIP identified two areas for integration into the campus, monitoring those plans during the year
- The TIS assisted each faculty member in a minimum number of lessons integrating the student technology competencies into the curriculum
- TES, TPS & TMS using Compass Learning
- THS implementing NovaNet
- THS science department utilized computer based laboratories

THS offered college courses via distance learning

Exhibit 3–6 (continued)
TISD Technology Monitoring Report

GOAL 3: The District will produce graduates that are computer proficient and prepared to meet the technological challenges of the future.

OBJECTIVE 3.1 Develop and maintain technology competencies as a part of the overall K–8 curriculum in alignment with TAKS.

Actions
- Vertical team developed a set of competencies aligned with the TEKS
- TIS will work with teacher to integrate the student competencies into the regular C&I program
- Vertical Team will continue to discuss the competencies and integration along with methods of assessment
- All TISD graduates are required to have technology credits

OBJECTIVE 3.2 Secondary technology course offerings will be relevant to post–secondary education and the identified work force.

Actions
- Addition of web authoring and A+ certification at THS.
- Vertical team studying course offerings and aligning to market.

GOAL 4: The District will provide extended day student and community use of technological resources.

OBJECTIVE 4.1 Provide opportunities for technology access outside school hours.

Actions
- THS libraries open after school for computer access.
- Offered evening classes in the fall, spring & summer for the community.
- Offered summer technology camps

Source: TISD, District Technology Plan 2000–2005 Monitoring Report, Adopted April 2000.

COMMENDATION

TISD has developed a detailed technology plan that includes strategies, budgets, timelines, and an evaluation component.

FINDING

The district does not document policies and procedures for technology operations, including network operations, maintenance, or performance monitoring. The director of Information Services told the review team that no written documentation of procedures for backing up data exists. In addition, the district's TIS do not have formal training in basic activities to add new users to the system in the district, set up e–mail, and change administrative privileges or access to applications in a uniform way. Because the district has one and a half full–time technical support positions along with the four TIS positions, it is important to document issues and communicate technical fixes in a consistent way to eliminate routine calls that the user can easily resolve.

Not having documented policies and procedures to provide support for technical problems that teachers and administrators frequently encounter leaves the district unprepared for emergencies and ill prepared for other problems, simple or complex, that can occur at the same time. The impact for the district is slower resolution of difficulties, because technology staff cannot fix problems that require more in–depth technical expertise. In addition, having written policies and procedures can assist with creating more "coverage" with the existing full–time technology support.

At San Antonio ISD, the Technology Department assists users by developing and circulating written memos that outline key technology–related policies. These memos provide documentation for faculty, staff, and students on Internet usage policy, information dissemination procedures, use of computer software and copyrighted materials, hardware purchasing standards, and maintenance and upgrades of computer workstations and printers. The policy memos are available on the district's Intranet site, a website for internal use by district employees and students, and are part of the district's administrative procedures. The information is clear, informative, and user–friendly. Although San Antonio ISD is a much larger district, this type of plan could be beneficial in smaller districts as well.

Policies and procedures provide daily guidance for technology activities and ensure that the district's technology function can continue to operate in the event of a personnel change. Policies and procedures also ensure that new staff assimilates into the district in the most effective way.

Recommendation 11:

Develop written policies and procedures for technology operations.

The Technology Committee should work together to identify frequent occurrences or questions from district staff. The director of Information Systems and the TIS should then map out frequent procedures the department uses to solve problems and answer questions. The director of Information Services can take that information to effectively map out procedures and policies for the department. The results could then be posted on the district website.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C.   INFRASTRUCTURE, HARDWARE, SOFTWARE, AND OPERATIONS

Technology infrastructure is the underlying system of cabling, telephone lines, hubs, switches, routers, and other devices that connect the various parts of an organization through a wide area network (WAN). This infrastructure allows users to access people and information throughout their organization and beyond, improving their ability to perform their job.

A school district's WAN provides its users with electronic mail and Internet access and connects its local area networks (LANs). A LAN connects all users within a single building and also provides a bridge to the Internet through a Tier 1 (T1) line connected to an Internet service provider. A T1 line is a dedicated phone line that supports high rates of data transmission. LAN

users connect to other district users through the WAN connection. This setup gives anyone connected to the WAN access to information and people inside and outside the district. A WAN typically has a firewall to protect the district from unauthorized users outside the district from accessing information or people inside the district. Districts with this type of networked system have established the infrastructure to use present and future telecommunications capabilities.

In TISD, each school has its own dedicated file server for its applications. There is a dedicated application server at the elementary school for the Compass Learning program. The administrative offices house the EDP Grade server for grading and attendance. The router for directing Internet connectivity to the campuses is also located in the Administrative offices in a secure location.

FINDING

All classrooms in the district have wireless access to the Internet. The district installed the appropriate cabling infrastructure to support wireless connections to the Internet in 1998. Wireless access points exist across all of the TISD campuses, which include the primary, elementary, middle, and high schools. The district uses network infrastructure services that Region 7 provides and, to facilitate rapid implementation of Internet access, the district invests in wireless access points. These wireless access points are similar to the commercialized "hot spots" that are in use by restaurants and public libraries. Hot spots are areas on TISD campuses where wireless Internet access is available by a wireless router in a discreet location that is not visible to users. The district provides wireless access cards that use the latest wireless standard. By inserting the wireless access card, a laptop user can connect to the Internet anywhere that a wireless hot spot exists on school grounds. By using this approach, the district eliminates the need for costly wiring and retrofitting. The benefit to teachers is greater mobility and a lower total cost of ownership for the district.

COMMENDATION

TISD maintains wireless access to the Internet that allows for student and teacher mobility while promoting a lower total cost of ownership for the district.

FINDING

TISD uses a five–year replacement cycle to replace computers. The district supports 518 computers for 2003–04. The district's Technology Plan has mapped every computer in the district. This includes information about motherboards, hard drive capacity, and the programs that will run on a specific computer. The superintendent stated that the district looks at a machine for its specifications, not its age, even though age is tracked. If a system will run the necessary programs, it will stay in use in the district. The superintendent told the review team that district replaces roughly 100 computers each year for a cost of $100,000. For 2004–05, TISD will purchase 80 computes for slightly more than $107,000.

Aging computers and machines that do not have sufficient technical specifications to operate today's demanding software applications can contribute to recurring technical failures of computers and thus drive up the total cost of ownership. Total cost of ownership (TCO) is the total cost of the useful life of a computer asset from the acquisition to final disposal.

TISD has developed its own system to budget for new technology purchases and ensure that existing computers will run the necessary applications for functional use. This allows the district to see how much money it will need to dedicate to technology purchases along with planning for future technology needs.

COMMENDATION

TISD has developed an effective computer management program to manage computer inventories and their replacement cycles.

FINDING

While having an informal process in place, TISD does not have a comprehensive written disaster recovery plan. The superintendent is aware of the importance of a disaster recovery plan and its strategic importance to the district's ability to operate in the event of a weather–related catastrophe or man–made disaster, such as fire or malicious attack to the district's network infrastructure and data.

According to the director of Information Services, the district does not store backup tapes in fireproof storage containers. Likewise, the backup that is performed stays on site in the district. If the computing systems were destroyed in a disaster the backup tapes could be destroyed in the same event. TEA's 2003–04 Student Attendance Accounting Handbook states that with any record keeping system, security and preservation are key issues when evaluating storage options; both sabotage and disaster must be prevented. With attendance accounting records, it is the district's ultimate responsibility to secure records for the required length of five years while preventing total loss in the event of a catastrophe.

Factors within the control of a school district, such as technological failure, rank highest on the list of a recent survey conducted by the manufacturer of the data backup software that the district uses with the top five most common perceived threats being hardware failure (61 percent), software failure and viruses (59 percent), fire (56 percent), hackers (36 percent), and accidental employee error (31 percent). During interviews, the director said he was unable to receive proper training, and his experience using the software is on–the–job training and reading the manuals.

An effective disaster recovery program has several components. Glen Rose ISD's (GRISD) disaster recovery plan includes emergency contacts for the Technology Department staff, the district staff, and software and hardware vendors. The plan is complete with protocols for both partial and complete recoveries to ensure that the Technology staff is knowledgeable in every aspect of recovery and restoration. The plan outlines designated alternate sites dependent upon the type of problem that occurs. The plan also includes system redundancy and fault protection protocols as well as a tape backup plan. **Exhibit 3–7** displays the GRISD's Disaster Recovery Plan.

Exhibit 3–7
Glen Rose ISD Disaster Recovery Plan

System	Restoration
Servers: Operating System	• Attempt restoration using PowerQuest image. • Restore operating system using tape backup. • Re–install operating system from CD.
Servers: Data Recovery	• Verify loss of data. If RAID drive is lost, attempt recovery with a hot spare. • Restore data using tape backup of alternate server backup.
Servers: Hardware Recovery	• Replace failed part – if not in stock, determine availability. • Evaluate repair time of failed server. • Move application and data to secondary server.
Network: Primary LAN Router – Cisco 5500	• Cisco 5500 Route Switch Module may be replaced with Cisco 3810 to provide routing between Internet sublets.
Network: Primary WAN Router – Cisco 3810	• Cisco 3810 Switch may be replaced with a Cisco 2500 router from the Cisco lab and used with a CSU (Channel Service Unit) from the Distance Learning Lab.
Network: Backbone Switches	• Since the chassis is equipped with redundant power supplies, if one fails, the other may be plugged in. • To restore Fiber Module connectivity, a MM or SM to UTP converter may be used. (However, this is a temporary fix and will only operate at 10Mbps.) • Replace individual switch modules with either a spare or a stand–alone switch. • Combine steps 2 and 3 in the event of total chassis failure. This will only achieve a minimum level of service.
Network: IDF Switch	• Individual Cisco 1924 or 2924 switches may be swapped with spare units.
Alternate Site	• Staff is prepared to move all necessary servers and equipment to the Administration building server room in cases where a primary site loses power, HVAC or sustains damage that prevents service restoration in that area. • Alternatively, fiber patch cables may be configured to route network traffic to the new location.

Source: Glen Rose Independent School District, Disaster Recovery Plan, February 2002.

Many school districts also include in their disaster recovery plan a reciprocal agreement with a neighboring district to share equipment in case of a disaster. If facilities and the district's equipment are not functional, certain functions can be performed using a neighboring district's equipment. This allows certain computerized functions to be continued with minimal delay while the effected district makes necessary repairs and replaces equipment.

Effective use of disaster recovery plans requires school districts to examine, test, and update their disaster recovery plans, ensuring that these plans offer comprehensive coverage of all system resources and can quickly be put into action.

Recommendation 12:

Develop a comprehensive disaster recovery plan and conduct tests according to a regular schedule.

The superintendent, director of Information Services, and the Technology Committee should meet to map out what elements are needed to develop a comprehensive disaster recovery plan. The Technology Committee should research models to serve as a blueprint for building the district's formalized disaster recovery plan. The plan should affix accountability to specific individuals who will be responsible for performing actions and repairing equipment in the event of a disaster. The superintendent should also contact a neighboring district to engage in a reciprocal agreement to share equipment in the event of a disaster. The superintendent, director of Information Services, and the Technology Committee should then develop a schedule to regularly test the disaster recovery plan once it is completed.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D.   INSTRUCTIONAL TECHNOLOGY

Instructional technology serves an important role in preparing students for life beyond TISD. Regardless of career choice, all students will need the problem solving and critical thinking skills they will learn while using technology. A curriculum that incorporates technology expands content and experiences to push students toward their highest potential. Districts need to create a learning process for students that provides technology experiences that will assist in creating citizens that are able to make intelligent, informed decisions. TISD seeks to provide exposure to and knowledge about technology as it educates students for the challenges of the future. It is the desire of the district to be the link between the education of today and the technology of tomorrow through the aggressive leadership the superintendent places on technology.

FINDING

TISD provides opportunities to integrate curriculum with educational instruction through distance learning. Distance learning allows students in one location to obtain instruction from a teacher or professor in another area via video–conferencing or online. Providing students with new learning experiences using video conferencing technologies can broaden the exposure of students while providing a cost effective alternative to extending the reach of TISD students. In comparison to neighboring school districts in the region, TISD has implemented advanced videoconferencing equipment and set up the equipment in a state–of–the–art lecture hall. The lecture hall is located in the high school and provides a college classroom atmosphere that all of the schools in the district can use. For example, primary school students participated in a virtual field trip with a group of other schools and NASA at the Johnson Space Center. Students from TISD submitted questions and heard the responses to their questions.

Further, Tatum High School developed a program that allows high school students to take college courses in conjunction with area community colleges by using videoconferencing equipment in the lecture hall. The community colleges participating in this program include Tyler Junior College, Kilgore Junior College, and Panola Junior College. At the time of the review, the district was working to also involve East Texas Baptist University in the program. In addition, the district serves as a central point of coordination for a group of area schools to host a math specialist that Region 7 broadcasts. There are six dates scheduled to broadcast the math specialist, and participating schools with TISD include Beckville, Carthage, Henderson, Center, and Tenaha ISDs. According to the TISD technology integration specialists, the other participating schools do not have the equipment in place to host this type of learning event.

The TIS are also developing a growing number of distance learning courses for high school students to earn college credit at area community colleges. The students pay tuition and receive textbooks as the regular full–time students at the junior college. In addition, the TIS are instrumental in using the district's distance learning capability by coordinating with Region 7 to provide a math specialist to regional school districts.

COMMENDATION

TISD provides a variety of distance learning courses and experiences to its students while also serving as a hub for neighboring school districts.

FINDING

The district has designated four full–time staff that additionally serve as technology integration specialists (TIS) to provide support and instruction to teachers on how to integrate technology with curriculum development. In 1998–99, because of the emergence of technology in the classroom and the inability of teachers to apply technology in a consistent way, the district designated four staff to be technology integration specialists. The TIS have half of their duties associated as a librarian and the other half as TIS. These TIS personnel help to reduce the complexity of technology and the choices available to educators as they integrate technology with curriculum development and deliver instruction in innovative ways. The goal for the TIS is to assist instructional staff with identifying resources that integrate technology into the curriculum while meeting state standards and the expectations of the superintendent. The superintendent is leading the transformation to more fully use technology to facilitate learning and extend learning opportunities by holding teachers and staff accountable for doing so. The superintendent requires all teachers to develop a minimum of 10 lessons that integrate technology with instructional delivery. In support of this strategic direction by the superintendent, the role of the TIS is to:

- assist teachers with identifying resources to integrate technology into curriculum;
- conduct research on various alternatives to determine the viability of Web sites;
- facilitate the use of MS Office suite in the most effective way;
- maintain consistent standards that teachers should apply to integrate technology with curriculum and instruction; and
- communicate awareness of standards.

Each of the TIS develops technology integration plans that cover kindergarten through eighth grade by applying standards that TEA has developed. For grades 9 through 12, there are no written standards, because at these grades, students take specific courses and the standards are not applicable.

COMMENDATION

TISD uses Technology Integration Specialists to further the integration of technology in all facets of learning.

MAINTENANCE, TRANSPORTATION, AND SCHOOL SAFETY

This chapter reviews the maintenance, transportation, and school safety functions of the Tatum Independent School District (TISD) in the following sections:

- A. Organization, Policies, and Procedures
- B. Planning and Staffing
- C. Maintenance and Energy Management
- D. School Safety

Maintenance and transportation operations are among the most important support functions in a school district. These operations affect the transition of students to and from school and support student and staff safety and well being while on district grounds–whether in the classroom, at an athletic event, or eating lunch. The primary goal of every district's operational departments is to provide consistent, effective, and efficient services in a timely manner and at a reasonable cost. They do this by operating and maintaining bus fleets and routes; providing custodial and facilities maintenance; managing construction and renovation projects; implementing energy management programs, employing, training, and supervising qualified staff; enforcing accident prevention and safety programs; responding to special requirements, and providing staff support.

BACKGROUND

TISD covers approximately 105 square miles and provided transportation services for 600 of the 1,186 students served in four schools in 2002–03. The superintendent reports an enrollment of 1,226 for 2003–04, but the available data from the Texas Education Agency (TEA) is based upon 2002–03 statistics and is therefore used for most of the analysis in this report. TISD's maintenance and custodial staff provided services to the district in a facilities layout that includes a primary school (grades pre–kindergarten–3), an elementary school (grades 4–6), a middle school (grades 7–8), a high school (grades 9–12), and two auxiliary facilities (**Exhibit 4–1**). An administrative suite lies within the high school building, and the auxiliary facilities include a bus compound, two maintenance bays, and a fueling site.

Exhibit 4–1
TISD Facilities
2003–04

Facility	Year Built	Square Footage
Tatum Primary	1985	44,160
Tatum Elementary	1958, 1979*	54,114
Tatum Middle	1981, 2003**	46,391
Tatum High/Administrative Suite	1979, 1981***	140,466
Maintenance/Bus Garage Facility	1958	12,850
Total Square Footage		**297,981**

Source: TISD, director of Maintenance and Transportation.
*Note: Tatum Elementary was almost completely rebuilt in 1979; the remaining 1958 portion of the building is unused.
**Note: Tatum Middle School added a new wing to the existing structure in 2003.
***Note: The Administration Building, built in 1981, is counted in the total square footage for Tatum High School.

TISD obtains contracted services for many of its maintenance, safety, and security needs. The district outsourced the resurfacing of tracks and courts, re–roofing, heating, ventilation, and air–conditioning (HVAC) repair, some electrical services, mowing, telephone repair, gas line inspections, major plumbing services, and diesel engine diagnostic work. The district spent $420,280 on contracted maintenance service in 2001–02 and $416,476 in 2002–03. In December 2003, the board awarded a $26,200 contract for lawn service to a local vendor.

TISD also provides transportation services to students in accordance with the Texas Education Code (TEC) which authorizes, but does not require, Texas school districts to provide transportation for students between home and school, from school to career and technology training locations, or for extracurricular activities. The federal Individuals with Disabilities Education Act also requires districts to treat students with disabilities the same as students in the general population and to make transportation available to students needing special education services.

TISD is classified by the state as a property wealthy or a Chapter 41 district. With a 2002–03 budget of $258,369, the Maintenance and Transportation Department maintained the school transportation fleet and the general services fleet, employed a staff of three full–time bus drivers, 13 part–time bus drivers, and two bus monitors, and operated 13 routes. The school transportation fleet consists of 19 buses, including 17 regular education buses and two special education buses. The general services fleet consists of 14 vehicles including three purchased in 2004 to replace older vehicles used for student transportation. The majority of the vehicles are trucks used for maintenance, custodial, and agricultural use. The director of Maintenance and Transportation projects that the district's buses will travel more than 140,000 miles transporting students during 2003–04. Transportation is coordinated from a central facility that includes a bus compound, two maintenance bays, and a fueling site.

The district operates one round trip per transportation route per day to each of the district's four schools. The schools are located within one mile of each other and have starting times five minutes apart. Students are not assigned to buses by grade level; each bus transports students from pre–kindergarten through grade 12. TISD operates 11 regular roundtrip bus routes ranging from 26 to 70

miles, with morning routes from 6:30am to 7:50am and afternoon routes from 2:10pm to 3:30pm. The district also has two special education bus routes and one vocational school route.

As shown in **Exhibit 4–2**, TISD had the lowest total transportation expenditures in 2001–02 compared to its peers. TISD had the highest cost per mile at $1.88, and the lowest cost per rider at $2.41 compared to its peers. The cost per rider is approximately 32 percent lower than the peer average.

Exhibit 4–2
TISD Transportation Expenditures
Comparison to Peer Districts
2001–02

District	Total Operating Costs	Total Annual Mileage	Total Annual Riders	Cost Per Mile	Daily Cost Per Rider
Tatum	**$259,997**	**137,944**	**108,000**	**$1.88**	**$2.41**
Daingerfield–Lone Star	425,647	253,817	154,980	1.68	2.75
Linden–Kildare Consolidated	340,139	273,788	94,500	1.24	3.60
Carthage	1,050,030	675,971	268,920	1.55	3.90
Jefferson	579,528	429,531	148,500	1.35	3.90
Peer Average	**$598,836**	**408,277**	**166,725**	**$1.46**	**$3.54**

Source: Texas Education Agency, School Transportation Operational Reports, 2001–02.

As shown in **Exhibit 4–3**, TISD spent 59 percent of its transportation budget in 2001–02 on salaries and benefits. TISD's capital outlay allocation represented 24 percent of the transportation operation expenditures, because the district purchased five new buses in 2001–02.

Exhibit 4–3
Transportation Expenditures per Category as a Percentage of Total Operating Costs
TISD and Peer Districts
2001–02

District	Salaries and Benefits	Contracted Services	Supplies and Materials	Other Expenses	Capital Outlay	Total Operating Costs
Carthage	76%	2%	16%	3%	3%	$1,050,030
Daingerfield–Lone Star	61%	2%	23%	7%	8%	$425,647
Tatum	**59%**	**3%**	**10%**	**5%**	**24%**	**$259,997**
Linden–Kildare Consolidated	44%	2%	16%	5%	33%	$340,139
Jefferson	41%	12%	17%	3%	27%	$579,528

Source: Texas Education Agency, School Transportation Operational Reports, 2001–02.

Exhibit 4–4 compares linear density for TISD and the peer districts. Linear density is the ratio of the average number of regular education students transported daily on standard routes to the number of route miles traveled daily for those standard routes. Standard route miles and riders are a subprogram of the regular program and do not include miles or riders for alternative, bilingual, desegregation, magnet, parenting, year–round, or hazardous–area services. TISD ranks first out of the five peer

districts in linear density. As indicated, TISD, Daingerfield–Lone Star ISD and Carthage ISD are Chapter 41 districts and do not receive reimbursement for regular or special education transportation costs but receive credits applied to their wealth equalization payments.

Exhibit 4–4
Comparison of Linear Density
TISD and Peer Districts
2001–02

District	Standard Route Riders per Year	Standard Route Miles per Year	Linear Density	State Allotment per Mile
Tatum*	**84,240**	**92,204**	**0.920**	**$0.97**
Daingerfield–Lone Star*	111,780	147,060	0.760	0.88
Carthage*	183,420	458,748	0.399	0.79
Jefferson	147,600	315,144	0.468	0.79
Linden–Kildare Consolidated	93,420	194,112	0.481	0.79
Peer Average	**134,055**	**278,766**	**0.527**	**$0.81**

Source: Texas Education Agency, School Transportation Route Services Status Reports, 2001–02.
*Indicates a chapter 41 district.

TISD transported fewer students as a percent of the total student enrollment in the district's schools in 2001–02 as compared to 1999–2000 figures (**Exhibit 4–5**). The daily cost per mile and cost per rider increased from $1.65 and $2.02 respectively in 1999–2000 to $1.88 and $2.41 in 2001–02, while linear density decreased during the same time period. The district cited a decrease in the number of transported students as the cause.

Exhibit 4–5
Comparison of TISD Students Transported as a Percentage of District Enrollment, Cost per Mile, Cost per Rider, and Linear Density
1999–2000 through 2001–02

Year	Enrolled Students	Average Riders Per Day	Percent of Students Transported	Total Cost	Total Mileage	Cost per Mile	Daily Cost per Rider	Linear Density
1999–2000	1,285	660	51.4%	$240,135	132,724	$1.65	$2.02	1.110
2000–01	1,198	645	53.8%	$236,552	140,027	$1.68	$2.04	1.090
2001–02	1,189	600	50.0%	$259,997	137,944	$1.88	$2.41	0.920

Source: TISD, Maintenance and Transportation Department.
Note: Calculations reflect numbers reported to Texas Education Agency.

A. ORGANIZATION, POLICIES, AND PROCEDURES

Effective management is built upon sound planning, adopting clearly written and legally valid policies, and documenting procedures. Management of transportation and maintenance functions includes an understanding and use of policies and procedures that are both directly and indirectly related to these operational functions. Many school districts have board policy directed toward instructional programs, financial matters, or overall district operations that indirectly affect the maintenance and transportation functions. For example, school start and end times are determined by policy and affect the transportation function. Policies regarding special education or extracurricular

activities similarly affect the areas of maintenance and transportation. An effectively managed operational department will have documented and detailed procedures in place that show district employees how to carry out all related policies in their various functional areas. In addition, effective management stems from a logically aligned organizational structure.

The director of Maintenance and Transportation reports directly to the superintendent and manages TISD's transportation and maintenance functions. **Exhibit 4–6** shows the district's Maintenance and Transportation Departmental organization structure for 2003–04.

Exhibit 4–6
Maintenance and Transportation Organizational Structure
2003–04
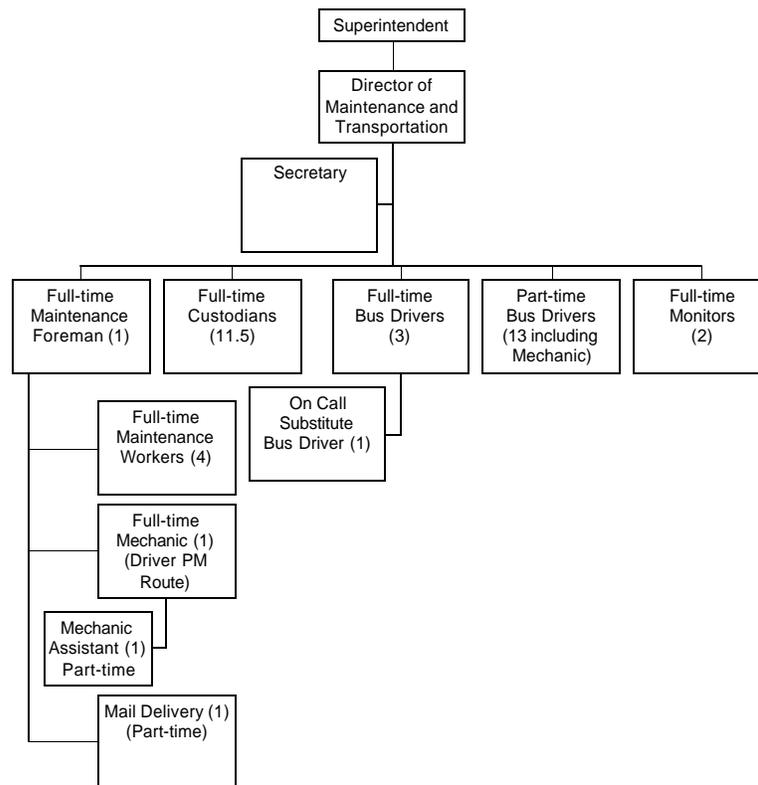
Source: TISD, director of Maintenance and Transportation.

