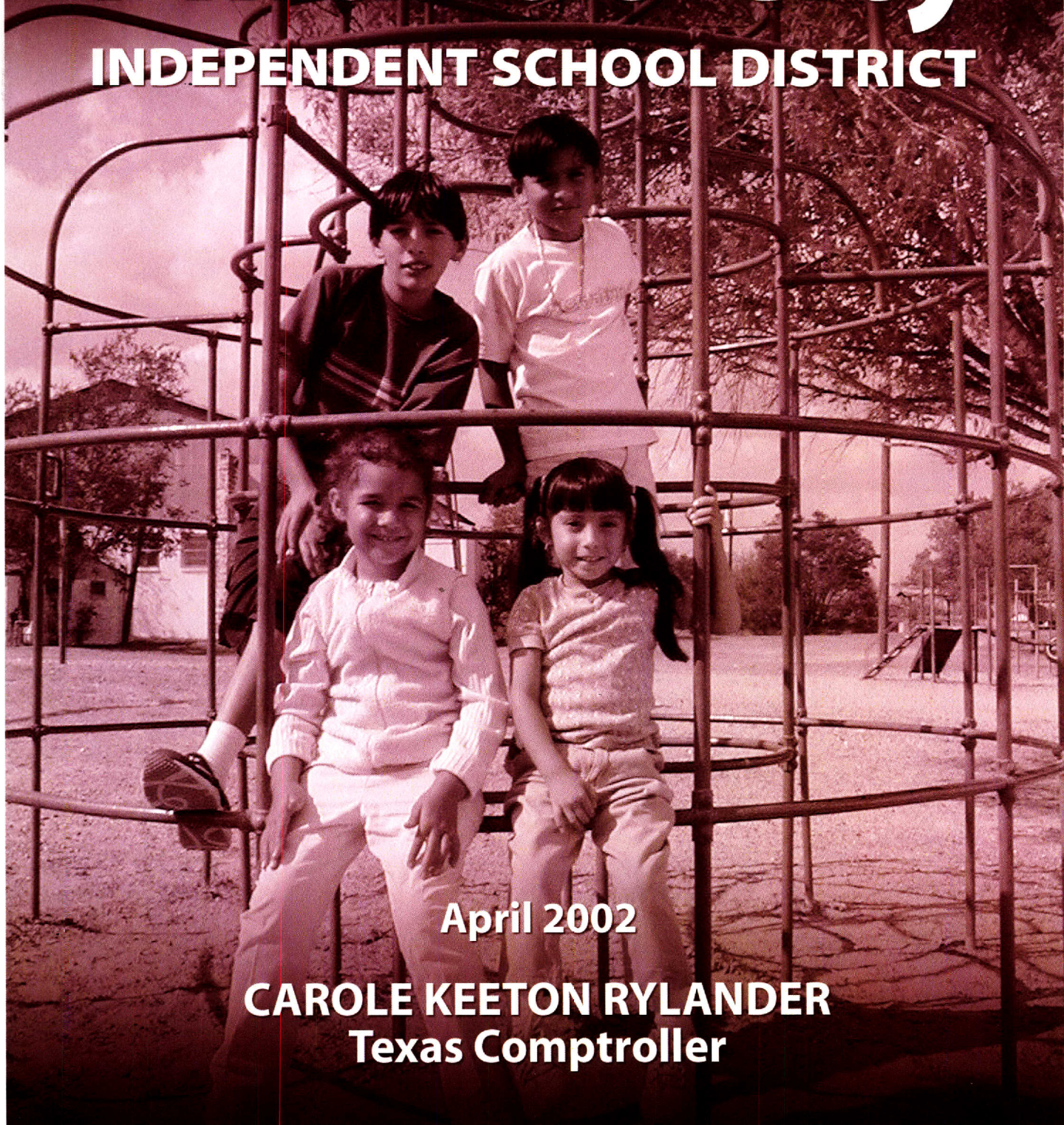




A Report from the
Texas School Performance Review

Mirando City

INDEPENDENT SCHOOL DISTRICT



April 2002

CAROLE KEETON RYLANDER
Texas Comptroller



April 3, 2002

The Honorable Rick Perry
The Honorable William R. Ratliff
The Honorable James E. "Pete" Laney
Members of the 77th Legislature
Commissioner Felipe T. Alanis, Ph.D.

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Fellow Texans:

I am pleased to present my performance review of the Mirando City Independent School District (MCISD).

This review is intended to help MCISD maintain its fiscal and academic viability and improve operations so that every child in the district is provided a high-quality education. To aid in this task, I contracted with Carter Scherff, CPA, and MGT of America, Inc.

I have made a number of recommendations to improve MCISD's efficiency. I have also highlighted a number of "best practices" in district operations—model programs and services provided by the district's administrators, teachers, and staff. This report outlines 26 detailed recommendations that could save MCISD nearly \$44,000 over the next five years, while reinvesting nearly \$20,000 to improve educational services and other operations. Net savings are estimated to reach nearly \$24,000 that the district can redirect to the classroom.

I am grateful for the cooperation of MCISD's board, staff, parents, and community members. I commend them for their dedication to improving the educational opportunities for our most precious resource in MCISD—our children.

I also am pleased to announce that the report is available on my Window on State Government Web site at <<http://www.window.state.tx.us/tspr/mirando/>>.

Thanks for all that you do for Texas.

Sincerely,

A large, flowing handwritten signature in black ink that reads "Carole Keeton Rylander".

Carole Keeton Rylander
Texas Comptroller

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***EXECUTIVE
SUMMARY***

Executive Summary

***The Mirando City Independent School District
A Texas School Performance Review***

In August 2001, the Comptroller announced her intent to review the Mirando City Independent School District (MCISD) in conjunction with reviews of two other districts in Webb County including the Laredo and Webb Consolidated ISDs. Work began in November 2001. This report, based on more than six months of work, identifies both exemplary programs and suggests a number of concrete ways to improve MCISD's operations. If fully implemented, the 26 recommendations in this report could save the district more than \$24,500 over the next five years.

Improving the Texas School Performance Review

Soon after taking office in January 1999, Texas Comptroller Carole Keeton Rylander consulted school district officials, parents and teachers from across Texas and carefully examined past reviews and progress reports to make the Texas School Performance Review (TSPR) more valuable to the state's school districts. With the perspective of a former teacher and school board president, the Comptroller has vowed to use TSPR to increase local school districts' accountability to the communities they serve.

Recognizing that only 52 cents of every education dollar is spent on instruction, Comptroller Rylander's goal is to drive more of every education dollar directly into the classroom. Comptroller Rylander also has ordered TSPR staff to share best practices and exemplary programs quickly and systematically with all the state's school districts and with anyone else who requests such information. Comptroller Rylander has directed TSPR to serve as a clearinghouse of the best ideas in Texas public education.

Under Comptroller Rylander's approach, consultants and the TSPR team will work with districts to:

- Ensure students and teachers receive the support and resources necessary to succeed;
- Identify innovative ways to address the district's core management challenges;
- Ensure administrative duties are performed efficiently, without duplication and in a way that fosters education;
- Develop strategies to ensure the district's processes and programs are continuously assessed and improved;
- Challenge any process, procedure, program or policy that impedes instruction and recommend ways to reduce or eliminate obstacles; and
- Put goods and services to the "Yellow Pages Test": government should do no job if a business in the Yellow Pages can do that job better and at a lower cost.

Finally, Comptroller Rylander has opened her door to Texans who share her optimism about the potential for public education. Suggestions to improve Texas schools or the school reviews are welcome at any time. The Comptroller believes public schools deserve all the attention and assistance they can get.

For more information, contact TSPR by calling toll-free 1-800-531-5441, extension 5-3676, or see the Comptroller's Website at www.window.state.tx.us.

TSPR in Mirando City ISD

The Comptroller's Office selected MGT of America, Inc., a consulting firm based in Tallahassee, Florida, and Carter C. Scherff, CPA, a consultant based in Wichita Falls, Texas, to assist the agency with this review. The review began during the first week in November 2001. A public forum was held at the Mirando City ISD cafeteria from 5:00 pm to 7:00 pm for parents and community members. The TSPR team also interviewed school board members and district employees and held a focus group session with teachers. Written surveys were also disseminated to and received from teachers, school/district administration and parents. Details from the surveys and public comment appear in **Appendices A through D**.

The review team also consulted two databases of comparative educational information maintained by the Texas Education Agency (TEA)—the Academic Excellence Indicator System (AEIS) and the Public Education Information Management System (PEIMS).

Mirando City ISD selected five peer districts for comparative purposes based upon similarities in student enrollment, demographics and district size. The selected peer districts were the Bluff Dale, Devers, Gruver, Wellman-Union Consolidated and Robert Lee Independent School Districts (ISDs). While the districts share some demographic characteristics, they do not all serve the same grade levels. Similar to MCISD, the Devers and Bluff Dale ISDs offer programs through grade 8, while the remaining peers offer programs through grade 12 (**Exhibit 1**).

Exhibit 1
Mirando City ISD's Peer Districts
2000-01

District	Grades Served
Bluff Dale ISD	K through grade 8
Devers ISD	Pre-K through grade 8
Gruver ISD	Pre-K through grade 12
Mirando City ISD	Pre-K through grade 8
Robert Lee ISD	Pre-K through grade 12
Wellman-Union ISD	K through grade 12

Source: MCISD Administration, October 2001, and TEA, AEIS 2000-01.

TSPR also compared Mirando City ISD to district averages in TEA's Regional Education Service Center I (Region 1), to which it belongs, and to the state as a whole.

Acknowledgments

The Comptroller's office, Carter C. Scherff, CPA and MGT of America, Inc., wish to express appreciation to the Mirando City Board of Trustees, Superintendent Sandra Herrera, district employees, students, parents and community residents who assisted the TSPR team during the review.

Mirando City ISD

Mirando City is a rural community with a population of approximately 230 located 32 miles southeast of Laredo in Webb County. O.W. Killam, a wealthy South Texas oilman who drilled and discovered oil and gas in the area, founded the city in 1921. At one time, it became a regional center for the fast-

growing oil business. Today, oil and gas exploration remain important industries in Webb County, but ranching, farming and hunting also contribute to the local economy.

MCISD is a very small school district with only one campus that serves children in pre-kindergarten through grade 8. In the 2000-01 school year, MCISD had an enrollment of 72 students and a staff of 15, including 10 teachers. By November 2001, the time of the TSPR review, student enrollment had dropped to 55 and the teaching staff to six.

According to TEA’s AEIS, in the 2000-01 school year more than 90 percent of MCISD students were economically disadvantaged (90.3 percent) and 91.7 percent were Hispanic. **Exhibit 2** compares the demographic characteristics of MCISD, its peer school districts, Region 1 and the state.

**Exhibit 2
Student Demographic Characteristics
Mirando City ISD and Peer Districts
2000-01**

District	Student Enrollment	African-American	Hispanic	Anglo	Other	Economically Disadvantaged
Bluff Dale ISD	57	0.0%	5.3%	94.7%	0.0%	43.9%
Devers ISD	176	15.9%	28.4%	55.7%	0.0%	50.6%
Gruver ISD	432	0.0%	44.7%	54.6%	0.7%	47.7%
Mirando City ISD	72	0.0%	91.7%	1.4%	6.9%	90.3%
Robert Lee ISD	309	0.3%	30.7%	68.6%	0.3%	45.6%
Wellman-Union CISD	227	1.3%	35.2%	63.0%	0.4%	37.0%
Region 1	302,528	0.2%	95.6%	3.8%	0.3%	82.7%
State	4,059,619	14.4%	40.6%	42.0%	3.0%	49.3%

Source: TEA, AEIS, 2000-01.

TEA assigns annual ratings to each Texas school district and school based on the following criteria: student Texas Assessment of Academic Skills (TAAS) scores, data quality or factual information about the district submitted to TEA, attendance and dropout rates. The five possible ratings include Exemplary, Recognized, Academically Acceptable, Academically Unacceptable and Unacceptable: Data Quality. For a school or district to receive an Exemplary rating, at least 90 percent of the students (including African-American, Hispanic, Anglo, and Economically Disadvantaged students) must pass the TAAS reading, writing and mathematics tests. To receive a rating of Recognized, at least 80 percent of these students must pass all three tests. In 1999, for a rating of Acceptable, at least 45 percent of students had to pass all three tests. Currently, an Acceptable rating requires a passing rate of 50 percent.

The district held a rating of Acceptable for the years 1996-1998, inclusive. In 1999, MCISD earned a Recognized rating, and in 2000, dropped to Academically Unacceptable/Low Performing. The district’s 2001 rating is Acceptable (**Exhibit 3**).

**Exhibit 3
Mirando City ISD
Accountability Rating
for 1995-2001**

1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Acceptable	Acceptable	Acceptable	Recognized	Unacceptable	Acceptable

Source: TEA, AEIS Accountability Ratings, 1995-2001.

In recent years MCISD's student population has declined, requiring the community to close the high school in 1994 and bus the students to Bruni High School located 13 miles away in the Webb Consolidated School District.

There are several critical factors necessary for operating an independent school district in Texas. The Mirando City Independent School District is deficient in some very basic operational areas, which seriously affects its ability to provide an effective education to its students. To remain a viable and independent school district, MCISD and the community it serves must address the following challenges:

- engaging the board and community in the mission of education;
- repairing or replacing aging facilities;
- creating a sound educational delivery system;
- attracting highly qualified staff; and
- restoring a system of sound financial controls.

That being said, MCISD is at a crossroad. This report not only details a list of recommendations for keeping the district a separate and independent school district, but it also asks the community and board to critically examine whether independence is the right decision for its students.

Key Findings And Recommendations

Consider the pros and cons of consolidation. While the board and community are adamant about keeping the school system viable, nearly 20 students have left the system this year alone. Faced with this massive decline in enrollment and the work that it will require to keep the district viable, it is time for the district and community to take a realistic look at the situation. Simply saying that the district will not consolidate is not enough. If the MCISD Board of Trustees and the people of Mirando City decide that it is not in the best interests of their children to consolidate with Webb CISD, the community must be willing to take the steps necessary to rally together to improve the MCISD for the children of the community. The remainder of this report details a list of recommendations that must be addressed if the district is to remain a viable school district and provide the services that these children deserve.

Engage the board and community in the mission of education. Three of the seven board members no longer attend board meetings or engage in any board business, and two of those three board members have elementary school-age children who they have transferred from Mirando City to the Webb Consolidated Independent School District. Though they are inactive, the three board members refuse to resign their positions despite being urged to do so by several board members and district parents. Their inactivity has made conducting the business of the school board very difficult. Also, community members and parents are not actively engaged partners with the district, leaving teachers and administrators with little direction or support. Board members must recommit themselves to the governance of the district and absent that, the remaining board members should request either a monitor or master from the Texas Education Agency. Then, the board, administration and community must prepare a strategic plan for revitalizing the district.

Repair aging facilities. The district's facilities are old – the buildings were constructed in the 1930's and the facilities are not well maintained. Most classrooms have falling ceiling tiles, worn and stained carpeting, dust falling from exposed areas in the ceiling and exposed electrical wiring. These conditions are not safe for the students and must be remedied. The district has a sizable reserve that it

can use to fund some or all of the needed repairs and should begin to address these needs immediately.

Create a sound educational delivery system. There is no curriculum alignment in the district that establishes the “educational roadmap” of what students should learn in first grade, second grade, and so on. Nor is there curriculum coordination between Webb CISD and MCISD. Teachers report that they follow the Texas Essential Knowledge and Skills (TEKS) requirements, but that they do this only on an informal basis. There are no special area teachers for bilingual education/ESL or special education. Working with Webb CISD to align curriculum so that MCISD students do not initially enter the Webb CISD system a year or more behind their Webb CISD peers is an important first step. And, setting in place an interlocal agreement with area school districts to assist in the area of special education is another critical need.

Attract and retain highly qualified staff. The superintendent has little management experience and has not yet obtained the required administrative certification, but is currently working on it. The superintendent also serves as the school’s principal, but her superintendent duties often supercede her principal duties, making it difficult for her to meet the expectations of the board or community. Two of the district’s six teachers are not certified, and parents have not been notified of this as required by law. For MCISD to have the respect of its community and provide an exemplary level of education, every staff member must be high-caliber and possess the necessary credentials.

Restore a system of sound financial controls. The district does not have adequate internal financial controls in place, and the board, in effect, regularly approves expenditures already made by the administration. The board does not receive regular financial reports so it can perform its critical oversight duty for the district. Establishing basic accounting controls in the area of disbursements, purchasing and investments is absolutely mandatory for maintaining a viable organization.