The Maintenance and Transportation Department employs one secretary. The transportation staff includes one full–time mechanic, a part–time assistant mechanic, three full–time bus drivers, 13 part–time bus drivers, one substitute driver, and two bus monitors. Monitors are responsible for aiding only special education students on and off buses and maintaining order. The maintenance and custodial staff includes one maintenance foreman, four full–time maintenance workers, and 11.5 custodians. The maintenance foreman also oversees one part–time mail delivery staff person.

Three times a year, the director of Maintenance and Transportation presents a transportation report card at board meetings which includes the following quantitative performance information:
- total daily riders, mileage and linear density;
- total number of regular and special needs routes;
- total regular and special needs miles driven;

- total regular and special transportation costs;
- total regular and special needs costs per mile;
- earliest pick–up and latest drop–off times;
- vehicle age, purchases, and current inventory; and
- total number of breakdowns, accidents, student discipline referrals, and late arrivals.

In addition, the director of Maintenance and Transportation also presents total square footage figures for each campus as well as classroom–use information to the superintendent for annual student enrollment projections.

FINDING

TISD maximizes use of school facilities after hours through board–approved comprehensive and community friendly policy. The policy contains guidelines for community use of designated facilities and includes a fee schedule varying according to the facility and custodial services needed (**Exhibit 4–7**). Policy also requires the presence of a school employee when school facilities are used at a charge of $10 per hour in addition to rental fees.

Exhibit 4–7
TISD Facilities Rental Fees
2003–04

Facility	Fee
Auditorium	$100
Stadium	225
Gymnasium	
High School	100
Middle School	75
Elementary School	40
Primary School	75
Practice	100
Cafeteria	
High School	50
Middle School	50
Primary School	50
Lecture Hall	25
Classroom	25
Baseball Field	$100

Source: TISD, superintendent's Office.

This policy has resulted in community use of school facilities without any costs to the district in time and labor.

COMMENDATION

TISD uses an established fee schedule to recover direct costs associated with community use of district facilities.

FINDING

TISD does not have internal control procedures in place for the transportation data collection, review, and submission process. The district submitted erroneous 2000–01 route mileage data to TEA during the last year that the state required submission of written reports.

TISD verbally communicates instructions for the data collection and reporting process to the district's bus drivers to provide guidance on how to perform student counts and document mileage. While the district accurately calculated and identified the necessary information for all transportation categories, the data was submitted incorrectly with the total mileage (140,027) given as regular route mileage (95,947). The error was not identified and corrected within the state's allotted time for submitted corrections. The data was also incorrectly provided to the superintendent in the transportation operation's report card therefore providing district stakeholders with erroneous information.

Although the state implemented electronic filing of this data in 2002–03, the district still transfers the information manually submitted by the drivers into the state's system without any internal process to ensure the accuracy of the transcribed and submitted data.

Although TISD is a Chapter 41 district and receives credit as opposed to awarded funds based upon transportation data, the information is crucial for TEA to determine the district's credit, develop statewide averages, and conduct statewide operational reviews. State auditors, who review records periodically, use submitted full–time equivalent figures to recall funds from Chapter 41 districts if they find a particular district cannot justify the amount that it has to redistribute to the state under Chapter 41 status.

Many transportation administrators also use reported transportation student counts to identify trends and issues that may require managerial or budgetary responses within current or future time frames. Other school districts use quality control oversight procedures to ensure that all information is correct prior to any state data submissions. Often these districts include the following documented procedures for data review, correction, and submission:

- random spot checks of submitted information;
- accountability for submitted counts and data by school and department;
- physical signatures signifying actual review of data entries and submissions; and
- reconciliation of submitted data prior to state correction deadlines.

When available, many of these districts attach school attendance records and database printouts from computerized routing systems to validate submitted information. Some districts require all staff and administrators involved in the data collection, review and submission process to verify accuracy through a signature while others have a more compact signature verification process.

Recommendation 13:

Implement a system of internal controls and accountability for transportation data collection, review, and submission.

To mitigate the risk of erroneous data submissions to the state, the superintendent should ensure that campus administrators confirm data both prior to submission to central office staff and after data has been transferred and prepared for state submission. Central office staff should also review and confirm the validity of data submissions. In addition, the superintendent should ensure that all data

submissions to the state are reviewed after submission to identify and correct inaccuracies within specified deadlines.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. *PLANNING AND STAFFING*

Effective operational planning includes statistical analysis based upon historical and peer data and industry comparisons. Districts use this information to assist them in operational recruiting and staffing, facility construction and renovation decisions, and fleet purchases.

In 2002–03, TISD operated 13 routes per day, including 11 regular program routes and two special program routes. Routes serve students attending alternative programs and the district's four schools. The director of Maintenance and Transportation develops routes manually, using the previous year's routes as the basis of this determination and updating them in response to transportation requests from parents and special education staff. When a request is received, the director of Maintenance and Transportation verifies the accuracy of the student information and accordingly assigns a pickup point along an established bus route for student transportation to and from the assigned school.

TISD's student enrollment has remained relatively stable over the recent years and projections indicate that this trend will continue. One factor contributing to TISD's enrollment stability is a Texas Utilities (TXU) coal fired power plant, located in the district's vicinity. TXU has purchased and leased rights to large tracts of land in anticipation of future mining operations of this abundant and easily accessible supply. Their land acquisition reduces the amount of land available for residential use and thus limits the settlement of families in the TISD area.

Exhibit 4–8 lists the Texas Association of School Business Officials (TASBO) enrollment projections for TISD from 2001–02 through 2006–07 excluding transfer or special assignment students, who attend TISD but do not reside within its jurisdiction. The district limits the number of students transferring into the district each year to 150 from between 175 and 200 annual applications. Based on available space, the superintendent anticipates that figure to remain stable in the future. The district's enrollment has equaled the TASBO projections plus the 150 special assignments in 2001–02, 2002–03 and 2003–04. The district welcomes special assignments as they generate additional revenues for the district.

Exhibit 4–8
Texas Association of School Business Officials (TASBO)
TISD Actual and Projected Student Enrollment
2001–02 through 2006–07

	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07
Total Enrollment including Special Assignments	*1,183	*1,186	*1,226	**1,192	**1,221	**1,257
Estimated Number of Special Assignments	*150	*150	*150	**150	**150	**150

Source: Texas Association of School Business Officials, and TISD superintendent.
*Note: *Actual enrollments and **projected enrollments*

Exhibit 4–9 shows the district's school capacities, student enrollment, and classroom use rates in 2003–04 according to district records.

Exhibit 4–9
TISD School Capacities, Enrollment, and Classroom Use Rates
2003–04

School	Student Capacity	Enrollment 2003–04	Classroom Use Rate
Tatum Primary	512	368	72%
Tatum Elementary	416	265	64%
Tatum Middle	411	201	49%
Tatum High	624	392	63%
District Totals	**1,963**	**1,226**	**62%**

Source: TISD, superintendent.

With a current 62 percent use of classroom space, and a projection of little growth in the next several years, administrators project that classroom space will be adequate for the foreseeable future.

FINDING

In 1999–2000 and 2000–01, the district included broad stakeholder input through planning committees and community meetings to ensure voter passage of bond referendums funding both maintenance and transportation operations. The citizens of Tatum approved these two bond issues totaling $7.8 million with a greater than 90 percent voter approval rate. The district began a five–year spending plan with their passage, which included the following projects:

- replacement of Heating, Ventilating and Air–Conditioning (HVAC) equipment;
- re–roofing;
- improvement of classroom technology;
- replacement of furniture;
- renovation of middle school;
- replacement of floor coverings;
- miscellaneous maintenance tasks;
- purchase of eight school buses; and
- purchase of three vans

It is widely held that open, broad stakeholder participation was critical to the passage of the bonds. The district held community meetings to develop a preliminary scope of work and funding. After these meetings, the district established a planning committee for each of the bond elections including a board member, the superintendent, teachers, principals, business, and community members. The planning committees later held supplemental meetings to obtain additional community input. These community meetings and open planning committees not only profited from citizen input, but also educated the community on the necessity of bond issue funding.

COMMENDATION

TISD identified areas of need through citizen input at public planning committee meetings, thus setting the stage for overwhelming voter approval of bond referendum funding.

FINDING

The district's long–range facilities plans do not include review of custodial storage rooms and offices. Offices are sometimes too small to accommodate supply and equipment storage or provide adequate space for custodial clerical duties. In addition, the district does not connect any long–range safety and security plans to any facilities review completed annually.

Many districts regularly review administrative, departmental and storage facilities as well as classroom space in long–range plans. In addition, many also include plans to review and upgrade safety and security devices to proactively address identified concerns. Districts with slow student enrollment growth projections often focus on internal space reallocations, safety and security needs, major renovations, replacement, and improvement projects in their long–range plans in lieu of new construction projects. These districts use permanent planning committees with broad–based district and community representation to continuously update long–range facilities plans. In addition, many of these districts obtain professional architectural, mechanical, and safety and security input as well as input from districtwide departments with facilities and maintenance needs when developing their long–range facilities master plans.

Recommendation 14:

Include maintenance and custodial departmental and storage space and safety and security issues in long–range facilities plans.

The district should include these areas in annual reviews and appropriately list any renovation or reallocation of space.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not rotate buses between routes to ensure that mileages accrue evenly. TISD assigns the same buses to the same route each year. As **Exhibit 4–10** shows, the district's buses are not accruing miles evenly, with some of the regular buses between 1993 and 2001 having very different average number of miles per year. In addition, this uneven accrual of miles does not correspond with the increasing age of each bus. School buses typically have a useful cycle between 10 to 15 years, depending on, amongst other factors, the average mileage per year driven by that bus. Expected engine life cycles (DT–Ford 466 engines) of large diesel transit type C and D buses, purchased between 1999 and 2003, are estimated at 150,000 to 250,000 miles.

Exhibit 4–10
TISD Bus Inventory by Year, Use, Capacity, and Mileage

Year	Use	Capacity	Total Mileage as of 09/30/2003	Average mileage per year	Mileage 2002–03	Mileage 2001–02
1982	Spare	71	157,388	7,154	215	1,583
1986	Spare	71	140,674	7,815	124	682
1989	Special	60	223,608	14,907	1,936	1,339
1991	Spare	71	134,359	10,335	1,616	851
1993	Regular	71	122,898	11,173	5,996	5,527
1994	Regular	71	142,777	14,278	10,160	8,990
1995	Regular	71	94,706	10,523	4,961	4,640
1996	Regular	71	80,787	8,079	7,978	5,053
1996	Regular	71	105,639	13,205	10,951	10,599
1997	Regular	71	101,256	14,465	12,094	11,269
1998	Regular	71	81,832	13,639	12,581	11,169
1999	Regular	71	48,350	9,670	14,727	5,340
2001	Regular	71	38,730	12,910	16,361	18,450
2001	Regular	71	20,050	6,683	12,851	6,097
2001	Regular	71	26,091	8,697	11,989	12,830
2001	Special	27	27,388	9,129	13,234	12,889
2002	Spare & Trip	71	5,088	2,544	4,398	1,268
2003	Spare & Trip	15	10,165	10,165	10,165	N/A
2004	Spare & Trip	71	N/A	N/A	N/A	N/A
Total			**1,561,786**	**185,371**	**152,337**	**118,576**
Average			**86,766**	**10,298**	**8,463**	**6,975**

Source: TISD, Maintenance and Transportation Department.
N/A denotes not applicable.

TEA recommends a 10–year replacement cycle based on three reasons: safety, specification and design, and economy and efficiency. However, many school districts in Texas have extended their bus replacement schedule beyond 10 years. Districts base this longer replacement schedule on the fact they have good maintenance programs including route rotation that can extend a bus's useful life and that buses that are being built more recently have longer operating lives due to improvements in the design and durability of major components such as engines and transmissions.

Other districts have established replacement and assignment rotation plans to maximize the useful life of a bus based on an analysis of the fleet's age, bus mileage and condition, as well as the district's route and capacity needs. Replacement plans also allow districts to set procurement amounts for budgeting purposes and the timing of debt and other types of financing while reducing unexpected financial burdens when replacement buses are suddenly needed.

Recommendation 15:

Establish a bus rotation schedule.

The district should consider the following when developing a rotation schedule:

- safety, specification, and design of the district's bus fleet;
- district's bus fleet average useful life based on the road conditions encountered;
- average mileage per year; and
- district's route and capacity needs.

The district can also develop mileage targets for regular and special education buses as a tool to assign buses, so that mileage can be accumulated evenly among buses. Alternatively the district can rotate buses, using mileage targets to identify which route combinations most evenly accrue mileage.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C.   MAINTENANCE AND ENERGY MANAGEMENT

Maintenance operations for both facilities and transportation services include routine, preventive, and emerging repairs and are grounded in effective communication between district personnel and vendors. Facilities maintenance includes renovation services, grounds care and custodial operations, while transportation maintenance includes the bus and vehicle fleet. Many districts combine energy management efforts with maintenance operations. The goal of an energy management program is to keep operating costs down by reducing energy waste while providing a safe, comfortable environment for learning.

TISD's buses and vehicles are maintained at the transportation facility in a two–bay maintenance shop with an additional wash bay. The facility includes specialized tools and safety features such as fire extinguishers, eyewash stations, and first aid kits readily available at each work bay.

The district has two aboveground fuel tanks, for diesel and regular fuel, each with a 1,000–gallon capacity. TISD purchases fuel through vendors that are pre–approved as part of the Region–VII Purchasing Cooperative. The district monitors daily use and tank levels to facilitate the management and timing of fuel purchases.

The maintenance shop includes a parts room. The department limits access to the parts room to the mechanic and the director of Maintenance and Transportation.

FINDING

The district cost–effectively improved energy efficiency by replacing older Heating, Ventilation, and Air–Conditioning (HVAC) systems. In 2001, the district replaced HVAC equipment more than five years of age because it was operating inefficiently and using excess energy.

The district saved 92,703 BTU's for 2002–03 compared with 2000–01, as shown in **Exhibit 4–11**. This equates to a cost saving of $13,500 per year. TISD's 2002–03 energy cost of $.63 per square foot is significantly lower than industry guidelines of $.70 to $.85 range for an energy efficient facility. One of the keys to developing an energy efficient program is to monitor the efficiency of equipment and to replace it as it ages with high efficiency equipment.

Exhibit 4-11
Comparison of BTU Usage in 2000-01 and 2002-03
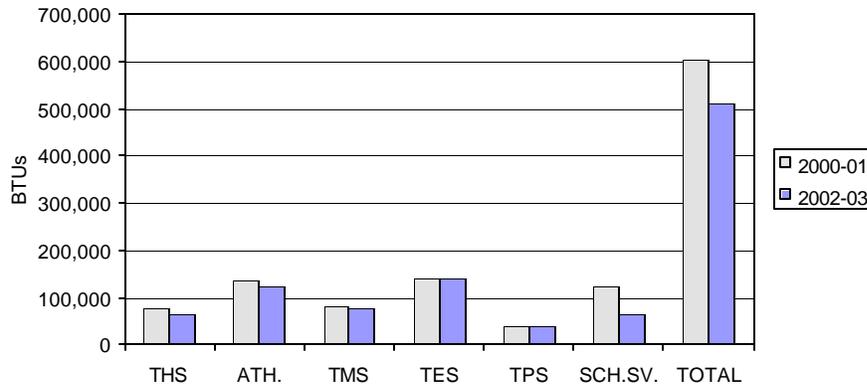
Source: TISD, superintendent's Office

By replacing its aging Heating, Ventilation, and Air–Conditioning system, the district reduced overall energy costs and increased energy efficiency as shown by overall use above industry standards.

COMMENDATION

TISD replaced its aging Heating, Ventilating, and Air–Conditioning system to increase district energy use, efficiency, and cost–effectiveness.

FINDING

TISD uses just–in–time purchases and delivery, as well as cooperative purchases, to cost–effectively maintain its inventory and support part–turnover. The district maintains a balance between the size and cost of parts, supplies, and equipment, and the need for the related inventory by purchasing from local vendors that offer a just–in–time delivery and through a Region 7 cooperative purchasing agreement. The district buys more than 90 percent of its parts through local vendors participating in the Region 7 cooperative. To ensure cost effectiveness, all vendors are pre–approved as a condition of cooperative participation.

As **Exhibit 4–12** shows, the district has made significant efforts to minimize its inventory balance during the three–year period from 2000–01 through 2002–03 which effectively increased the district's turnover or use of parts in stock.

Exhibit 4–12
TISD End–of–Year Inventory Balances

Year	End–of–Year Inventory Value
2000–01	$7,659
2001–02	$3,269
2002–03	$4,635

Source: TISD, Maintenance and Transportation Department.

The district's director of Maintenance and Transportation indicated that the reduction in end-of-year inventory value shows the district is controlling overall costs by maintaining a smaller inventory balance, only making purchases when parts are required, and obtaining the best price for needed items from local and pre–approved vendors.

COMMENDATION

The district uses just–in–time delivery and cooperative purchasing to reduce inventory costs and inefficiencies.

FINDING

TISD does not have professional development opportunities encouraging the full–time vehicle mechanic or part–time mechanic's assistant to stay current with changing truck and bus technology. TISD's mechanic attends training from the Texas Engineering Extension Service once a year, but has not received certification from the National Institute for Automotive Service Excellence (ASE). As a result, the district had to contract for diesel engine diagnostic services in 2002–03.

The introduction of computer/electronic technology to the automotive field makes it necessary for mechanics to stay current with the technology to repair vehicles. ASE provides the only nationally recognized certification/training program and requires mechanics to pass specialized tests and meet two–year minimum experience requirements prior to certification. ASE offers a specialization for school bus certification that includes a series of seven tests and requires recertification every five years to ensure technicians keep up with changing technology. ASE also offers specialization in diesel engine repairs. All ASE tests demand that a mechanic is knowledgeable about current technology

Some districts encourage mechanics to attend ASE classes by either paying for the tests and registration fees and/or offering payroll incentives when individual certification is achieved. ASE tests are given every May and November at 15 locations in Texas and cost $24 per test. Each applicant must also pay a non–refundable registration fee of $31.

Recommendation 16:

Provide professional certification opportunities to full–time district mechanics.

Qualified mechanics are necessary to maintain the TISD fleet. The district should pay the registration fee and the costs for the seven school bus ASE tests for the full–time mechanic.

FISCAL IMPACT

This fiscal impact is based upon the cost of the registration fee and the seven associated school bus National Institute for Automotive Service Excellence tests and a $1 per hour incentive, or $2,080 per year ($1 x 2,080 work hours), for one mechanic. The fiscal impact also assumes the mechanic would qualify for ASE certification and the initial incentive stipend beginning in 2005–06 which would fulfill the ASE requirements for two years of relevant work experience. The total fiscal impact in 2004–05 of $230 includes the costs for the seven exams (7 x $24 = $168) and the registration fee of $31 for each of the May and November testing opportunities (2 x $31 = $62) conservatively allowing the mechanic to divide the tests between two testing opportunities.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Provide professional certification opportunities to full–time district mechanics.	$0	($2,080)	($2,080)	($2,080)	($2,080)
ASE testing and registration.	($230)	$0	$0	$0	$0
Net (Costs)/Savings	**($230)**	**($2,080)**	**($2,080)**	**($2,080)**	**($2,080)**

FINDING

While the district provides monthly training sessions for custodians, maintenance workers, and bus drivers, the district does not maintain detailed training records or provide adequate behavior management training for transportation staff. Samples of training provided to staff indicate that the sessions address a comprehensive range of topics relevant to safety in the areas of school maintenance and transportation, and sample attendance sign–in sheets indicate that the district documents attendance. However, the documentation of training content is general, handwritten and, in some instances, recorded in one or two sentences. In addition, it was noted during a bus driver forum that these sessions largely focus on facilities safety, and that the student transportation sessions seldom last longer than 15 minutes. Bus drivers voiced concerns that the district does not provide sufficient training in the areas of student discipline and managing students with special needs.

The district has a video training library that covers topics such as "Pre–Trip Inspections," "Safe Driving Principles," "Managing the Middle School Driver," "Special Needs Sensitivity Training Series," but did not have documentation of staff individually or collectively viewing the tapes. The district provides and ensures that all bus drivers receive the minimum level of driver training as required by the state (**Exhibit 4–13**) and outlined in the Texas Administrative Code, but does not provide or reimburse any additional training or certifications from external providers.

Exhibit 4–13
Texas Administrative Code Requirements Per Bus Driver

Training Unit Description	Hourly Allocation
Introduction	0.5
The School Bus Driver's Image	1.5
Preventative Maintenance	3.0
Traffic Regulations and Driving Procedures	1.5
Defensive Driving	3.0
Safety and Emergency Procedures	3.0

Training Unit Description	Hourly Allocation
First Aid	1.5
Procedures for Loading and Unloading Students	3.0
The Special Education/Handicapped Child	1.5
Awareness of the Effects of Alcohol and Other Drugs	1.5
Total Hours	**20.0**

Source: Texas Administrative Code, Title 37, Part 1, Chapter 14, Subchapter C, Rule 14.32.

The district conducts a State of Texas School Bus Driver Re–certification Course that addresses Defensive Driving, Basic Student Management, Loading and Uploading, Emergency Evacuation and Texas Education and Texas Transportation Codes. The district offers this course to re–certify bus drivers every three years, either from the date of the initial training or from the date of previous re–certification.

This level of driver training is similar to that in other small districts; however, providing additional training or annual retraining is a good safety prevention measure that other small districts provide. For instance Grape Creek ISD (GCISD), a district that transported a daily average of 457 students in 2002–03, contracted with a San Angelo service provider to supply eight hours of driver safety training to its bus drivers in addition to the state requirement.

Other districts pool their efforts to reduce costs by cooperatively providing driver service and safety training. Many of these districts also maintain detailed descriptions about training provided and use feedback from participants and employee evaluations as accountability measures to determine the effectiveness of training sessions.

Spring Independent School District provides a 30–hour comprehensive safety training program to non–professional staff. Administrators document individual training and implement a measure of accountability by evaluating employees during training sessions and during the first 180 days of employment after completing the 30–hour training program.

Recommendation 17:

Expand transportation professional development opportunities and electronically track training hours.

TISD should specifically expand driver training in areas of student discipline and managing students with special needs, in order to equip drivers with the necessary skills to perform their duties effectively. Staff administrators could provide this training in conjunction with the instructional staff and available video presentations. In addition, the district should use available software to track training hours.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

TISD does not fully use its vehicle maintenance information system (VMIS), nor does it use its transportation personnel management software. The district purchased the Easy Bus–Fleet Preventative Maintenance Software (V 4.6) and personnel management software, "Easy–Driver" for $3,000 in June 2002, and the director of Maintenance and Transportation received initial training in its use. The district has a training manual from the vendor describing the software capabilities and annually pays $300 for a maintenance contract providing the district with help–desk services.

The district currently uses the Easy Bus Fleet Preventative Maintenance software to create work orders, to enter fuel and mileage data, to schedule maintenance and to track upcoming preventative maintenance. The district does not use the reporting function to track and monitor parts and labor costs, fuel costs, and fuel consumption per mile or per vehicle.

The system is capable of tracking and generating the following management reports:

- all scheduled maintenance by vehicle;
- all other (non–scheduled) maintenance and repairs;
- total fleet mileage or hours;
- total cost per mile per vehicle;
- fuel consumption cost per mile;
- parts and labor cost per mile;
- overdue maintenance;
- upcoming maintenance;
- maintenance due dates or mileages;
- fuel miles per gallon (MPG);
- summary of maintenance and repairs;
- parts and labor cost per vehicle; and
- creating maintenance work orders.

The Easy–Driver personnel management software is capable of maintaining and tracking such details as bus driver certification, training sessions attended, staff evaluations, recertification dates, and Commercial Drivers Licenses (CDL) with state authorities. The district, however, continues to physically store staff information in personnel files without any training summary sheet or information and manually reviews each one for appropriate licensures and required documentation on an annual basis.

Other districts track itemized maintenance and other costs per vehicle to assist the district in making cost–effective decisions regarding bus performance, removal, and replacement. Appropriate tracking mechanisms also help many districts develop key unit cost information or perform cost–benefit analysis of transportation operations and maintenance functions necessary to make outsourcing decisions.

Other districts that have computerized transportation software to monitor and maintain staff information install and use it after purchase. For example, Elgin ISD electronically maintains accurate, up–to–date records on all bus drivers using a fully implemented transportation software package. Many districts use transportation personnel software to track professional development hours for staff, maintain licensures, and document additional required information.

Recommendation 18:

Install and fully implement all existing transportation software.

The district should make full use the Easy–Driver and Vehicle Maintenance and Information Management software including report generation, electronic cost–benefit analysis, and personnel training and certification tracking. The transportation software is Windows based and has user–friendly training manuals that can be used to train the secretary, mechanic, and any additional necessary staff. In addition, the district should use the availability of help desk personnel to answer any training or operational questions.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D.   SCHOOL SAFETY

To achieve a high level of safety and security requires coordination between administration and districtwide departments with an emphasis on prevention, intervention, and accountability. This includes identification and use of adequate safety and security procedures and equipment as well as appropriate professional development opportunities and training.

In Texas and throughout the country, a steady progression of laws has changed the way student safety and security in public schools is governed. In 1994, for example, Congress re–authorized the Safe and Drug–Free Schools and Communities Act, which requires school systems to institute a comprehensive safe and drug–free schools program.

In 1997, Congress re–authorized the Individuals with Disabilities Education Act with some notable changes. The revisions require school systems to provide appropriate education services to students with disabilities and make it easier to remove dangerous or violent students with special needs from the classroom (Individuals with Disabilities Education Act, Sections 300.121 (d) and 300.519–529). The law also permits the removal of students from regular education programs if they are involved with drugs or bring weapons to school.

Every Texas school district is required to adopt a Code of Conduct that establishes standards for student behavior and complies with provisions outlined in Chapter 37 of the TEC. In 1999, Senate Bill 1724, amended the TEC Section 11.253, and requires each school district to report annually, beginning with 1999–2000, the number, rate and type of violent and criminal incidents at each school. In addition, and districts must include a violence prevention and intervention component in their annual campus improvement plans.

Safety and security programs must include elements of prevention, intervention and enforcement as well as cooperation with all local law enforcement agencies. Discipline management and alternative education programs (AEP) are key tools in this process. TISD is proactive in many of these aspects of safety and security. School inspections and discussions with staff members revealed the following safety and security actions:

- all portable fire extinguishers were accessible, visible and were properly inspected and tagged;
- the district contracts with a vendor to provide a drug dog four or more times per year;
- during the summer of 2004, the district will begin replacing exterior door locks;
- schools are fenced and outside lights are evident;
- video cameras have been installed at the high school and on all buses;
- two–way communication is available to the office from all classrooms;
- alarms and pull–stations are in working order;
- sufficient Tatum police officers are hired to assist at athletic events, graduations and other selected extra–curricular activities; and
- a drug–testing program is in place for all extra–curricular participants.