Exemplary Programs and Practices

This report highlights model programs, operations and services provided by MCISD administrators, teachers and staff. Other school districts throughout Texas are encouraged to examine these exemplary programs and services to see if they could be adapted to meet their local needs. TSPR’s commendations include the following:

Academic Rewards for Students. MCISD rewards students who perform well academically by taking them on field trips. In Spring 2001, the district rewarded all students who passed the TAAS by taking them to Fiesta Texas theme park for the day. In all, 36 students participated. The district rents vans for the day to transport students, teachers and parent volunteers. Other trips included visits to the Brownsville Zoo, Texas A&M International University in Laredo and the Annual Life Downs to see the animals.

Training and Safety Equipment for Employees. MCISD received a Loss Control Grant from the Texas Association of School Boards (TASB) Risk Management Fund for \$1,500 in June 1999. As part of the grant program, the district also received training for its employees in loss prevention. In June 2000, MCISD was one of 78 school districts in Texas to receive a Loss Prevention Grant from TASB. TASB commended MCISD for its commitment to save valuable resources through a dedicated loss prevention process.

Savings and Investment Requirements

Many TSPR recommendations would result in savings and increased revenue that could be used to improve classroom instruction. The savings identified in this report are conservative and should be considered minimums. Proposed investments of additional funds usually are related to increased efficiencies or savings or improved productivity and effectiveness.

TSPR recommended 26 ways to save MCISD more than \$43,710 in gross savings over a five-year period. Reinvestment opportunities will cost the district \$19,150 during the same period. Full implementation of all recommendations in this report could produce net savings of more than \$24,560 by 2006-07.

Exhibit 4
Summary of Net Savings
TSPR Review of Mirando City Independent School District

Year	Total	
2002-03	Initial Annual Net Savings	\$6,592
2003-04	Additional Annual Net Savings	\$7,792
2004-05	Additional Annual Net Savings	\$7,792
2005-06	Additional Annual Net Savings	\$7,792
2006-07	Additional Annual Net Savings	\$7,792
One Time Net (Costs)/Savings		(\$13,200)
TOTAL SAVINGS PROJECTED FOR 2002-07		\$24,560

A detailed list of costs and savings by recommendation appears in **Exhibit 5**. The page number for each recommendation is listed in the summary chart for reference purposes. Detailed implementation strategies, timelines and the estimates of fiscal impact follow each recommendation in this report. The implementation section associated with each recommendation highlights the actions necessary to achieve the proposed results. Some items should be implemented immediately, some over the next year or two and some over several years.

TSPR recommends the MCISD board ask district administrators to review the recommendations, develop an implementation plan and monitor its progress. As always, TSPR staff is available to help implement proposals.

**Exhibit 5
Summary of Costs and Savings by Recommendation**

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1 District Organization and Management							
1 Establish a committee to examine all of the pros and cons of consolidating MCISD with Webb CISD and put the final decision to a vote of the board. p. 19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 Develop and commit to a board Code of Conduct that includes a commitment of regular attendance for all board meetings. p. 22	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 Ensure compliance with the Election Code to maintain the public's confidence in the election process. p. 23	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 Develop a strategic plan for revitalizing MCISD. p. 27	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Designate or delegate certain of the superintendent's responsibilities so she can complete the administrative certification process. p. 30	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 Attend training on the Public Information Act and establish a system to fulfill the district's legal records management obligation. p. 31	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 Ensure that an independent firm performs the external audit. p. 32	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1 District Organization and Management (continued)								
8	Provide training for the secretary/bookkeeper in school financial accounting and reporting. p. 33	(\$2,000)	(\$800)	(\$800)	(\$800)	(\$800)	(\$5,200)	\$0
9	Develop a master plan that identifies and prioritizes needed repairs and renovations. p. 36	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Prepare a schedule of routine cleaning tasks for the custodian and establish regular parent and community volunteer workdays to supplement the efforts of the custodian. p. 37	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chapter 1 Total		(\$2,000)	(\$800)	(\$800)	(\$800)	(\$800)	(\$5,200)	\$0
Chapter 2 Educational Service Delivery								
11	Align MCISD's curriculum with Webb CISD's. p. 46	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Ensure that highly qualified and certified teachers teach all students. p. 48	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Enter into an interlocal agreement with a local area school district to assist the district in providing quality services to children with special needs. p.49	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Comply with the Texas Education Code in providing student transportation. p. 50	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Provide Internet access to all classrooms and the computer lab and fully network the lab. p. 51	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,200)
Chapter 2 Total		\$0	\$0	\$0	\$0	\$0	\$0	(\$13,200)

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 3 Financial Management								
16	Formalize the budget process to include more open input from the public and the site-based decision-making committee. p. 60	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Seek assistance in accurately preparing revenue estimates. p. 61	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Establish an encumbrance accounting system to ensure that expenditures do not exceed the amount budgeted by the board. p. 63	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Revise the campus improvement plan to meet state requirements governing compensatory fund management. p. 64	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Discontinue using the activity fund bank account for regular operating expenditures and institute stronger controls for expenditures drawn from the activity fund. p. 66	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Review and analyze operating expenditures using the FEISTIER software. p. 67	(\$150)	(\$150)	(\$150)	(\$150)	(\$150)	(\$750)	\$0
22	Comply with all aspects of the Public Funds Investment Act. p. 68	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Invest excess cash in the board-approved investment instrument with the highest interest yield. p. 69	\$8,742	\$8,742	\$8,742	\$8,742	\$8,742	\$43,710	\$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 3 Financial Management (continued)								
24	Monitor the securities pledged by the depository bank in order to ensure the district is protected against a loss of funds. p. 70	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Develop and maintain a comprehensive fixed asset system for the district. p. 72	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	Develop and implement a strong purchasing control system to ensure that the administration is complying with board policy and is obtaining the highest quality goods and services at the lowest possible price. p. 73	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chapter 3 Total		\$8,592	\$8,592	\$8,592	\$8,592	\$8,592	\$42,960	\$0
Gross Savings		\$8,742	\$8,742	\$8,742	\$8,742	\$8,742	\$43,710	\$0
Gross Costs		(\$2,150)	(\$950)	(\$950)	(\$950)	(\$950)	(\$5,950)	(\$13,200)
Total		\$6,592	\$7,792	\$7,792	\$7,792	\$7,792	\$37,760	(\$13,200)

Total Gross Savings	\$43,710
Total Gross Costs	(\$19,150)
Net	\$24,560

***DISTRICT
ORGANIZATION
AND
MANAGEMENT***

Chapter 1

DISTRICT ORGANIZATION AND MANAGEMENT

This chapter examines the organization and management of the Mirando City Independent School District (MCISD) in four sections:

- A. Governance and District Organization
- B. Community Involvement
- C. District Management
- D. Facilities Management

The organization and management of a school district requires cooperation between elected members of the Board of Trustees and staff of the district. The board's role is to set goals and objectives for the district in both instructional and operational areas; determine the policies that will govern the district; approve the plans to implement those policies; and provide the funding necessary to carry out the plans.

BACKGROUND

Mirando City is a rural community with a population of approximately 230 located 32 miles southeast of Laredo in Webb County. O.W. Killam, a wealthy South Texas oilman, who drilled and discovered oil and gas in the area, founded the city in 1921. At one time, it became a regional center for the fast-growing oil business. Today, oil and gas exploration remain important industries in Webb County, but ranching, farming and hunting also contribute to the local economy.

MCISD is a very small school district with only one campus that serves children in pre-kindergarten through grade 8. In the 2000-01 school year, MCISD had an enrollment of 72 students and a staff of 15, including 10 teachers. By November 2001, the time of the TSPR review, student enrollment had dropped to 55 and the teaching staff to six.

MCISD selected five peer districts for comparative purposes based upon similarities in student enrollment, demographics and district size. The selected peer districts were the Bluff Dale, Devers, Gruver, Wellman-Union Consolidated and Robert Lee Independent School Districts. The review team also compared MCISD to district averages in the Texas Education Agency's (TEA's) Regional Education Service Center I (Region 1), to which it belongs, and to the state as a whole.

In 2000-01, MCISD's budgeted revenue was \$562,546 although its total budgeted expenditures were \$749,798. MCISD's fund balance at the end of 1999-2000 school year was \$597,720 or 86.3 percent of budgeted expenditures, the highest of its peer districts and much higher than the state's 13.6 percent reserve (**Exhibit 1-1**).

Exhibit 1-1
Mirando City ISD and Peer Districts and State
Fund Balance

District	Fund Balance Audited End of Year 1999-2000	Percent of Budgeted Expenditures 2000-01
Bluff Dale ISD	\$62,108	12.8%
Devers ISD	\$146,616	9.8%
Gruver ISD	\$841,491	21.1%
Mirando City ISD	\$597,720	86.3%
Robert Lee ISD	\$1,073,084	36.7%
Wellman-Union CISD	\$618,741	30.2%
State	\$3,299,835,932	13.6%

Source: TEA, Academic Excellence Indicator System (AEIS), 2000-01.

Local property taxes are often the single largest contributor to a school district's budget. Texas school finance laws try to equalize the amount of money available to educate each student, irrespective of neighborhood wealth. Therefore, wealthy or property-rich school districts may receive little or no state revenue while poor school districts usually receive considerable state aid. In 2000-01, MCISD generated 54.5 percent of its revenue from local sources, 40.8 percent from the state, and 4.7 percent from the federal government.

When compared with its peer districts, MCISD had the lowest percentage of students passing the TAAS and the lowest amount of property value, or wealth, per student in 2000-01 (**Exhibit 1-2**).

Exhibit 1-2
Mirando City ISD and Peer Districts
Per Pupil Property Value and TAAS Passing Rate
2000-01

District	Enrollment	Wealth	Wealth Rank	TAAS	TAAS Rank
Bluff Dale ISD	57	\$333,418	5	93.1	4
Devers ISD	176	\$397,095	2	97.8	1
Gruver ISD	432	\$397,825	1	92.5	5
Mirando City ISD	72	\$245,416	6	77.4	6
Robert Lee ISD	309	\$343,039	4	95.4	2
Wellman-Union CISD	227	\$345,418	3	94.7	3

Source: TEA, AEIS, 2000-01.

A. GOVERNANCE AND DISTRICT ORGANIZATION

The superintendent, as the chief executive officer of the district, recommends the staffing levels and the amount of resources necessary to operate and accomplish the board's goals and objectives. This position is also responsible for reporting management information to the board, making sure the district is accountable for its performance against established goals. In MCISD, the superintendent is responsible for managing the day-to-day implementation of the policies and plans approved by the board and recommending modifications to ensure the district operates efficiently and effectively.

Under Texas Education Code Section 11.151(b), the Board of Trustees of a Texas independent school district is a corporate body, elected by the public with the exclusive power and duty to oversee the management of the public schools of the district. The board, as a legal agent of the State of Texas, derives its status from the Texas Constitution and the Legislature. It must function in accordance with applicable state and federal statutes, as well as regulations interpreting those statutes and relevant court decisions. Specific powers granted to the board under the Education Code include the power and duty to:

- Adopt rules and bylaws necessary to govern and oversee management of the public schools of the district;
- Acquire and hold real and personal property, sue and be sued and receive bequests and donations and other money or funds;
- Dispose of property no longer necessary for the operation of the school district;
- Levy and collect taxes; issue bonds, including determining the rate of tax to be levied within the dollar limits voted and specified by law (in instances when a specific tax rate has not been adopted at an election authorizing a tax);
- Adopt and file a budget for the next fiscal year and file a report of disbursements and receipts for the preceding fiscal year;
- Ensure district accounts are annually audited at district expense by a certified public accountant following the close of each fiscal year;
- Approve a district-developed plan and campus-level plan for site-based decision-making (SBDM) and provide for implementation;
- Publish an annual report describing the district's educational performance, including school performance objectives and the progress of each school toward the objectives; and
- Adopt policies providing for the employment and duties of district personnel.

The function of the Board of Trustees is to set policy. As chief executive officer for the district, the superintendent has the responsibility to implement board-approved policies.

The MCISD board and each member's length of service is listed in **Exhibit 1-3**.

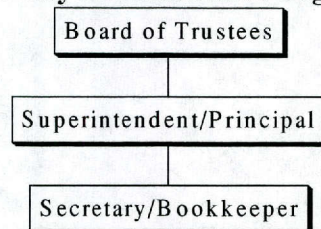
**Exhibit 1-3
Mirando City ISD Board Members and Length of Service
2001-02**

Board Member	Year Elected	Term Ends	Years on Board
Hilda Esquivel, President	1987	May 2002	15 years
San Juana Lira	1989	May 2003	13 years
Clifford Gribble	2001	May 2003	4 years
Elvia Lopez	1999	May 2002	3 years
Martha Salazar	1999	May 2002	3 years
Julie Martinez	2001	May 2003	1 year
Alicia Villarreal	2001	May 2004	1 year

Source: MCISD Superintendent, February 8, 2002.

In MCISD, the administration is composed of the superintendent/principal and the secretary/bookkeeper. The superintendent is responsible for educational service delivery, community involvement, personnel management, facilities use and management, asset and risk management, financial management, purchasing, food services, computers and technology, transportation and safety and security in the district. The superintendent is also responsible for the banking relationships of the district. This broad range of responsibilities requires her to possess sufficient knowledge in all of these areas in order to perform the duties effectively. **Exhibit 1-4** shows the administrative organization of MCISD.

**Exhibit 1-4
Mirando City Administrative Organization**



Source: MCISD Superintendent.

MCISD is a single-campus district with 11 employees, six of whom are teachers. At the time of the TSPR team’s visit, 55 students attended pre-K through 8th grade in MCISD. After completing grade 8 all MCISD students attend high school in Webb CISD. Webb CISD is a larger district than MCISD, having 355 students in Pre-kindergarten through grade 12.

MCISD and Webb CISD share many similarities in terms of student demographics (**Exhibit 1-5**).

**Exhibit 1-5
Mirando City ISD and Webb CISD
Student Demographic Characteristics
2000-01**

District	Student Enrollment	Percent African-American	Percent Hispanic	Percent Anglo	Percent Other	Percent Eco. Dis.
Mirando City ISD	72	0.0%	91.7%	1.4%	6.9%	90.3%
Webb CISD	355	0.0%	91.0%	8.2%	0.8%	64.8%

Source: TEA, AEIS, 2000-01.

FINDING

MCISD is struggling to meet very basic criteria usually associated with operating a viable school district. Some members of the board are not fully engaged in performing their duties; three of seven board members are inactive and do not attend meetings. The district’s facilities are unclean and in poor and unsafe condition, uncertified teachers and substitutes are regularly employed, the district lacks a special education teacher though it enrolls children with special education needs, student performance on standardized tests consistently lags behind all peer districts and statewide averages, financial practices lack sufficient internal controls, the superintendent has not completed the administrative certification for superintendent, although she is working on it and the district is not partnering effectively with parents.

Parent and teacher surveys show that both groups are concerned about the quality of education MCISD students are receiving. Two-thirds of the parents (66.7 percent) who responded to the survey disagreed with the statement, “The needs of the college-bound student are being met.” An equal amount disagreed with the statement, “The needs of the work-bound student are being met.” Sixty percent of the teachers disagreed with the statement, “Education is the main priority in our school district.”

All MCISD students will attend Webb CISD after grade 8, however, MCISD and Webb CISD do not share or align their curricula. Nor do they offer the same educational programs or extracurricular activities. For example, MCISD lacks a certified special education teacher, a Gifted and Talented program, fine arts classes and an athletic program.

While MCISD and Webb CISD both achieved gains in TAAS passing rates and TEA’s accountability ratings during the 1996-97 through 1998-99 school years, Webb CISD has outperformed MCISD in both areas since 1999. A comparison of the two district’s multi-year accountability ratings and TAAS passing scores are presented in **Exhibit 1-6**.

**Exhibit 1-6
Mirando City ISD and Webb CISD
Comparison of TEA Accountability Ratings and TAAS Passing Rates
1996-97 through 2000-01**

	1996-97	1997-98	1998-99	1999-2000	2000-01
TEA Accountability Rating:					
Mirando City ISD	Acceptable	Acceptable	Recognized	Unacceptable	Acceptable
Webb CISD	Acceptable	Recognized	Recognized	Exemplary	Exemplary
TAAS Passing Rate:					
Mirando City ISD	63.6%	67.7%	76.7%	42.1%	77.4%
Webb CISD	69.1%	81.3%	85.4%	96.1%	97.7%
State Average	73.2%	77.7%	78.3%	79.9%	82.1%

Source: TEA, AEIS, 1996-97 through 2000-01.

When comparing teacher experience, MCISD teachers are less experienced than their Webb CISD colleagues and two of six are not certified. Webb CISD teachers have an average of 14.7 years teaching experience (Exhibit 1-7).

Exhibit 1-7
Mirando City ISD and Webb CISD
Teacher Experience and Turnover Rates
2000-01

District	Average Years of Experience	Average Years of Experience with District	Percent Turnover
Mirando City ISD	0.8	0.4	12.5%
Webb CISD	14.7	8.0	6.8%
State	11.9	7.9	16.0%

Source: TEA, AEIS, 2000-01.