The Department of Justice publication, *Security Concepts and Operational Issues*, states that a good security strategy includes a combination of technologies, personnel, and procedures that do the best possible job regardless of financial, logistical, and political constraints. School boards may be more supportive of security measures and provide the requested funding if board members are educated about the risks faced by students and teachers and the options available for ensuring safety.

Exhibit 4–14 shows TISD's safety and security expenditures in 2002–03.

Exhibit 4–14
Safety and Security Expenditures
2002–03

Category	Expenditure
Contracted Security for Athletics, Extra–Curricular	$5,748
Professional Services (cameras and alarms)	14,335

Contracted Services
   • Drug Detection Dogs (Canine Units)
   • Drug Testing
   • Alternative Education Program (AEP)
	840
	8,000
	5,000

Total Expenditures	**$33,923**

Source: TISD, Business manager.

According to the National Highway Traffic and Safety Administration, school buses are the safest vehicles on the road. This safety record is the result of the coordination of several factors: the design and construction of school buses, the operating condition of school buses, the planning of school bus routes, the location of loading zones and the safety of school bus drivers.

A well–trained bus driver can safely operate a bus and manage student behavior on a bus. Safety–conscious districts regularly provide refresher training for drivers, treating both bus discipline and school discipline with equal seriousness.

FINDING

The district uses compound parking for its bus fleet to promote vehicle safety and security and reduce overall transportation costs. The district's buses are parked in secure compounds at the end of the

working day instead of driven home, which is a common practice in many large and small districts. Compounding reduces vehicle mileage and the risk of accidents while driving, since drivers do not take the buses home when completing their routes. This, in turn, reduces overall departmental costs. In addition, the district reduces the risk of bus vandalism that many other districts must address when buses are not confined to a secure or central location. The director of Maintenance and Transportation also reports that compounding the bus fleet makes it easier for staff to service and fuel the vehicles before each run, thereby improving the safety of the vehicles and reducing the risk of on–road breakdowns.

COMMENDATION

TISD uses on–site bus parking compounds to guarantee the safety and security of buses and reduce overall transportation costs.

FINDING

TISD includes broad stakeholder input when revising and establishing student classroom management policies through administrative interactions, data analysis, and surveys. The superintendent places considerable emphasis on periodic updates of the Student Code of Conduct and uses a hands–on approach to ensure students, parents, and staff are aware of any additions, deletions, or changes. The superintendent communicates directly with students on discipline matters, conducts regular school visits, and talks with principals, teachers, students, and parents about student management policies and discipline issues. In addition, the superintendent personally tracks classroom discipline referrals and conducts data analysis to identify any potential trouble areas.

The district also conducts an annual survey of senior class members and previous graduates to gather students' perceptions on safety and security issues. Over the four–year period from 1999–2000 through 2002–03, views are increasingly positive, as shown in **Exhibit 4–15**. In the 2003 survey, 87% of senior class members indicated that they had a positive learning experience and 88 percent indicated that the high school was a safe and drug free environment.

Exhibit 4–15
High School Senior Survey Results
1999–2000 through 2002–03

Question	School Year	Percent Responding Yes	Percent Responding No
Did you ever experience significant harassment from other students?	1999–2000	26%	74%
	2000–01	18%	82%
	2001–02	23%	77%
	2002–03	12%	88%
Question	School Year	Percent Responding Yes	Percent Responding No
Did you have a positive learning experience at Tatum High School?	1999–2000	83%	15%
	2000–01	89%	10%
	2001–02	85%	15%
	2002–03	87%	12%

Question	School Year	Percent Responding Good	Percent Responding Average	Percent Responding Poor
Do you feel Tatum High School provided a safe and drug–free environment?	1999–2000	32%	53%	15%
	2000–01	63%	27%	10%
	2001–02	55%	18%	26%
	2002–03	88%	8%	3%

Source: TISD, superintendent's Office.
Note: May not add to 100 percent due to rounding.

A survey of teachers and staff conducted by the review team also yielded positive results. As shown in **Exhibit 4–16**, teachers and staff are generally satisfied with TISD's safety and security practices.

Exhibit 4–16
Administrators' and Teachers' Opinions on Safety and Security
September 2003

Survey Questions	Percent Strongly Agree	Percent Agree	Percent No Opinion	Percent Disagree	Percent Strongly Disagree
Gangs are not a problem in this district.	30.6%	57.1%	6.1%	2.0%	4.1%
Drugs are not a problem in this district.	16.3%	38.8%	16.3%	22.5%	6.1%
Vandalism is not a problem in this district.	16.3%	42.9%	12.2%	24.5%	4.1%
Security personnel have a good working relationship with principals and teachers.	10.2%	34.7%	49.0%	2.0%	4.1%
Security personnel are respected and liked by the students they serve.	6.1%	20.4%	69.4%	0.0%	4.1%
A good working arrangement exists between the local law enforcement and the district.	22.5%	59.2%	16.3%	2.0%	0.0%
Students receive fair and equitable discipline for misconduct.	16.3%	49.0%	12.2%	16.3%	6.1%

Source: TISD, School Review Survey Responses, September 2003.
Note: May not add to 100 percent due to rounding.

COMMENDATION

TISD implements anti–drug programs to reduce elicit substance abuse problems.

FINDING

The district has proactively initiated two anti–drug programs to maximize efforts to identify and appropriately assist students with potential illegal substance abuse problems. Although the district has historically not had a drug abuse problem, any instances of student possession of illegal substances have resulted in cooperative efforts between the superintendent, principals, counselors, parents and appropriate community agencies to help involved students address any medical or behavioral concerns. One program requires four drug dog visits per year. These are random visits conducted in

communal areas, lockers, parking lots and other areas identified by the administration. As shown in **Exhibit 4–17**, the use of illicit drugs in TISD is minimal.

Exhibit 4–17
Results of Drug Dog Inspection
2001–02 and 2002–03

Type of Offense	2001–02	2002–03
Illicit Drugs	2	0
Medication	1	2
Residual Odor	3	3
Unknown Scent	1	4
Tobacco	4	2
Gun Powder	0	2

Source: Interquest Detection Canines of North East Texas, September 18, 2003.

The second program, initiated in August 2002 through an outsourced company, requires random drug testing for all grade 7–12 students participating in extra–curricular activities. Students who would not otherwise be required to submit to drug testing may participate voluntarily in this program with the written consent of their parent/guardian. According to the drug testing service, results of random drug testing showed that of the 443 tests administered, only four were positive. When positive results occur, the superintendent and principal consult to determine the most effective corrective action to take with cooperation from parents, counselors, and appropriate representatives from community agencies.

COMMENDATION

TISD promotes a safe and secure environment for students and staff through positive administrative relationships, stakeholder input, and data analysis.

FINDING

Responsibility for TISD's safety and security functions is not centrally coordinated. The director of Maintenance and Transportation, school principals, and the superintendent share safety and security oversight. The superintendent is responsible for the development of the Crisis Management Manual, updating the district's Code of Conduct, managing the Disciplinary Alternative Education Program, and managing the Drug Detection Dogs Program. Individual principals are responsible for safety and security training at the school level, development of Campus Crisis Plans, coordination of drills and lockdowns and discipline management. The director of Maintenance and Transportation is responsible for repair of safety and security equipment, key control, and safety training for bus drivers, maintenance, and custodial staff. District safety and security programs also lack clear goal statements, strategies, fiscal considerations, implementation procedures, and performance tracking procedures. Additionally, individuals are assigned tasks without supporting details, plans, or identified resources.

While it is not unusual for available staff in smaller districts to share responsibilities in this manner many school districts designate one person as coordinator of districtwide planning, communications and prioritization of resources. This person is responsible for ensuring that all safety and security planning and goals are incorporated into any districtwide long–range strategic plans and are then implemented according to identified budget constraints.

Recommendation 19:

Designate a centralized Safety and Security coordinator.

The district should identify one staff member to coordinate districtwide safety and security functions.

FISCAL IMPACT

This fiscal impact assumes the district will provide an annual stipend of $1,500 to an existing staff member to perform districtwide safety and security coordination functions. This equates to $7,500 in stipends over a five–year period.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Designate a centralized Safety and Security coordinator.	($1,500)	($1,500)	($1,500)	($1,500)	($1,500)

FINDING

While TISD has comprehensive crisis management plans specifically designed for each of its facilities, it has no mechanism for monitoring compliance. The district as a whole does not schedule regular drills for fire, weather, and other crises. The district administration allows school officials to determine schedules for drills; however, schools do not routinely report the results of drills to a central location or point of contact to confirm compliance and effectiveness.

Grape Creek ISD participates in an annual shelter–in–place drill and evacuation. Planning for the drill is extensive and involves members of the community, including emergency personnel and law enforcement, as well as the district leadership committee, administrators, faculty, and support staff. The district conducts the shelter–in–place drill as if it were a real emergency, starting with the administration being notified, reporting the situation to local law enforcement and setting the responses in motion at the school level. Once students are secured within the building, officers go from room to room checking for ways to improve procedures. Such run–through drills better prepare staff and students to handle real–life emergency procedures.

Many other districts use drill results to evaluate the effectiveness of implemented safety and security programs.

Recommendation 20:

Implement a centralized safety and security drill reporting system.

The district should ensure that principals electronically report the date, time, and duration of all safety and security drills on a quarterly basis so central administrators have written verification that drills are conducted and can use results to evaluate program and campus effectiveness.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

FOOD SERVICES

This chapter reviews the food service operations of the Tatum Independent School District (TISD) in the following sections:

  A. Performance Monitoring
  B. Management, Procedures, and Training

Efficient and effective food service operations support successful student learning by providing students with nutritious and attractive breakfasts, lunches, and after school snacks. It is known that a healthy diet has a direct effect on student performance; therefore it is imperative that the food service operation provides this in a safe, clean, and accessible setting while operating on a cost–recovery basis.

BACKGROUND

Successfully managed school food service programs also provide customer satisfaction and contain costs while complying with applicable federal, state, and local board regulations and policies.

The Texas School Food Service Association (TSFSA), a professional organization for school food service employees, has identified 10 *Standards of Excellence* for evaluating school food service programs. TSFSA states that an effective program should:

- Identify and meet current and future needs through organization, planning, direction, and control;
- Maintain financial accountability through established procedures;
- Meet the nutritional needs of students and promote the development of sound nutritional practices;
- Ensure that procurement practices meet established standards;
- Provide appetizing, nutritious meals through effective, efficient systems management;
- Maintain a safe and sanitary environment;
- Encourage student participation;
- Provide an environment that enhances employee productivity, growth, development, and morale;
- Promote a positive image to the public; and
- Measure success in fulfilling regulatory requirements.

The US Department of Agriculture (USDA) administers the National School Lunch Program (NSLP) that provides nutritious meals to all children. Household income determines whether children must pay full–price for their meals or receive free or reduced–price meals. To qualify for free meals, annual household income must be below 130 percent of the federal poverty level; in 2003, this amounts to an annual income of $23,920 for a family of four. Reduced–price meals are available to children whose family of four has an annual income that is 185 percent of the poverty level, or $34,040 per year for 2003.

TISD participates in the NSLP, School Breakfast Program (SBP), and Summer Feeding program administered by the Texas Department of Agriculture (TDA) who acts as the fiscal agent for all federal funds distributed to participating districts that operate a food service operation.

TISD's Food Services Department operates with input from district administration and the supervision of a director of Food Services. A total of three cafeteria managers supervise two part–time and 10 full–time employees in three cafeterias. Tatum Middle School and Tatum Elementary School (TMS/TES) share a cafeteria, while Tatum Primary School and Tatum High School each has its own cafeteria. During 2002–03 the district contracted with a food service consultant to provide additional training and services for the Food Services Department.

The district offers breakfast and lunch at all three locations and all meals served meet the nutrient standards and patterns established by the USDA. To qualify for reimbursements, meals served by a food service department must meet minimum nutrition standards and the appropriate nutrient and calorie levels required for each age group.

During 2002–03, TISD served a total of 142,930 lunches and 53,135 breakfasts. Of the 1,186 students, 629 or 53 percent were eligible for free and reduced–price meals. The remainder of the students paid full–price for their meals.

Using different rates based on various student classifications, the federal government reimburses school district food service programs for each qualifying meal served.

TISD revenues come from federal, state, and local sources. **Exhibit 5–1** shows the percentage of per–pupil expenditures of the food service function for TISD and its peers. As indicated, the food service function at TISD accounts for 5.9 percent or $476 of the total per–pupil expenditure of $8,076 for 2002–03.

Exhibit 5–1
TISD and Peer Expenditures Per Pupil
2002–03

District	Total District Per Pupil Expenditures	Food Service Per–Pupil Expenditures	Food Service Per–Pupil Expenditures as Percent of the District's Per–Pupil Expenditures
Carthage	$6,724	$406	6.0%
Jefferson	$7,281	$407	5.6%
Daingerfield – Lone Star	$7,383	$448	6.7%
Tatum	**$8,076**	**$476**	**5.9%**
Linden – Kildare Consolidated	$7,569	Outsourced	Outsourced
Peer Average	**$7,239***	**$420***	**5.8%**

Source: Texas Education Agency, Academic Excellence Indicator System (AEIS), 2002–03.
* Average does not include TISD.

Exhibit 5–2 shows the Food Services Department's actual revenues and expenditures for 2000–01 through 2002–03.

Exhibit 5–2
Actual Revenues and Expenditures for the Food Services Department
2000–01 through 2002–03

Revenue Source	2000–01	2001–02	2002–03	Percent Change Over Three–Year Period
Local & Intermediate	$175,185	$161,663	$195,388	12%
State	10,482	9,235	14,755	41%
Federal	250,449	285,819	302,355	21%
Total Revenues	**$436,116**	**$456,717**	**$512,498**	**18%**
Total Support Services Student (Pupil)	456,413	521,332	498,243	9%
Total Expenditures	**$456,413**	**$521,332**	**$498,243**	**9%**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**($20,297)**	**($64,615)**	**$14,255**	**170%**
Operating Transfers In	$0	$52,023	$10,000	N/A
Net Change in Fund Balance	($20,297)	($12,592)	$24,255	220%
Prior Period Adjustment	$0	($12,732)	$0	N/A
Beginning Fund Balance	$36,628	$16,332	($8,992)	(125%)
Ending Fund Balance	**$16,331**	**($8,992)**	**$15,263**	**(7%)**

Source: TISD, Audited Financial Statements, 2000–01 through 2002–03.

Exhibit 5–3 shows the 2003–04 reimbursement rates for breakfast and lunch. In addition to these reimbursements, the district obtains revenue from the prices it charges students for the meals. For example, students paying reduced–price for meals qualify TISD to receive an additional $1.79 for each lunch. Adding TISD's reduced–price of $0.40, the total revenue for each reduced–price meal served is $2.19.

Exhibit 5–3
Federal Reimbursement Rates and TISD Meal Prices
2003–04

	Federal Reimbursement Rate		TISD Price	
	Lunch	Breakfast	Lunch	Breakfast
Full–Price	$0.21	$0.22	$1.25	$0.60
Reduced–Price	$1.79	$0.90	$0.40	$0.30
Free	$2.19	$1.20	$0.00	$0.00

Source: National School Lunch and School Breakfast Program, Reimbursement Rates for 2003–04.

TISD has steadily increased the number of students it has identified as eligible for free and reduced–price benefits each year. The district sends parents eligibility forms in both English and Spanish that emphasize the importance of identifying all eligible students for free and reduced–price benefits. The district received $580 per student in state Compensatory Education entitlement for each student identified for free and reduced–price meal benefits in 2002–03.

A.   PERFORMANCE MONITORING

FINDING

TISD uses its point–of–sale (POS) system to develop reports and monitor the operations of the Food Services Department. The director of Food Services uses the POS system to build daily and monthly operating reports for the Business manager and TISD administration. The director of Food Services prepares and submits the daily and monthly reports to the Business Office for monitoring purposes.

The reports track individual campus and districtwide breakfast and lunch participation rates. The POS system also tracks average costs per meal along with the labor hours involved in districtwide and campus meal preparation. The software system also breaks down the number of meals served to students, district staff, and adult guests.

These reports provide detailed information the district uses to make prudent business decisions regarding the Food Services Department. The use of these tracking reports was instrumental in moving the department from a repeat deficit operation to a profitable program of more than $15,000 at the end of 2002–03.

COMMENDATION

TISD uses its point–of–sale system to develop concise and timely financial reports for the Food Service program.

FINDING

The district uses its automated reports to track the cost per meal to the district for meal production. One of the features of the district's POS system software is that it will track the cost per meal. This feature allows the department, district administration, and board members to monitor the food service operation and make appropriate decisions to control costs.

Exhibit 5–4 illustrates TISD's cost per meal broken down by cafeteria and the total district average cost per meal. Through January 2004, TISD is on course to lower its average cost per meal from the 2002–03 costs.

Exhibit 5–4
TISD Cost Per Meal

	2002–03	**2003–04***	**Percent Change Increase (Decrease)**
High School	$0.84	$0.75	(10.7%)
Middle/Elementary School	0.86	0.69	(19.8%)
Primary School	0.67	0.50	(25.4%)
Tatum Average	**$0.79**	**$0.65**	**(18.1%)**

Source: TISD, director of Food Services, February 2004.
*Note: 2003–04 is the unofficial average through January 2004.

COMMENDATION

TISD tracks its average cost per meal with its automated software to monitor department operations and control costs.

FINDING

The district's Meals Per Labor Hour (MPLH) figure of 12.25 MPLH is below the 15 to 17 MPLH recommended to TISD by Region 7 and industry recommended standards of 19. MPLH is a standard performance measure of efficiency for school districts and other food service establishments. All meals that are served are included in the calculation to determine labor hours. The district uses the convenience system; in which processed foods and disposable wares are used for preparing meals. As a result, cafeteria workers are expected to work fewer hours in preparation and cleanup.

The director of Food Services stated the district is targeting a goal of 15 meals per labor hour in the near future. Data submitted by the district shows that the overall district MPLH for 2002–03 is 12.25. This is a higher rate of productivity than the 9.74 MPLH for 2001–02.

In calculating MPLH, a la carte sales are considered a meal. The MPLH calculation is arrived at by dividing the price of a full priced adult meal ($2.25) into the total cash from a la carte sales. The total number of breakfasts served is divided by 2.2 to equal one full–meal equivalent. For example, 200 breakfasts divided by 2.2 equals 91 meal equivalents. The total number of meal equivalents served is then divided by the number of labor hours worked per day. This sum is entered into the computer to provide the director with a printout of MPLH.

If the MPLH rate is lower than the recommended rate, either the number of meals served is low or the number of hours worked is high. The number of hours worked is a function of two variables: the number of staff employed and the hours per worker. Both variables are controllable.

If the MPLH rate is lower than the recommended rate, a school food service operation would have to increase the number of meals served or reduce the number of staff or hours worked by each employee.

Exhibit 5–5 shows TISD's Food Services Department staffing chart, including the number of daily hours each employee works. Employees working 30 hours a week or more receive full benefits. The district's Food Services Department is staffed 183 days by full– and part–time staff with split shifts to cover both breakfast and lunch operations. The Food Services Department operates on a daily total of 102.5 labor hours per day.

Exhibit 5–5
TISD Food Services Staffing Chart

Title	Hours Worked	Days	Full–Time/Part–Time Hours Worked Per Day
Tatum Primary School			
Manager	6:30 a.m. – 2:00 p.m.	183	Full–Time 7.5 hours worked per day
Cook	7:00 a.m. – 2:00 p.m.	183	Full–Time 7 hours worked per day
Cook	7:00 a.m. – 2:00 p.m.	183	Full–Time 7 hours worked per day
Cook/Cashier	10:00 a.m. – 2:00 p.m.	183	Part–Time 4 hours worked per day
Tatum Elementary/Middle School			
Manager	6:30 a.m. – 2:30 p.m.	183	Full–Time 8 hours worked per day
Cook	7:00 a.m. – 2:30 p.m.	183	Full–Time 7.5 hours worked per day
Cook	7:00 a.m. – 2:30 p.m.	183	Full–Time 7.5 hours worked per day
Cook/Cashier	7:00 a.m. – 2:30 p.m.	183	Full–Time 7.5 hours worked per day
Cook/Cashier	7:30 a.m. – 1:30 p.m.	183	Part–Time Sub 6 hours worked per day
Server	10:30 a.m. – 2:30 p.m.	183	Part–Time Sub 4 hours worked per day
Tatum High School			
Manager	6:30 a.m. – 2:00 p.m.	183	Full–Time 7.5 hours worked per day
Cook/Cashier	6:30 a.m. – 2:00 p.m.	183	Full–Time 7.5 hours worked per day
Cook	7:00 a.m. – 2:00 p.m.	183	Full–Time 7 hours worked per day
Cook/Cashier	6:30 a.m. – 2:00 p.m.	183	Full–Time 7.5 hours worked per day
Cook/Cashier	7:00 a.m. – 2:00 p.m.	183	Full–Time 7 hours worked per day
Tatum Total Labor Hours Per Day			**102.5**

Source: TISD, director of Food Services.

Exhibit 5–6 conservatively compares TISD's MPLH for 2001–02 and 2002–03 to the bottom of Region 7's recommended standard of 15 to 17 MPLH.

Exhibit 5–6
TISD Meals per Labor Hour Comparison
2001–02 and 2002–03

	District MPLH	Region 7 MPLH Standard	MPLH Variance +/(–)
2001–02	9.74	15	(5.26)
2002–03	12.25	15	(2.75)

Source: TISD, Food Services Department.

Many food service departments evaluate each school cafeteria within their district to determine the correct number of staff required to serve the students, and consider tactics such as the use of automated cashless systems, outsourcing of commodities processing, increased food storage capabilities, staggered work schedules, and meal service times to raise the number of meals produced per labor hour.

Recommendation 21:

Use Meals Per Labor Hour standard recommended by Region 7 and staff cafeterias accordingly.

Staffing is the easiest variable for TISD to control to raise its MPLH staffing productivity level. As shown in the fiscal impact below, to reach the minimum of Region 7's standard the district would need to eliminate 18.75 total labor hours from the districtwide daily total of 102.5. Implementation of this recommendation should be staggered according to an annual implementation schedule to minimize the effects on departmental operations.

Several avenues are at TISD's disposal. The district could choose to reduce labor hours worked by reducing its total personnel. It could also use the strategy of reducing daily hours worked by all Food Service Employees on a rotating schedule. For instance, employees could begin meal preparation at 6:45am instead of 6:30am.

FISCAL IMPACT

TISD differs from Region 7's minimum recommended MPLH standard by 2.75 MPLH, or an 18.3 percent difference (2.75 MPLH / 15 MPLH = 18.3 percent variance). A reduction of 18.3 percent of total hours worked is a reduction of 18.75 total hours each day (102.5 total hours X 0.183 = 18.75 labor hour reduction).

This fiscal impact calculation is based on the district reducing its total labor hours worked each day from 102.5 to 83.75, or a total of 18.75 hours per day, on a staggered implementation schedule. A reduction of 18.75 hours each day over a five–year period would be an incrementally increasing reduction of 3.75 hours per day each year. Since food service workers are hourly employees the fiscal impact is calculated to be a reduction of 3 hours and 45 minutes each day, or 3.75. This would mean a reduction of 3.75 in 2004–05, 7.5 in 2005–06, 11.25 in 2006–07, 15 in 2007–08, and 18.75 in 2008–09.

The minimum salary offered to food service workers in 2003–04 is $5.65 per hour. Total savings is calculated as follows:

- $5.65 per hour X 3.75 hourly reduction = $21.19 per day X 183 contracted days = $3,877 total annual savings;
- $5.65 per hour X 7.50 hourly reduction = $42.38 per day X 183 contracted days = $7,755 total annual savings;
- $5.65 per hour X 11.25 hourly reduction = $63.56 per day X 183 contracted days = $11,632 total annual savings;
- $5.65 per hour X 15.00 hourly reduction = $84.75 per day X 183 contracted days = $15,509 total annual savings; and
- $5.65 per hour X 18.75 hourly reduction = $105.94 per day X 183 contracted days = $19,387 total annual savings.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Use Meals Per Labor Hour standard recommended by Region 7 and staff cafeterias accordingly.	$3,877	$7,755	$11,632	$15,509	$19,387

B.   MANAGEMENT, PROCEDURES, AND TRAINING

As shown in **Exhibit 5–7**, the director of Food Services heads the department and reports to the superintendent. The director supervises three cafeteria managers. These managers in turn supervise a total of 12 cooks, cashiers, and servers. The primary school cafeteria manager oversees two cooks and one cook/cashier. The elementary/middle school cafeteria manager supervises two cooks, two cook/cashiers, and one server. The high school cafeteria manager oversees three cook/cashiers and one cook.

Exhibit 5–7
TISD Food Services Department
2003–04
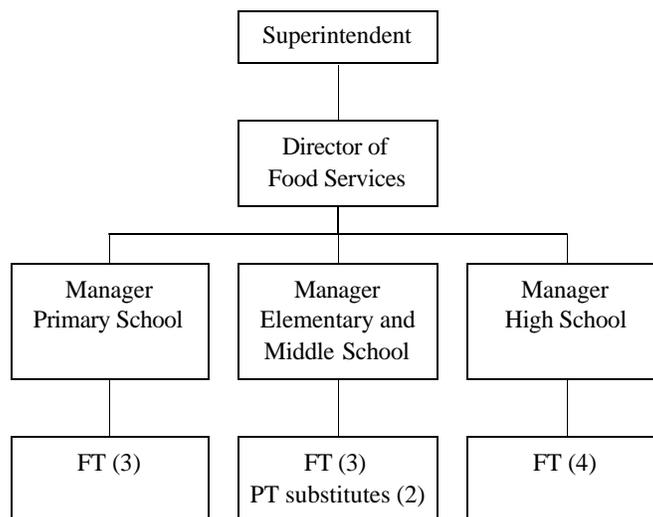
Source: TISD, director of Food Services.

FINDING

TISD's director of Food Services conducts cross–training sessions for staff members while on the job. While personnel have established primary functions, the director of Food Services has made sure that members of the department are able to perform duties for all areas of cafeteria operation.

Cross–training staff assists everyone in the department, especially when employees are absent. Training is conducted on an as–needed basis with no organized schedule. Cafeteria managers can easily move any food service employee from one task to another since all staff members have been trained to take over in any area of the department. Currently all staff is training to use the district's point–of–sale software.

COMMENDATION

TISD's cross–training program for Food Service employees helps increase program efficiency.