Webb CISD is able and equipped to handle all MCISD students. It is an Exemplary school district with qualified and experienced teachers, superior facilities, a library, computer technology classes, physical education classes and team sports, fine arts classes, certified special education teachers, a career and technology program, a Gifted and Talented program and many curricular and extra-curricular opportunities that do not exist in MCISD.

While some MCISD board members report that the boards never jointly discussed consolidation, school officials in Webb CISD said they understood that Webb CISD made overtures to MCISD regarding possible consolidation, but without success. MCISD maintains there was an offer of annexation, not consolidation, but the offer entailed no representation and therefore was unacceptable to MCISD. In all, there appears to be some misunderstanding between the two districts on this issue, and much of the controversy appears to be based on rumors rather than on hard facts.

Chapter 13 of the Texas Education Code specifies the steps necessary for school consolidation. Essentially, the law provides two methods: the Board of Trustees in both districts can pass a resolution in support of consolidation or a petition requesting an election on the question of consolidation is signed by the required number of registered voters in each district considering consolidation (Webb CISD and MCISD). If an election is held, it must take place on the same day in both districts. If a majority in both districts vote for consolidation, the board can declare the districts consolidated. The law also states that school district created through consolidation may qualify for incentive aid payments from the state for up to 10 years.

There are a number of advantages and disadvantages to consolidation. The most notable disadvantage to consolidation is the fact that the identity of Mirando City ISD is significantly tied to the operation of its own school district. The community could cease to have its own identity if the school district ceased to exist.

Simply saying that the district will not consolidate, however, is not enough. If the MCISD board and the people of Mirando City decide that is not in the best interests of their children to consolidate with Webb CISD, the community must be willing to take the steps necessary to rally together to improve the MCISD for the children of the community. The remainder of this report details a list of recommendations that must be addressed if the district is to remain a viable school district and provide the services that these children deserve.

Recommendation 1:

Establish a committee to examine all of the pros and cons of consolidating MCISD with Webb CISD and put the final decision to a vote of the board.

The committee must be made up of a representative group of parents, community leaders, board members and taxpayers. Committee members must examine all of the opportunities in law, the educational advantages and disadvantages and the financial advantages and disadvantages for taxpayers. Further, the committee and board must work directly with the Webb CISD board and administration to discuss options that are viable for both districts.

The findings and recommendations contained in this report should be included in the discussions and solutions to the identified problems must be sought either through consolidation or through community action. The committee must document its findings and be willing to make recommendations based upon factual and accurate information.

IMPLEMENTATION STRATEGY AND TIMELINE

- | | |
|---|--------------------------|
| 1. The MCISD board appoints a committee to examine the issues of consolidation. | April 2002 |
| 2. The board initiates contact with the board in Webb CISD to begin discussions regarding the possible consolidation of the two districts and asks the Webb CISD board to select representatives to participate in consolidation discussions. | April 2002 |
| 3. The committee begins to gather information concerning the legal, academic and financial advantages and disadvantages of consolidation. | May 2002 |
| 4. The committee compiles a written report of the findings regarding the issue of consolidation and submits the report to the board for consideration. | June – August 2002 |
| 5. The boards of both districts hold public forums to discuss the recommendations of the committee and solicit feedback from their respective communities. | September 2002 |
| 6. The boards take a formal vote regarding the recommendations of the committee. | October 2002 |
| 7. The boards make plans to implement either consolidation proceedings or the MCISD board takes corrective action to improve the operations of the district as outlined in the remainder of this report. | November 2002 – May 2003 |

FISCAL IMPACT

This recommendation can be implemented with existing resources. However, if the districts agree to consolidate, the merger could result in savings and increased revenues for the school districts and possibly savings to the area taxpayers. Costs and savings associated with the corrective actions needed if MCISD is to remain independent are shown in the remaining recommendations in this report.

Governance

FINDING

The MCISD board members with a substantial interest in a business have signed the required disclosure forms and those forms are being kept on file in the district offices. Local Government Code 171.001 and 171.002 requires that a board member sign a disclosure form if the member or a person or persons related to the board member have a substantial interest in a business entity. Further, the board member must abstain from participation in any decisions involving the business, meaning that they should not participate in a vote regarding that business. Having the required documents on file provides assurance to the community that the board is acting independently and ethically.

COMMENDATION

MCISD's board members with a substantial interest in a business have signed the required disclosure forms as required by law.

FINDING

The board is not fully engaged in discharging its duties. In order for the district to operate efficiently and effectively, the full board must become actively engaged in executing its responsibilities for the district. Presently, only four of seven elected board members participate actively on the board. Three members do not attend meetings and have rejected the requests of other board members and some parents to resign and allow others with more interest in serving the community to fill their seats. Two of the three inactive board members said that their work schedule conflicts with the board meetings. The board president said two of the three inactive board members also report having difficulty finding babysitters. With only four active board members, there are times when the board does not have the necessary quorum to conduct the business of the district. This seriously hinders the ability of the district to operate effectively and legally.

Presently, there is no provision in Texas law for removal of elected school board members, thus the people of Mirando City have no legal recourse. Instead, they must appeal as concerned parents on behalf of their children's future and hope that the good consciences and civic responsibility of their elected members will convince them to care enough to participate or to resign so that others who are willing to fully participate can step forward.

The review team identified an exemplary Code of Conduct for boards in the Navarro ISD. The Navarro ISD board created a Code of Conduct that each member agrees to and signs. **Exhibit 1-8** shows the Navarro Code of Conduct.

**Exhibit 1-8
Navarro ISD Board of Trustees
Code of Conduct**

<p>As members of the Navarro Independent School District Board of Trustees, we realize that to be the most effective advocates for children, we, as a Board, must function as a team and at all times treat each other and the people we serve with the utmost courtesy, dignity, respect and professionalism. Should we, for whatever reason, fail to follow these guidelines, we ask that our fellow Board members call it to our attention. When that happens we pledge to accept the feedback without anger or finger pointing, and to renew our efforts to follow this Code of Conduct. We shall promote the best interests of the school district as a whole, and, to that end, we shall adhere to the following educational and ethical standards.</p>
Governance
<ul style="list-style-type: none"> • Bring about desired changes through legal and ethical procedures, upholding and enforcing all laws, State Board of Education rules, court orders pertaining to schools and district policies and procedures. • Make decisions in terms of the educational welfare of all children in the District, regardless of ability, race, creed, sex, or social standing. These decisions will place the needs of children above the wants of adults. • Recognize that the Board must make decisions as a whole and make no personal promise or take private action that may compromise the Board. All action should take place in an official Board meeting. • Focus Board action on policymaking, goal setting, planning, and evaluation and insist on regular and impartial evaluation of all staff. • Vote to appoint the best-qualified personnel available after consideration of recommendations by the Superintendent. • Delegate authority for the administration of the school to the Superintendent. Board members will not engage in micromanagement.
Conduct
<ul style="list-style-type: none"> • Hold confidential all matters that, if disclosed, may have an impact on the District. Respect the confidentiality of information that is privileged under applicable law, including closed session agenda items. • Attend all regularly scheduled Board meetings, arrive on time, and become informed concerning the issues to be considered at those meetings. • Make policy decisions only after full discussion at publicly held board meetings, render all decisions based on the available facts, and refuse to surrender that judgment to individuals or special groups. • Refrain from using our Board position for personal or partisan gain. • Disagree in an agreeable manner. We will not hold grudges or question another Board member's vote on an issue, but will respect other views and opinions. • Be firm, fair, just and impartial in all decisions and actions.
Communication
<ul style="list-style-type: none"> • Encourage the free expression of opinion by all Board members. Make a good faith effort to understand and to accommodate the views of others. • Seek communication between the Board and students, staff, and all elements of the community. • Communicate to fellow Board members and the Superintendent, at appropriate times, expression of public concerns. • The Board President shall make sure that persons addressing the board follow established guidelines.
Board Preparation
<ul style="list-style-type: none"> • Become informed about current educational issues and seek continuing education opportunities such as those sponsored by state and national school board associations. • Disseminate pertinent information gained at training workshops and conventions with the Superintendent and fellow Board members. • We will remember always that our first and greatest concern must be the overall welfare of all the students attending our schools.
<p>We hereby pledge to abide by this Code of Conduct: (Signed by Board and witnessed by Board Secretary.)</p>

Source: Navarro ISD.

While there are no provisions in the law for removing an inactive school board member, Section 11.060 of the Texas Education Code outlines the procedures for replacing board members who do not complete their terms due to death or resignation. If such a vacancy occurs, the remaining board

members can appoint a replacement. If the vacant seat has more than one year left in its term of office, the vacancy must be filled by appointment within 180 days.

Recommendation 2:

Develop and commit to a board Code of Conduct that includes a commitment of regular attendance for all board meetings.

Members of the school board should develop a Code of Conduct, which considers all applicable federal and state laws and guidelines regarding the roles and responsibilities of school boards. The board president should make an attempt to bring all board members together to develop the Code of Conduct and to recommit themselves to their role as board members. If inactive board members refuse to participate in the development of a board Code of Conduct or will not commit themselves to regular attendance and participation in board activities, the remaining board members should publicly call for the resignation of the inactive members. In the event that the inactive members will not resign, the remaining board members should request a monitor or master to assist them in restoring sound governance to the district.

IMPLEMENTATION STRATEGY AND TIMELINE

- | | |
|--|-------------------|
| 1. The board president personally contacts each board member and establishes a date and time when everyone can meet to review model board codes of conduct such as the one used by the Navarro ISD. | April 2002 |
| 2. The board members and superintendent meet to establish a Code of Conduct for the board and review all federal and state laws and guidelines regarding their roles and responsibilities. | May 2002 |
| 3. All board members sign the Code of Conduct and agree to recommit themselves to fulfilling their roles and responsibilities as board members. | May 2002 |
| 4. In the event that some board members refuse to sign or participate in the creation of the board Code of Conduct, or if board members are continually absent from meetings even after having signed the Code of Conduct, the president and remaining board members pass a resolution requesting the inactive board members' resignation. | May – August 2002 |
| 5. If the inactive board members do not resign or return to regular attendance at board meetings, the remaining board members pass a resolution requesting assistance from the Texas Education Agency in the form of a monitor or master. | September 2002 |

FISCAL IMPACT

Establishing a Code of Conduct can be implemented with existing resources. Should a monitor or master be required to intervene in the governance problems, there will be a cost to the district. However, TSPR believes that when confronted, the inactive board members will act responsibly and either resign or return to action.

FINDING

The May 2001 school board election was a contested election. Based on a review of the payments made from the activity fund, MCISD hired a district employee to be the election judge in the May 2001 election. The minutes of the meetings of the board provided by the district did not include the official canvas of the ballots for the May 2001 election.

The Election Code enumerates the qualifications the election judge must have in order to be appointed to that office. The Election Code also lists factors that prevent otherwise qualified individuals from being appointed as an election judge. Section 32.054 of the Election Code states, “(a) A person is ineligible to serve as an election judge or clerk in an election if the person is employed by or related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an opposed candidate for a public office....” This section also states, “(b) For purposes of this section, a person is employed by a candidate if: (1) the candidate is an owner or officer of a business entity by which the person is employed; (2) the candidate is an officer of a governmental department or agency by which the person is employed; or (3) the person is under the candidate's supervision in public or private employment.” As an employee of the district, the individual hired by the district for the May 2001 election was consequently ineligible and the election was contested.

The Election Code details many of the duties and responsibilities of the governing body, election administrator and election workers for the election process. The Election Code also requires training for election officials to ensure their knowledge of the election laws is current.

Recommendation 3:

Ensure compliance with the Election Code to maintain the public’s confidence in the election process.

IMPLEMENTATION STRATEGIES AND TIMELINES

- | | |
|---|------------|
| 1. The superintendent reviews the Election Code to determine requirements for school district elections. | March 2002 |
| 2. The superintendent submits qualified individuals to be the election judge and clerk to the board for appointment. | April 2002 |
| 3. The superintendent ensures the minutes of the meeting for the canvass of the election are included in the board minutes. | May 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. COMMUNITY INVOLVEMENT

Texas school districts use a variety of methods to generate community involvement. Some school districts have large departments dedicated to this function, while smaller districts must rely on a handful of people who perform a variety of community relations functions.

Boards of trustees can also play an important role in community involvement. Boards perceived as accessible and sensitive to citizens' concerns are less likely to be seen as insulated from the community.

The methods districts use to involve the community and keep citizens informed of district activities also vary. Newsletters, town hall meetings, Internet Web sites, school calendars, brochures and inserts in newspapers and other publications are some of the methods used to communicate with parents and other citizens.

The responsibility for fostering the involvement of parents and other volunteers is usually assumed by the school. However, at some schools, a parent volunteers to coordinate the activities of volunteers.

Responsibility for coordinating community involvement activities, such as fostering business partnerships and collaborating with nonprofit agencies, may be dispersed among several individuals. In some districts, parents and school personnel share this responsibility.

FINDING

Parents and community members are not actively engaged partners of the district. During the teacher focus group and public forum, parents, community members and teachers reported a lack of open, honest and constructive communication between and among the board members, superintendent, teachers, parents and the business community. Parents feel that their concerns are not given consideration or appreciated.

Of the surveys returned to the Comptroller, 58 percent of parents disagreed or strongly disagreed with the statement, "School board members listen to the opinions and desires of others." More than 80 percent parents disagreed or strongly disagreed with the statement, "The school board allows sufficient time for public input at meetings." Some board members felt that if the parents/community were engaged, they would try to run the district. One board member even said she checks caller ID before answering the phone in case a parent is calling.

In a District Effectiveness and Compliance (DEC) review issued in March 2001, TEA reported that although MCISD had a policy of involving parents and community members in establishing and reviewing district educational plans, goals, performance objectives and classroom instructional programs, parents were not adequately informed or included in important processes and decisions. The superintendent provided documentation showing that efforts are being made to correct these deficiencies. For example, parent meetings are being held every six weeks and sign-in sheets are being kept to confirm that parents are attending. It appears, however, from the sign-in sheets that few parents are taking advantage of those opportunities.

Still, at the public forum, some parents said they wanted the district to try harder. They said in years past, area businesses supported the district through monetary and in-kind donations more than they do now. They wondered if the business community feels as distanced from the district as they do. Board

members were puzzled, stating that businesses do contribute to the school, especially at the school’s Carnival.

Many parents at the public forum expressed concern over not having the ear of the board or superintendent and worried that their children were not getting a good education. To make their voices heard, many have recently organized themselves into the Concerned Parents Committee (CPC). A majority of the 22 parents who attended the public forum belonged to the CPC or shared its concerns. The CPC submitted a list of issues to the TSPR team at the public forum that it would like to contribute its time and effort to solving (Exhibit 1-9).

**Exhibit 1-9
Concerned Parents Committee
List of Mirando City ISD Issues
2000-01**

Concerned Parents Committee List of Issues
• Disciplinary measures must be enforced.
• Need a deputy on campus during lunch.
• Lack of interaction with students.
• Students lack motivation and self-confidence and do not look forward to going to school.
• Lack of routine (students in grades 5/6 and 7/8 switch off between two teachers).
• No nurse or certified nurse’s assistant on campus.
• No training in CPR is provided to teachers.
• Winter expenses (uniform decision).
• Notices being sent out at the last minute.
• Board members are not attending meetings.
• Need a new cook or provide other options for children so they don’t have to go to the store.
• Lack of tutors for students in need of extra help.
• Spanish-speaking students needing tutoring from volunteers are pulled out of class.
• Need to hire more teachers, cook, and Special Education teacher.
• Need for updated books and/or teaching material.
• Some teachers and superintendent are not certified.
• Notifications were not sent to parents informing them some teachers lack certification.
• No letters were sent out to parents notifying them that the district was Low Performing.
• Teachers lack motivation.
• No extracurricular activities.
• No discipline in the superintendent’s office.
• Students are not treated equally.
• Substitutes are given different rules.
• No grants to improve our school.
• School needs a sign on the main road.
• No bus for student trips.
• Need portable classrooms we can use.
• Computers in classrooms are not connected to the Internet.

**Exhibit 1-9 (continued)
Concerned Parents Committee
List of Mirando City ISD Issues
2000-01**

Concerned Parents Committee List of Issues
• Superintendent makes decisions and discusses them with children instead of parents.
• No student fun days.
• Lack of professionalism.
• Superintendent does not treat staff equally.
• School is unsafe.
• No football field or space for children to do outdoor activities.
• Teachers take lunch together and get to class late.
• Lack of support from board members.
• Classes do not start at 8:00 a.m.

Source: Concerned Parents Committee, November 2001.

Board members were surprised by some of the items on the list and rejected some outright because they said that they were inaccurate. For example, they said that the books used by the district are current and approved by TEA, teachers have attended CPR and First Aid training, and an appropriately-posted public hearing was held to discuss the district’s low-performing rating. Clearly, this underscores the need for better communication between parents and the board and also between the Concerned Parents Committee and the board.

A board member said that representatives of the CPC come to board meetings and speak for about five minutes before each meeting, but the board is unable to take action because they are not on the agenda.

Each year school districts are legally required to develop District Improvement Plans (DIP) and Campus Improvement Plans (CIP) that are designed to improve the performance its students. Because MCISD is a single-campus district, state law allows it to have either a CIP or DIP, but they need not have both. MCISD develops a CIP annually. The Texas Education Code §11.251(2)(b) and 11.253(b) also requires that parents serve on a Campus Planning and Site-Based Decision-Making Committee (SBDMC) that is established to assess academic achievement, set campus performance objectives, identify how campus goals will be met, and provide for a program to encourage parental involvement at the campus, among other things. The teachers at MCISD report, however, that none of the three parent representatives on the committee attend meetings, assist in the CIP development or otherwise regularly participate. Copies of meeting agendas provided by the superintendent further substantiate the fact that only staff are attending the majority of SBDM meetings.

MCISD’s 2001-02 Campus Improvement Plan lists as a district goal developing and implementing strategies for quality communication among all clients, community, parents, school board, students and employees. It lists as a long-range goal having parents actively involved in a parental involvement program by 2003. Three strategies are listed: 1) disseminate parent-student teacher compact, 2) reinforce daily parent progress signature in student report, and 3) orient Head Start students and parents. None of these invite parental involvement in critical functions or policy decisions, nor does it encourage volunteerism.

CIPs also do not typically address the non-instructional needs of the district. MCISD's CIP does not, for example, address the facility needs of the district, nor the financial or operational functions. When the community does not know what the needs or priorities of the district are, they cannot rally to help the district's administrators or board meet those needs.

Recommendation 4:

Develop a strategic plan for revitalizing MCISD.

For a district the size of MCISD to be viable, the support of the entire community must be enlisted. The community should have meaningful input into decisions about the education and welfare of its children. The board should appoint three members of the general or business community and ask the CPC to select three representatives to work with them and the superintendent in developing a strategic plan. The plan must include clearly defined and prioritized goals and objectives, implementation strategies, timelines for implementation, parties responsible for implementation and performance measures that can document if the goals and objectives are met. The plan should be submitted for approval to the public at a public forum where public input is invited.

The district should ensure there is active and meaningful parental involvement on the SBDM. Parents in MCISD who want to have a voice in district planning and operations should be asked to serve on the SBDM.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. The board, in collaboration with the superintendent, appoints representatives from the business community and invites the general community to select representatives who will serve on a committee that will develop a strategic plan to improve the district. | April 2002 |
| 2. The committee, using all information and resources available, designs and recommends a strategic plan and presents it to the board. | June 2002 |
| 3. The board holds a public hearing on the plan. | July 2002 |
| 4. The board revises and/or approves the plan. | August 2002 |
| 5. The board refers the plan to the superintendent to include in the 2002-03 budget, based on the priorities set forth in the plan. | August 2002 |
| 6. The board reports the manner in which it will implement the plan and in how it will reflect priorities in the 2002-03 budget. | September 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. DISTRICT MANAGEMENT

Section 11.201 of the Texas Education Code specifies the duties of school superintendents in Texas and refers to them as chief executive officers of school districts. Their duties are listed as:

- Assuming administrative responsibility and leadership for the planning, operation, supervision, and evaluation of the educational programs, services, and facilities of the district, and for the annual performance appraisal of the district's staff;
- Assuming administrative authority and responsibility for the assignment and evaluation of all personnel of the district other than the superintendent;
- Making recommendations regarding the selection of personnel other than the superintendent;
- Initiating the termination or suspension of an employee or the non-renewal of an employee's term contract;
- Managing the day-to-day operations of the district as its administrative manager;
- Preparing and submitting to the Board of Trustees a proposed budget;
- Preparing recommendations for policies to be adopted by the Board of Trustees and overseeing the implementation of adopted policies;
- Developing or causing to be developed appropriate administrative regulations to implement policies established by the Board of Trustees;
- Providing leadership for the attainment of student performance in the district based on indicators adopted under Section 39.051 of the Texas Education Code and other indicators adopted by the State Board of Education or the district's Board of Trustees;
- Organizing the district's central administration; and
- Performing any other duties assigned by the Board of Trustees.

Because MCISD is a very small district, the superintendent also holds the title and performs the duties of principal. Chapter 11.202 of the Texas Education Code lists the duties of principal as:

- Approving all teacher and staff appointments for that principal's campus from a pool of applicants selected by the district or of applicants who meet the hiring requirements established by the district, based on criteria developed by the principal after informal consultation with the faculty;
- Setting specific campus education objectives;
- Developing campus budgets;
- Assuming the administrative responsibility and instructional leadership, under the supervision of the superintendent, for discipline at the campus;
- Assigning, evaluating, and promoting personnel assigned to the campus;
- Recommending to the superintendent the termination or suspension of an employee assigned to the campus or the non-renewal of the term contract of an employee assigned to the campus; and
- Performing other duties assigned by the superintendent pursuant to the policy of the Board of Trustees.

FINDING

The MCISD superintendent is not certified. While she has completed all of the required coursework, she has not yet sat for and passed the State Board for Educator's Certification (SBEC) Examination for the Certification of Educators in Texas (ExCET) Superintendent test.

The SBEC is composed of 15 members and is authorized to adopt rules to implement the responsibilities delegated to the board by the Texas Legislature. SBEC requires that an individual applying for the superintendent certificate successfully complete an SBEC-approved superintendent preparation program at a college or university. Specifically, SBEC states that the superintendent must attend a series of classes created by the college or university. Once the superintendent completes the classes, the university grants the superintendent permission to take the SBEC certification examination upon receipt of \$72. If the superintendent passes the test, the university makes a recommendation for certification.

MCISD’s superintendent has not had time to study for and take the certifying test. She hopes to take the test in May 2002. The MCISD board has granted her a district waiver with the understanding that she will complete the certification process as soon as possible.

In addition to her duties listed above, **Exhibit 1-10** lists additional job responsibilities submitted by the superintendent.

**Exhibit 1-10
Duties of MCISD Superintendent/Principal
2000-01**

Curriculum Director	Title 1 Director
LEP Director	Title VI Innovation Director
Special Education Director	Title VI Class Reduction Director
Pre-Kinder Extended Day Director	Optional Extended Year Director
Breakfast Lunch Food Program Director	ESL Director
Summer Food Program Director	Transportation Director
School to Career Grant Director	PEIMS Coordinator for Student Attendance
TAAS Testing Director	Migrant Director
Accelerated Reading Initiative Director	Kinder Director
Safety Grant Writer	Counseling
Gun-Free Schools Coordinator	Gifted and Talented Coordinator
Textbook Coordinator	Member Title II Coop Region 1
Professional Development Program	Member Title IV Coop Region 1- Safe and Drug-Free Schools and Communities
Technology Representative	Bus Driver
	Back-up Cook

Source: Fax from MCISD Superintendent/Principal, January 2002.

The superintendent is responsible for ensuring MCISD staff is properly trained and/or certified to perform its duties. For example, individuals responsible for preparing, tracking or filing district financial reports generally attend specialized training classes offered through such organizations as the Texas Association of School Business Officials (TASBO).

The superintendent must also produce all requested records, protect all district records from loss or deterioration, and properly maintain public information. When information is requested by the public, the superintendent has 10 days to either produce the information or to certify to the requestor that the information cannot be provided until a set date and hour, within a reasonable time. To ensure accountability, Texas has passed the Public Information Act that is detailed in Chapter 552 of the Government Code.

Clearly, the superintendent/principal has an overwhelming number of responsibilities. Because of this, she reports having difficulty finding time to complete the administrative certification process, and while the goal for taking the exam in May is laudable, adequate time must be set aside for study to ensure success. SBEC offers tests approximately every two months with testing currently scheduled in May and July of 2002, however two additional test options are also expected in October in December 2002.

Having a fully certified superintendent is important not only from a compliance standpoint, but it also engenders trust and respect within the community.

Recommendation 5:

Designate or delegate certain of the superintendent's responsibilities so she can complete the administrative certification process.

The summer months when school is not in session may be a good time for the superintendent to study and prepare for the examination, making the proposed October or December testing dates more realistic.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The board and superintendent meet to discuss what responsibilities can and should be delegated to teachers, parent or community volunteers or even board members so that the superintendent can have release time to study for and take the certification exam. | March 2002 |
| 2. The superintendent is given the release time and studies for the exam. | March to September 2002 |
| 3. The superintendent sits for and passes the exam. | October 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have a records retention schedule or guidelines. The superintendent and the district secretary maintain all files and records. Some records are maintained online but many are hard copies stored in filing cabinets situated in the superintendent's office and just outside her office in the district's central office. During and after the TSPR site visit, the TSPR team made numerous requests for financial, food services, transportation and board information. While most of the requested documents were eventually located and provided to the team, as of December 7, 2001, requests for nine separate categories of information were still outstanding.

The Open Meetings Act and the Public Information Act are codified at Chapters 551 and 552, respectively, of the Government Code. The Act provides a mechanism for citizens to inspect or copy government records. It also provides for instances in which governmental bodies wish to, or are required by law to, withhold government records from the public. Any information collected,

assembled, or maintained by or for a governmental body is subject to the Public Information Act. The format (paper, electronic, microfilm, etc.) of the record does not affect its status as a public record.

The Act provides that a governmental body must respond promptly to a request for information. If a governmental body is unable to produce the requested information within 10 business days, the officer for public information must send a letter certifying that they are unable to do so and must set a date and time when the records will be available. According to Section 552.353 of the Government Code, failure to comply with this act is a misdemeanor punishable by up to a \$1,000 fine, confinement in a county jail for up to six months or both. Consequently, it is important for every public entity to understand the law and put processes and procedures in place to ensure compliance.

In addition to the compliance aspect, having good documentation that is easily accessible is particularly important for a small organization such as MCISD. If for some reason the district experienced a sudden administrative staffing turnover it would be critically important for the board and the interim administration to be able to locate important documents that are needed for state and federal compliance monitoring, contractual obligations and the like.

Recommendation 6:

Attend training on the Public Information Act and establish a system to fulfill the district’s legal records management obligation.

IMPLEMENTATION STRATEGIES AND TIMELINES

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|--|--------------|
| 1. The superintendent identifies courses available through the Texas Association of School Boards or the Texas Association of School Business Officials for training in this area. | March 2002 |
| 2. The superintendent and board officers attend the training. | As Available |
| 3. The superintendent and the secretary begin establishing a comprehensive records retention process and organizing the files to comply with legal requirements. | Immediately |

FISCAL IMPACT

This recommendation can be implemented with existing resources budgeted for school board training and professional development for the superintendent.

FINDING

The current relationship with the district’s external auditor produces a situation where this firm no longer has the independence required to conduct an external audit of the district at year-end. Before September 1, 2001, the secretary/bookkeeper was responsible for maintaining the financial records of the district. At that point, the district contracted with its external audit firm to provide bookkeeping services.

The district paid the external audit firm \$19,980 for the school year that ended August 31, 2001 to perform normal and routine accounting services. The district has now entered into a contract with the external audit firm for bookkeeping services at a cost of at least \$9,000. The contract contains an

early termination clause that states the district will pay \$1,000 if the contract is terminated before the end of the school year.

While it is possible for an accounting firm to keep the books for a school district and also audit those same books, it is critical for the firm to have two separate arms of the company conducting this service so as to maintain independence. In other words, if a single firm were auditing the bookkeeping work of its own people, would the audit side of the house be independent enough to publicly report and correct those irregularities? If not, then independence is impaired. Arthur Anderson's involvement in the Enron debacle is a much-publicized example of a very large firm that was unable to maintain independence in accurately and fairly reporting the financial status of the company.

Recommendation 7:

Ensure that an independent firm performs the external audit.

The board must carefully examine the current relationship with the external auditor/accounting firm and determine, with help from TEA's Division of Audits and perhaps the State Board of Accountancy, whether this relationship meets the independence test. If not, either another organization should be contracted for to assist with the accounting function, or another firm should be used to perform the annual external audit.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|------------|
| 1. The board president or a designee discusses the issue with the external audit/accounting firm and contacts TEA's Division of Audits and/or the State Board of Accountancy to obtain advice. | April 2002 |
| 2. The board president or a designee reports the findings to the full board and makes a recommendation regarding one or both contracts. | May 2002 |
| 3. The secretary/bookkeeper advertises for the services of either a bookkeeping/accounting firm or an external auditor. | June 2002 |
| 4. The board reviews the proposals submitted and engages either a new bookkeeping/accounting firm or an external auditor. | July 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The secretary/bookkeeper is not sufficiently trained to perform her financial duties. The secretary/bookkeeper operates as a secretary for the superintendent and, before September 1, 2001, as bookkeeper for the district. The secretary/bookkeeper was responsible for maintaining the financial records of the district until the district contracted with its external audit firm to provide bookkeeping services.

School district financial accounting and reporting is an extremely complex function regulated by the Financial Accountability System Resource Guide (FASRG). *Section 1. Financial Accounting and Reporting, Update 8* of the FASRG contains more than 1,200 pages of information regarding school district financial accounting and reporting. The secretary/bookkeeper had access to the FASRG on the TEA website via the Internet, but she stated that she had not been to any regular training for school district accounting and relied on the external audit firm and the superintendent for assistance in coding revenues and expenditures in the district’s financial records.

There are a number of organizations that provide training in school district financial accounting and reporting, such as the Texas Association of School Business Officials, the Texas Society of Certified Public Accountants, the Texas Association of School Administrators and the Regional Service Centers. Some of these organizations offer an extensive program of training and other resources for school personnel involved with school district financial accounting and reporting.

For the board to be effective in overseeing the fiscal responsibilities, they must have accurate and timely financial information. Further, despite the fact that an external entity is now keeping the district’s books, much of the day-to-day business of the district transpires in the administrative office by the secretary/bookkeeper who then forwards appropriate paperwork and information to the accounting firm for entry. To accurately conduct those daily functions she must have a general understanding of the financial accounting function.

Recommendation 8:

Provide training for the secretary/bookkeeper in school financial accounting and reporting.

Once the secretary/bookkeeper has completed a series of training classes, it may be possible to consider returning some or all of the accounting and bookkeeping functions to her.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|---|-----------------------|
| 1. The secretary /bookkeeper obtains membership in an organization that provides business-related training to school district employees to reduce the cost of training and provide a support system for the secretary/bookkeeper. | March 2002 |
| 2. The secretary/bookkeeper attends training seminars to establish a strong foundation in school district financial accounting and reporting. | March – December 2002 |
| 3. The secretary/bookkeeper begins to assume some of the financial functions concurrently with the external audit firm to increase her experience and expertise. | July 2002 – May 2003 |
| 4. The board and superintendent consider whether to continue to contract services or allow the secretary/bookkeeper to solely maintain the financial records and terminate the bookkeeping contract with the external audit firm. | June 2003 |

FISCAL IMPACT

It will cost a minimal amount for the secretary/bookkeeper to join an organization such as the Texas Association of School Business Officials, but membership will substantially reduce the cost of training. Assuming that the secretary/bookkeeper attends five training classes at \$200 per class, and that another \$200 in travel expenses is incurred for each class attended, the cost for training in the first year would be \$2,000 (\$400 X 5 classes = \$2,000). In subsequent years, the training attended is assumed to drop to two classes per year or \$800. If all or some of the current bookkeeping functions can be brought back in-house, savings from a reduction or elimination of the \$9,000 contract could be realized, but they are not considered in this estimate.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Provide training for the secretary/bookkeeper in school financial accounting and reporting.	(\$2,000)	(\$800)	(\$800)	(\$800)	(\$800)

D. FACILITIES MANAGEMENT

Facility management ensures that district facilities are safe, in good working condition, clean and regularly maintained. Facilities managers ensure that district facilities are designed and built in a way that enhances the educational process and meets other goals, such as maintaining equipment in peak operating condition; providing a clean school and working environment; and ensuring that facilities comply with local, state, and federal building regulations.

A district’s facilities long-range comprehensive master plan provides a basis for planning facility use, future improvements, repairs and funding sources. Of utmost concern is the safety of children and staff.

FINDING

MCISD facilities are in disrepair and, in many cases, unsafe. The physical and aesthetic condition of the facilities is not conducive to a positive learning environment. The classrooms have worn and stained carpeting with many fallen ceiling tiles. Electrical wiring appears to be exposed and water fountains are rusted. The district replaced the heating/cooling system within the past year.

The playground equipment is also old and worn. Seesaws and a merry-go-round are made of wood that is splitting. The equipment sits on rocky ground. There is no designated site for physical education classes. The old high school gym, according to faculty and administrative staff, is too hot in the summer and too cold in the winter. Teachers report that broken glass from old windows also makes it hazardous for children.