FINDING

Communication is lacking within the Food Services Department. While the director informally assesses the environment in a daily walk–through of the department, this does not offer enough opportunity for staff to discuss matters of interest or trends, provide training, or plan menus or promotions. One cafeteria manager stated that there is very little manager input, particularly in the area of menu planning. As a result, managers believe their views are not given much consideration, and opportunities for needed change may be missed.

The director of Food Services conducts one monthly meeting with the three managers, but does not follow an agenda for the meeting. No time is set aside for managers' input or joint cooperative efforts addressing expenses, menu planning, increasing participation, or other important areas. As a result, the department lacks a sense of teamwork and common purpose.

Some districts have meeting agendas that reserve time for all managers to participate in planning menus, develop creative promotions to increase meal participation, find ways for improving customer service, share ideas for cost savings, and resolve issues that arise. This sharing of responsibilities can improve morale, productivity, meal service, and the image of the department.

Ricardo ISD created effective lines of communication among district staff. One way this was done is through use of weekly meetings that included all staff members' input to keep abreast of district activities and shared concerns.

Recommendation 22:

Develop communication and planning procedures within the Food Services Department allowing input from all managers and staff.

The director of Food Services should work with the cafeteria managers to develop a format for regularly scheduled meetings of Food Services Department personnel.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

While the district strives to evaluate all personnel annually, the director of Food Services and the cafeteria managers do not use clearly established performance goals and staff is not always sure of their work expectations. The director assesses managers annually based on memory of performance and has no plan for evaluation other than a job description.

Without establishing an evaluation plan or explaining performance expectations to employees, it is difficult for staff and management to know what professional standards to follow. The National Food Service Management Institute offers samples of evaluation forms that can be obtained at no cost to the district.

Bastrop ISD has found that having all pertinent materials helps in the evaluation of employees, pinpoints areas for improvement and further training, and allows employees to have more positive opinions about the process. Kerrville ISD's annually updated department handbook includes such things as performance expectations, job descriptions, and evaluations. Employees sign a form indicating they have read and understood the material.

Recommendation 23:

Develop a consistent plan for Food Services employee evaluations and standardize evaluation forms.

The director of Food Services or the director of Human Resources should contact the National Food Service Management Institute and other professional organizations for sample job evaluation forms for Food Services Department personnel. The director of Human Resources should then work together to develop and come to a consensus on the evaluation form to be used. The superintendent should then review the evaluation documents.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

TISD's Food Services Department participates in limited training. While the director of Food Services and some managers attend Region 7 training every two to three months, most training is conducted on–the–job. However, training for new and updated policies and procedures, cooking techniques, sanitation, food/health related issues such as childhood obesity, customer service, and other related topics is not being conducted regularly. The lack of training at all levels can contribute to employees' lack of understanding in areas of customer service, production process efficiency, cost cutting measures, nutrition, school room presentations, and meal promotions.

Many districts food service departments often access needed training through satellite seminars available free of charge through the National Food Service Management Institute's online Web site. VHS

videotapes are also available from that organization for $4.00 plus shipping charges for use by departments who are unable to view the satellite training during the regularly scheduled times.

Spring ISD has a well–planned and comprehensive training program for new employees and managerial Food Service personnel. Their training policies encourage managers to keep skills current and continue their educations. The district also has documented training criteria for each type of employee position.

Corpus Christi ISD provides extensive training in policies and procedures, nutrient standard menu planning for managers, customer service, and manager training. That district also provides information on ingredient costing, portion control, forecasting of meals to avoid waste, and other subjects.

Recommendation 24:

Offer ongoing training to Food Services management and staff.

The district can offer additional training free of charge by using the National Food Service Management Institutes website.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Not all TISD cafeteria managers are certified as required by the district's job descriptions. By attaching a certification requirement to the job description, TISD's intent was to encourage training and maintain a highly qualified workforce. The district, however, gave no evidence of assisting managers with obtaining their certification.

Certification not only helps managers comply with their job requirements but also enhances the profession's overall image with parents, children, and school administrators. It is also a factor in attracting others to seek careers in school food service and adds credibility to the district's program.

Participation in the certification process guarantees that managers receive training in subjects such as cost control, menu planning, customer service, quality control, portion control, marketing school lunch, efficiency in meal service, efficient equipment use, and basic nutrition education methods. When applied, the training results in added customer satisfaction, improved cost effectiveness, increased meal participation, more efficient use of staffs' time, and overall improved morale.

To become certified by the American School Food Service Association, Food Service employees must attend on–going training, whether through self–study or college courses.

Recommendation 25:

Promote professional development and training opportunities for the district's cafeteria managers and director.

As a participant in Region 7, district staff can participate in a variety of professional development opportunities during the summer months offered for $30 per class. These courses include many geared

toward directors and managers of Food Service Departments. TISD should ensure that each manager and the director complete three courses on an annual basis. In addition, the director of Food Services should enroll as a member of a state or national professional association such as the ASFSA or the Texas Food Service Association (TSFSA) and then share any obtained information with the district's three cafeteria managers.

FISCAL IMPACT

This fiscal impact assumes the district will purchase memberships in a state or national professional association such as the ASFSA for the director. The ASFSA charges an annual membership fee of $85. Region 7 workshops cost $30 each. The cost for the director and the three cafeteria managers to take three training classes each on an annual basis is $360 (3 courses x 4 administrative staff members x $30 per class = $360). Total cost for this recommendation is $445 annually ($85 + $360) for a five–year projected cost of $2,225.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Promote professional development and training opportunities for the district's cafeteria managers and director.	($445)	($445)	($445)	($445)	($445)

FINDING

TISD's Food Services Department does not have an individual recognition program. Workers are not recognized for such things as increasing meal participation, a perfect safety record in the kitchen, a perfect sanitation review, or for innovative ideas.

Tatum does however host a districtwide annual luncheon to highlight outstanding staff members, a monthly program that recognizes outstanding employees, and also awards $50 gift certificates to staff whose performance is rated as excellent. The district newsletter also publicly acknowledges these staff members. While this is a worthy endeavor for all TISD employees, it does not specifically highlight the accomplishments of the Food Services Department's staff.

In some districts, the Food Service Department's director and managers plan monthly meetings with the entire staff to inform and reward employees for outstanding performance. The Kerrville School Food Service Association became an affiliate of the Texas and American School Food Service Associations to share knowledge and experience with fellow workers, receive inspiration from community leaders, perform worthy and charitable acts through combined effort, and uphold professional and ethical standards. The group meets monthly and has guest speakers. Members support community activities such as the Cans for Kids Drive, and the group also presents awards such as plaques and certificates and employee recognition at an annual spring banquet where it recognizes officers, conference and workshop participants, and newly certified members. Each school cafeteria is recognized for such things as perfect sanitation, accident–free records, highest meal totals, lowest number of employee absences, and highest chapter meeting attendance. There is also an annual Heart Award given to the person who best represents excellence in food service. This program participation, both on the local and national level, increases employee morale and teamwork and provides professional development through guest speakers and training at a summer conference. The chapter pays some of the fees and expenses for those who participate.

Recommendation 26:

Develop an employee recognition program for Food Services Department employees.

The director of Food Services should contact other school districts, professional associations, and research possible ideas for developing an employee recognition or incentive program. The director of Food Services should then meet with the director of Human Resources, the Business manager, and the superintendent to receive final approval.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

DISTRICT ORGANIZATION AND MANAGEMENT

This chapter examines the district organization and management functions of the Tatum Independent School District (TISD) in the following sections:

     A.   Governance, Board Policies, and Strategic Planning
     B.   Legal Services
     C.   District Organization, Staffing, and Recruiting Practices
     D.   Employee Management and Evaluation
     E.   Professional Development
     F.   Community and Business Relations

A district's governance structure, staff management, and planning process provide the foundation for effective and efficient education of students. The board and superintendent function as a leadership team to meet student needs. The board sets goals, objectives, and policies for school district operations and approves the plans and funding needed to achieve the district's goals and objectives. The superintendent manages district operations and recommends staffing levels and amount of resources necessary to carry out the board goals and directives developed through the planning process.

A.   GOVERNANCE, BOARD POLICIES, AND STRATEGIC PLANNING

The Board of Trustees acts as a corporate body that represents the district. It may hold real and personal property, sue and be sued, and receive bequests and donations or other funds given legally to the district. It has the exclusive power and duty to govern and oversee management of the district's public schools. The board may adopt rules and bylaws necessary to carry out powers and duties called for in the Texas Education Code (TEC). The school board is the policy-making entity in the district, and the superintendent has the primary responsibility of implementing policies during the daily operations of the district.

TEC Section 11.151 delineates the specific powers and duties of a school board, which include the following:

- Govern and oversee the management of the district's public schools;
- Adopt such rules, regulations and bylaws as the board may deem proper;
- Approve a district–developed plan for site–based decision–making and provide for its implementation;
- Levy and collect taxes and issue bonds;
- Select tax officials appropriate to the district's needs;
- Prepare, adopt, and file a budget for the next succeeding fiscal year and file a report of disbursements and receipts for the preceding fiscal year;
- Have district fiscal accounts audited at district expense by a Texas certified public accountant holding a permit from the Texas State Board of Public Accountancy following the close of each fiscal year;

- Publish an annual report describing the district's educational performance, including school performance objectives and the progress of each school toward these objectives;
- Receive bequests and donations or other money coming legally into its hands in the name of the district;
- Select a depository for district funds;
- Order elections, canvass the returns, declare results, and issue certificates of election as required by law;
- Dispose of property no longer necessary to operate the school district;
- Acquire and hold real and personal property in the name of the district; and
- Hold all powers and duties not specifically delegated by statute to the Texas Education Agency or the State Board of Education.

TEC Statute 11.201(A) states, the superintendent is the district's educational leader and chief executive officer. The board may employ by contract a superintendent for a term of no more than five years according to TEC 11.201(B). TISD has entered into a five–year contract with the current superintendent from 2002–03 through 2007–08. The superintendent, now in his fifth year with the district, considered leaving at the end of 2002–03, but elected to stay in TISD under the provisions of his original contract until 2006–07. In March 2004, the board extended the superintendent's contract for an additional year through 2007–08.

TISD has a stable board with deep community roots. Four of the seven board members grew up in the community and attended district schools. One member was first elected in 1974; the others began serving on the board in 1991, 1992, 1996, 2001, 2002, and 2003.

During interviews, board members said they could not remember the last time there was a split vote. They attribute this unity to open and frequent communication with the superintendent and to most members being long–term community residents with similar views and values. The board and superintendent have strong feelings of mutual trust and respect.

Exhibit 6–1 lists the sitting board members for 2003–04.

Exhibit 6–1
TISD Board of Trustees
2003–04

Name	Place	Title	Term Expires	Year First Elected	Occupation
Everigester Adams, Jr.	4	President	2004	1992	Self Employed Contractor
David Walters	6	Vice–President	2005	1996	Manager of Grocery Store
Dennis Williams	5	Secretary	2004	2001	Owner of Timber Company
Drenon Fite	2	Member	2006	1974	Retired
Karen McIlwain	7	Member	2005	2002	Banking

Exhibit 6–1 (continued)
TISD Board of Trustees
2003–04

Name	Place	Title	Term Expires	Year First Elected	Occupation
George (Bubba) York	3	Member	2006	2003	Manager of Grocery Store
John Dawson	1	Member	2006	1991	Texas Utilities

Source: TISD, board secretary.

According to the Texas Administrative Code (TAC), section 61.1, new and experienced board members are required to complete a minimum number of annual continuing education hours. **Exhibit 6–2** provides an overview of the TAC requirements, including a total of 16 hours for new board members and eight hours of training for experienced board members. The TAC classifies three types of necessary training components into Tier 1, Tier 2, and Tier 3.

Exhibit 6–2
Texas Administration Code
Continuing Education Requirements for School Board Members

Tier One Training Requirements		
Category of Continuing Education	**First–Year Board Member**	**Experienced Board Member**
Local District Orientation	Required within 60 days of election or appointment	Not required
Orientation to the Texas Education Code	Three hours	Not required
Update to the Texas Education Code	Incorporated into Orientation to the Texas Education Code	After legislative session and of "sufficient length" to address major changes
Tier Two Training Requirements		
Category of Continuing Education	**First Year Board Member**	**Experienced Board Member**
Team–building Session/Assessment of Continuing Education Needs of the Board-Superintendent Team	At least three hours	At least three hours
Tier Three Training Requirements		
Category of Continuing Education	**First Year Board Member**	**Experienced Board Member**
Additional Continuing Education, based on assessed need and Framework for School Board Development	At least 10 hours	At least five hours
Total Minimum Number of Hours Annually	**Sixteen hours, plus local district orientation**	**Eight hours, plus update to the Texas Education Code**

Source: Texas Administrative Code, Title 19, Part 2, Chapter 61, Rule 61.1.

Exhibit 6–3 shows the continuing education training requirements and schedule for TISD's board members as completed through February 2004.

Exhibit 6–3
TISD Board Member Training Hours
Through February 2004

Board Member	First Elected	2003 Minimum Required Hours	Tier One Training Orientation and TEC Update	Tier Two Training Team–building	Tier Three Training Additional Continuing Education	2003 Training Hours
Everigester Adams, Jr.	1992	8	1999	3	12.5	15.5
David Walters	1996	8	1999	3	10	13
Dennis Williams	2001	8	Not Complete	3	36	39
Drenon Fite	1974	8	1999	3	7.75	10.75
Karen S. McIlwain	2002	8	2003	3	13	16
George E. York, Jr.	2003	16	Not Complete	3	15	18
John Dawson	1991	8	2000	3	3	6

Source: Texas Association of School Boards, Board Member Continuing Education Report, February 2004.

Regular board meetings are held on the second Tuesday of each month beginning at 7:00 p.m. in TISD's boardroom located in the administration building at 510 Crystal Farms Road in Tatum. The board schedules special meetings and workshops as needed and according to the guidelines of the Open Meetings Act. The board president and the superintendent prepare preliminary meeting agendas for board review and comment two weeks prior to scheduled meetings.

The district belongs to the Texas Association of School Boards (TASB) policy online service and consistently adopts policy customized to the district's mission and goals. The superintendent and board electronically prepare agenda items using the TASB Book Online available through the district's subscription to the TASB policy service. Board members receive final agendas, administrative recommendations, and backup materials on the Thursday before the Tuesday meetings. The district posts its board agendas on its website, in the school newsletters, the grocery stores, the U.S. Post Office, the community library, local businesses, and in local and area newspapers. Board members have laptop computers available during meetings and the superintendent projects copies of backup items as each is addressed.

TEC 11.251(c) states that it is the board's responsibility to ensure that a District Improvement Plan (DIP) and Campus Improvement Plan (CIP) for each school are developed, reviewed, and revised annually for the purpose of improving the performance of all students. Section 11.252 of the TEC describes the requirements for district–level planning and decision–making. These are also reflected in TASB policy series.

High–performing districts and schools use effective processes to assess and improve student performance. Texas law requires that each district school have a District Improvement Plan to establish specific goals, objectives, and strategies to meet the educational needs of their students. Districts should ensure that all schools effectively plan and evaluate programs and strategies to improve student outcomes. Districts should ensure that each improvement plan addresses the needs of major subgroups of students (regular education, special education, English as a Second Language, Title I, etc.) and incorporates other school–level improvement planning processes to the greatest extent possible. To increase effectiveness of the school improvement process, districts should train school improvement teams using academic and non–academic data to identify areas needing improvement, develop measurable objectives, and evaluate progress in meeting objectives. Districts should also oversee the school improvement planning process and provide additional assistance to schools that do not make adequate progress. Well–developed strategic and school planning systems improve the district's performance and enhance its public image.

The District Improvement Team (DIT), or site–based decision making committee, carries out TISD's district–level decision–making. In compliance with the TEC section 11.251, the DIT advises the board or the superintendent in establishing and reviewing districtwide goals, objectives, and instructional programs. In addition to its advisory role, the team recommends districtwide staff development. As the board's designee, the superintendent names the team's chairperson from among the team members. The chairperson sets the DIT agenda and schedules at least four meetings per year; additional meetings may be held at the chairperson's discretion.

At least two–thirds of the team's district and school professional staff representatives are classroom teachers. The remaining employee–members of the committee are professional non–teaching district– and school–level staff. District–level professional staff refers to professionals who have responsibilities at more than one school, including, but not limited to, central office staff. **Exhibit 6–4** illustrates the makeup of the DIT.

Exhibit 6–4
TISD District Improvement Team
2003–04

DIT Positions	Date elected
Classroom Teacher (TPS)	9/1/01
Community	9/1/01
District Level Professional – (ADM)	9/1/00
Non–teaching Professional (TES)	9/1/00
Non–teaching Professional (TMS)*	9/1/01
Non–-teaching Professional (TPS)	9/1/02
Classroom Teacher (TMS)	9/1/00
Business	9/1/02
Non–-teaching Professional (THS)	9/1/01
Parent*	9/1/02
Classroom Teacher (TPS)*	9/1/00

Exhibit 6–4 (continued)
TISD District Improvement Team
2003–04

DIT Positions	Date elected
Business	9/1/01
Classroom Teacher (THS)	9/1/02
Classroom Teacher (TES)	9/1/01
Classroom Teacher (THS)	9/1/01
Community*	9/1/02
Classroom Teacher (TMS)	9/1/00
Classroom Teacher (TES)	9/1/02
Parent*	9/1/99

Source: TISD, superintendent's Office.
* Denotes member serving second term.

A review of the DIT meeting minutes indicates that the team reviews and considers all aspects of the TISD calendar, curriculum alignment process, Optional Extended Year Program (OEYP), summer school, Advanced Placement (AP) program improvement, employee recognition programs, TISD's strategic plan and Campus Improvement Plan correlation, and the district's annual monitoring report of the strategic plan during meetings.

FINDING

There is a clear division of duties between the board and the superintendent supported through open, two–way, and interactive communication and defined board policy. During interviews, all board members report being satisfied with the means, quantity, quality, and frequency of communication with the superintendent and stated that they individually and collectively understand their respective roles and responsibilities.

TISD's Board policy BBE (LEGAL) and BBE (LOCAL) defines the individual and collective limits of authority for members of the board. Policy BJA (LEGAL) cites the statutory qualifications and duties of the superintendent, and policy BJA (LOCAL) further delineates the local authority and duties for the superintendent. Having a distinct division of duties and clear lines of communication results in an effective and efficient governance structure without micromanagement.

COMMENDATION

TISD board members and the superintendent maintain separate duties through open communication and specified board policy.

FINDING

The TISD board and superintendent have a common vision for the district and have proactively developed a corresponding strategic planning document, *District Plan 2000–05*. Strategic planning is the means by which an organization creates comprehensive strategies to overcome barriers to success. The district's strategic plan, developed in 1998–99 with assistance from TASB and implemented in 2000–01, prioritizes becoming an Exemplary district as determined by TEA. Additional objectives include having a challenging curriculum, having a high–quality staff, and preparing to educate non–

English speaking students. **Exhibit 6–5** lists the six goals and eighteen objectives contained in the district's strategic plan.

Exhibit 6–5
TISD Strategic Plan Goals and Objectives
2000–05

GOAL 1: TISD has a community that sets and supports HIGH EDUCATIONAL EXPECTATIONS.
OBJECTIVE 1.1 TISD is an Exemplary district.
OBJECTIVE 1.2: TISD has a challenging curriculum and instructional program that prepares graduates for an institution of higher learning or employment.
OBJECTIVE 1.3: TISD students have a vision for future success and set goals to achieve that success.
OBJECTIVE 1.4: TISD has a climate that fosters discipline, respect, confidence, and a desire to contribute.
OBJECTIVE 1.5: TISD has a high quality faculty and staff.
GOAL 2: The TISD community is INFORMED in the education of its students.
OBJECTIVE 2.1: TISD has an established system of communications.
OBJECTIVE 2.2: TISD promotes communication through parent/community involvement programs.
GOAL 3: TISD is well prepared to educate our NON–ENGLISH–speaking students.
OBJECTIVE 3.1: TISD non–English–speaking students are academically successful.
OBJECTIVE 3.2: TISD non–English–speaking parents and community members are involved in the education of their children.
GOAL 4: TISD has modern and well–-maintained FACILITIES that meet the needs of students, staff and community.
OBJECTIVE 4.1: TISD will provide systems to plan for present and future facility needs.
OBJECTIVE 4.2: TISD will provide systems to ensure that facilities will be clean and well maintained.
GOAL 5: TISD has modern TECHNOLOGY that meets the needs of our students.
OBJECTIVE 5.1: TISD will provide the necessary connectivity, hardware and support to sustain technology as a curriculum, instructional, and administrative tool.
OBJECTIVE 5.2: TISD shall foster the integration of technology into curriculum, instruction and administrative functions.
OBJECTIVE 5.3: TISD will produce graduates that are computer–-proficient and prepared to meet the technological challenges of the future.
OBJECTIVE 5.4: TISD will provide extended-day student- and community- use of technological resources.

Exhibit 6–5 (continued)
TISD Strategic Plan Goals and Objectives
2000–05

GOAL 6: TISD will become the "best–-cost–-provider" of educational related programs and services.
OBJECTIVE 6.1: TISD will develop and adopt balanced budgets.
OBJECTIVE 6.2: TISD will maximize funding opportunities.
OBJECTIVE 6.3: T ISD will maintain an adequate fund balance.

Source: TISD, superintendent.

The superintendent, board, and DIT annually review the *District Plan 2000–05* and use it as TISD's District Improvement Plan. The board and the superintendent also develop a mission statement, which is annually reviewed for validity. As stated, "The mission of the Tatum Independent School District, in conjunction with parents and the community, is to produce graduates who are lifelong learners capable of thinking critically and functioning successfully in a rapidly changing world."

The district utilizes TASB's policy online service and consistently adopts policy customized to the district's vision and stated goals and objectives.

In 2003, the board agreed to pay 25 percent of the cost for a performance and management review of the district as another proactive measure to further the district's prioritized vision of becoming an Exemplary district. The board's intent is to use the resulting report to create the district's new long–range strategic plan for 2005 through 2010.

A driving strategic plan provides TISD with the ability to identify solutions for inventoried areas of need. As a result, the district is focused on global areas of achievement and incorporates a common vision into district and campus goals.

COMMENDATION

TISD's board and superintendent cooperatively use proactive strategic planning to focus districtwide goals.

FINDING

TISD uses a strategic planning and monitoring process called a Continuous Improvement Cycle (CIC), illustrated in **Exhibit 6–6**, to ensure the district's strategic plan, programs, and each Campus Improvement Plan (CIP) are developed and reviewed with significant input from all stakeholders including staff, teachers, parents, and community members.

Exhibit 6–6
TISD Continuous Improvement Planning Cycle
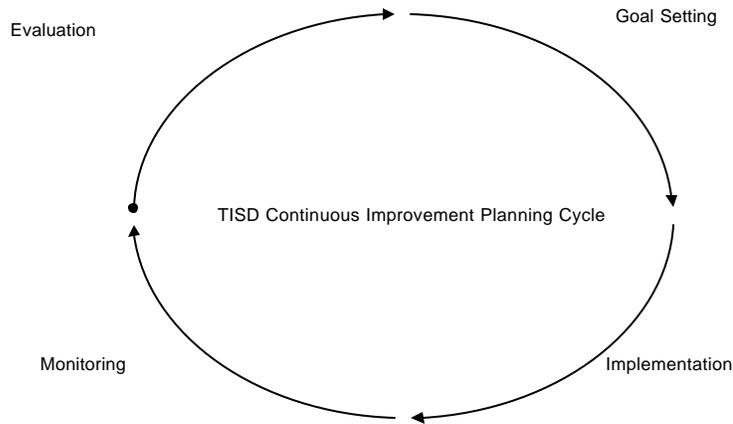
A focus group of principals said that this cycle is one of the main educational issues discussed in instructional administrative team meetings, since the principals must link their Campus Improvement Plan to the District Improvement Plan so that the focus of the entire organization is consistent. **Exhibit 6–7** depicts a sample of the correlation of a Campus Improvement Plan with the strategic plan.

Exhibit 6–7
Sample Correlation of TISD Strategic Plan Goal One to
2003–04 Tatum High School Campus Improvement Plan

Strategic Plan Goal/Objective	Area of Emphasis for CIP Goals/Objectives	Suggested Strategies
1.1 TISD is an Exemplary district	• Increase TAKS% passing to 90%, Increase average scale score, Increase commended scholars • Maintain 97% attendance • Dropout rate less than 1% (TMS and THS) • Compensatory Education Compliance	• TISD CIA Program • Extended day/year programs

Strategic Plan Goal/Objective	Area of Emphasis for CIP Goals/Objectives	Suggested Strategies
1.2 Challenging CIA program that prepares graduates for higher learning or employment	• Increase Recommended and Distinguished graduates/Texas Scholars (TMS and THS) • Increase Pre–AP/AP/SAT/ACT/Dual Credit participation and academic results (TES, TMS and THS) • CATE course offerings will be aligned to the job market (THS) • Increase college hours of graduates (THS)	• Offer academic and college counseling and planning • Test taking preparation courses
Strategic Plan Goal/Objective	Area of Emphasis for CIP Goals/Objectives	Suggested Strategies
1.3 Vision for future success and set goals to achieve that success	• Increase scholarship awards (THS) • Increase # of graduates attending post secondary (TMS and THS) • Increase participation and success in all competitive events: Emphasis on UIL academic (TES, TMS and THS)	• Offer academic and college counseling and planning • Career Course • Education Foundation to award scholarships
1.4 Climate that fosters discipline, respect, confidence, and a desire to contribute	• Increase student leadership participation/community service • Crisis management plan • Decrease office discipline referrals, SAC, and AEP placements	• Implement character education programs • Implement crisis management plan training
1.5 High quality faculty and staff	• Staff development of at least 30 hours: 12 curriculum, 6 ESL and 6 technology for all staff members; AP requirements for staff instructing in AP • All staff members are evaluated	• Offer comp days and stipends for staff development • TISD Evaluation Process: PDAS, walk-through, and snapshots; Nonprofessional employees evaluated

Source: TISD, superintendent's Office.

Each January, the superintendent presents a monitoring report to the board showing highlights, issues, and plans for each objective of the strategic plan that has been adopted as the official District

Improvement Plan for that year. Principals also prepare and present Campus Improvement Plan reports to the board. **Exhibit 6–8** is an example of TISD's January 2003 monitoring report for Goal 1 Objective 1.1. There is a similar report for each goal and objective for the District Improvement Plan, each Campus Improvement Plan, and the Technology Plan.

Exhibit 6–8
TISD Monitoring Report for Goal 1 Objective 1.1
January 2003

GOAL 1: TISD has a community that sets and supports HIGH EDUCATIONAL EXPECTATIONS.		
OBJECTIVE 1.1 TISD is an Exemplary district.		
Highlights	Issues	Plans
• TISD is a TEA Recognized District Curriculum, instruction, and assessment process implemented: benchmarks, instructional practices, assessments, data analysis, remediation, and collaboration • Approved CIPs addressing improved Curriculum, Instruction, and Assessment Process • THS, TMS, TPS rated 4 stars by Just For the Kids and TES 3 stars • Reduction in 3rd and 6th grade class size	• Adequate time for remediation of foundation students • Adequate time for teacher horizontal and vertical collaboration • Instruction and assessment at higher level thinking skills • Buy-in from staff on curriculum alignment and assessment process • Preparing for TAKS and Student Success Initiative	• Monitoring curriculum alignment, instruction, and assessment process • Data driven extended day and year placement and instruction • Vertical teams are discussing data driven curriculum alignment and instructional practices • Provide appropriate staff development

Source: TISD, superintendent.

The district developed a list of the major areas of operations in the district, report indicators to measure each operational area, and an evaluation calendar. **Exhibit 6-9** shows the major areas evaluated and the months of each evaluation.

Exhibit 6–9
TISD Program Evaluation Calendar

Strategic Planning	Program Evaluation	July	Aug.	Sep.	Oct.	Nov.	Dec.
Strategic Plan Evaluation	Student Environment and Climate						
	Co/Extra–-Curricular: Student Achievement						
Campus Improvement Plan Evaluation							

Exhibit 6–9 (continued)
TISD Program Evaluation Calendar

Strategic Planning	Program Evaluation	July	Aug.	Sep.	Oct.	Nov.	Dec.
Campus Improvement Plan Approval	Faculty and Staff			▓			
	Curriculum and Instruction: Student Achievement				▓		
	Technology					▓	
	Food Service					▓	
	Facilities, Maintenance, and Custodial						▓
Strategic Planning	**Program Evaluation**	**Jan.**	**Feb.**	**March**	**April**	**May**	**June**
Strategic Plan Monitoring Report		▓					
Campus Plan Monitoring Report			▓				
	Transportation			▓			
	Business Operations				▓		
	Community Involvement					▓	
	Special Programs						▓
	Board Operating Procedures						▓

Source: TISD, Superintendent's Office.

The superintendent said that specific sets of actions for each area provide the designated evaluations. An example of a section of the program evaluation report is given in **Exhibit 6–10**.

Exhibit 6–10
Program Evaluation Report Sample
July 2002

GOAL 4: Tatum ISD has modern and well–maintained facilities that meet the needs of students, staff, and community.
OBJECTIVE 4.2: Tatum ISD will provide systems to ensure that facilities will be clean and well maintained.
ACTIONS
• Custodial inspections and subsequent follow–ups are completed twice a year by the supervisor, staff, and outside consultant. Custodial staff has been provided training in proper cleaning techniques.   • Custodial staff assignments conform to industry standards on square foot cleaned per man–hour.
RESULTS
The custodial inspection process rates 10 areas as either excellent with a 10–9, satisfactory with an 8–7, and needs improvement with a 6–5. The overall rating for the district was a 7.95, with a score of 7–8 being satisfactory. Areas indicating improvement or concern are addressed by the staff and monitored for improvement.

Source: TISD, Superintendent's Office.

COMMENDATION

TISD uses a continuous improvement cycle and reporting format to ensure the strategic plan and Campus Improvement Plans are globally developed and aligned with districtwide programs.

FINDING

Although offered in conjunction with the 1999–2000 reduction in force (RIF), the district does not offer an early retirement incentive program. In 1999–2000, the district conducted a RIF of the teaching staff in accordance with specified district policy DFF (LOCAL). The superintendent primarily relied on certification and seniority as the major objective criteria when identifying staff for the RIF. Some teachers were ready to retire and the district offered an early retirement incentive. Some teachers had low student/teacher ratios. The superintendent reports that no staff left that year or in 2000–01 because of dissatisfaction with the reduction method. In total, 33 teachers left in 1999–2000, 34 percent of the TISD teacher workforce. This included 17 teachers who left because of the RIF and 16 teachers or 16.5 percent who left for other reasons. In the three years before and after the RIF, the average number of teachers leaving the district was 14 or 14.9 percent of the total teacher workforce. The lowest number and percentage of exiting teachers in that six–year period was the year after the RIF, 2000–01, when 10 teachers or 9.6 percent of the teaching staff left TISD.

Although the superintendent and director of Human Resources said they foresee no significant numbers of teachers retiring in coming years, 29.9 percent of TISD's teachers have more than 20 years of experience, and 22.3 percent range from 11 to 20 years of experience.

The superintendent said the district has historically had no difficulty filling vacated positions. The superintendent and the director of Human Resources reported that the numbers of retiring teachers each year have been relatively steady, and that replacements usually have much less experience, if any, and fewer postgraduate degrees than their retiring counterparts. In 2002–03, TISD

hired 10 teachers with no experience; in the prior five–year period, 1997–98 through 2001–02, TISD hired an average of three teachers with no experience.

District data for 2002–03 indicates that 44 teachers had more than 11 years of teaching experience. The average number of teachers having more than 11 years of experience for the prior five years, 1997–98 through 2001–02, was 57 teachers. The year after the RIF, the number of teachers having more than 11 years of experience dropped by nine teachers, all of who had more than 20 years of experience and has lessened by a few teachers each year since 2000–01. Although the district considered it, the last time that the district offered an early retirement incentive was in 1999–2000 in conjunction with the RIF.

Many districts with a significant number of teachers with mid– to high–level teaching experience proactively prepare for a time when there may be a large turnover due to retirement. These districts often control retirement through an early retirement incentive program allowing them to slowly replace teachers eligible for retirement. The early retirement incentive programs include stipulations to replace retiring teachers with a percentage of beginning and mid–level teachers to lessen the loss of a significant amount of institutional knowledge at one time. In addition, many of these districts also include details about an early retirement incentive program in long–range strategic plans.

Recommendation 27:

Include provisions for an early retirement incentive in the district's long–range strategic plan.

The Human Resource strategic plan should include long and short–term goals, related objectives for each goal, expected completion times for each objective, and a schedule for reviewing and revising the plan.

FISCAL IMPACT

This fiscal impact can be implemented with existing resources.

FINDING

The district does not have record of criminal history background checks for all employees hired prior to 2003–04, does not conduct criminal history background checks for any volunteers who work with students, nor have policy addressing volunteer access to students. The district adopted board policy, DC (LOCAL), in December 2001 allowing for employee criminal background checks. As of 2003–04, the district conducts these checks on prospective new employees. The Texas Education Code (TEC) 22.083 (a), (b) allows criminal background checks of volunteers. In accordance with state law, board policy DC (H) (LEGAL) states that, "The District may obtain…" these records. However the district has not exercised this option and does not have any policy language addressing unsupervised volunteer access to students.

The Texas Department of Public Safety Crime Records Service website indicates that the number of criminal sex offenders in the postal zip codes in and around Tatum are 152 as follows: Tatum (zip code 75691): four; Henderson (zip code 75652 and 75654): 25; Longview (zip code 75602 through 75606): 123.

Many school districts have specific board policy requiring criminal background checks for all employees and routine rechecks for existing personnel to protect students from local criminals such as these. This precaution reduces risk to students and eliminates potential problems with criminals. In addition, many districts nationwide have increased security measures and require employee fingerprinting as a condition of employment. As of 2003–04, all prospective teachers requesting certification in Texas must, as a condition of the certification process, submit verification of a fingerprint criminal background check conducted by a law enforcement agency. Furthermore, many districts hold volunteers to many of the same background check requirements as employees, particularly in instances where they have unsupervised access to students.

Recommendation 28:

Amend board policy addressing criminal history checks and unsupervised student access by volunteers and conduct scheduled background checks for all employees.

The district should ensure that criminal history checks are performed for all existing and future employees. In addition, the district should amend board policy to allow this provision for volunteers and to address volunteer access and restrictive provisions applicable to unsupervised student contact. By amending board policy to allow for criminal history checks of volunteers, the district may invoke the provision by local decision in the future.

FISCAL IMPACT

This recommendation is based upon a $1 per inquiry fee available for a statewide criminal history check and addresses district employees only. Since TISD averaged 172 employees during the three–year period 2000–01 through 2002–03, that number is used for the initial year. One-third of that amount, or 57 for each year beginning with the third year after initiation, serves as the base number for scheduled employee background checks on a rotating, three–year basis. The total cost of criminal history checks is estimated at $172 for the initial year + $114 (2 years x $57) for the fourth and fifth years of 2007–08 and 2008–09 = $286.

Recommendation	2004–05	2005–06	2006–07	2007–08	2008–09
Amend board policy addressing criminal history checks and unsupervised student access by volunteers and conduct scheduled background checks for all employees.	($172)	$0	$0	($57)	($57)

B. LEGAL SERVICES

The district obtains general legal services from Walsh, Anderson, and Brown. In addition, the district contracts with the Texas Association of School Boards for legal services that include general questions and legal updates afforded to all members.

There were two termination process hearings conducted during the summer of 1999 and fall of 2000 that required legal representation. In the summer before 2000–01, the district instituted a reduction in force (RIF) that required some legal advice. No formal representation was required, and no lawsuits

were filed. During 2001–02, the district's general legal counsel provided legal advice and representation on a proposed contract non–renewal for a long–term employee. Since that time the legal services provided to the district have been minimal, answering basic questions, reviewing contracts and employee documentation. There are no lawsuits against the district pending at this time, and the district is satisfied with the legal representation of the firm under contract.

FINDING

The district contracts with a private firm and negotiated a minimal retainer fee of $750 per year to provide cost–effective general legal services for the district. The contract includes free telephone consultation, reduced rates for additional legal work, and free subscriptions to firm publications. The district's negotiations on telephone consultation have particularly helped contain overall legal expenditures that in many districts comprise a large portion of legal costs. The district budgets $10,500 annually for legal expenditures. Following is a listing of the district's general legal expenses from 2000–01 through February 2004 (**Exhibit 6–11**).

Exhibit 6–11
TISD Total Yearly Legal Expenditures
2000–01 through 2003–04

	Total Legal Expenditures
2000–01	$4,442
2001–02	11,257
2002–03	5,340
2003–04*	2,923
Yearly Average**	**$7,013**

Source: TISD, superintendent, February 2004.
*Note: 2003–04 includes expenditures for September 1, 2003 through February 10, 2004 only.
** Yearly average calculated on 2000–01 through 2002–03 expenditures only.

COMMENDATION

The district cost-effectively obtains legal services and monitors services provided by annually obtaining a written contract with a private law firm outlining fees and services.

C.   DISTRICT ORGANIZATION, STAFFING, AND RECRUITING PRACTICES

The superintendent, director of Curriculum and Community Relations, and school principals make up the district's leadership team for instruction. The superintendent, Business manager, director of Maintenance and Transportation, director of Food Service, and the director of Information Services are the district's leadership team for Operational Services. In addition, a part-time Human Resources director is employed for 65 days to assist in human resource functions.

Exhibit 6–12 shows TISD's organizational chart as of fall 2003. The superintendent directly supervises 10 positions – the four school principals, the Business manager, director of Curriculum and Community Relations, director of Human Resources, director of Maintenance and Transportation, director of Food Service, and the director of Information Services.

Exhibit 6–12
TISD Organization
2003–04
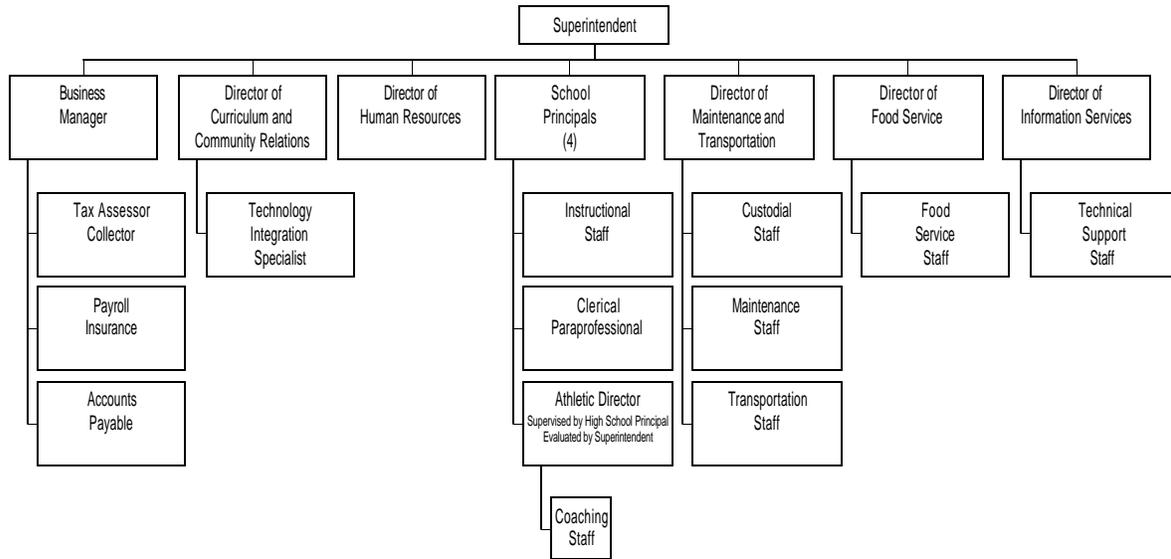
Source: TISD, superintendent.

In 2002–03, TISD employed 171 personnel including 85 teachers to serve the district's 1,186 students. **Exhibit 6–13** shows the payroll costs per student and percentages of total budget for both TISD and the state. TISD's payroll costs in 2002–03 accounted for $6,054 per student or 79.8 percent of the district's $7,587 total per student budget. State payroll costs averaged $5,037 per student or 81.5 percent of the $6,180 total per student budget. Although TISD spent more dollars per student in payroll costs than the state average, TISD's payroll was near the same percentage of total budget as the state average.

Exhibit 6–13
Payroll Cost Per Student Information
TISD and State
2002–03

School District	Payroll Cost Per Student	Percent of Total Budget	Total Per Student Budget
Tatum	$6,054	79.8%	$7,587
State	$5,037	81.5%	$6,180

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

Of the school district's 2002–03 budget of more than $9.5 million, payroll costs accounted for nearly $7.5 million. **Exhibit 6–14** shows the overall planned budget amounts for the year.

Exhibit 6–14
TISD Budgeted Funds
2002–03

Expenditures	Amount	Percentage
Payroll	$7,500,123	78.3%
Other Operating	2,025,173	21.1%
Debt Service	5,250	0.1%
Capital Outlay	47,500	0.5%
TOTAL	**$9,578,046**	**100.0%**

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

Of the 171 total personnel employed in 2002–03, nearly 50 percent were teachers. **Exhibit 6–15** shows the number of full–time equivalent (FTE) positions and the number of teachers in the district for 2000–01 through 2002–03 including a three–year average. The Human Resource (HR) Department is responsible for the majority of the personnel management functions for the district's employees.

Exhibit 6–15
Numbers of TISD Employee and Teacher Positions
2000–01 through 2002–03

Year	Number of Employees	Number of Teachers
2000–01	172	89
2001–02	172	87
2002–03	171	85
Three Year Average	**172**	**87**

Source: Texas Education Agency, AEIS, 2000–01 through 2002–03, and TISD data.

Exhibit 6–16 displays the numbers of the district's FTE employees and teachers in relation to student enrollment from 2000–01 through 2002–03. The director of Human Resources stated that TISD's classroom ratios were closer to averages of 22:1 in Kindergarten through grade 6 and 18:1 through 20:1 in grades 7 through 12, depending on the course subjects. The average student to teacher ratio for the five-year period, 1998–99 through 2002–03, is the same as the 2002–03 ratio of 14:1. For 2002–03, the state's average student to teacher ratio was 14.7:1 while Region 7's average was 13.6:1. In addition, the ratio of students to employees in 2002–03 was 7:1, slightly below the state ratio of 8:1 and equal to the Region 7 average.

Exhibit 6–16
TISD Employee to Student Ratio and
Teacher to Student Ratio
2000–01 through 2002–03

Year	Total Number of Employees	Total Number of Teachers	Student To Employee Ratio	Student To Teacher Ratio
2000–01	172	89	7:1	13:1
2001–02	172	87	7:1	13:1
2002–03	171	85	7:1	14:1

Source: Texas Education Agency, AEIS, 2000–01 through 2002–03, and TISD data.

In 2002–03, a larger percentage of TISD FTE teachers have postgraduate degrees than any peer districts, state, and the regional averages. More than 33 percent of TISD's teachers had a master's degree. At the same time, in 2002–03 the district employed a higher percentage of beginning teachers (11.3 percent) than its peers (4.4 percent) or the state average (7.8 percent). Teachers with 20 or more years of experience comprise 29.9 percent of the district's teachers, more than the state's average of 21.3 percent but less than the peer average of 34.1 percent.

Exhibit 6–17 shows a 2002–03 comparison of categorical staffing information including demographics, educational degrees, and years of experience for teachers in TISD and the state.

Exhibit 6–17
Staff Information
TISD and the State
2002–03

Category	Tatum		State	
	2002–03	Percent	2002–03	Percent
Professional Staff	106.6	62.5%	352,679.4	61.8%
Teachers	85.0	49.8%	288,386.0	50.5%
Professional Support	12.0	7.0%	42,975.0	7.5%
School Administration	4.6	2.7%	15,562.3	2.7%
Central Administration	5.0	2.9%	5,756.2	1.0%
Educational Aides	19.0	11.1%	58,626.3	7.3%
Auxiliary Staff	45.1	26.4%	159,812.4	28.0%
Total Staff*	**170.7**	**100.0%**	**571,118.1**	**100.0%**
Total Minority (Total Staff)	46.2	27.1%	226,898.6	39.7%
Race/Ethnicity (Teachers)				
African– American	4.6	7.6%	26,058.7	9.0%
Hispanic	2.0	2.4%	52,430.0	18.2%
Anglo	76.6	90.1%	206,672.7	71.7%
Asian Pacific	0.0	0.0%	2,483.1	0.9%
Native American	0.0	0.0%	741.4	0.3%
Degree Status (Teachers)				
No Degree	0.0	0.0%	3,610.7	1.3%
Bachelors Degree Only	56.6	66.6%	219,237.2	76.0%
Masters Degree	28.4	33.4%	64,126.2	22.2%
Doctorate Degree	0.0	0.0%	1,411.9	0.5%

Exhibit 6–17 (continued)
Staff Information
TISD and the State
2002–03

Category	Tatum		State	
	2002–03	**Percent**	**2002–03**	**Percent**
Experience (Teachers)				
0 Years Experience	9.6	11.3%	22,426.2	7.8%
1–5 Years Experience	15.0	17.6%	81,445.4	28.2%
6–10 Years Experience	16.0	18.8%	52,783.7	18.3%
11–20 Years Experience	19.0	22.3%	70,417.7	24.4%
20+ Years Experience	25.4	29.9%	61,313.0	21.3%

Source: Texas Education Agency, AEIS, 2002–03.
Note*: Total staff is calculated adding professional staff, auxiliary staff, and educational aides together.

TISD salary schedules compare favorably with 10 other neighboring, competing districts, with only two districts surpassing TISD's teacher overall salary schedule. **Exhibit 6–18** compares TISD to the combined average salary of the 10 districts. In the first salary step, zero–year, and the five–year salary step, TISD pays teachers less than the competing districts' average. TISD pays teachers more than the competing districts' average in the later categories for their experience (10, 15 and 20 years).

Exhibit 6–18
Teacher Salary Comparisons
To 10 Neighboring Competing Districts
By Year Increments
2002–03

Teacher Salary By Year	Tatum Actual Teacher Salary	Tatum Teacher Salary Comparisons to Neighboring Districts (Under)/Over
0 Years	$25,500	($127)
5 Years	28,910	(259)
10 Years	34,730	449
15 Years	39,230	801
20 Years	42,835	1,278
Total Average Salaries	**$34,241**	**$428**

Source: Texas Association of School Board survey.

As another measure of analyzing teacher compensation, the Texas State Teacher Association (TSTA) annually surveys teacher salary schedules along with district contributions to employee health insurance for all districts in the state. TSTA reports a comparison of 15 districts to TISD. The 2002–03 survey results rank TISD in the middle of the four designated peer districts for this review: Carthage ISD, Daingerfield–Lone Star ISD, Jefferson ISD, and Linden–Kildare CISD.

Exhibit 6–19 shows TISD's actual average salary comparisons for 2002–03 to peers and the state for the categories of teachers, administrators, educational aides, auxiliary staff, and total personnel. In 2002–03, TISD employees as an overall average earned more than their peer counterparts although

they earned less than state averages in each category and less than their peers in two of the four employee categories. Educational Aides Category is a relatively stable workforce for TISD. Of 19 educational aides employed in the district in spring 2003, nine had more than 10 years of experience while only seven had less than five years experience. Therefore, considering the years of experience, this category yields a relatively high actual average salary.

Exhibit 6–19
Average Salary Comparisons
TISD, Peer Districts, and the State
2002–03

Employee Category	Tatum Average	Peer District Salary Average	Tatum Salary Compared to Peers' Average	State Salary Average	Tatum Salary Compared to State Average
Teachers	$37,682	$38,059	($377)	**$39,972**	($2,290)
Administrators	62,935	60,950	1,985	**64,259**	(1,324)
Educational Aides	13,849	13,353	496	**15,062**	(1,213)
Auxiliary	15,276	17,072	(1,796)	**19,272**	(3,996)
Total Average Salaries	**$30,875**	**$30,324**	**$551**	**$33,083**	**($2,208)**

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

In addition, comparing the prior year's (2001–02) TISD teachers' salaries with those of its peers, the pay gap narrowed by 1.6 percent. In 2001–02, TISD teachers' pay averaged $36,675 while the peers averaged $37,635.

The Special Assignment Stipends schedule to compensate employees for additional work time and duties is reviewed periodically for adjustments. Examples of employees receiving funds from the schedule are band directors, athletic coaches, and counselors.

Effective 2003–04, the recently retired director of Human Resources will fulfill her Personnel Management duties by working part–time. She contracted for 65 days of the position's former 217 days per year, or 30 percent of her former employment. Her revised role for 2003–04 includes but is not limited to implementing the Induction/Mentor Program for new employees, hiring and monitoring certification, updating job descriptions and evaluation processes, coordinating staff development and substitute teacher training, maintaining employee records, producing personnel reports such as those required pertaining to Civil Rights, and keeping current in the profession through her professional development training and acquisition of new information. The superintendent reassigned the remaining director's duties to the director of Curriculum and Community Relations, the Business manager, and himself. Most of these duties were unrelated to the traditional role of a director of Human Resources such as student discipline and therefore require little personnel expertise. The payroll and benefits specialist works with employee benefits. The superintendent handles serious employee relation issues and complaints, and some of the remaining duties are shared.

The district's Tax Assessor Collector also works part–time for the Business Office.

FINDING

Although not required, TISD conducts annual performance evaluations for paraprofessional and auxiliary personnel. The major responsibilities and duties of job descriptions are the basis for evaluating employee performance. For trades, paraprofessionals, some directors and nonprofessionals, a modified job description doubles as an evaluation instrument. On it, supervisors assess each assigned duty, judging whether or not performance criteria are being met and adding applicable comments or recommendations. Supervisors then sign and date these records for the employees' personnel files after discussing the results with the evaluated staff member. The superintendent credits this practice with improved communication between administrators and employees. Administrators also use this practice for identifying needs of the individual workers. Once these needs are identified, the administrators develop individual improvement plans or direct employees toward areas of growth.

COMMENDATION

TISD conducts annual performance evaluations for paraprofessional and auxiliary personnel to improve performance and enhance growth.

FINDING

TISD conducts ongoing salary studies and provides annual cost–of–living increases to remain competitive in the local market. Each year, the superintendent compares and analyzes TISD salary schedules with TASB data from 10 neighboring, competing districts. The superintendent also analyzes the Texas State Teachers Association (TSTA) compensation data and Texas Association of School Administrators to compare TISD to 10 neighboring districts that compete for teachers. A TISD committee selects the 10 based on districts that TISD teachers exited from or went to, and similar size districts within their University Interscholastic League (UIL) District.

The district commissioned TASB to conduct a market salary study for the non–instructional pay system in May 2001. The district created a salary study committee comprised of the superintendent, director of Human Resources, and representatives selected from diverse employee groups including bus drivers, teacher assistants, clerical workers, teachers, nurses, counselors, food service staff, maintenance personnel, and administrators. The committee compared positions and salaries to 10 peer districts to develop a competitive–compensation plan for TISD. They were: Bullard, Central, Daingerfield–Lone Star, Henderson, Kilgore, Longview, Marshall, Sabine, Springhill, and White Oak ISDs. The committee chose these districts based on TISD's philosophy of competing with similar sized districts in the same geographic region as TISD. Six districts were close in geographic proximity and comparable student enrollment to TISD. The committee included four districts with larger student enrollments—Kilgore, Longview, Marshall, and Henderson—because they are located very close to TISD.

The district used the same salary schedules provided in the compensation plan as the basis for all salaries in 2002–03 and 2003–04. According to the director of Human Resources, the district conducted the study to determine whether or not there were pay inequities, to develop plans to remedy any pay inequities, and to design a pay system allowing for greater control of the budget and increased market competitiveness. The study resulted in set salaries with pay ranges for all job types. The system allows for pay increases by job classification instead of by individual. This allows TISD's pay schedules to reflect the sound practice of stating and limiting salary ranges at minimum, midpoint, and maximum levels.

This compensation plan includes salary schedules for the professional group of teachers, librarians, and nurses, and assigns all other employees to a pay grade according to their job class. The compensation plan also includes employee health benefits. The board updates the compensation plan each year after considering the budget constraints, competitive districts, and competitive markets. The superintendent scheduled the next complete salary study of all district jobs for spring 2004. According to district officials, the new study will not involve the services of TASB but will address salary discrepancies based on but not limited to job responsibility, education, and need for the position.

COMMENDATION

TISD conducts annual salary studies including analysis of neighboring district salaries to remain competitive in the local market and quality staff.

FINDING

Through team meetings, the superintendent ensures key administrators and instructional personnel are involved in districtwide educational planning and are focused on the district's educational mission. The instructional administration team consists of the superintendent, the four principals, and the director of Curriculum and Community Relations, and regularly meets twice a month. Principals said in a focus group that these team meetings provide a format to keep them well informed of both districtwide and campus educational issues. Meetings focus primarily upon the DIP and CIPs and their goals and objectives. The superintendent also uses this time to update the instructional administrative team on any changes in legislation. The principals added that their discussions with the superintendent are open and interactive, and that the superintendent regularly visits each school, is often present at school, district, and community activities. **Exhibit 6–20** indicates the opinion of the district administration and teachers about the superintendent's involvement.