There are several portables near the old high school that are vacant and locked. Only one portable classroom is in use and that for a single special education student and a teacher’s aide. According to the superintendent, a facilities assessment that the district conducted a year ago made several recommendations as to their possible use.

The auditorium doubles as the cafeteria. A facilities walk-through identified a hole in the ceiling of the food storage area. The board reported renovating the bathrooms in that building within the past year.

The district owns six houses on the premises that were once used as residences for the superintendent, coach and teachers. The exteriors of the houses appear to be in disrepair. Only one house is in use by one of the teachers; the others cannot be used, as they are not up to code for such items as sewage disposal. The board recently had the houses appraised for possible sale and removal from the premises.

The district’s custodian is responsible for repairs as well as cleaning. There is no standard procedure for ensuring that needed repairs are actually done and that they are completed in a timely manner. Regular maintenance and upkeep is essential to prevent facilities from falling into disrepair. The superintendent reported that there is no backlog of needed repairs.

The district hired Educational Consultant Associates of Hebronville, Texas to conduct an educational facilities assessment. The inspection team visited the site in January 2001 and presented its final report to the MCISD Board of Trustees in March 2001.

The facilities were inspected in the following areas: school site, structural and mechanical features (including mechanical/electrical), plant maintainability, building safety and security (including site safety, building safety and emergency safety), educational space (including academic learning space, special learning space and support space), and environment for education (including exterior and interior environments). Each area inspected received an adequacy score based on the Council of Educational Facility Planners International Guide for School Facility Appraisal. **Exhibit 1-11** shows the adequacy ratings given to each component.

Exhibit 1-11
Mirando City ISD Facilities Inspection
Adequacy Ratings
2000-01

Facility Inspected	Rating
School Site	50%
Structural & Mechanical Features	19%
Plant Maintainability	0%
Building Safety & Security	9%
Educational Space	22%
Environment for Education	18%

Source: Educational Consultant Associates, "Educational Facilities Assessment Report for the MCISD," by Dr. Humberto Gonzales, Dr. Fred Ivy, and Dr. Claudio Salinas, March 26, 2001.

Clearly, MCISD’s facilities are inadequate and inappropriate as they exist today for educational purposes. Educationally, the assessment indicates that the facilities are inadequate, and the safety and security rating clearly shows that the district’s staff and students are at risk.

Recommendation 9:

Develop a master plan that identifies and prioritizes needed repairs and renovations.

To ensure the safety of the children and staff, critical safety related repairs should begin as soon as practically possible. In addition to engaging the community in assessing the issues and prioritizing the needed repairs, it may also be possible to enlist the support of area craftsmen in volunteering their efforts to make some of these repairs and renovations.

When considering financing options, the board should explore using a portion of its accumulated fund balance for this purpose. Further, the sale of some of the vacant buildings and properties could produce revenues that could be used to pay for some portion of the repairs.

Preparing a master plan and prioritizing needs can be accomplished with existing resources. The final cost of repairs and renovations will depend upon the community’s willingness to address the issues as well as the financing options selected. These costs are dependent upon the options selected and cannot be estimated here with any degree of certainty.

IMPLEMENTATION STRATEGIES AND TIMELINE

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|--|------------|
| 1. The board establishes a community action committee made up of interested citizens, parents and school personnel to examine the assessment and prepare an action plan that prioritizes needed repairs and renovations and explores financing options. | April 2002 |
| 2. The committee conducts a walk through of all district facilities and examines the assessment report, and begins categorizing repairs and renovations such as critical safety needs, immediate educational needs, necessary but not critical improvements and future wish lists. | May 2002 |
| 3. The committee determines the costs for each repair or renovation and begins developing a master plan that prioritizes the needs and the associated costs. | June 2002 |
| 4. The committee presents its plan and recommendations to the board for consideration. | July 2002 |
| 5. The board reviews and approves the plan and determines the most appropriate financing mechanism to pay for the improvements. | May 2002 |
| 6. The superintendent with assistance from the accounting firm bid the construction projects and repairs and renovations begin. | June 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MCISD facilities are not clean. Of the five teacher surveys returned, 100 percent of the respondents disagreed or strongly disagreed with the statement, "Schools are clean." The school appears to suffer from lack of routine custodial care.

The district presently employs one full-time custodian whose duties include cleaning and general maintenance. Based on the size of the district's facilities, one custodians should be able to maintain the facilities if that person is properly trained and supervised. According to the superintendent, the present custodian has received no training in cleaning or repair techniques.

Some districts use a daily/weekly schedule for custodians that might include such tasks as daily sweeping and mopping of floors, dusting and bathroom sanitation as well as weekly, monthly or quarterly tasks such as waxing, window washing, lawn maintenance and the like. Special requests from teachers or school staff are submitted and prioritized by the supervisors to ensure that the custodial/maintenance staff addresses the areas of greatest need while still maintaining a minimum acceptable standard of cleanliness.

Recommendation 10:

Prepare a schedule of routine cleaning tasks for the custodian and establish regular parent and community volunteer workdays to supplement the efforts of the custodian.

The superintendent should specify minimum acceptable standards of cleanliness and make a determination of what, if any, repairs should be done by the custodian by developing a list of the activities that must be performed on a daily, weekly, monthly and quarterly basis. Some needed cleaning and maintenance tasks cannot be completed during the normal school year and will need to be scheduled during the summer months when children are not in class. In consultation with the custodian and parent/community volunteers, the superintendent and board should determine what activities should be expected of the custodian, what might need to be contracted for and what volunteers could accomplish.

The custodian should submit a daily/weekly sign-off to the superintendent so that the productivity of the custodian can be closely monitored.

IMPLEMENTATION STRATEGIES AND TIMELINE

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| 1. The superintendent develops a daily, weekly, monthly and quarterly list of routine cleaning tasks needed to maintain the district's facilities in good to excellent condition. | May 2002 |
| 2. The superintendent develops performance measures for the custodian position and incorporates them into his/her job description. | May 2002 |
| 3. The superintendent meets with the custodian and a group of parent/community volunteers to ascertain what activities can reasonably be expected from the custodian, what should be contracted for and what can be accomplished during regular parent/community workdays. | June-July 2002 |

- | | |
|---|---|
| 4. The superintendent develops expectations and a signoff form for use by the custodian and begins monitoring the custodian's progress in accomplishing the assigned tasks. | July 2002 |
| 5. The superintendent assigns a community volunteer to schedule and oversee the workdays to ensure that the agreed upon activities are performed. | July 2002 |
| 6. The superintendent regularly evaluates the custodian's performance. | August 2002
and each six
months
thereafter |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

***EDUCATIONAL
SERVICE
DELIVERY***

Chapter 2

EDUCATIONAL SERVICE DELIVERY

This chapter examines the educational service delivery function of the Mirando City Independent School District (MCISD).

If a school district is to meet the needs of the students it serves, it must have a well-designed and well-managed process for directing instructors, maintaining curricula, evaluating and monitoring the success of its educational programs and providing the resources needed to support them.

BACKGROUND

MCISD is a very small school district with only one campus that serves children in pre-kindergarten through eighth grade. In the 2000-01 school year, MCISD had an enrollment of 72 students and a staff of 15, including 10 teachers. By November 2001, the time of the TSPR review, student enrollment had dropped to 55 and the teaching staff to six.

According to the Texas Education Agency's (TEA's) Academic Excellence Indicator System database (AEIS), in the 2000-01 school year, more than 90 percent of MCISD students were economically disadvantaged (90.3 percent) and 91.7 percent were Hispanic. **Exhibit 2-1** compares the demographic characteristics of MCISD, its peer school districts, Regional Education Center I (Region 1) and the state.

Exhibit 2-1
Demographic Characteristics
Mirando City and Peer Districts, Region 1 and State
2000-01

District	Student Enrollment	African-American	Hispanic	Anglo	Other	Economically Disadvantaged
Bluff Dale ISD	57	0.0%	5.3%	94.7%	0.0%	43.9%
Devers ISD	176	15.9%	28.4%	55.7%	0.0%	50.6%
Gruver ISD	432	0.0%	44.7%	54.6%	0.7%	47.7%
Mirando City ISD	72	0.0%	91.7%	1.4%	6.9%	90.3%
Robert Lee ISD	309	0.3%	30.7%	68.6%	0.3%	45.6%
Wellman-Union CISD	227	1.3%	35.2%	63.0%	0.4%	37.0%
Region 1	302,528	0.2%	95.6%	3.8%	0.3%	82.7%
State	4,059,619	14.4%	40.6%	42.0%	3.0%	49.3%

Source: Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2000-01.

TEA assigns annual ratings to each Texas school district and school based on the following criteria: student Texas Assessment of Academic Skills (TAAS) scores, data quality or factual information about the district submitted to TEA, attendance and dropout rates. The five possible ratings include Exemplary, Recognized, Academically Acceptable, Academically Unacceptable and Unacceptable: Data Quality. For a school or district to receive an Exemplary rating, at least 90 percent of the students (including students in aggregate, as well as individual sub-groups of African-American, Hispanic, Anglo, and Economically Disadvantaged students) must pass the TAAS reading, writing and mathematics tests. To receive a rating of Recognized, at least 80 percent of these students must

pass all three tests. In 1999, for a rating of Acceptable, at least 45 percent of students had to pass all three tests. Currently, an Acceptable rating requires a passing rate of 50 percent.

The district held a rating of Acceptable for the years 1996-1998, inclusive. In 1999, MCISD earned a Recognized rating, and in 2000, dropped to Academically Unacceptable/Low Performing. The district's 2001 rating is Acceptable (**Exhibit 2-2**).

Exhibit 2-2
Mirando City ISD
Accountability Rating
1995-96 through 2000-01

1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Acceptable	Acceptable	Acceptable	Recognized	Unacceptable	Acceptable

Source: TEA, AEIS, Accountability Ratings, 1995-96 through 2000-01.

In recent years, MCISD's student population has declined, requiring the community to close the high school in 1994 and bus the students to Bruni High School located 13 miles away in the Webb Consolidated School District (CISD).

The Texas Assessment of Academic Skills (TAAS) is used to measure student performance. The TAAS is administered in grades 3-8 and 10 and includes reading and mathematics in grades 3-8 and 10 and a writing assessment in grades 4, 8 and 10. The Spanish version of TAAS is administered in grades 3-6.

MCISD student performance on the TAAS has fluctuated considerably over the last eight years. The district's best performance occurred during the 2000-01 school year when 77.4 percent of all students passed the TAAS. Its worst performance occurred the previous year, 1999-2000, when only 42.1 percent of all MCISD students achieved passing scores. MCISD students passed the TAAS at rates below all peer districts and the state average during each of the last eight years (**Exhibit 2-3**).

Exhibit 2-3
Mirando City ISD and Peer District Comparison
Percent of Students Receiving Passing Scores on the TAAS
1993-94 through 2000-01

District	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Bluff Dale ISD	63.9%	65.7%	78.4%	82.4%	100.0%	94.4%	93.1%	93.1%
Devers ISD	75.0%	78.2%	85.9%	76.9%	89.3%	87.8%	95.1%	97.8%
Gruver ISD	72.4%	83.0%	87.5%	89.7%	91.4%	93.8%	89.6%	92.5%
Mirando City ISD	55.3%	57.7%	56.5%	63.6%	67.7%	76.7%	42.1%	77.4%
Robert Lee ISD	67.3%	78.1%	85.0%	81.2%	91.3%	92.8%	96.1%	95.4%
Wellman-Union CISD	70.7%	80.3%	86.1%	84.3%	84.0%	83.6%	87.4%	94.7%
State	55.6%	60.7%	67.1%	73.2%	77.7%	78.3%	79.9%	82.1%

Source: TEA, AEIS, 1994-2001.

In 2000-01, MCISD budgeted \$5,460 in instructional expenditures per pupil, more than all of its peers and considerably more than the state average of \$3,500 (**Exhibit 2-4**).

Exhibit 2-4
Mirando City ISD and Peer Districts
Comparison of Instructional Expenditures* Per Pupil
2000-01

District	Instructional Expenditures Per Pupil
Bluff Dale ISD	\$4,840
Devers ISD	\$3,944
Gruver ISD	\$4,720
Mirando City ISD	\$5,460
Robert Lee ISD	\$5,343
Wellman-Union CISD	\$4,207
State	\$3,500

Source: TEA, AEIS, 2000-01.

*Includes function codes 11,95 and 21.

According to data derived from TEA’s AEIS, teachers at MCISD have less teaching experience and less years working in the district than those at the five peer districts. In interviews with teachers, however, this information appeared to be in error, as most indicated that they had been teaching for a number of years. The district’s turnover rate, or the rate at which teachers leave employment and must be replaced, is third lowest among peer districts (Exhibit 2-5).

Exhibit 2-5
Mirando City and Peer Districts
Teacher Experience and Turnover Rates
2000-01

District	Average Years Experience	Average Years Experience in District	Turnover Rate
Bluff Dale ISD	10.0	5.9	18.6%
Devers ISD	10.4	5.4	14.3%
Gruver ISD	14.6	9.7	16.7%
Mirando City ISD	0.8	0.4	12.5%
Robert Lee ISD	15.3	9.2	10.5%
Wellman-Union CISD	15.6	7.5	5.8%

Source: TEA, AEIS, 2000-01.

Although student performance on the TAAS is an extremely important indicator of the quality of education children are receiving, other factors are also important. The student-to-teacher ratio is one such important consideration. When comparing MCISD’s student-to-teacher ratio with its five peer districts, MCISD has the lowest number of students per teacher (Exhibit 2-6).

Exhibit 2-6
Mirando City ISD and Peer Districts
Student-to-Teacher Ratio
2000-01

District	Student-Teacher Ratio
Bluff Dale ISD	8.9:1
Devers ISD	12.3:1
Gruver ISD	9.0:1
Mirando City ISD	7.3:1
Robert Lee ISD	8.3:1
Wellman-Union CISD	12.6:1

Source: TEA, AEIS, 2000-01.

Having qualified and motivated teachers is another important factor in delivering quality educational services. To attract and retain a quality teaching staff, districts must offer competitive wages.

All MCISD teachers have bachelor's degrees, 80 percent are just beginning their teaching careers, and no teacher in the district has more than 10 years teaching experience. MCISD teacher salaries appear comparable to state averages in each of several categories, but are considerably below the state in the overall average salary due to the relative inexperience of most MCISD teachers (**Exhibit 2-7**).

Exhibit 2-7
Mirando City ISD and State Comparison
Teacher Salaries
2000-01

Category	Mirando City ISD	State
Beginning Teachers	\$29,045	\$29,824
1-5 Years Experience	\$30,380	\$31,987
6-10 Years Experience	\$45,000	\$35,304
11-12 Years Experience	N/A	\$41,755
Over 20 Years Experience	N/A	\$48,183
Average Salary	\$30,810	\$38,361

Source: TEA, AEIS, 2000-01.

The availability of programs for special populations such as Gifted and Talented, English as a Second Language, Career and Technology, and Special Education students is also very important. MCISD does not have a Gifted and Talented (G/T) Program and has not identified gifted and talented students in the district.

According to TEA's AEIS, 38.9 percent of MCISD students participate in the Bilingual/English as a second language (ESL) program; 6.9 percent are enrolled in special education programs; and none are enrolled in Gifted and Talented or Career and Technology programs (**Exhibit 2-8**). The districts that do not have students enrolled in a Career and Technology program are similar to MCISD, in that the Devers and Bluff Dale ISDs serve students through grade 8, while the remaining peers offer programs through grade 12.

**Exhibit 2-8
Mirando City ISD, Peer Districts and State
Percentage of Students Enrolled in Special Programs
2000-01**

District	Bilingual/ ESL	Career and Technology	Gifted and Talented	Special Education
Bluff Dale ISD	0.0%	0.0%	7.0%	10.5%
Devers ISD	12.5%	0.0%	16.5%	15.3%
Gruver ISD	10.9%	29.2%	7.6%	12.7%
Mirando City ISD	38.9%	0.0%	0.0%	6.9%
Robert Lee ISD	3.9%	38.2%	13.9%	17.2%
Wellman-Union CISD	6.6%	38.8%	4.8%	11.5%
State	12.6%	18.9%	8.4%	11.9%

Source: TEA, AEIS, 2000-01.

The district does not have a special education teacher although 6.9 percent of its students are identified as special education students. The superintendent reports that all teachers received training in special education and in identifying dyslexia by Region 1.

According to the superintendent, the district does not provide bilingual services because it is not legally required for a district of this size. According to TEC, Section 29.053, bilingual education or a special language program are required if the district has an enrollment of 20 or more limited English proficient students in any language classification in the same grade level. MCISD uses computer programs, however, to teach ESL.

MCISD offers an optional extended year program to help children who are at risk of falling behind or failing. After school and Super Saturday tutorials and summer school classes are offered. Teachers receive extra pay from Title 1 funds to hold two-hour Saturday tutorials for 6th and 7th graders.