Exhibit 6–20
Administration and Teacher Survey Results
District Organization and Management
2003–04

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
The superintendent is a respected and effective instructional leader.	59.2%	32.7%	0.0%	6.1%	2.0%
The superintendent is a respected and effective Business manager.	67.4%	20.4%	2.0%	6.1%	2.0%
Central administration is efficient.	34.7%	57.1%	4.1%	4.1%	0.0%
Central administration supports the educational process.	40.8%	53.1%	4.1%	0.0%	2.0%
The morale of central administration staff is good.	34.7%	46.9%	8.2%	6.1%	2.0%

Source: TISD, School Reviews Survey Responses, September 2003.

The superintendent also ensures any additional instructional personnel relevant to individual meetings are included as necessary. In addition, all scheduled meetings include a pre–approved agenda distributed prior to each meeting. Following meetings, each participant receives electronic minutes usually forwarded within 24 hours.

The regular meetings held by TISD's instructional team also ensure that the entire team is involved in the decision–making process and executes priorities of the District Improvement Plan and Campus Improvement Plans. This improves their ability to communicate with each other and support one another's efforts at fulfilling the mission of the district. The meetings remind them of their clear performance goals and mutual accountability for student success.

COMMENDATION

The TISD superintendent conducts regular instructional team meetings to focus on achieving district goals.

FINDING

The district developed and uses internal staffing formulas based upon state and federal regulations, peer comparisons, student enrollment, and program needs. The superintendent continually reviews student enrollment to stay at or below the state–mandated class size recommendations. In addition, the superintendent makes custodial staffing allocations in conjunction with the director of Maintenance and Transportation based upon campus enrollment and campus size.

For 2003–04, TISD has seven Central Administration personnel: one superintendent, five directors, and one Business manager. TISD has one principal in each of its four schools and one assistant principal at the high school for a total of five campus administrators.

Exhibit 6–21 compares TISD's 2002–03 staffing percentages to its peer districts, Region 7, and the state. TISD had 11.1 percent of staff catalogued as educational aides, slightly more than the state average of 10.3 percent and slightly less than the Region 7 amount of 12 percent. Several aides also function as part–time library assistants.

Exhibit 6–21
2002–03 Staff Percentages
TISD, Peer Districts, Region 7, and the State

Entity	Professional Staff as a Percentage of Total Staff	Campus Administrators as a Percentage of Total Staff	Teachers as a Percentage of Total Staff	Central Administrators as a Percentage of Total Staff	Professional Support as a Percentage of Total Staff	Educational Aides as a Percentage of Total Staff
Tatum	**62.5%**	**2.7%**	**49.8%**	**2.9%**	**7.0%**	**11.1%**
Carthage	56.9%	3.3%	47.1%	0.9%	5.6%	13.5%
Daingerfield–Lone Star	62.4%	3.0%	51.3%	1.2%	6.9%	11.0%
Jefferson	58.2%	1.8%	49.0%	1.7%	5.8%	14.5%
Linden–Kildare Consolidated	66.6%	2.7%	56.0%	1.9%	6.1%	10.3%
Region 7	**60.8%**	**2.8%**	**50.6%**	**1.4%**	**6.0%**	**12.0%**
State	**61.8%**	**2.7%**	**50.5%**	**1.0%**	**7.5%**	**10.3%**

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

COMMENDATION

TISD uses internal staffing formulas based upon student enrollment, state mandates, and program need to cost–effectively staff campuses.

FINDING

While the operational directors have regularly scheduled individual meetings with the superintendent, operational directors expressed concern about a lack of comprehensive operational knowledge outside of their functional areas. The operational directors, unlike the instructional directors, do not all meet at one time. TISD's operational directors include the Business manager, the director of Human Resources, the director of Maintenance and Transportation, the director of Food Service, and the director of Information Services. The superintendent conducts regularly scheduled meetings with the director of Maintenance and Transportation and the director of Food Service individually on a monthly basis. He also meets with the Business manager and the director of Human Resources individually every six weeks.

Members of the operational team said they do not necessarily know how their department is performing in the context of overall district operations. The director of Maintenance and Transportation oversees facilities construction, renovations, and transportation, yet also does not meet with members of the operational team to discuss overlapping areas of concern.

Operational teams have overlapping educational support–function issues. For example, changes in the time buses arrive in the morning affect breakfast participation. Hiring and work issues for food service and transportation are related and affected by human resource policies since both departments employ individuals on a part–time basis.

Many districts promote communication between operational administrators to identify common or overlapping issues and to develop strategic goals and plans for districtwide and departmental performance improvement. These districts schedule regular meetings and highlight issues through meeting agendas and minutes ensuring communication to all affected personnel and departments. Many of these districts also ensure that communication, strategizing, and accountability measures are the same for academic and operational administrators and personnel.

Recommendation 29:

Schedule and conduct administrative team meetings with all operational directors.

TISD should use the meetings to manage the departments more effectively, including the setting of specific goals and measurable objectives for each department in the strategic plan. Developing and implementing an adequate set of measurable objectives for each major program could improve the district's ability to make informed decisions regarding issues such as those listed below:

- increasing or decreasing the funds allocated to different programs;
- continuing or eliminating programs due to low performance levels;
- outsourcing programs or services under a program;
- implementing new strategies or programs; and
- determining whether services are being provided in the most cost–effective manner.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have formalized detailed business, administrative, operational, and departmental procedures. The Business Office, Maintenance and Transportation Department, Food Service Department, Information Systems Department, and district administration all lack formalized procedures. The review team noted that some staff members possess handwritten guides that walk them through daily operations, however, these are not formal procedures manuals developed by the department and approved by district administration. Lack of documented procedures place the district at risk of losing institutional knowledge when staff members leave the district.

A recent example detailing the need for procedures manuals is the 2001 retirement of the district's long serving Business manager. The district hired an interim Business manager, a retired person with the same title from another district, to fill in until a permanent person could take over. The interim Business manager encountered problems but found no detailed procedures that would have told him how the district's central Business Office operated. During this transition, the district's external auditors documented in their report for the year ending August 31, 2002, certain problems encountered by the interim Business manager and by the new, permanent Business manager. These problems reflect the lack of written business procedures. For example, the report cited that the district's bank accounts were not reconciled; inter–fund accounts receivable and payable were not in agreement; budget amendments were recorded in the accounting records without board approval; and, expenditures exceeded appropriations in several functional areas.

The current Business manager was hired in June 2002 and the problems identified by the interim Business manager had not been completely resolved by the time the district's annual audit was finalized and the new Business manager assumed his position. According to the Business manager, the first year would have been much less of a struggle if there had been detailed business process procedures that provided day–to–day guidance.

The Government Finance Officers Association has issued a statement supporting accounting policies and procedures manuals. GFOA states that accounting manuals should include the policies and procedures for accounting and other finance related functions, such as accounts payable, payroll, budgeting, investments, cash receipts, and financial reporting.

Many school districts have policy and procedure manuals. These manuals define the authority and responsibility of all employee operations. They not only use the documentation of procedures to indicate the employee responsible for specific tasks, but also may indicate who can authorize action or give approval. These school districts update their procedures manuals annually and also when a change occurs in the policies or procedures. School districts find procedures manuals to be a valuable resource in training new employees and providing accountability for job–related functions.

Recommendation 30:

Create comprehensive written operational procedures.

Written procedures will facilitate understanding of complex processes required of the district and will provide day–to–day guidance to staff and other district employees. In addition, they will provide for continuity in the event of employee turnover and provide a place to document and preserve lessons learned. These procedures should include all functional and operational areas.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Many of the district's job descriptions are incomplete, inaccurate, or out of date. In addition, some positions have no notations of board approval. The district uses job description templates from TASB for all job classifications, and last completed a comprehensive revision of its job descriptions in 1997.

Job descriptions for the district's non–professional positions are not routinely reviewed and updated. For example, the district lists no difference in responsibility between the Mechanic I and II positions and between the Maintenance I and General Maintenance positions. In the latter two maintenance job descriptions, each requires one year of general building maintenance experience, yet no pay grades are indicated for these jobs. In the district's 2002–03 Compensation Plan, the Maintenance I position has a pay grade, while none is listed for the General Maintenance position.

Job descriptions for the district's professional positions are similarly incomplete and inaccurate. For example, department directors regularly perform duties unrelated to their jobs yet those duties are not reflected in the employees' job descriptions or titles. The June 2001 job description for the Business manager indicates a pay grade of two while the 2002–03 Administrative/Professional Job Classification in the district's Compensation Plan indicates a pay grade of three.

In addition, some district employees lack the necessary qualifications for the work they are doing according to specifications in their corresponding job descriptions. For example, not all district cafeteria managers have the required food manager certificate, although they are working towards that certification. Similarly, the director of Food Service's job description lists "bachelor's degree in relevant areas or comparable experience" as an educational requirement, but gives no indication of what constitutes acceptable "comparable experience."

Organizations typically define work to be performed in terms of responsibilities and duties forming the basis of written job descriptions. Job descriptions define applicants who are likely to succeed in a job by listing performance qualifications and indicating comparable experience levels accepted in lieu of educational requirements.

Many districts review all job descriptions at least every three years, as duties change or as new laws are added. Many of these districts also ensure that job information, training, and performance evaluations are based on accurate, up–to–date job descriptions. Districts counsel employees who lack the knowledge, skills, or other qualifications for their jobs, and also offer any coaching or training needed for improvement. In some districts, employee performance evaluations mandate remedial training when necessary.

Some districts also review job descriptions in conjunction with salary studies to ensure that work expectations are realistic and commensurate with compensation. Periodically updating job descriptions in this way prevents confusion about performance expectations and promotes employment of qualified staff with appropriate experience, education, and job skills.

Recommendation 31:

Review and update job descriptions on a rotating annual basis.

The district salary study committee will review job descriptions in the spring of 2004. The district should address any noted deficiencies and schedule routine job description reviews every three years.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not consistently conduct exit interviews with employees leaving employment as required by board policy. Nor does the district track and analyze documented termination explanations. District policy DC (LOCAL) states that an exit interview shall be conducted if possible and an exit report prepared on every employee. The district has maintained exit interview forms since this board policy was first drafted in 1982–83. Many employees do not complete the exit interview form or provide other information requested on the form; and the district often does not interview employees who complete the form. Some employees write letters of resignation that may or may not yield information about why the employee is resigning. As a result, TISD does not know why many employees are leaving; nor does the district routinely use compiled exit information to find patterns or potential liabilities to the district.

Exhibit 6–22 shows the reason and number of terminating employees from 2000–01 through 2002–03 compared to the number of completed exit interview forms and conducted interviews. Of 69 employees who left during this three–year period, 38 employees or 55 percent completed the form. Of those 38, the district interviewed 24 employees or 63 percent; however, this is only 35 percent of the total number of exiting employees from 2000–01 through 2002–03. Averaged for the same period, most of the employees who completed the form listed "moving from district" or "secured better position" as reasons for leaving, although those reasons were not listed as frequently in 2002–03. Less common reasons included: "returning to school, dissatisfied with type of work, health reasons, family circumstances, and other." General satisfaction made up the majority of ratings on the completed forms. When interviewed, the director of Human Resources said that departing employees may complete the exit interview form, and that while the person's supervisor usually conducts the interview, someone of the employee's choosing can also do it. Often, a peer is selected.

Exhibit 6–22
TISD Exit Interview Information
2000–01 through 2002–03

Employee Exit Reason	2000–01	2001–02	2002–03	Total
Better Position	4	7	1	12
Moving	5	5	2	12
Retiring	1	0	2	3
Others*	5	5	8	18
Total number of completed exit forms	13	13	12	38
Total number of interviews	6	12	6	24
Total employees leaving	21	25	23	69

Source: TISD, Human Resources Department.
*Note: Some employees gave more than one reason while others gave none.

In 2002–03, 23 of 171 full–time employees, or 13 percent, left the district. In 2001–02, 16 teachers left the district, and 14 teachers left in 2002–03. All teachers leaving TISD in 2000–01, 2001–02, and 2002–03 left at the end of each school year. In addition, 63.2 percent of the surveyed district employees responded that teacher turnover is low while 24.5 percent disagreed. For the years 1996–97 through 2002–03, a seven-year period that included a reduction in force in 1999–2000, the teacher turnover rate was 17.8 percent, an average of more than 16 teachers per year.

Many districts conduct exit interviews and compile satisfaction ratings and termination reasons as a way to identify trends among their exiting staff and potential liability problems. By doing this, districts develop appropriate retention strategies to decrease employee turnover and enhance continuity between programs and goals.

Recommendation 32:

Enforce existing exit interview policy and analyze results to identify trends and develop correlated retention strategies.

The superintendent should instruct the director of Human Resources to follow existing district policy and conduct an exit interview with all staff leaving district employment.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D.   EMPLOYEE MANAGEMENT AND EVALUATION

Since 2000–01, TISD is one of 57 districts that pay the Region 7 Personnel Services Cooperative to advertise its teacher vacancies. The advantage for the applicant is convenience in applying once to all 57 districts; the advantage to the district is in reaching a wide range of potential applicants. TISD pays $1,950 per year for this service. No records exist to determine the success of this recruitment

method. HR staff follows standard procedures in the application and hiring processes in terms of securing written applications, checking references and criminal history, setting interviews, and processing and orienting new hires. It is customary at TISD for the school administrators or the operational directors to interview and recommend applicants for employment, although the director of Human Resources may interview applicants. Personnel files are the HR Department's responsibility.

As part of an informal internal recruitment effort, the director of Human Resources has encouraged teacher aides to attend college to earn a teaching degree since 1998–99. Although the district offers no monetary assistance in this endeavor, the district offers encouragement and information. Currently, two aides and one experienced substitute teacher are attending college with intentions of becoming local teachers. The director of Human Resources wrote a complimentary and encouraging article in the quarterly newsletter about one local educational aide's efforts in returning to school for an education degree. This was an accolade and incentive to others. To date, two TISD teachers and the director of Human Resources started as teacher aides at TISD while working their way through college. In 2003–04, the current aides benefit from the Educational Aide Exemption Program and attend meetings at the college where they are enrolled. The Texas Higher Education Coordinating Board makes this program available to school employees and substitute teachers in an effort to encourage them to become certified teachers. TISD communicates the program's availability to its teacher assistants.

Managing employees involves evaluating performance, establishing and maintaining relationships, and developing staff. Each of these areas is critical to the functioning of a school district. Over 70 district policies address state and national laws governing practices in these areas. The intent and basic processes are described here.

The district informs each employee of how supervisors or certified appraisers will evaluate performance. These documents include *The Appraisal Handbook*, which outlines evaluation requirements and procedures for each employee: non–contractual, such as trades, and contractual, for teachers and other professionals. Requirements include on–going monitoring with time frames for formal evaluations, documented performance data, and meeting with individual employees. Documents include evaluation forms and the TISD Teacher Evaluation packet (updated each year) with a teacher self–report form and evaluation calendar.

Due to the direct link between teacher performance and student achievement, the state closely regulates teacher evaluations. The district uses four methods of teacher evaluations throughout the year, including the state sanctioned Professional Development Appraisal System (PDAS) instrument, which certified appraisers, usually school administrators, use to score teachers' instruction in specific subject areas. TISD also uses classroom walkthroughs to provide feedback, record observations, and evaluate teachers. This documentation of performance serves as the basis for the superintendent's employment status recommendations, such as continued employment, change from probationary status to a term contract, or termination. Other nonprofessional TISD employees are non–contractual and serve according to the employment–at–will doctrine of Texas law that does not require employers to continue employment.

FINDING

The district lacks complete, up–to–date personnel files and campus and central administrators do not have immediate computerized access to all staff data. During a random review of personnel files, some files were missing documents such as proof of birth date, verification of social security number, performance appraisals, application documents, and other forms. In addition, teachers give some

training certificates to central office staff while others are mailed directly to the central office for inclusion in personnel files. The district manually enters teacher–training hours into a computerized spreadsheet that is then not electronically accessible to campus administrators. Recently retired employee files are also mixed with those of current employees. During interviews, the district's director of Information Services and the superintendent expressed an interest in scanning technology. The district already owns a scan/fax/copy machine with the capability of electronically scanning and storing documents.

Some organizations with the technological capability scan personnel files to ensure accuracy and completeness. Administrators in some districts maintaining electronic copies of personnel files report easy access and verification of personnel information and increased file safety through electronic back–up. In addition, scanned files alleviate many districts' concerns about file retention and storage. Districts that also track teacher–training hours electronically provide immediate access to these records by individual teachers and campus and central administrators. Some of these districts maintain training records on the district website to also allow members of the community to view the information.

Recommendation 33:

Implement procedures to update personnel files, scan records, and provide computerized, districtwide access to professional development and training records.

TISD must safeguard employee records while keeping them accessible. Since TISD is technologically sophisticated in many areas, the district should explore the advantages of scanning personnel file documents and accordingly develop procedures to make sure all appropriate information and professional development training hours are updated and electronically maintained and accessible to both central and campus administrators. The district's principals, director of Information Services, director of Curriculum and Community Services should cooperative ly work with the director of Human Resources to ensure easy access to the professional development and training hours already maintained on an Excel spreadsheet.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

E. PROFESSIONAL DEVELOPMENT

Teacher staff development is an important part of training at TISD. Each Campus Improvement Team (CIT) and the District Improvement Team identify needs and recommend training. Stated in the District Improvement Plan 1.5.3 and as TISD board policy, the district requires that teachers attend a minimum of 30 hours of professional development per year. TISD provides free training opportunities and compensatory time; in cases such as teacher trainers or curriculum writers, HR approves paid training days at a daily uniform rate of pay when these teachers have used their compensatory time. Within five years, a certified teacher can satisfy Texas recertification requirements with 150 hours of appropriate in–service training. The district calendar lists 30 hours of staff development that may be completed during three, scheduled professional development days and three school days or compensatory days. Failure to satisfy the required staff development days can result in loss of daily pay. The director of HR coordinates with all school administrators to monitor and remedy unusual trends and help individuals who are not meeting minimum requirements.

Operational supervisors are responsible for determining their staff's training needs and the District Improvement Team recommends some administrative training. Department managers and focus group members said that supervisors have not always addressed areas of needed professional development. The Human Resources Department distributes a complete menu of non–instructional course offerings to all personnel and operational departments electronically through its participation in the Region 7 training cooperative. The director of Human Resources noted that hard copies of training opportunities are not distributed to district staff.

FINDING

The district established a professional development and evaluation system in 2000–01 to prioritize administrative leadership and improve institutional knowledge. The superintendent meets with all administrators at the beginning of each calendar year and sets specific goals and five scheduled meetings to assess progress toward those goals. Often these leadership goals include training and current literature reviews that administrators must complete by each established meeting during the year. Administrators are held accountable for meeting these goals as they are considered part of annual performance evaluations. The district also connects the administrative evaluation and reporting system to the district's annual professional development plans.

COMMENDATION

TISD prioritizes administrative leadership growth to bolster accountability, increase institutionalized knowledge, and supplement annual performance evaluations.

F.   COMMUNITY AND BUSINESS RELATIONS

Effective communication builds trust, confidence and support within the school community. Providing clear and timely information to the community is an important district function. District communication includes both external and internal communication. External communication addresses district stakeholders and constituents, while internal communication refers to the distribution of information within the district. The director of Curriculum and Community Relations is in charge of the public relations function and thus responsible for keeping the school community informed.

During interviews, board members said that disgruntled community members or groups rarely appear at board meetings because board members are frequently seen in the community. The community is so closely–knit that potential problems are often dealt with before having to be addressed at board meetings. The district interacts with the community in a variety of ways. One board member mentioned that he is on the Education Foundation Scholarship Board, the Water Board, has children in school, attends teacher banquets, sporting events, schools' open houses, and attends Parent Teacher Student Association (PTSA) meetings. Other board members described themselves as similarly engaged in the community.

Exhibit 6–23 shows that more than 53 percent of parents surveyed agreed or strongly agreed that enough time is allowed for public input at board meetings and that members listen to their constituents, with only 4.4 percent disagreeing or strongly disagreeing. The survey results indicate that the board fosters strong community interaction, which encourages problems to be solved informally while allowing a formal approach when necessary.

Exhibit 6–23
TISD Parent Survey
District Organization and Management
2003

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
The school board allows sufficient time for public input at meetings.	26.7%	26.7%	42.2%	2.2%	2.2%
School board members listen to the opinions and desires of others.	26.7%	24.4%	40.0%	6.7%	2.2%

Source: TISD, School Review Surveys, September 2003.

TISD's earliest record of involvement with the business community dates back to the late 1940's when the first yearbook was published. Today, the district continues to cultivate business partnerships in neighboring towns as well as in Tatum. Businesses that have demonstrated a commitment to serving the district for over 11 years include Rusk Company Electric Co-op, Panola College, which provides mentors, and Jucy's of Longview, which provides food for many student–sponsored events. Other examples of successful collaborative efforts with business partnerships are listed in **Exhibit 6–24**.

Exhibit 6–24
TISD Business and Community Partnerships

Name of Local Business	
Texas Utilities Company	Rusk Company Electric Co–-op
Kim R. Smith Logging, Inc	TSG Software and Service
Citizens National Bank	Panel–-Truss Housing
Eastex Telephone Cooperative	David Maudlin Photography
Jucy's of Longview	Allstate Insurance Company
Clark Anthony Insurance	Dairy Queen
Tatum Video	Tatum West Automotive
Wal-Mart of Longview	Eastman
Bee Happy Floral	Excel Ford Lincoln Mercury
East Texas Professional Credit Union	Panola College

Source: TISD,director of Curriculum and Community Relations.

The Screaming Eagles High School newspaper, The Tatum High School yearbook, and the Athletic Booster Club are the primary sources for the advertisement process. The high school journalism teacher directly supervises the high school newspaper class and requires each student to sell three ads for the newspaper every nine weeks. The prices for the ads range from $15 to $25 for single ads and $55 to $95 yearly. Students who enroll in the yearbook class must sell a full–page advertisement at the cost of $280; businesses interested in purchasing advertisement space will pay $36 for single ads and up to $280 for a full page advertisement in the yearbook and the newspaper. The Athletic Booster

Club, composed of adults, sells ads for football programs that are then distributed free at TISD football games. **Exhibit 6–25** provides a list of other patrons that buy advertisement space.

Exhibit 6–25
Advertisers Published in 2002–03
Issue of the Tatum High School Newspaper *The Screaming Eagles*

Ace Tire Company	Emily's Hair and Nails Boutique	Taste of East Texas
Action Automotive	Farmers Insurance	Tatum Auto Sales
At Your Service Marketing	Lee's Creek Grocery and Grill	Tatum Financial Services
Bodacious Barbeque	Panola National Bank	Tatum Telephone Company
Carthage Office Supply	Parker Electric	Tatum West Incorporated
Crossroads Café	Popcorn Place	The Medicine Shoppe
Dairy Queen	Rocha's Paint Shop	Three Sister's Antiques
Eagle Drugs	Service Cleaners	Toon's Bait and Nursery
Eckerd Drug	Sonic Drive In	

Source: TISD, director of Curriculum and Community Relations.

Community and businesses play an important role in how Tatum enhances its own services with those of the community. By using these resources and expertise, the district experiences savings through in–kind contributions and volunteer services. Currently, the Tatum High School (THS) principal, who serves as the Executive Director of the Education Foundation, is working with a Board of Directors and officers securing scholarship donations from businesses and individuals wishing to offer scholarships to the district's graduates. To expand the list of businesses and individuals, each director is asked to submit a list of businesses and individuals that could support the foundation. The Education Foundation operates as a nonprofit organization separate from TISD, and seeks donations of additional scholarship opportunities for the district's students.

The *Eagle Express* newsletter, published four times a year, and distributed to all homes, local business, and community churches, contains information about the district and highlights special events about each school. The high school journalism teacher is the designer for the newsletter and other high school publications.

The *Central Office Connection* is another newsletter that keeps the TISD community informed about issues related to the schools and the central office. Some of the topics included in the issues are Texas Assessment of Knowledge and Skills (TAKS) information, local and district policies, minutes of the District Improvement Team meetings, school board meeting minutes, recognitions, progress made in academic areas, student–teacher ratios by school, a calendar of events, and other important information. One new feature of the newsletter is the employee recognition program. The intent of the program is to recognize employees that go above and beyond the call of duty. District administrators said the community has positively responded to this newsletter.

Exhibit 6–26 shows a summary of the district's overall communication efforts.

Exhibit 6–26
Program Evaluation
Community Involvement and Communications
Communication and Collaboration
2003–04

Indicator	District Practice
General communication tools	Eagle Express – four times a year TISD Web Page – ongoing Marquee – ongoing News Releases – ongoing School Newsletters – once a grading cycle High School Newspaper – once a grading cycle Senior Gold Club Card – promotes senior citizen involvement with district activities
Academic progress reports presented to parents	Progress Reports – once each three weeks Report Cards – once a grading period Parent Conferences – one required per year at primary school and elementary school; as needed at each school Annual Admission Review and Dismissal Meetings for special education students Texas Primary Reading Index results for kindergarten through grade 2 – once a year Accelerated Reader goals for kindergarten through grade 8 – ongoing
Disseminating information on school policies, discipline procedures, assessment tools and school goals	Code of Conduct – once a year Student Handbook – once a year Academic Excellence Indicator System report – once a year School Report Card – once a year Pre-Advanced Placement meetings – once a year Strategic Plan Reporting – once a year on goal setting, monitoring and evaluation Parent meetings – grade 9 orientation, grade 11 counseling sessions, senior meetings and counseling sessions [Free Application for Financial and Student Aid (FAFSA) night, Parent–Teacher Student Association meetings Open House – once a year Assignment sheets kindergarten through grade 5– weekly
Communicating positive student behavior and achievement	As and Bs Because I Tried (ABBIT) – elementary school Positive and Consistent Effort (PACE) – elementary school Right Choice and Principal Pals – primary school Banquets – High School Academic, Athletic and Future Farmers of America End of Year Awards Ceremonies – High School Senior Awards, primary school, elementary school and middle school

Indicator	District Practice
School activities for parents, staff and community member interaction	Primary School Family matters – two times a year Elementary School Soup Supper – once a year Middle School Chili Supper – once a year Community Homecoming Activities – pep rally Bond Fire and Game Activities Primary School Tea for Moms – once a year Public School Week – once a year Fine Art Productions of Theatre, Band and Choir
Opportunities for community involvement in decision-making and goal setting	Site Based Decision–Making process – District Improvement Team and Campus Improvement Team Strategic Plan and Goal Setting Development Facility or Bond Construction Committee Limited Open Forum at TISD Board Meetings

Source: TISD, director of Curriculum and Community Relations.