FINDING

MCISD rewards students who perform well academically by taking them on field trips. In spring 2001, the district rewarded all students who passed the TAAS by taking them to Fiesta Texas theme park for the day. In all, 36 students participated. The district rents vans for the day since the bus is not always dependable. For example, students with perfect attendance at the end of six weeks and students with the most points for reading are rewarded with trips. All students were taken to the Brownsville Zoo. Other trips included a tour of the Texas A&M International University campus in Laredo, as well as a trip to Annual Life Downs to see the animals.

COMMENDATION

As an incentive and reward, students who perform well academically are taken on special field trips.

FINDING

MCISD’s teachers and the superintendent report, following the Texas Essential Knowledge and Skills curriculum (TEKS), on an informal basis to guide curriculum. However, the curriculum is not aligned with Webb CISD, which makes transition from MCISD to Webb CISD difficult for some students.

All MCISD middle school students transfer to Bruni High School in the Webb CISD after completing 8th grade. Teachers at Webb CISD report that MCISD students are generally one year or more behind their Webb CISD peers in academic achievement.

Both Bruni High School and Bruni Middle School are rated Exemplary schools by TEA, and students in those programs generally have access to more advanced courses, including a well-defined G/T program. As pointed out in the March 2001 District Effectiveness and Compliance (DEC) report prepared by TEA, MCISD was not adequately identifying children who might qualify for G/T services and the district offers no G/T program. When MCISD students begin attending Bruni High School, they may find themselves handicapped by not having had exposure to the same curriculum content as their Webb peers.

An effective educational program has at its core a strong curriculum. The curriculum describes what students are to learn incrementally at each grade level, the long-and short-term goals for the educational program, instructional strategies to achieve the goals, and how content mastery by the students can be assessed. Textbooks and supplementary instructional materials and services also support the curriculum. MCISD has very few supplementary services and programs to support its core curriculum.

Recommendation 11:

Align MCISD’s curriculum with Webb CISD’s.

The plan should ensure that all teachers understand the instructional building blocks that each child will need to master at each grade level, not only to succeed on the TAAS, but also to be prepared to move to the next grade level. Additionally, partnering with Webb CISD on cross-district alignment will ensure that students transitioning to Bruni High School have mastered all the material and developed the skills they need to succeed in the ninth grade and beyond. The superintendent and MCISD’s site-based decision-making committee (SBDMC), along with representatives of Webb CISD appointed by that district’s superintendent, should develop this plan collaboratively, for adoption by the MCISD board.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|----------------|
| 1. MCISD’s superintendent and SBDMC meet for preliminary discussions on how to accomplish cross-district curriculum alignment. | April-May 2002 |
| 2. The superintendent and SBDMC join with representatives of Webb CISD to align curriculum with theirs. | June-July 2002 |
| 3. The superintendent presents the proposed curriculum alignment to the board for adoption. | August 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Of MCISD's six classroom teachers, two are not certified. The two non-certified teachers did not pass the required test to obtain certification, consequently these individuals are now employed by the district on a "permanent substitute" status.

The basic requirements for becoming a teacher in Texas according to the State Board of Educator Certification (SBEC) are as follows:

- *A bachelor's degree from an accredited college or university.* Texas institutions do not offer a degree in education. Every teacher must have an academic major, as well as teacher training courses. The only exemption from the degree requirement is for individuals seeking Career and Technology certification to teach certain courses, such as welding or computer-aided drafting.
- *Teacher training through an approved program.* These programs are offered through colleges and universities, school districts, regional service centers, community colleges, and other entities.
- *Successful completion of the appropriate teacher certification tests for the subject and grade level to be taught.* A list of the certification tests and information on which tests are required can be found on SBEC's Web site at: www.sbec.state.tx.us.

When a school district cannot find a certified teacher, a non-certified individual may be employed, but local board policy and state law must still be followed, including the required notification of parents regarding the status of the child's teacher.

Section 21.057 of the Texas Education Code states that a school district that assigns an inappropriately certified or uncertified teacher to the same classroom for more than 30 consecutive instructional days during the same school year must provide written notice of the assignment to a parent or guardian of each student in the classroom, and it states that the superintendent must provide that notice no later than the 30th instructional day after the date of the assignment of the teacher.

Current recruitment efforts are limited to posting vacancies with Texas A&M University-Kingsville and advertising in the Hebbronville newspaper. Laredo is 32 miles away. Five of MCISD's six teachers live in Hebbronville, approximately 25 miles away. The board president explained the district's predicament, "Finding teachers to come here is a challenge. The truth is if they can find work in Hebbronville, they'll leave. It's hard for them to find babysitters so they can be here by 7:30 a.m.. This year, we combined grades because we couldn't find teachers to replace teachers who have left." The district has several strong selling points that prospective teaching applicants might find appealing: competitive salaries, small class sizes and few student behavioral problems.

The Aransas County ISD has successfully used the Internet to advertise teaching and other staff vacancies. Aransas County ISD estimates that the district saved more than \$11,000 in newspaper advertising and recruiting costs by using free online bulletin board services.

Not only has MCISD failed to provide high quality teachers for the children of the district, but also they have failed to notify the parents that their children are being taught by a teacher without state-recognized credentials. MCISD's use of uncertified teachers also undermines the public confidence in MCISD's educational system.

Recommendation 12:

Ensure that highly qualified and certified teachers teach all students.

The board and superintendent must immediately notify all non-certified teachers that their contracts will not be renewed in the coming year. If they receive their certification over the summer months, they may be considered for re-employment, but non-renewal notices must be presented to them according to the terms and conditions of their existing contracts to protect the district from unnecessary legal expenses.

The superintendent should post job openings for certified teachers, and the board and superintendent must actively seek to attract highly qualified teachers to the district. Additionally, the district must immediately send notices following state law to parents of children that are being taught by non-certified personnel.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|------------|
| 1. The board directs the superintendent to notify non-certified teachers that their contracts will not be renewed in the coming year. | April 2002 |
| 2. The superintendent prepares a written notification to the non-certified teachers and immediately posts job openings for these positions. | April 2002 |
| 3. The board and superintendent actively seek to recruit highly qualified teachers for the district by seeking assistance from Region 1 and other organizations. | May 2002 |
| 4. The superintendent reviews the applications and hires the most highly qualified applicants to fill the vacancies. | June 2002 |

FISCAL IMPACT

This recommendation could be implemented with existing resources.

FINDING

The district has no designated special education teachers and provides no direct special education services to identified students. According to TEA's AEIS district report for 2000-01, 6.9 percent of the students, or five or fewer children are considered special education. According to the March 2000 DEC report from TEA, MCISD is providing no direct special education related services. The district does, however, contract for speech therapy and diagnostic services. Most special education students are served in regular classrooms with only a limited number served in a separate portable facility. None of the teachers are special education certified and a teacher's aide that has no special education training supervises the class in the portable facility full-time.

Last year, when attempts to hire a special education certified teacher were unsuccessful, the superintendent contacted Texas A&M University-Kingsville and was placed on a deficiency plan whereby she could temporarily serve in the special education role while completing the coursework and other requirements for special education certification.

According to a representative from Region 1, MCISD was previously a part of a special education cooperative with Webb CISD and the Jim Hogg ISD. About three years ago, the cooperative disbanded, leaving MCISD without external support for the special education program. Informally, over the last few years, Webb CISD, United ISD and Laredo ISD have provided some special education assistance to MCISD.

According to the districts self-evaluation done as part of the DEC visit by TEA, special education staff development opportunities are provided to teachers based upon individual needs through Region 1 and the superintendent also conducts professional development during monthly meetings. Of the 36 indicators reviewed as part of the DEC visit, 17 were found to be in compliance with state and federal compliance, 10 were not applicable, leaving nine requiring corrective action.

Through a cooperative or an interlocal agreement with another larger school district, smaller districts can gain access to certified special education teachers and diagnosticians. These experts can develop lesson plans and supervise regular classroom teachers in the smaller district who are not special education certified. Further, cooperatives or larger districts under an interlocal agreement can provide a wide array of services to special needs children that could not be afforded by smaller districts individually. This allows the district to comply with federal and state laws, and not incur the expense of hiring full-time special education teachers and diagnosticians.

Recommendation 13:

Enter into an interlocal agreement with a local area school district to assist the district in providing quality services to children with special needs.

Webb CISD, United ISD and Laredo ISD all have sound special education programs and staff that could assist MCISD to provide quality services to special education students. Parents of children in need of services, as well as teachers and the superintendent should be actively engaged in identifying the needs of the children in the district and seeking out a district that is willing to share services with MCISD. Region 1 representatives have also voiced their willingness to help the district with this project.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-----------------|
| 1. The superintendent identifies parents, teachers and other interested parties to assist in identifying the needs of the district and the special education students they serve. | April 2002 |
| 2. The group prepares a needs assessment and contacts area districts to determine how each district could meet those identified needs. | April-June 2002 |
| 3. The group prepares a recommendation for the superintendent and the board. | July 2002 |
| 4. The board authorizes and enters into an interlocal agreement with an area school district. | August 2002 |
| 5. Students and teachers begin to receive services through the contracted school district. | September 2002 |

FISCAL IMPACT

This recommendation can be implemented at no additional cost to the district.

FINDING

MCISD is using a 15-passenger van to daily transport children to and from school, which violates Texas Education Code, Section 34.003 (a). The law states, "School buses or mass transit authority motor buses shall be used for the transportation of students to and from schools on routes having 10 or more students. On those routes having fewer than 10 students, passenger cars may be used for the transportation of students to and from school."

Section 34.003 (b) goes on to state that vans are acceptable for extra-curricular or co-curricular activities, but not for school routes.

The Texas Education Code 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, and for extracurricular activities. The federal Individuals with Disabilities Education Act (IDEA) require districts to treat students with disabilities the same way it treats students in the general population. In addition, IDEA requires districts to provide transportation to students who must travel to receive special education services.

In the past, MCISD transported children on a bus. When the bus broke down, MCISD worked with Webb CISD to supply a bus and driver; at this time MCISD is only paying Webb CISD for the services of the driver. This bus is now fixed, but MCISD continues its relationship with Webb CISD because the MCISD bus has no air conditioning and is more difficult to drive than its van. MCISD transports fewer than five special needs students to and from school in a 15-passenger van, and although the district disputes this, the TSPR team contacted the School Bus Transportation Division of the Texas Department of Public Safety and confirmed that vans cannot be used to transport children to and from school.

Other than buying a bus to transport students on routes to and from school, the option is to use a passenger car. A passenger car as defined by Section 541.201 of the Transportation Code is a vehicle with a capacity of 10 or fewer passengers, including the operator. Children are required to be belted in the passenger vehicle if the district is providing transportation in a passenger vehicle, no matter where in that vehicle the student is riding. If a personal vehicle is used that is not owned by the district, however, the district will not be eligible for reimbursement. Over the last few years, however, MCISD has received little or no transportation reimbursement from the state, therefore, this may not be a consideration.

Recommendation 14:

Comply with the Texas Education Code in providing student transportation.

There are several possibilities for remedying this situation, including transporting the special education students in a passenger car, using the existing MCISD or contracting with Webb CISD to provide transportation for special education students in an approved school bus.

IMPLEMENTATION STRATEGIES AND TIMELINES

- 1. The board approves a policy that prohibits the use of the 15-passenger van for any student-related travel, other than extra-curricular events. March 2002
- 2. The superintendent or other district staff immediately begin transporting the special education students to and from school in a passenger vehicle or the district bus, ensuring that all liability issues are covered if a personal vehicle is used. March 2002
- 3. The board and superintendent research the various long-term options and determine how best to handle transportation for the coming school year. April-July 2002
- 4. The superintendent implements the transportation option determined by the board to best ensure compliance with the Texas Education Code. August 2002 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MCISD students do not have access to research and information resources that are routinely used by students in other school districts. Every MCISD classroom has at least one computer, but none have Internet access. The district has a computer lab with approximately a dozen computers that are stored but remain unused in one of the portables. Teachers report that since the lab is not networked and does not have Internet access, it is of little value. The district does not have a school library. Consequently, middle school students have very limited resources to use to conduct research in order to write reports.

The town of Mirando City has a very small library with only one Internet line and the school has extremely limited print resources. For example, the Encyclopedia Britannica set located in the grade 7-8 classroom is a 1981 edition. Presently, MCISD students are unable to learn and acquire the research skills they will need in high school due to the lack of educational resources and technology at MCISD. Conversely, their Webb CISD peers have many opportunities to obtain and practice these skills. This means that when MCISD students transfer to Webb CISD they are not academically prepared to compete on an equal footing with their Webb CISD peers.

Recommendation 15:

Provide Internet access to all classrooms and the computer lab and fully network the lab.

Prior to networking the lab, the board and superintendent should determine if it is to remain in the portable in its present location, or if the portable is to be moved.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent determines the best location for the computer lab. May-June 2002
2. The superintendent contracts with a computer technician and electrician to determine if the network and electricity need to be upgraded prior to moving. May-June 2002
3. The superintendent or her designee moves the computers to the new location. June 2002
4. The superintendent gets board approval for upgrading the network and electricity. June 2002
5. The superintendent contracts for the necessary goods and services. June 2002
6. The superintendent investigates Internet service providers (ISP) and contracts with an ISP for service. June 2002
7. The superintendent hires a computer technician to network the computers and provide documentation on network operations. July 2002
8. The superintendent drafts an acceptable use policy for Internet access. July 2002
9. Teachers are trained on how to use the Internet for classroom activities. August 2002

FISCAL IMPACT

The estimated one-time cost for networking the computer lab is \$12,000: \$4,000 for the wiring, hardware and installation of a twelve-port hub; \$4,000 for an upgraded file server; and \$4,000 for a modem to communicate across a 56KB line. To install Internet access capability for each of the six regular classrooms will cost an estimated additional \$1,200, bringing the total one-time costs to \$13,200. Maintenance and support costs for the lab should be possible with existing resources.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Provide Internet access to all classrooms and the computer lab and fully network the lab.	(\$13,200)	\$0	\$0	\$0	\$0

***FINANCIAL
MANAGEMENT***

Chapter 3

FINANCIAL MANAGEMENT

This chapter examines the financial operations of the Mirando City Independent School District (MCISD) in five sections:

- A. Budgeting
- B. Financial Controls
- C. Cash and Investment Management
- D. Risk and Fixed Asset Management
- E. Purchasing

School districts are accountable to local taxpayers, the state and federal government for the use of public funds received from those sources. Timely, accurate and meaningful financial reports are key to making responsible and informed decisions about the use of public funds. School districts are required to have safeguards in its financial accounting and reporting processes to reduce its exposure to risk and to ensure assets are used appropriately.

BACKGROUND

Texas public school districts must meet financial management requirements established by federal and state laws, rules and regulations. Internally developed policies and procedures, Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB) guidelines also affect a school district's financial management activities.

Texas school districts are required by Texas law to conduct school programs in accordance with the state constitution. The Texas Education Code spells out the specific requirements that school districts must comply with and authorizes the Texas Education Agency (TEA) to establish standards for all school districts. TEA's *Financial Accountability System Resource Guide* (FASRG) outlines accounting and reporting requirements for Texas school districts. Districts are required to regularly report information to TEA through the Public Education Information Management System (PEIMS) and financial data as well as student and staff data are aggregated in TEA's Academic Excellence Indicator System (AEIS).

More than 54 percent of MCISD's revenue is generated locally, 40.8 percent is derived from the state and 4.7 percent comes from the federal government. As the district's property values per pupil rise, the amount that the district can reasonably be expected to be raised from local property taxes rises and the amount of funding the district receives from the state goes down. If property values are low, the district can raise fewer dollars through property taxes and consequently state funding rises.

Exhibit 3-1 compares property values and student information on MCISD and the peer districts.

Exhibit 3-1
Mirando City ISD and Peer Districts
Enrollment, Percent Economically Disadvantaged and Property Values
2000-01

District Name	Enrolled Number of Students	Percent of Economically Disadvantaged Students	Certified Property Value	Property Value per WADA
Bluff Dale ISD	57	43.9%	\$19,004,832	\$333,418
Devers ISD	176	50.6%	\$69,888,752	\$397,095
Gruver ISD	432	47.7%	\$171,860,599	\$397,825
Mirando City ISD	72	90.3%	\$17,669,962	\$245,416
Robert Lee ISD	309	45.6%	\$105,998,955	\$343,039
Wellman-Union CISD	227	37.0%	\$78,409,885	\$345,418

Source: TEA, AEIS, 2000-01.

Exhibit 3-2 arranges financial information for MCISD and the peer districts by object code for the 2000-01 school year.

Exhibit 3-2
Mirando City ISD and Peer Districts
Budgeted General Fund Expenditures by Object Code
2000-01

District Name	Operating				Non-Operating		Total Expenditures
	Payroll	Contracted Services	Supplies	Other Operating	Debt Services	Capital Outlay	
Bluff Dale ISD	\$346,632	\$96,141	\$35,245	\$31,025	\$60,910	\$5,200	\$575,153
Devers ISD	\$1,092,875	\$180,169	\$112,855	\$39,300	\$70,000	\$51,688	\$1,546,887
Gruver ISD	\$2,730,917	\$338,321	\$333,046	\$111,993	\$116,547	\$474,120	\$4,104,944
Mirando City ISD	\$525,750	\$125,953	\$53,585	\$40,510	\$0	\$4,000	\$749,798
Robert Lee ISD	\$2,270,956	\$237,929	\$263,651	\$88,901	\$0	\$11,402	\$2,872,839
Wellman-Union CISD	\$1,340,570	\$264,822	\$200,648	\$91,075	\$128,018	\$119,199	\$2,144,332

Source: TEA, AEIS, 2000-01, excluding wealth equalization transfers required by Texas Education Code (TEC) Chapter 41.

Based on the difference in size of the districts, a comparison in total costs is not the most effective way to compare the districts. **Exhibit 3-3** presents the same information based on the number of pupils enrolled in each district.

Exhibit 3-3
Mirando City ISD and Peer Districts
Per Pupil Budgeted General Fund Expenditures by Object Code
2000-01

District Name	Number of Students	Operating				Non-Operating		Total Expenditures
		Payroll	Contracted Services	Supplies	Other Operating	Debt Services	Capital Outlay	
Bluff Dale ISD	57	\$6,081	\$1,687	\$618	\$544	\$1,069	\$91	\$10,090
Devers ISD	176	\$6,210	\$1,024	\$641	\$223	\$398	\$294	\$8,789
Gruver ISD	432	\$6,322	\$783	\$771	\$259	\$270	\$1,098	\$9,502
Mirando City ISD	72	\$7,302	\$1,749	\$744	\$563	\$0	\$56	\$10,414
Robert Lee ISD	309	\$7,349	\$770	\$853	\$288	\$0	\$37	\$9,297
Wellman-Union CISD	227	\$5,906	\$1,167	\$884	\$401	\$564	\$525	\$9,446

Source: TEA, AEIS, 2000-01.

Based on this comparison, MCISD spends more per pupil on total expenditures than any of its peer districts. It has the second highest per pupil expense for payroll. MCISD spends more per pupil on contracted services and other operating expenses than any of the peer districts.

Exhibit 3-4 presents this same information as a percentage of total expenditures.

**Exhibit 3-4
Mirando City ISD and Peer District Budgeted Expenditures by Object Code
as a Percentage of Total Expenditures
2000-01**

District Name	Operating				Non-Operating	
	Payroll	Contracted Services	Supplies	Other Operating	Debt Services	Capital Outlay
Bluff Dale ISD	60.3%	16.7%	6.1%	5.4%	10.6%	0.9%
Devers ISD	70.6%	11.6%	7.3%	2.5%	4.5%	3.3%
Gruver ISD	66.5%	8.2%	8.1%	2.7%	2.8%	11.5%
Mirando City ISD	70.1%	16.8%	7.1%	5.4%	0.0%	0.5%
Robert Lee ISD	79.0%	8.3%	9.2%	3.1%	0.0%	0.4%
Wellman-Union Cisd	62.5%	12.3%	9.4%	4.2%	6.0%	5.6%

Source: TEA, AEIS, 2000-01.

Note: May not add to 100 percent due to rounding.

Based on Exhibit 3-4, the percentage of expenditures in each object is comparable to its peers in most cases. The largest expenditure for MCISD and the peer districts is payroll. The state average is 73.5 percent. With payroll being a major cost for districts, the internal controls must be strong in this area. MCISD runs one payroll a month and the board signs the checks.

The FASRG mandates the use of functional codes by school districts to track expenditures for different school district functions. Exhibit 3-5 presents expenditures on a per pupil basis for all funds excluding debt service, capital outlay and payments reported under shared services agreements by functional code description for MCISD and the peer districts for the 2000-01 school year. This total of expenditures is referred to as operating expenditures.

**Exhibit 3-5
MCISD and Peer Districts
Total Budgeted Expenditures Per Pupil
2000-01**

Function	Bluff Dale	Devers	Gruver	Mirando City	Robert Lee	Wellman-Union
Instruction	\$4,840	\$3,944	\$4,720	\$5,389	\$5,337	\$4,207
Instructional-Related Services	\$72	\$172	\$60	\$421	\$253	\$165
Instructional Leadership	\$0	\$0	\$0	\$71	\$6	\$0
School Leadership	\$419	\$633	\$548	\$189	\$558	\$321
Support Services-Student	\$57	\$93	\$313	\$54	\$182	\$83
Student Transportation	\$231	\$238	\$299	\$214	\$229	\$420
Food Services	\$612	\$551	\$287	\$646	\$416	\$471
Cocurricular/Extracurricular Activities	\$196	\$124	\$394	\$152	\$427	\$476
Central Administration	\$931	\$792	\$663	\$1,757	\$729	\$819
Plant Maintenance and Operations	\$1,164	\$1,378	\$809	\$1,309	\$922	\$1,123
Security and Monitoring Services	\$0	\$0	\$0	\$0	\$0	\$5
Data Processing Services	\$407	\$173	\$39	\$157	\$199	\$268
Other *	\$1,160	\$691	\$1,367	\$56	\$37	\$1,089
Total Budgeted Expenditures	\$10,089	\$8,789	\$9,499	\$10,415	\$9,295	\$9,447

Source: TEA, AEIS 2000-01.

*Includes any operation expenditures not listed above and all non-operating expenditures such as debt service, capital outlay and community and parental involvement services.

Based on the dollars per student budgeted in the functional areas, MCISD is high in curriculum and staff development, instructional leadership, food services and general administration. The district is low, by comparison, on school leadership and co-curricular and extracurricular activities. Instructional expenditures appear to be in line with the peer districts.

One reason for doing a variety of comparative analyses is to look at expenditures in different ways compared to peer districts. This, as in the case of MCISD, will sometimes provide information that can be used to find areas for potential savings. Another way to look at the same information is presented in Exhibit 3-6, with the functional expenditures as a percentage of total operating expenditures.

**Exhibit 3-6
MCISD and Peer Districts
Percentage of Total Budgeted Expenditures by Function
2000-01**

Function	Bluff Dale	Devers	Gruver	Mirando City	Robert Lee	Wellman-Union
Instruction	48.0%	44.9%	49.7%	51.8%	57.4%	44.5%
Instructional-Related Services	0.7%	2.0%	0.6%	4.0%	2.7%	1.7%
Instructional Leadership	0.0%	0.0%	0.0%	0.7%	0.1%	0.0%
School Leadership	4.2%	7.2%	5.8%	1.8%	6.0%	3.4%
Support Services-Student	0.6%	1.1%	3.3%	0.5%	2.0%	0.9%
Student Transportation	2.3%	2.7%	3.2%	2.1%	2.5%	4.5%
Food Services	6.1%	6.3%	3.0%	6.2%	4.5%	5.0%
Cocurricular/Extracurricular Activities	1.9%	1.4%	4.1%	1.5%	4.6%	5.0%
Central Administration	9.2%	9.0%	7.0%	16.9%	7.8%	8.7%
Plant Maintenance and Operations	11.5%	15.7%	8.5%	12.6%	9.9%	11.9%
Security and Monitoring Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Data Processing Services	4.0%	2.0%	0.4%	1.5%	2.1%	2.8%
Other *	11.5%	7.9%	14.4%	0.5%	0.4%	11.5%

Source: TEA, AEIS, 2000-01.

*Includes any operation expenditures not listed above and all non-operating expenditures such as debt service, capital outlay and community and parental involvement services.

A. BUDGETING

FINDING

The district does not have a formalized budget process to ensure adequate staff and community involvement. Based on interviews with the superintendent, secretary and external bookkeeper, the budget process is informal and occurs with little or no input from the community. The external accounting firm prepares the revenue estimate using the TEA template with input from the superintendent and compares that estimate with the TEA Summary of Finance.

Expenditures from the current year are used to estimate expenditures for the next year, plus or minus any known changes. The board discusses the budget with the superintendent. A public hearing is held and the budget is adopted. Funds allocated to the school are allocated based on input from the site-based decision-making (SBDM) committee. The superintendent said supply money was in one account and the teachers requested what they wanted during the year. The external bookkeeper loads the budget and is at the board meetings that concern the budget to answer questions. Based on a

review of the minutes, no formal discussion of the budget took place until August 9, 2001. The only other formal discussion was at the public hearing on August 30, 2001 when the budget was adopted.

The budget of a school district represents the planned expenditures for the year and is the basis for determining the tax rate. The budget process must be methodical and include phases for development, presentation and adoption. First, the revenues of the district must be estimated to determine the amount of funds available for the budget year. School districts receive revenues from the federal government, state government and local taxpayers. Federal revenues can fluctuate significantly based on changes in the federal budget and great care must be taken to ensure the funds will be available. State revenues are based on a variety of factors that must be estimated for the budget year. The most critical of these is student attendance for the budget year. A district must not only estimate the number of students but the type of services students receive because of the special weighting factors in the state funding formula. The district must have a good estimate of the appraised values for the budget year in order to estimate the funding they will receive from the local taxpayers. After the revenues have been estimated, the expenditures for the budget year must be estimated.

Although the Texas Education Code states that the superintendent is responsible for preparing the budget, the development phase must include opportunities for staff and community involvement in the process. If a per pupil allocation process is used for staffing, supplies and other budgeted expenditures for the schools, the SBDM committee for each school must be involved in how those allocations are used at the school. If a request for funds process is used, then the SBDM committee for the school must be involved with formulating those requests at each school and those requests need to be prioritized. Due to limited resources, sometimes only the highest priorities can be funded. The development process must also take into account the priorities established in the campus improvement plans and the district improvement plan. All other departments must establish their needs based on the services they plan to provide. Once all the necessary information is compiled, the preliminary budget is ready for the presentation phase.

The presentation phase includes opportunities for the administration and board to review and discuss the revenue and expenditure estimates and the underlying assumptions and needs these are based on. If estimated revenues are not sufficient to fund the estimated expenditures, the presentation phase needs to include options for enhancing revenue, reducing expenses or using a portion of the undesignated fund balance to arrive at a balanced budget. Districts are encouraged to only use the fund balance for one-time expenditures, such as capital improvements, and not to fund continuing expenditures, such as raises for employees. The presentation phase also includes opportunities for district employees to have input into the discussions. The final part of the presentation phase is designed specifically to allow for public input on the budget. This is the budget hearing required by the Texas Education Code and only after the public hearing can the board adopt the budget.

The adoption of the budget is the final step in the budget process and must occur before expenditures of funds can be made. Once adopted, the budget becomes the legal authority for the district to make expenditures. The budget must be adopted at the function level, but can be adopted at the line item level. The budget controls expenditures at whatever level it is adopted by the board and expenditures cannot exceed the budget. Generally school districts present the budget for adoption by the board at the functional level so funds can be moved to the necessary line item within that function as needed by the administration. If an expenditure is going to exceed the budget, the administration must prepare, present and have a budget amendment adopted by the board before the expenditure is made.

Budget preparation in even a very small district is normally guided by a budget calendar of critical dates for budget development, submission and review, some instructions concerning what expenditure items are to be budgeted at the campus level and what level of detail is required for submission and a list of the account codes necessary for the preparation of campus budgets.

Recommendation 16:

Formalize the budget process to include more open input from the public and the site-based decision-making committee.

The board should develop a budget discussion calendar so that staff and community members who want to be involved will know when the opportunity exists. The calendar includes the legal requirements for budget adoption and proposed dates to meet each requirement.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|-------------------|
| 1. The superintendent prepares a formal budget calendar with public budget discussions beginning in June. | March 2002 |
| 2. The superintendent presents the calendar to the board for its review and approval. | April 2002 |
| 3. The superintendent distributes the budget calendar to the staff and the SBDM committee, and at the community center and post office. | April 2002 |
| 4. The board and superintendent ensure the budget calendar is followed. | April-August 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district significantly under-budgeted state revenues for the year ended August 31, 2000 by more than \$203,000, resulting in the board making budgetary decisions to forgo needed repairs to facilities and other expenditures that would have improved the operation of the district because they did not believe that the money would be available to pay for those items. Based on the budget information submitted to PEIMS and the TEA Summary of Finances reports, the district under-budgeted revenues in 2000-01 and again in 2001-02.

Exhibit 3-7 presents this information for the 1999-2000 through 2001-02. The superintendent did not have a reason for this practice. These amounts are significant for a district with an operating budget ranging from \$600,000 to \$700,000 annually.

**Exhibit 3-7
Mirando City ISD State Revenues Compared to Budgeted Revenues
1999-2000 through 2001-02**

	1999-2000 Audit Report	2000-01 PEIMS Budget TEA Near Final Report	2001-02 MCISD Budget TEA Preliminary Report
State Revenue	\$221,751	\$313,366	\$304,414
Budgeted State Revenue	\$18,000	\$204,055	\$230,643
Difference	\$203,751	\$109,311	\$73,771

Source: TEA, External Audits Reports, and MCISD Budgets.

While the external auditor assisted the district with its projections using the TEA model, the Texas Association of School Business Officials (TASBO) provides training and some consulting assistance to school districts on state aid calculations. TEA’s model, when used effectively, allows districts to enter various scenarios so that the board can see what the result will be of certain actions. For example, if enrollment is projected to rise or fall, the module allows the district to see the impact if the rise or fall in enrollment is more or less than projected.

Conservative budgeting of revenues is a good practice used by most school districts in the state. When the revenue budgets are significantly lower than what can be reasonably expected, however, the district makes decisions to forego other needs because they do not think they have the funds available.

Recommendation 17:

Seek assistance in accurately preparing revenue estimates.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|--------------------------|
| 1. The superintendent and/or the external accounting firm seeks assistance from TASBO in preparing a preliminary revenue estimate for the next year’s budget. | June 2002 and
Ongoing |
| 2. The superintendent and/or the external accounting firm discusses the underlying assumptions used in the revenue estimate and shows them various scenarios for consideration. | June 2002 and
Ongoing |
| 3. The board and superintendent agree on a conservative, but realistic, revenue estimate. | July 2002 and
Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. FINANCIAL CONTROLS

FINDING

The district does not use encumbrance accounting, which is a control system that records purchase orders or anticipated expenditures before the orders are placed to prevent expenditures from being made in excess of the amount budgeted by the board. An encumbrance is a commitment the district has for purchases or contracts not yet performed. When the purchase is initiated, the budget is checked to see if funds are available and, if so, the budget for that purchase is encumbered for an amount equal to the future obligation. This allows the district to properly exercise the authority the budget represents to expend funds.

If expenditures are not recorded until after the goods or services are delivered and invoices are sent to the district, the administration would either have to send back the goods or go back to the board and request a retroactive budget amendment. Retroactive budget amendments violate state laws and guidelines and usurp the authority granted to the board under Texas Education Code, Section 11.151(b), which states that the Board of Trustees of a Texas independent school district is a corporate body, elected by the public with the exclusive power and duty to oversee the management of the public schools of the district.

MCISD does not use purchase orders unless required by a vendor. Board policy CH (Local) requires purchase orders to be used on all purchases. This policy also requires the board to approve purchases that cost more than or aggregate to \$500 before the transaction may take place.

Based on interviews with the superintendent, secretary and external bookkeeper, the following summarizes the purchasing process at MCISD. The individual requesting an item fills out a requisition. The superintendent approves or denies the requisition. The order is placed with a vendor or bought from a store. The goods are delivered to the central office or picked up at the store. The goods are distributed to the individual requesting the purchase. The budget cannot be verified to determine if sufficient funds are available since neither the secretary/bookkeeper nor the superintendent keeps records of outstanding orders.

The superintendent is responsible for preparing and presenting the budget to the board for approval and, after adoption, monitoring the budget to ensure expenditures do not exceed the budget. The annual external audits for the year's ended August 31, 1998, 1999 and 2000 contained a finding that the district did exceed the budget in one or more functional expenditure areas. *Section 2. Budgeting, Update 8* of the FASRG states, in part, "A school district must amend the official budget *before* exceeding a *functional expenditure category*, i.e., instruction, administration, etc., in the total district budget."

The annual external audits for the years ended August 31, 1998, 1999 and 2000 contained a finding that the district did not use encumbrance accounting. The FASRG requires school districts to use encumbrance accounting in order for the budget to control expenditures.

Based on interviews with the superintendent, secretary/bookkeeper and external auditor, the district did not implement encumbrance accounting during the 2000-01 school year, and therefore, the district is still not in compliance with the FASRG. The finding will be repeated in the external audit for the year ended August 31, 2001. The bookkeeping contract with the external auditor will not correct this deficiency, as the district does not use purchase orders or any other method to track outstanding purchases.

Recommendation 18:

Establish an encumbrance accounting system to ensure that expenditures do not exceed the amount budgeted by the board.