FINDING

TISD actively includes parents and stakeholders in a variety of activities and fundraising opportunities to support the district's objectives. The district has an active Parent Teacher Student Association (PTSA) including 112 members and a board of seven as of September 18, 2003. At the high school, parents participate in many club functions including but not limited to, Band Boosters, Art Club, Future Farmers of America, International Club, Key Club, and the Library Club. At the primary level, parents participate in the Annual Book Fair held in October in the media center. The district is proactively using Title I Part A funds in 2003–04 to fund a part–time Parent Involvement staff member to coordinate parental involvement in the schools.

TISD has also effectively cooperated with the community to build a playground on land purchased from the Tatum Lion's Club. The district assigned a primary school teacher as project coordinator to lead this effort. The district's Business manager told the review team that Lion's Club returned $30,000 of the $60,000 purchase price to the district to build a pavilion. Volunteers from the community will complete a playground designed by a New York architect in March 2004. In addition, community vendors have agreed to donate food to feed the volunteer workers.

COMMENDATION

TISD promotes parent, business, and community support for student enhancement through joint capital improvement projects and teacher/community liaisons.

FINDING

TISD established an Education Foundation and a supportive network of local community partners to obtain college scholarship funds and financial donations for students and student-centered clubs. The district chartered an Education Foundation in 2003–04 with the sole purpose of providing students with scholarship funds. The students in the district also participate in many clubs and organizations that assist the community, while community leaders reciprocate and provide financial donations, food or material donations, and mentors to assist students in their academic and civic endeavors.

For example, the primary school annually hosts the Family Matters hamburger picnic held at Tatum Primary School to provide an opportunity for students and their families to join in fellowship and celebrate school and community spirit. In 2002–03, more than 650 students and family members attended the event with all food donated by Jucy's, a local vendor.

Students at Tatum High School participate in several clubs such as the Tatum Key Club, the Library Club, the International Club, and the Future Farmers of America (FFA). The Kiwanis Club of Greater Lakeport sponsors the Tatum Key Club that performs community service projects such as the Angel Tree, highway clean up, the Jerry Lewis Muscular Dystrophy Telethon, and assisting the Salvation Army bell ringers. The Library Club promotes library science and also performs community service projects including Christmas visits to the area nursing homes. TISD's International Club hosts several community outreach events, such as the Cinco de Mayo celebration, which is for students who have completed Spanish I, II and/or III, Bilingual students, or students who plan to take Spanish.

The Future Farmers of America (FFA) develops student potential for premier leadership, personal growth and career success through agricultural education. To accomplish this mission, FFA offers opportunities for students to participate in animal and shop projects, judging competitions, leadership, and other community projects.

TISD also joined relief efforts to support the community after the April 2003 tornado through the "Shopping to Help and Helping to Shop" program that provided needed supplies, food items and clothing for Tatum families who suffered losses. The National Honor Society and the Student Council members volunteered to clean up the Mountain Terrace destruction area caused by the tornado. Parents in the community communicated to the review team their appreciation for the district's generosity.

TISD and the Class of 2003 also hosted the annual "Seniors Serving Seniors" luncheon held at the THS Library, where the high school seniors serve lunch to senior citizens who attend the event. The Tatum High School Choir provided the entertainment, and students valet–parked the cars. The annual Academic Banquet at the high school brought 400 students and parents together. The faculty served the students, parents, and other guests.

Exhibit 6–27 lists some contributions made to assist the students with scholarships and Junior Achievement efforts. Scholarships are awarded each spring to deserving seniors who are graduating from THS. Scholarships and award offers come from a variety of sources such as colleges, universities, trade schools, the National Merit Scholarship Foundation, major companies like Wal–Mart, and some from locally funded sources. Private donations from businesses and other sources support the Junior Achievement efforts and assist the economics classes at THS. In 2002–03, students received more than $1 million in scholarships and award offers.

Exhibit 6–27
TISD Sample of Monetary and In Kind Contributions
2002–03

Sponsor/Organization	
Sample Local Scholarships	**Amount**
Athletic Booster Club	$8,750
Band Booster	$1,200
Tatum Ex–Students	$2,500
Billingsley Memorial	$4,000
Classroom Teachers Association	$1,500
Rusk County Electric Corp	$2,000
Parent Teacher Student Association	$1,500
Eastex Telephone	$4,000
East Texas Professional Credit Union	$2,000
Junior Achievement	
Texas Utilities Company	$500
Kim R. Smith Loggings, Inc.	$1,000
United Way of Tatum	$768
Citizens National Bank	$50
Eastex Telephone Company Cooperative	$300

*Source: TISD, director of Curriculum and Community Relations and
high school journalism teacher.*

Because of the contributions, graduating seniors will have financial assistance with college, university, or trade school expenses. In addition, a 2003 graduate received more than $800,000 in scholarship offers from various higher education institutions. Junior Achievement contributions will provide financial support for the purchase of a specialized curriculum to be used in the grade 12 economics classes, training for consultants that work with the students, and "guest speakers" that enhance the instructional program for the classes.

COMMENDATION

TISD partners with local businesses and civic organizations to enhance student achievement and higher education scholarship opportunities.

FINDING

TISD does not consistently recruit or track volunteer information. Each year the president of the PTSA sends a flyer via the district's students welcoming and encouraging volunteer support. The vice president of volunteers, another PTSA member, coordinates a suggestion box at each school inviting comments and suggestions for volunteer activities. A teacher at the primary school recruits volunteers. The high school has a Parent Volunteer Committee, and the principal personally solicits volunteers for individual activities on an as-needed basis.

Many districts with volunteer programs use tracking systems to report and track trends in volunteer participation as well as the total number of volunteer hours. Additionally, schools have an official record for recognizing outstanding volunteers for their service to the schools and the community. Tracking systems also aid districts when performing background checks of all volunteers and calculating total number of service hours and type of service performed for in–kind contribution

calculations. Many districts use these calculations for grant applications that require matching district contributions.

Recommendation 34:

Develop a volunteer tracking system.

The district should centrally track volunteer services to not only delineate the type of services provided to each campus by members of the community, but to identify services that may be useful at more than one location. The district could use existing software such as an Excel spreadsheet to track volunteers, contact information, verification of a background check, type of services provided or willing to provide, estimated service value, and monthly and yearly volunteer totals. Campus volunteers or clerical personnel could enter all information other than background checks, with the Personnel director of campus principals entering a yes or no for background check verification.

With this type of information, the district could contact volunteers and ask if they would be willing to work at a different school or at multiple locations. In addition, by centrally tracking volunteers, type of services provided, and total number of volunteer hours by individual, campus, and district, TISD should also be able to identify these hours as in–kind contributions. This may be useful for potential grant applications requiring matching district funds that include in-kind contributions. Central tracking should also help individual principals quickly search a database to identify individuals with skills potentially useful to each campus, or to identify individuals or groups for service awards.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

DISTRICT ADMINISTRATIVE, SUPPORT STAFF, AND TEACHER SURVEY RESULTS

Tatum Independent School District Management and Performance Review

(Written/Self–Administered)
(n=51)

The review team received survey responses from Tatum ISD (TISD) administrators, support staff, and teachers. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. In addition, this was a useful tool in drawing comparisons between the perception and opinions of the district staff versus other stakeholders. Totals may not add to 100 percent due to rounding

PART A: DEMOGRAPHIC DATA

1.	Gender (Optional)	Female	Male	No Response
		73.5%	16.3%	10.2%

2.	Ethnicity Optional)	African American	Anglo	Asian	Hispanic	Other	No Response
		16.3%	63.3%	0.0%	2.0%	14.3%	4.1%

3.	How long have you been employed by Tatum ISD?	1–5 years	6–10 years	11–15 years	16–20 years	20+ years
		42.9%	16.3%	14.3%	8.2%	18.4%

4.	Are you a(n):	a. administrator	b. clerical staffer	c. support staffer	d. teacher
		14.3%	8.2%	24.5%	53.1%

5.	How long have you been employed in this capacity by Tatum ISD?				
	1–5 years	42.9%	**6–10 years**	16.3%	**11–15 years**	14.3%
	16–20 years	8.2%	**20+ years**	18.4%	**No Answer**	0.0%

PART B: SURVEY QUESTIONS

A.   District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
1. The school board allows sufficient time for public input at meetings.	18.4%	51.0%	26.5%	2.0%	2.0%
2. School board members listen to the opinions and desires of others.	24.5%	49.0%	22.5%	2.0%	2.0%
3. The superintendent is a respected and effective instructional leader.	59.2%	32.7%	0.0%	6.1%	2.0%
4. The superintendent is a respected and effective business manager.	67.4%	20.4%	2.0%	6.1%	2.0%
5. Central administration is efficient.	34.7%	57.1%	4.1%	4.1%	0.0%
6. Central administration supports the educational process.	40.8%	53.1%	4.1%	0.0%	2.0%
7. The morale of central administration staff is good.	34.7%	46.9%	8.2%	6.1%	2.0%

B.   Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
8. Education is the main priority in our school district.	57.1%	34.7%	4.1%	2.0%	2.0%
9. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	40.8%	46.9%	6.1%	4.1%	2.0%
10. The needs of the college–bound student are being met.	24.5%	55.1%	16.3%	2.0%	2.0%
11. The needs of the work–bound student are being met.	16.3%	46.9%	20.4%	10.2%	2.0%
12. The district has effective educational programs for the following:					
a. Reading	36.7%	51.0%	8.2%	4.1%	0.0%
b. Writing	30.6%	53.1%	8.2%	6.1%	2.0%
c. Mathematics	32.7%	55.1%	10.2%	2.0%	0.0%
d. Science	28.6%	57.1%	8.2%	6.1%	0.0%
e. English or Language Arts	34.7%	51.0%	8.2%	6.1%	0.0%
f. Computer Instruction	32.7%	51.0%	8.2%	6.1%	0.0%
g. Social Studies (history or geography)	26.5%	55.1%	10.2%	8.2%	0.0%
h. Fine Arts	22.5%	63.3%	4.1%	10.2%	0.0%
i. Physical Education	30.6%	55.1%	6.1%	8.2%	0.0%
j. Business Education	22.5%	57.1%	16.3%	4.1%	0.0%
k. Vocational (Career and Technology) Education	10.2%	55.1%	18.4%	14.3%	0.0%
l. Foreign Language	10.2%	61.2%	16.3%	12.2%	0.0%

B.   Educational Service Delivery And Performance Measurement (Continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
13. The district has effective special programs for the following:					
a. Library Service	10.2%	55.1%	18.4%	14.3%	2.0%
b. Honors/Gifted and Talented Education	10.2%	61.2%	16.3%	12.2%	0.0%
c. Special Education	24.5%	51.0%	14.3%	10.2%	0.0%
d. Head Start and Even Start programs	20.4%	53.1%	14.3%	10.2%	2.0%
e. Dyslexia program	14.3%	36.7%	26.5%	20.4%	2.0%
f. Student mentoring program	18.4%	40.8%	26.5%	14.3%	0.0%
g. Advanced placement program	28.6%	46.9%	20.4%	4.1%	0.0%
h. Literacy program	24.5%	42.9%	28.6%	4.1%	0.0%
i. Programs for students at risk of dropping out of school	16.3%	44.9%	26.5%	8.2%	4.1%
j. Summer school programs	24.5%	61.2%	10.2%	4.1%	0.0%
k. Alternative education programs	24.5%	34.7%	26.5%	14.3%	0.0%
l. "English as a second language" program	18.4%	53.1%	12.2%	16.3%	0.0%
m. Career counseling program	12.2%	42.9%	28.6%	16.3%	0.0%
n. College counseling program	24.5%	38.8%	22.5%	14.3%	0.0%
o. Counseling the parents of students	18.4%	46.9%	20.4%	12.2%	2.0%
p. Drop out prevention program	18.4%	30.6%	28.6%	18.4%	4.1%
14. Parents are immediately notified if a child is absent from school.	22.5%	28.6%	24.5%	18.4%	6.1%
15. Teacher turnover is low.	16.3%	46.9%	12.2%	22.5%	2.0%
16. Highly qualified teachers fill job openings.	28.6%	42.9%	16.3%	10.2%	2.0%
17. Teacher openings are filled quickly.	30.6%	53.1%	14.3%		2.0%
18. Teachers are rewarded for superior performance.	16.3%	34.7%	20.4%	22.5%	6.1%
19. Teachers are counseled about less than satisfactory performance.	18.4%	44.9%	24.5%	12.2%	0.0%
20. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes.	24.5%	59.2%	6.1%	8.2%	2.0%
21. The student–to–teacher ratio is reasonable.	24.5%	55.1%	6.1%	10.2%	4.1%
22. Students have access, when needed, to a school nurse.	32.7%	55.1%	4.1%	8.2%	
23. Classrooms are seldom left unattended.	26.5%	55.1%	8.2%	8.2%	2.0%

C.   Personnel Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
24. District salaries are competitive with similar positions in the job market.	22.5%	44.9%	12.2%	16.3%	4.1%
25. The district has a good and timely program for orienting new employees.	16.3%	67.4%	8.2%	6.1%	2.0%
26. Temporary workers are rarely used.	10.2%	51.0%	24.5%	8.2%	6.1%
27. The district successfully projects future staffing needs.	14.3%	42.9%	26.5%	14.3%	2.0%
28. The district has an effective employee recruitment program.	12.2%	36.7%	32.7%	16.3%	2.0%
29. The district operates an effective staff development program.	18.4%	63.3%	4.1%	10.2%	4.1%
30. District employees receive annual personnel evaluations.	34.7%	57.1%	4.1%	2.0%	2.0%
31. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	10.2%	26.5%	26.5%	28.6%	8.2%
32. Employees who perform below the standard of expectation are counseled appropriately and timely.	14.3%	32.7%	26.5%	22.5%	4.1%
33. The district has a fair and timely grievance process.	18.4%	40.8%	30.6%	6.1%	4.1%
34. The district's health insurance package meets my needs.	22.5%	53.1%	8.2%	12.2%	4.1%

D.   Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
35. The district regularly communicates with parents.	26.5%	61.2%	8.2%	4.1%	0.0%
36. The local television and radio stations regularly report school news and menus.	12.2%	30.6%	20.4%	30.6%	6.1%
37. Schools have plenty of volunteers to help student and school programs.	10.2%	40.8%	16.3%	30.6%	2.0%
38. District facilities are open for community use.	20.4%	61.2%	16.3%	2.0%	0.0%

E. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
39. Parents, citizens, students, faculty, staff, and the board provide input into facility planning.	20.4%	36.7%	24.5%	14.3%	4.1%
40. The architect and construction managers are selected objectively and impersonally.	16.3%	34.7%	46.9%	2.0%	
41. Schools are clean.	32.7%	61.2%	2.0%	4.1%	0.0%
42. Buildings are properly maintained in a timely manner.	36.7%	53.1%	2.0%	6.1%	2.0%
43. Repairs are made in a timely manner.	32.7%	49.0%	6.1%	10.2%	2.0%
44. Emergency maintenance is handled promptly.	36.7%	55.1%	6.1%	2.0%	0.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
45. Site–based budgeting is used effectively to extend the involvement of principals and teachers.	20.4%	42.9%	24.5%	10.2%	2.0%
46. Campus administrators are well trained in fiscal management techniques.	28.6%	38.8%	26.5%	4.1%	2.0%
47. The district's financial reports are easy to understand and read.	20.4%	44.9%	30.6%	2.0%	2.0%
48. Financial reports are made available to community members when asked.	22.5%	38.8%	34.7%	2.0%	2.0%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
49. Purchasing gets me what I need when I need it.	18.4%	42.9%	16.3%	14.3%	8.2%
50. Purchasing acquires the highest quality materials and equipment at the lowest cost.	12.2%	42.9%	30.6%	6.1%	8.2%
51. Purchasing processes are not cumbersome for the requestor.	18.4%	34.7%	20.4%	18.4%	8.2%
52. The district provides teachers and administrators an easy-to–use standard list of supplies and equipment.	12.2%	32.7%	28.6%	20.4%	6.1%
53. Students are issued textbooks in a timely manner.	18.4%	61.2%	16.3%	2.0%	2.0%
54. Textbooks are in good shape.	22.5%	57.1%	10.2%	8.2%	2.0%
55. The school library meets student needs for books and other resources for students.	26.5%	71.4%	2.0%	0.0%	0.0%

H. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
56. Gangs are not a problem in this district.	30.6%	57.1%	6.1%	2.0%	4.1%
57. Drugs are not a problem in this district.	16.3%	38.8%	16.3%	22.5%	6.1%
58. Vandalism is not a problem in this district.	16.3%	42.9%	12.2%	24.5%	4.1%
59. Security personnel have a good working relationship with principals and teachers.	10.2%	34.7%	49.0%	2.0%	4.1%
60. Security personnel are respected and liked by the students they serve.	6.1%	20.4%	69.4%	0.0%	4.1%
61. A good working arrangement exists between the local law enforcement and the district.	22.5%	59.2%	16.3%	2.0%	0.0%
62. Students receive fair and equitable discipline for misconduct.	16.3%	49.0%	12.2%	16.3%	6.1%

I. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
63. Students regularly use computers.	49.0%	46.9%	2.0%	2.0%	0.0%
64. Students have regular access to computer equipment and software in the classroom.	40.8%	53.1%	2.0%	4.1%	0.0%
65. Teachers know how to use computers in the classroom.	28.6%	61.2%	8.2%	2.0%	0.0%
66. Computers are new enough to be useful for student instruction.	46.9%	49.0%	2.0%	2.0%	0.0%
67. The district meets student needs in computer fundamentals.	40.8%	53.1%	2.0%	4.1%	0.0%
68. The district meets students needs in advanced computer skills.	28.6%	42.9%	20.4%	8.2%	0.0%
69. Teachers and students have easy access to the Internet.	40.8%	53.1%	4.1%	2.0%	0.0%

PARENT SURVEY RESULTS

Tatum Independent School District Management and Performance Review

(Written/Self–Administered)
(n=45)

The review team received survey responses from Tatum parents. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

1.	Gender (Optional)	Female	Male	No Response
		55.6%	35.6%	8.9%

2.	Ethnicity (Optional)	African American	Anglo	Asian	Hispanic	Other	No Response
		17.8%	57.8%	0.0%	8.9%	6.7%	8.9%

3.	How long have you lived in Tatum ISD?	0–5 years	6–10 years	11 years or more	No Response
		33.3%	20.0%	40.0%	6.7%

4.	What grades level(s) does your child(ren) attend?		
	Pre–Kindergarten	**Fourth Grade**	**Ninth Grade**
	13.3%	17.8%	17.8%
	Kindergarten	**Fifth Grade**	**Tenth Grade**
	8.9%	15.6%	6.7%
	First Grade	**Sixth Grade**	**Eleventh Grade**
	15.6%	15.6%	11.1%
	Second Grade	**Seventh Grade**	**Twelfth Grade**
	20.0%	17.8%	6.7%
	Third Grade	**Eighth Grade**	
	2.2%	17.8%	

PART B: SURVEY QUESTIONS

A. District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
1. The school board allows sufficient time for public input at meetings.	26.7%	26.7%	42.2%	2.2%	2.2%
2. School board members listen to the opinions and desires of others.	26.7%	24.4%	40.0%	6.7%	2.2%
3. The superintendent is a respected and effective instructional leader.	28.9%	40.0%	26.7%	4.4%	0.0%
4. The superintendent is a respected and effective business manager.	33.3%	37.8%	26.7%	2.2%	0.0%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
5. The district provides a high quality of services.	33.3%	55.6%	2.2%	8.9%	0.0%
6. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	31.1%	48.9%	20.0%	0.0%	0.0%
7. The needs of the college–bound student are being met.	20.0%	44.4%	22.2%	13.3%	0.0%
8. The needs of the work–bound student are being met.	15.6%	46.7%	26.7%	8.9%	2.2%
9. The district has effective educational programs for the following:					
a. Reading	48.9%	48.9%	2.2%	0.0%	0.0%
b. Writing	44.4%	48.9%	2.2%	2.2%	2.2%
c. Mathematics	37.8%	46.7%	6.7%	8.9%	0.0%
d. Science	40.0%	48.9%	4.4%	4.4%	2.2%
e. English or Language Arts	42.2%	51.1%	4.4%	2.2%	0.0%
f. Computer Instruction	40.0%	48.9%	6.7%	4.4%	0.0%
g. Social Studies (history or geography)	37.8%	53.3%	6.7%	2.2%	0.0%
h. Fine Arts	35.6%	46.7%	4.4%	11.1%	2.2%
i. Physical Education	42.2%	48.9%	4.4%	2.2%	2.2%
j. Business Education	24.4%	48.9%	17.8%	8.9%	0.0%
k. Vocational (Career and Technology) Education	22.2%	40.0%	24.4%	8.9%	4.4%
l. Foreign Language	20.0%	33.3%	28.9%	11.1%	6.7%
10. The district has effective special programs for the following:					
a. Library Service	35.6%	53.3%	4.4%	6.7%	0.0%
b. Honors/Gifted and Talented Education	26.7%	51.1%	4.4%	13.3%	4.4%
c. Special Education	31.1%	40.0%	20.0%	4.4%	4.4%
d. Head Start and Even Start programs	31.1%	37.8%	26.7%	4.4%	0.0%
e. Dyslexia program	6.7%	33.3%	48.9%	8.9%	2.2%

B. Educational Service Delivery and Performance Measurement (Continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
f. Student mentoring program	20.0%	35.6%	28.9%	15.6%	0.0%
g. Advanced placement program	24.4%	48.9%	15.6%	8.9%	2.2%
h. Literacy program	20.0%	48.9%	26.7%	4.4%	0.0%
i. Programs for students at risk of dropping out of school	15.6%	22.2%	48.9%	6.7%	6.7%
j. Summer school programs	24.4%	33.3%	37.8%	4.4%	0.0%
k. Alternative education programs	20.0%	24.4%	46.7%	6.7%	2.2%
l. "English as a second language" program	22.2%	33.3%	42.2%	0.0%	2.2%
m. Career counseling program	20.0%	28.9%	28.9%	15.6%	6.7%
n. College counseling program	15.6%	40.0%	24.4%	11.1%	8.9%
o. Counseling the parents of students	20.0%	26.7%	26.7%	17.8%	8.9%
p. Drop out prevention program	13.3%	22.2%	51.1%	6.7%	6.7%
11. Parents are immediately notified if a child is absent from school.	20.0%	28.9%	24.4%	13.3%	13.3%
12. Teacher turnover is low.	22.2%	42.2%	22.2%	11.1%	2.2%
13. Highly qualified teachers fill job openings.	22.2%	46.7%	22.2%	8.9%	0.0%
14. A substitute teacher rarely teaches my child.	4.4%	55.6%	17.8%	22.2%	0.0%
15. Teachers are knowledgeable in the subject areas they teach.	20.0%	68.9%	6.7%	2.2%	2.2%
16. All schools have equal access to educational materials such as computers, television monitors, science labs, and art classes.	26.7%	53.3%	15.6%	4.4%	0.0%
17. Students have access, when needed, to a school nurse.	44.4%	44.4%	4.4%	4.4%	2.2%
18. Classrooms are seldom left unattended.	28.9%	44.4%	22.2%	4.4%	0.0%
19. The district provides a high quality education.	40.0%	46.7%	4.4%	8.9%	0.0%
20. The district has a high quality of teachers.	33.3%	57.8%	4.4%	4.4%	0.0%

C. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
21. The district regularly communicates with parents.	26.7%	44.4%	13.3%	8.9%	6.7%
22. District facilities are open for community use.	24.4%	48.9%	22.2%	2.2%	2.2%
23. Schools have plenty of volunteers to help student and school programs.	17.8%	37.8%	22.2%	22.2%	0.0%

D. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
24. Parents, citizens, students, faculty, staff, and the board provide input into facility planning.	15.6%	42.2%	28.9%	11.1%	2.2%
25. Schools are clean.	55.6%	40.0%	2.2%	0.0%	2.2%
26. Buildings are properly maintained in a timely manner.	44.4%	46.7%	4.4%	2.2%	2.2%
27. Repairs are made in a timely manner.	40.0%	40.0%	20.0%	0.0%	0.0%
28. The district uses very few portable buildings.	48.9%	37.8%	8.9%	4.4%	0.0%
29. Emergency maintenance is handled expeditiously.	35.6%	42.2%	22.2%	35.6%	0.0%

E. Asset and Risk Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
30. My property tax bill is reasonable for the educational services delivered.	24.4%	57.8%	11.1%	4.4%	2.2%
31. Board members and administrators do a good job explaining the use of tax dollars.	24.4%	33.3%	26.7%	13.3%	2.2%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
32. Site–based budgeting is used effectively to extend the involvement of principals and teachers.	17.8%	31.1%	46.7%	4.4%	0.0%
33. Campus administrators are well–trained in fiscal management techniques.	20.0%	46.7%	33.3%	0.0%	0.0%
34. The district's financial reports are easy to understand and read.	20.0%	31.1%	37.8%	0.0%	0.0%
35. Financial reports are made available to community members when asked.	20.0%	42.2%	35.6%	2.2%	0.0%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
36. Students are issued textbooks in a timely manner.	33.3%	51.1%	6.7%	6.7%	2.2%
37. Textbooks are in good shape.	33.3%	53.3%	13.3%	0.0%	0.0%
38. The school library meets student needs for books and other resources.	35.6%	53.3%	2.2%	8.9%	0.0%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
39. My child regularly purchases his/her meal from the cafeteria.	31.1%	42.2%	13.3%	11.1%	2.2%
40. The school breakfast program is available to all children.	37.8%	62.2%	0.0%	0.0%	0.0%
41. The cafeteria's food looks and tastes good.	22.2%	33.3%	17.8%	17.8%	8.9%
42. Food is served warm.	22.2%	48.9%	13.3%	13.3%	2.2%
43. Students have enough time to eat.	17.8%	44.4%	8.9%	22.2%	6.7%
44. Students eat lunch at the appropriate time of day.	24.4%	60.0%	4.4%	6.7%	4.4%
45. Students wait in food lines no longer than 10 minutes	13.3%	48.9%	17.8%	15.6%	4.4%
46. Discipline and order are maintained in the school cafeteria.	24.4%	60.0%	8.9%	4.4%	2.2%
47. Cafeteria staff is helpful and friendly.	24.4%	60.0%	8.9%	4.4%	2.2%
48. Cafeteria facilities are sanitary and neat.	33.3%	62.2%	2.2%	2.2%	0.0%

I. Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
49. My child regularly rides the bus.	17.8%	46.7%	11.1%	8.9%	15.6%
50. The bus driver maintains discipline on the bus.	8.9%	51.1%	26.7%	6.7%	6.7%
51. The length of the student's bus ride is reasonable.	13.3%	46.7%	24.4%	11.1%	4.4%
52. The drop–off zone at the school is safe.	20.0%	53.3%	22.2%	2.2%	2.2%
53. The bus stop near my house is safe.	17.8%	55.6%	24.4%	2.2%	0.0%
54. The bus stop is within walking distance from our home.	22.2%	53.3%	22.2%	2.2%	0.0%
55. Buses arrive and depart on time.	20.0%	46.7%	26.7%	6.7%	0.0%
56. Buses arrive early enough for students to eat breakfast at school.	15.6%	40.0%	28.9%	8.9%	6.7%
57. Buses seldom break down.	17.8%	46.7%	28.9%	4.4%	2.2%
58. Buses are clean.	17.8%	37.8%	40.0%	4.4%	0.0%
59. Bus drivers allow students to sit down before taking off.	17.8%	37.8%	31.1%	11.1%	2.2%
60. The district has a simple method to request buses for special events.	15.6%	31.1%	48.9%	4.4%	0.0%

J.   Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
61. Students feel safe and secure at school.	24.4%	60.0%	8.9%	6.7%	0.0%
62. School disturbances are infrequent.	20.0%	68.9%	8.9%	2.2%	0.0%
63. Gangs are not a problem in this district.	15.6%	64.4%	8.9%	11.1%	0.0%
64. Drugs are not a problem in this district.	15.6%	51.1%	17.8%	13.3%	2.2%
65. Vandalism is not a problem in this district.	11.1%	51.1%	13.3%	22.2%	2.2%
66. Security personnel have a good working relationship with principals and teachers.	11.1%	42.2%	40.0%	2.2%	4.4%
67. Security personnel are respected and liked by the students they serve.	11.1%	31.1%	53.3%	2.2%	2.2%
68. A good working arrangement exists between the local law enforcement and the district.	17.8%	60.0%	17.8%	2.2%	2.2%
69. Students receive fair and equitable discipline for misconduct.	20.0%	48.9%	8.9%	15.6%	6.7%
70. Safety hazards do not exist on school grounds.	11.1%	51.1%	24.4%	6.7%	6.7%

K.   Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
71. Teachers know how to teach computer science and other technology–related courses.	20.0%	64.4%	15.6%	0.0%	0.0%
72. Computers are new enough to be useful to teach students.	28.9%	60.0%	6.7%	4.4%	0.0%
73. The district meets student needs in computer fundamentals.	31.1%	46.7%	11.1%	11.1%	0.0%
74. The district meets student needs in advanced computer skills.	24.4%	48.9%	13.3%	13.3%	0.0%
75. Students have easy access to the Internet.	24.4%	48.9%	13.3%	11.1%	2.2%

STUDENT SURVEY RESULTS

Tatum Independent School District Management and Performance Review

(Written/Self–Administered)
(n=46)

The review team received survey responses from Tatum ISD students. This data was used to get a better sense of the perceptions and issues confronting the district. It was also used to supplement the work of the focus groups and public forum. This data was used to gain a more complete picture of the learning environment within the district. Totals may not add to 100 percent due to rounding.

PART A: DEMOGRAPHIC DATA

1.	Gender (Optional)	Male	Female
		54.2%	45.8%

2.	Ethnicity (Optional)	African American	Anglo	Hispanic	Other	No Response
		23.6%	54.2%	11.1%	8.3%	2.8%

3.	What is your classification?	Junior	Senior
		76.4%	23.6%

PART B: SURVEY QUESTIONS

A.   Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
1. The needs of the college–bound student are being met.	5.6%	48.6%	33.3%	11.1%	1.4%
2. The needs of the work–bound student are being met.	2.8%	48.6%	38.9%	9.7%	0.0%
3. The district has effective educational programs for the following:					
a. Reading	22.2%	51.4%	15.3%	9.7%	1.4%
b. Writing	19.4%	61.1%	6.9%	11.1%	1.4%
c. Mathematics	26.4%	62.5%	2.8%	5.6%	2.8%
d. Science	29.2%	59.7%	6.9%	4.2%	0.0%
e. English or Language Arts	29.2%	61.1%	4.2%	5.6%	0.0%
f. Computer Instruction	15.3%	52.8%	20.8%	11.1%	0.0%
g. Social Studies (history or geography)	29.2%	61.1%	4.2%	4.2%	1.4%
h. Fine Arts	19.4%	63.9%	11.1%	4.2%	1.4%
i. Physical Education	34.7%	52.8%	9.7%	1.4%	1.4%
j. Business Education	13.9%	40.3%	33.3%	11.1%	1.4%

A. Educational Service Delivery and Performance Measurement (Continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
k. Vocational (Career and Technology) Education	15.3%	40.3%	34.7%	8.3%	1.4%
l. Foreign Language	11.1%	41.7%	13.9%	19.4%	13.9%
4. The district has effective special programs for the following:					
a. Library Service	18.1%	44.4%	29.2%	5.6%	2.8%
b. Honors/Gifted and Talented Education	12.5%	50.0%	26.4%	9.7%	1.4%
c. Special Education	12.5%	40.3%	47.2%	0.0%	0.0%
d. Student mentoring program	9.7%	31.9%	41.7%	13.9%	2.8%
e. Advanced placement program	15.3%	65.3%	16.7%	2.8%	0.0%
f. Career counseling program	6.9%	34.7%	36.1%	13.9%	8.3%
g. College counseling program	5.6%	37.5%	37.5%	9.7%	9.7%
5. Students have access, when needed, to a school nurse.	5.6%	30.6%	11.1%	40.3%	12.5%
6. Classrooms are seldom left unattended.	9.7%	50.0%	22.2%	6.9%	11.1%
7. The district provides a high quality education.	20.8%	54.2%	19.4%	4.2%	1.4%
8. The district has high quality of teachers.	18.1%	54.2%	16.7%	5.6%	5.6%

B. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
9. Schools are clean.	9.7%	56.9%	19.4%	12.5%	1.4%
10. Buildings are properly maintained in a timely manner.	9.7%	61.1%	20.8%	5.6%	2.8%
11. Repairs are made in a timely manner.	8.3%	65.3%	15.3%	9.7%	1.4%
12. Emergency maintenance is handled timely.	9.7%	56.9%	26.4%	4.2%	2.8%

C. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
13. There is enough textbooks in all my classes.	15.3%	47.2%	15.3%	18.1%	4.2%
14. Students are issued textbooks in a timely manner.	11.1%	66.7%	11.1%	11.1%	0.0%
15. Textbooks are in good shape.	11.1%	56.9%	19.4%	9.7%	2.8%
16. The school library meets students needs for books and other resources.	11.1%	58.3%	25.0%	1.4%	4.2%

D.   Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
17. The school breakfast program is available to all children.	13.9%	56.9%	15.3%	8.3%	5.6%
18. The cafeteria's food looks and tastes good.	4.2%	16.7%	18.1%	26.4%	34.7%
19. Food is served warm.	4.2%	30.6%	22.2%	25.0%	18.1%
20. Students have enough time to eat.	5.6%	20.8%	6.9%	26.4%	40.3%
21. Students eat lunch at the appropriate time of day.	8.3%	61.1%	18.1%	6.9%	5.6%
22. Students wait in food lines no longer than 10 minutes.	5.6%	15.3%	13.9%	41.7%	23.6%
23. Discipline and order are maintained in the schools cafeteria.	8.3%	55.6%	22.2%	9.7%	4.2%
24. Cafeteria staff is helpful and friendly.	25.0%	41.7%	13.9%	12.5%	6.9%
25. Cafeteria facilities are sanitary and neat.	8.3%	52.8%	18.1%	13.9%	6.9%

E.   Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
26. I regularly ride the bus.	6.9%	12.5%	23.6%	15.3%	40.3%
27. The bus driver maintains discipline on the bus.	8.3%	16.7%	69.4%	2.8%	2.8%
28. The length of my bus ride is reasonable.	6.9%	13.9%	65.3%	4.2%	9.7%
29. The drop–off zone at the school is safe.	12.5%	31.9%	55.6%	0.0%	0.0%
30. The bus stop near my house is safe.	12.5%	26.4%	55.6%	5.6%	0.0%
31. The bus stop is within walking distance from our home.	9.7%	30.6%	56.9%	1.4%	1.4%
32. Buses arrive and depart on time.	6.9%	16.7%	62.5%	9.7%	4.2%
33. Buses arrive early enough for students to eat breakfast at school.	5.6%	18.1%	61.1%	11.1%	4.2%
34. Buses seldom break down.	6.9%	15.3%	69.4%	5.6%	2.8%
35. Buses are clean.	2.8%	12.5%	61.1%	13.9%	9.7%
36. Bus drivers allow students to sit down before taking off.	5.6%	19.4%	65.3%	5.6%	4.2%

F.   Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
37. I feel safe and secure at school.	11.1%	69.4%	9.7%	5.6%	4.2%
38. School disturbances are infrequent.	9.7%	62.5%	19.4%	5.6%	2.8%
39. Gangs are not a problem in this district.	29.2%	58.3%	6.9%	1.4%	4.2%
40. Drugs are not a problem in this district.	11.1%	27.8%	31.9%	13.9%	15.3%
41. Vandalism is not a problem in this district.	9.7%	45.8%	22.2%	15.3%	6.9%
42. Security personnel have a good working relationship with principals and teachers.	2.8%	27.8%	63.9%	2.8%	2.8%
43. Security personnel are respected and liked by the students they serve.	2.8%	20.8%	70.8%	4.2%	1.4%
44. A good working arrangement exists between the local law enforcement and the district.	2.8%	34.7%	48.6%	9.7%	4.2%
45. Students receive fair and equitable discipline for misconduct.	5.6%	43.1%	22.2%	12.5%	16.7%
46. Safety hazards do not exist on school grounds.	6.9%	30.6%	45.8%	11.1%	5.6%

G.   Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
47. Students have regular access to computer equipment and software in the classroom.	11.1%	52.8%	13.9%	12.5%	9.7%
48. Teachers know how to use computers in the classroom.	9.7%	59.7%	16.7%	11.1%	2.8%
49. Computers are new enough to be useful for student instruction.	15.3%	56.9%	6.9%	16.7%	4.2%
50. The district offers enough classes in computer fundamentals.	8.3%	56.9%	22.2%	5.6%	6.9%
51. The district meets student needs in advanced computer skills.	6.9%	51.4%	27.8%	6.9%	6.9%
52. Teachers and students have easy access to the Internet.	19.4%	59.7%	8.3%	5.6%	6.9%

PUBLIC FORUM AND FOCUS GROUP COMMENTS

Tatum Independent School District Management and Performance Review

The review team conducted a public forum and held focus groups while onsite in the district. This data was used to get a better sense of the perceptions and issues confronting the district. In addition, the following was a useful tool in drawing comparisons between the perception and opinions of district staff and other stakeholders. These comments do not necessarily reflect the findings or opinions of Legislative Budget Board Members, its staff, or the review team.

TEACHER FOCUS GROUPS

When asked about the positive attributes of the school district, some teachers responded with the following remarks:
- Upgrading computer labs (most have less than 5 computers to each student and some labs have 2:1).
- Lots of training and assistance from their technology person.
- Superintendent pushes technology that students will need when they enter the work world; he wants at least 5 technology lessons in every teacher's course each semester in an effort to get all teachers accustomed to the computer as a teaching tool and have the students benefit.

When asked about the innovative or different things that the district was doing:
- Teachers or aides record test results of K-1 and Primary students on palm pilots and send results electronically to the test collector.
- Summer 2003 training for technology integration.
- Bus transportation from "any" distance within the district.

When asked what TISD needed to improve:
- ESL needs to serve more (expand) and the district is starting to correct this; ESL is and needs to be monitored.
- Middle School's GT Program schedule for students is too short (example given was where one student received about 10 minutes per week), so suggested rescheduling these students for more service. It is shared with the Elementary GT Program which is first in the morning.
- Some teachers slipped through the cracks and do not have GT training even though they have GT students; some teachers get AP training instead. Teachers reported that these teachers need 30 hours of training initially, then 6 hours per year thereafter.
- Teachers hear requirements from "rumors" or other teachers instead of from the central office.
- Problem with communication to classroom teachers; not all teachers knew if students were getting ESL course or not.
- Suggestion was that each campus needs ESL teachers/courses for first year Language Arts, English, and Reading in ESL. Now the Elementary ESL Teacher only has one period (third period) for ESL because she teaches grade 6 English for 5 periods; this causes ESL students to miss any class going on then.
- Previously had pull-out programs for Reading and Language Arts for MS and teachers miss this help for the students.
- Sharing the Technology Integration Specialists does not work because they may be at other schools when teachers or students need them.
- Food Services menu is lacking in enough choices, has limited snacks and serves MS too late
- MS needs grade 8 Reading Teacher and more elective courses.

- TISD asked for a waiver to have larger classes in grade 4, about 24:1. Teachers are worried that larger classes will affect test scores. They recommended a floating fourth grade teacher and stated that the RIF cut too deep.

When asked about the community:
- They remarked that the community had wonderful parents and that many volunteers came in during their recent crisis.
- They have a supportive school board.
- The community passes bonds to build facilities.
- There is a good Web site and communication to the community.
- There is a good working relationship with the community such as helping to build the large playground.

Other concerns:
- Transfer students who do not claim to be transfers (adding enrollment); there is an out of district policy but no one at the central office checks addresses.
- No Social Worker.
- 3 Counselors are not enough with counselors' duties including testing, college admission assistance, etc.; this leaves little time for student involvement or counseling.
- MS and Elementary schools share the technology person, counselor, and cafeteria; several felt that sharing the personnel was spreading someone too thin and their students need more service and time.

POSITIVES ABOUT TISD
- School facilities.
- Technology: Computer labs and computer ratios (2:1; 3:1 in some campuses). TIS manager keeps the district going and has a good attitude.
- Good busing job bringing the kids to the schools from far away places. It's good that the district can transport kids to the schools regardless of where they live (even under two miles from the schools).
- School board is very progressive.
- Pretty competitive compensation package. District pays for insurance.
- Supportive administration.
- Great community.
- Great communication from district to community.

AREAS FOR IMPROVEMENT IN TISD
- Some programs need boosting (ESL) as far as identifying the kids and meeting their needs.
- GT program needs improvement. It would be good to reschedule to best fit GT in middle schools. Look at other areas outside of AP. GT could be served in the regular classroom if the teachers had the training.
- Lunches could be better scheduled.
- Believe they need at least two more teachers in the middle school.
- Also believe they need another 4th grade teacher. There is a 1:24 ratio in all four 4th grade classes.
- Not all buses have cameras. There should be zero tolerance on buses (discipline).
- A number of children live in Longview and attend school in Tatum. These children have fake addresses. The criteria for transfers are not enforced. Kids come to Tatum to avoid placement in alternative programs in Longview.

- Counselors are more "testing coordinators."
- Currently they have to get POs for anything they purchase, which is not effective.

CUSTODIAN FOCUS GROUP

- Many people in surrounding districts would like to come to Tatum, both students and employees.
- The custodians are happy to work for the district because the teachers are effective and the benefits for custodians are good.
- More emphasis should be placed on providing for non-college bound students.
- Discipline needs improvement when the high school students are using the cafeteria e.g. too much litter and chairs and tables being moved.
- Students are allowed to bring snacks and drinks into the high school classrooms creating litter problems.
- There is a lack of communication at the high school re: special events, night functions, etc. Many times, room have not been cleaned or properly set up for these functions.
- Custodians don't like their schedules because some have a 1 and 1/2 –2 hour break during the mid-day.
- All custodians are female. They would like to see some males hired to assist with heavy lifting and when using the large machines.
- They would like to have a regular trained substitute when illness keeps them away. The current substitutes don't do a good job.
- Some employees do not get two 15-minute breaks.
- The high school custodians are overworked during football season because they have to wash the practice and game uniforms.

PRINCIPAL FOCUS GROUP

- Situation with board and superintendent "is very workable." Have "outstanding board meetings." There is "good trust."
- Principals don't attend all meetings; usually there is an agenda (involves test scores, changing policies, etc.).
- Everyone is kept informed, even concerning new legislation and board policies.
- Have pre-agenda, then meeting, then prompt feedback.
- "Superintendent is very visible, aware" of curriculum and technology; is "hands-on" and "accessible."
- Agendas used to be all about management; now more philosophy and research included.
- Principals get chance to put things on the agenda.
- Meet every 2 weeks.
- All agenda items are tied to goals.

CUSTODIAL/MAINTENANCE

- OK now; prior not so good.
- Custodians seem to "think of the school as their own."
- Do well without prompting.
- Available online.
- Request can come from anyone.
- Can be times with problems, especially if major request such as carpet being ripped out or room use change.

STUDENT DISCIPLINE SUGGESTIONS
- Have good parent support.
- High school always discusses with superintendent first before further action.
- Have "due process" involving statements, witnesses, etc. Also have handbook.
- Costs $5,000 for slot at Kilgore; if slot is filled, must pay for another.
- Feel the system works well.

SAFETY TRAINING
- Held training; had "stranger on campus."
- "Shelter In Place."
- Have "red notebook" with all information including names and phone numbers.
- Required to have safety topics each month; can use any topic; can pull from district manual.
- Satisfied with discipline; no big issues; usually just "spit out gum."

PARENTAL INVOLVEMENT/VOLUNTEERS
- Parents are involved at the high school proms, graduations.
- Open house has a good turnout.
- Soup suppers (parent involvement night); used to get parents to know teachers. Food is donated for functions.
- Volunteers are recruited in different ways by schools: primary school has a teacher encouraging volunteers; elementary school sends out requests.
- Principals are addressing ESL: high school is using Students with Aptitude to Tutor (SWAT) to go to other campuses; there is going to be an advisory committee.
- 75 ESL.
- Had consultant; now 8 teachers are ESL certified.
- Have active PTSA.
- Have an organized pool of volunteers.
- Plan ahead or can just call.
- PTSA keeps track of hours of the volunteers.

HUMAN RESOURCES
- "Whenever we have an opening, it's not hard to fill it."
- Don't foresee any shortage of teachers for any area.
- Very low turnover.
- "A lot of our teachers are coaches too; can be harder to replace."
- Have adequate pool from which to select.

ORIENTATION
- Have new teacher orientation.
- Have a mentoring program: mentoring for new teachers, buddy program for those with experience.
- Mentors get a stipend.
- Have faculty meetings twice per year strictly for new teachers.
- Pamphlet with checklist and timelines is provided.

CLIMATE

- Give a WOW award – nominations from each campus for people who go above and beyond.

PROFESSIONAL DEVELOPMENT

- Encourage teachers, not just administrators, to attend conferences and seminars.
- At least 10 technology/curriculum lessons per year for students.
- Have permanent and mobile tech lab.
- Have technology integration specialists on each campus (TIS).
- Computers, share fairs.
- Have targeted standard for use.
- Technology standard overall and at grade level.
- Have walk-through.
- Use available for others in community in evenings at library; most use seems for ESL or GED.
- Would be nice to use central office for helping teachers.

TRANSPORTATION

- Buses run on time.
- No discipline problems.

BUDGET PROCESS

- Make requests.
- Must show need.
- Ninety percent of time get what's needed.

BUS DRIVER FOCUS GROUP

- There is room for more supervision.
- Half of the time the Director is spent driving.
- There is not a sub sheet to fill absences.
- Drivers work multiple positions and they get pulled from other duties to cover routes or cover extra curricular routes.
- Forms that need to be completed by coaches for trips to football games are not always completed. For example, there can be multiple rides to different places for one trip and only one gets logged.
- The procedure for tracking mileage is loose.
- Superintendent encourages the use of e-mail and Internet to place work orders. However, many people do not use these methods.
- $1 per mile is charged for the extra curricular. Most trips are out of the county. If they stay overnight, they get paid an extra $25. Every thing else is paid @ $5.15 and time and a half is paid when over 40 hours.
- Some coaches don't have their CDL and still drive. Athletics (team) takes care of their own ride; transportation staff transports cheerleaders, band, etc.
- They make 15 to 20 extra curricular trips.
- Claim they have no time to train and don't gat paid for it.
- Think the routes are pretty efficient.
- Think the district is not big enough to be automated.
- They have 71-capacity buses. In average filled at 50 to 60.
- Request for transportation of a student. Principal and parent call the office with the road information. No paperwork is done.

Summary of Costs and Savings by Recommendation

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1 Educational Service Delivery							
1. Increase pre-Advanced Placement courses, Pre-Scholastic Achievement Test (PSAT), and college entrance examination preparation tutorial opportunities.	($6,000)	($6,000)	($6,000)	($6,000)	($6,000)	($30,000)	($9,300)
2. Designate a highly qualified teacher as a districtwide academic achievement coordinator.	($47,514)	($47,514)	($47,514)	($47,514)	($47,514)	($237,570)	$0
3. Include grant research in the Education Foundation charter and contract for grant writer services.	$0	$75,000	$75,000	$75,000	$75,000	$300,000	($25,000)
4. Include parents and special education professionals in a monitoring committee to review State Developed Alternative Assessment (SDAA) expectations and resulting student scores.	$0	$0	$0	$0	$0	$0	$0
Chapter 1 Total	**($53,514)**	**$21,486**	**$21,486**	**$21,486**	**$21,486**	**$32,430**	**($34,300)**

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 2 Financial Management							
5. Establish internal controls to segregate payroll and human resources functions.	$0	$0	$0	$0	$0	$0	$0
6. Procure audit services through the use of a request for proposal to ensure fees are competitive.	$0	$0	$0	$0	$0	$0	$0
7. Contract with the Rusk County Tax Assessor/Collector, and close the district Tax Office.	$0	$28,802	$28,802	$28,802	$28,802	$115,208	($5,000)
8. Ensure compliance with the Public Funds Investment Act.	$0	$0	$0	$0	$0	$0	$0
9. Prepare monthly and annual cash flow forecasts.	$0	$0	$0	$0	$0	$0	$0
10. Use competitive procurement methods for purchases greater than $10,000.	$0	$0	$0	$0	$0	$0	$0
Chapter 2 Total	**$0**	**$28,802**	**$28,802**	**$28,802**	**$28,802**	**$115,208**	**($5,000)**
Chapter 3 Computers and Technology							
11. Develop written policies and procedures for technology operations.	$0	$0	$0	$0	$0	$0	$0

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 3 Computers and Technology (continued)							
12. Develop a comprehensive disaster recovery plan and conduct tests according to a regular schedule.	$0	$0	$0	$0	$0	$0	$0
Chapter 3 Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Chapter 4 Maintenance, Transportation, and School Safety							
13. Implement a system of internal controls and accountability for transportation data collection, review, and submission.	$0	$0	$0	$0	$0	$0	$0
14. Include maintenance and custodial departmental and storage space and safety and security issues in long-range facilities plans.	$0	$0	$0	$0	$0	$0	$0
15. Establish a bus rotation schedule.	$0	$0	$0	$0	$0	$0	$0
16. Provide professional certification opportunities to full-time district mechanics.	$0	($2,080)	($2,080)	($2,080)	($2,080)	($8,320)	($230)
17. Expand transportation professional development opportunities and track training hours.	$0	$0	$0	$0	$0	$0	$0

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 4 Maintenance, Transportation, and School Safety (continued)							
18. Install and fully implement all existing transportation software.	$0	$0	$0	$0	$0	$0	$0
19. Designate a centralized Safety and Security coordinator.	($1,500)	($1,500)	($1,500)	($1,500)	($1,500)	($7,500)	$0
20. Implement a centralized safety and security drill reporting system.	$0	$0	$0	$0	$0	$0	$0
Chapter 4 Total	**($1,500)**	**($3,580)**	**($3,580)**	**($3,580)**	**($3,580)**	**($15,820)**	**($230)**
Chapter 5 Food Services							
21. Use Meals Per Labor Hour standard recommended by Region 7 and staff cafeterias accordingly.	$3,877	$7,755	$11,632	$15,509	$19,387	$58,160	$0
22. Develop communication and planning procedures within the Food Services Department allowing input from all managers and staff.	$0	$0	$0	$0	$0	$0	$0
23. Develop a consistent plan for Food Services employee evaluations and standardize evaluation forms.	$0	$0	$0	$0	$0	$0	$0
24. Offer ongoing training to Food Services management and staff.	$0	$0	$0	$0	$0	$0	$0

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 5 Food Services (continued)							
25. Promote professional development and training opportunities for the district's cafeteria managers and director.	($445)	($445)	($445)	($445)	($445)	($2,225)	$0
26. Develop an employee recognition program for Food Services Department employees.	$0	$0	$0	$0	$0	$0	$0
Chapter 5 Total	**$3,432**	**$7,310**	**$11,187**	**$15,064**	**$18,942**	**$55,935**	**$0**
Chapter 6 District Organization and Management							
27. Include provisions for an early retirement incentive in the district's long-range strategic plan.	$0	$0	$0	$0	$0	$0	$0
28. Amend board policy addressing criminal history checks and unsupervised student access by volunteers and conduct scheduled background checks for all employees.	($172)	$0	$0	($57)	($57)	($286)	$0
29. Schedule and conduct administrative team meetings with all operational directors.	$0	$0	$0	$0	$0	$0	$0

Summary of Costs and Savings by Recommendation (continued)

Recommendation	2004-05	2005-06	2006-07	2007-08	2008-09	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 6 District Organization and Management (continued)							
30. Create comprehensive written operational procedures.	$0	$0	$0	$0	$0	$0	$0
31. Review and update job descriptions on a rotating annual basis.	$0	$0	$0	$0	$0	$0	$0
32. Enforce existing exit interview policy and analyze results to identify trends and develop correlated retention strategies.	$0	$0	$0	$0	$0	$0	$0
33. Implement procedures to update personnel files, scan records, and provide computerized districtwide access to professional development and training records.	$0	$0	$0	$0	$0	$0	$0
34. Develop a volunteer tracking system.	$0	$0	$0	$0	$0	$0	$0
Chapter 6 Total	**($172)**	**$0**	**$0**	**($57)**	**($57)**	**($286)**	**$0**
Total Savings	**$3,877**	**$111,557**	**$115,434**	**$119,311**	**$123,189**	**$473,368**	**$0**
Total Costs	**($55,631)**	**($57,539)**	**($57,539)**	**($57,596)**	**($57,596)**	**($285,901)**	**($39,530)**
Net Savings/(Costs)	**($51,754)**	**$54,018**	**$57,895**	**$61,715**	**$65,593**	**$187,467**	**($39,530)**

5 Year Savings	**$473,368**
5 Year Cost	**($325,431)**
Grand Total	**$147,937**