IMPLEMENTATION STRATEGIES AND TIMELINES

- | | |
|---|-----------------------------------|
| 1. The board directs the superintendent and secretary/bookkeeper meet with the accounting firm that is handling the district's accounting activities to establish an encumbrance system. | April 2002 |
| 2. The superintendent, secretary/bookkeeper meet with the accounting firm and develop an encumbrance accounting system to control and monitor the budget and expenditures through the financial accounting reports. | Before May 2002 |
| 3. The superintendent or secretary/bookkeeper issues a purchase order for all purchases and logs the purchase order, noting account charged and amount. | March 2002 |
| 4. The secretary/bookkeeper sends a list of outstanding purchase orders to the external audit firm at the end of each month for input in the accounting records. | March 2002 |
| 5. The secretary/bookkeeper is trained to use the encumbrance function of the data processing system. | March-June 2002 |
| 6. The board monitors the administration and accounting firm's compliance with the encumbrance system and questions any budget amendments to ensure that it is not being asked to approve amendments retroactively. | Monthly Beginning
in June 2002 |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MCISD does not identify the use of all state compensatory education funds in its campus improvement plan (CIP) as required by *Section 9.3.2* of the *FASRG*. According to the *FASRG*, the Texas Education Code requires each school district to have a district and campus improvement plan. The state compensatory education (SCE) program must be described in the CIP if the program is implemented at the campus level or be described in the district improvement plan (DIP) if it is implemented districtwide. Because MCISD has only one campus, only one plan is required. *FASRG Section 9.2.3* states, "Law requires the district/campus improvement plan and is the primary record supporting expenditures attributed to the state compensatory education program."

Texas Education Code section 45.152(q) states in part, "The commissioner, in the year following an audit of compensatory education expenditures, shall withhold from a district's foundation school fund payment an amount equal to the amount of compensatory education funds the agency determines were not used in compliance with Subsection (c)." Subsection (c) requires the expenditures of SCE funds to be supplemental to the regular education program.

In March 2001, MCISD received a District Effectiveness and Compliance (DEC) visit from the TEA division of accountability evaluations. The DEC visit made several recommendations concerning the financial management of MCISD. These recommendations were in the areas of budgeting, encumbrance accounting, revenue estimates, properly accounting for the SCE allotment and using fund balance for capital improvements. According to the report, the superintendent told the peer review team members that external audit findings concerning budget amendments, encumbrance accounting and fixed asset inventories were in the process of being completed. As of August 31, 2001, none of these external audit findings were corrected. Based on a review of the CIP, only \$18,200 of the SCE funds MCISD will receive in the 2001-02 school year were supported in this document. Consequently, the district is at risk of losing more than \$22,000 in SCE funds.

Recommendation 19:

Revise the campus improvement plan to meet state requirements governing compensatory fund management.

Not only should the district seek to properly account for compensatory education funds, but also the district must ensure that it is properly using those funds so that children that are considered at-risk are provided the services they need to be successful.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|---|----------------|
| 1. The superintendent directs the site-based committee to revise the CIP to meet state mandates for compensatory funds. | March 2002 |
| 2. The site-based committee contacts TEA and the Regional Education Service Center I (Region 1) as well as the accounting firm that may have additional funding information needed to complete the plan, and requests assistance in developing a CIP that will meet state guidelines. | April-May 2002 |
| 3. The SBDMC rewrites the plan and submits it to the superintendent for review. | June-July 2002 |
| 4. The superintendent submits the revised plans to the board for review and approval. | August 2002 |
| 5. The superintendent works with teachers to ensure that the plan is implemented. | Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The superintendent and secretary regularly sign checks on the activity fund for expenditures related to the general fund. The activity fund pays a significant portion of the monthly operating expenses of the district. The superintendent could not furnish the monthly detail for all of the expenditures from the activity fund. The amounts reimbursed to the activity fund from the general fund were included on the

monthly accounts payable listing given to the board for approval. The report showed the superintendent spends up to 20.9 percent of a month's expenditures from this fund (Exhibit 3-8).

Exhibit 3-8
Mirando City ISD Activity Fund Expenditures, Accounts Payable
Expenditures and Percent of Activity Fund Expenditures to
Accounts Payable Expenditures
November 2000 Through October 2001

Month	Activity Fund Expenditures	General Fund Used for Expenditures	Percent Expended
November-00	\$2,334	\$43,071	5.42%
December-00	\$5,168	\$56,128	9.21%
January-01	\$6,334	\$57,935	10.93%
February-01	\$5,550	\$50,444	11.00%
March-01	\$5,336	\$62,162	8.58%
April-01	\$1,796	\$44,035	4.08%
May-01	\$2,679	\$44,671	6.00%
June-01	\$5,394	\$50,686	10.64%
July-01	\$8,758	\$46,398	18.88%
August-01	\$6,988	\$49,327	14.17%
September-01	\$11,744	\$89,498	13.12%
October-01	\$10,933	\$52,182	20.95%
Total	\$73,014	\$646,539	11.29%

Source: MCISD.

Based on the information provided by the superintendent, the expenditures ranged from as little as \$8 for hamburger buns to \$7,200 for labor for construction of the cafeteria bathrooms. Other types of expenditures include other construction costs, computers, instructional supplies, travel reimbursements, health insurance premiums, office supplies, building supplies and payment to the election officials. Policy CFD (Local) does not provide authority for the majority of the expenditures made from this fund. The policy reads, "The principal shall be authorized to expend funds from the campus administrative activity fund to be used for activities of the students, faculty, staff, or campus." However, the district expended \$3,108 in December 2000 and \$3,875 in January 2001 from the Student Activity Fund to repair the cafeteria roof. Replacing or repairing a roof is a normal or routine expenditure for a school district rather than a student or campus activity

Board Policy CH (Local) requires the board to approve purchases that cost more than or aggregate to \$500 before the transaction may take place. Based on the amount and type of expenditures made from this fund, the internal controls for disbursements are very weak.

Effective financial management requires the district to maintain a strong system of internal controls. Strong internal controls are difficult to maintain with a limited number of personnel due to the lack of segregation of duties. In MCISD, the superintendent provides the monthly expenditures to the Board of Trustees for its review and approval. After the expenditures are approved, the board signs the related checks. Manual checks are issued quite frequently using the activity fund account that the superintendent and secretary can sign without a board member's signature. These expenditures are taken to the board for ratification after they are made, but clearly the activity fund is being used to bypass required board authorization for some routine operating expenditures. In effect, the administration is using the activity fund as a petty cash fund, but the expenditures far exceed what would be expected from a petty cash account. While this may be convenient, the system lacks adequate controls and the district is at risk should a less honest person assume the role of principal/superintendent in the future.

Recommendation 20:

Discontinue using the activity fund bank account for regular operating expenditures and institute stronger controls for expenditures drawn from the activity fund.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent presents a revision to the board policy CFD (Local) for its approval to allow for minimal operating expenditures to be made from the activity fund. March 2002
2. The superintendent changes the signature card on the activity fund bank account to require a board member's signature for expenditures more than \$100. March 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The superintendent is not using TEA-recommended financial analysis software to help her analyze and budget for district expenditures. The Texas Business and Education Coalition, the Texas Association of School Business Officials (TASBO) and TEA joined forces to produce a database that allows school districts to compare its financial operations with other comparable districts. This initiative was part of the process of establishing a financial excellence indicator system for the business operations of the school districts as the AEIS is for the educational performance of the districts.

The ability to benchmark a district against a group of comparable districts provides critical information on the financial performance of the district. TASBO, in conjunction with Regional Education Service Centers across the state provided training opportunities for all school district business officials and superintendents on using the database. The Financial Excellence Indicator System of Texas – Information about Educational Resources was given the acronym FEISTIER. In October 1999, the Commissioner of Education sent all school superintendents a letter encouraging the superintendent and/or business official to attend the FEISTIER training. The letter stated, "It began as a "report card" but has since evolved into a powerful support tool for public school finance and operations decisions." The superintendent told the review team that she had attended the training but has never used the program for analyzing MCISD and was unaware that a new version has been released.

Recommendation 21:

Review and analyze operating expenditures using the FEISTIER software.

The superintendent has already received training on an earlier version of the FEISTIER software so attending additional training is not necessary. TASBO requires training on FEISTIER before purchasing the software or version updates.

IMPLEMENTATION STRATEGIES AND TIMELINE

- 1. The superintendent purchases FEISTIER III software from TASBO. March 2002
- 2. The superintendent conducts analyses to determine the cost effectiveness of MCISD expenditures. April 2002
- 3. The superintendent presents the results of these analyses to the board for its review and consideration. May 2002

FISCAL IMPACT

FEISTIER III software costs \$150. FEISTIER software is based on PEIMS data, which is released annually. FEISTIER updates are planned to be available annually.

Recommendation	2002-03	2003-05	2004-05	2005-06	2006-07
Review and analyze operating expenditures using the FEISTIER software.	(\$150)	(\$150)	(\$150)	(\$150)	(\$150)

C. CASH AND INVESTMENT MANAGEMENT

Texas school districts must comply with the Texas Education Code, chapter 45, subchapter G in the selection of the district’s bank depository and with Texas Government Code chapter 2256 Public Funds Investment, also known as the Public Funds Investment Act (PFIA), which outlines the basic requirements for written investment policies, training and authorized investments.

MCISD banks with the First National Bank of Hebronville. As provided in the Texas Education Code, Section 45.201, the district and the bank agreed to extend the original depository contract that ran through August 31, 2001, for an additional two years. The current depository contract is in effect through August 31, 2003.

FINDING

Based on an interview with the superintendent, MCISD may be out of compliance with some PFIA provisions. To comply with PFIA, school districts must annually adopt written investment policies. The written investment policies must primarily emphasize safety of principal and liquidity and address investment diversification, yield and maturity and the quality and capability of investment management. As a part of the investment policy, the school district must also adopt a separate written investment strategy for each fund or group of funds. The strategy must describe particular objectives for each fund using the following priorities: suitability of the investment to the financial requirements

of the entity; preservation and safety of principal; liquidity; marketability of the investment; diversification of the investment portfolio and yield.

The board designates the district's investment officer, who is responsible for investing its funds consistent with the adopted investment policies. PFIA section 2256.008 requires the designated investment officer to attend initial investment training of at least 10 hours within 12 months of assuming duties and to attend additional training of at least 10 hours every two years.

According to the superintendent, she has not provided a copy of the district's most recent investment policy CDA and CDA (Local) to the entities with which they invest funds. The district does not have records of a document from the entities with which they invest that acknowledges either the policy adopted in February 2001 or prior investment policy. The superintendent did not have documentation that the board reviewed the investment policy annually or adopted a written statement stating that it had reviewed the policy and investment strategy. The only control to ensure compliance with the PFIA and adherence to investment policies is the annual external audit.

MCISD has significant cash and investments during the course of the year that generally represent more than one year's operating expenditures. In the 1999-2000 external audit, the highest cash and investment balance held in the depository bank was more than \$1,000,000, and at August 31, 2000, the amount in the bank, including temporary investments, was more than \$1,300,000. In addition, the district had more than \$300,000 invested in the Lone Star Investment Pool. The superintendent is the investment officer of the district and is responsible for compliance with the PFIA and board policy for investments.

Recommendation 22:

Comply with all aspects of the Public Funds Investment Act.

As the investment officer of the district, the superintendent must understand and comply with provisions of the PFIA.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|------------|
| 1. The superintendent mails a copy of policy CDA and CDA (Local) to each entity with which the MCISD invests and encloses an acknowledgement statement for them to return. | March 2002 |
| 2. The superintendent brings forward the investment policy for the board to review and approve. | April 2002 |
| 3. The board adopts a written instrument stating it has reviewed the investment policy and related investment strategies. | May 2002 |
| 4. The superintendent ensures MCISD is in compliance with all aspects of the PFIA and board policies for investments. | Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

MCISD keeps the majority of its excess funds invested in either certificates of deposit (CD) or interest bearing checking accounts at the depository bank. MCISD also invests funds in the LoneStar Investment Pool through the Texas Association of School Boards (TASB). At the time of the review MCISD had a CD with the depository bank in the amount of \$615,640 earning 2.58 percent interest. At this time the twelve month T-Bill yield was approximately 2.11 percent and the LoneStar Investment Pool yield was 2.33 percent. The depository agreement includes a NOW account option for the district that yields 4.00 percent interest.

**Exhibit 3-9
Possible Interest Earnings
MCISD Investments**

	Calculated Interest on Current CD	Calculated Interest if Dollars Invested in NOW Account	Difference Between CD and Now Account Interest Earnings
Amount Invested in Certificate of Deposit	\$615,640	\$615,640	\$615,640
Percent of Interest Earned	0.0258	0.04	0.0142
Dollar Amount of Interest Earned	\$15,884	\$24,626	\$8,742

As shown in **Exhibit 3-9**, if MCISD used the NOW account instead of the CD or LoneStar, the district could earn 1.42 percent more interest on funds that are currently invested in the CD, thereby increasing MCISD’s interest earnings by more than \$8,742 on an annual basis.

Recommendation 23:

Invest excess cash in the board-approved investment instrument with the highest interest yield.

While the NOW account is currently the highest yielding investment, the district must monitor interest rates regularly and move investments to the higher yielding instruments to ensure that the district is receiving all of the interest it can within the constraints of the local board authorized investments.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent and/or secretary/bookkeeper contacts the depository and arranges to move the funds currently invested in the CD to the NOW account as soon as the CD matures. April 2002
2. The superintendent and secretary/bookkeeper begin monitoring interest earnings on the various authorized investment types a monthly basis and move excess funds into the higher yielding instruments as appropriate. May 2002 and Ongoing
3. The superintendent and secretary/bookkeeper prepare a report to the board monthly showing the amount of investments and the current earnings rate on the investments as compared to other possible investment instruments to show that the money is in one of the higher yielding funds. June 2002 and Ongoing

FISCAL IMPACT

Based on current rates and the rate in the depository contract, as shown in **Exhibit 3-9** an investment placed in the NOW account would provide MCISD with an additional \$8,742 per year in interest revenues.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Invest excess cash in the board-approved investment instrument with the highest interest yield.	\$8,742	\$8,742	\$8,742	\$8,742	\$8,742

FINDING

Neither the superintendent nor the secretary/bookkeeper monitor or designate the amount of securities pledged by the depository bank, but instead rely on the depository bank to ensure a proper amount of securities are pledged. The only control to ensure the depository bank's compliance with this requirement is the external audit. By failing to monitor the pledged securities, the district is at risk of loss if the depository bank fails.

The Texas Education Code, Section 45.208 (f) requires the district to designate the amount of securities pledged by the depository bank to adequately protect the funds of the school district deposited with the depository bank in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits.

Recommendation 24:

Monitor the securities pledged by the depository bank in order to ensure the district is protected against a loss of funds.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent contacts the depository and requests weekly reports from the bank regarding the amount of securities pledged by the depository bank. March 2002
2. The superintendent and secretary/bookkeeper review the weekly reports and compare the amount of securities pledged to the deposits at the bank in excess of FDIC insurance limits or designates an amount periodically that is sufficient to cover the anticipated deposits in excess of the FDIC insurance limits. April 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. RISK AND FIXED ASSET MANAGEMENT

TEA's FASRG 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. TEA's FASRG 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 under TEA guidelines. These guidelines also allow school districts to establish lower thresholds for control and accountability purposes for equipment costing less than \$5,000. For example, computer and audiovisual equipment costing less than \$5,000 does not have to be accounted for in the fixed-asset group of accounts. However, some districts maintain lists of such assets for control and accountability purposes.

FINDING

MCISD provides safety training for its employees. MCISD received a Loss Control Grant from the Texas Association of School Boards (TASB) Risk Management Fund for \$1,500 in June 1999. As part of the grant program, the district also received training for its employees in loss prevention. The loss control consultant that visited the district stated in a follow-up letter, "I am very pleased that your district continues with an excellent loss history. Very few districts can claim this distinction. Employees are conscious about safety and care about performing their job in a safe manner." In June 2000, MCISD was one of 78 school districts in Texas to receive a Loss Prevention Grant from TASB. TASB commended MCISD for its commitment to save valuable resources through a dedicated loss prevention process.

COMMENDATION

MCISD has sustained very few losses related to employee injuries on the job by providing training and safety equipment for its employees.

FINDING

The district does not have a comprehensive fixed asset management system. The superintendent is responsible for managing the assets of the district and a key component to managing the assets is to maintain detailed records of the district's fixed assets. The annual external audits for the years ended August 31, 1998, 1999 and 2000 contained a finding that the district did not perform a complete inventory of its fixed assets nor maintain a detailed record of its assets. In response, the district contracted with the external audit firm to conduct a fixed asset inventory for the district and it was completed after August 31, 2001. However, the district's fixed asset listing provided by the district during the TSPR visit in November did not contain information on machinery, vehicles, land or buildings owned by the district.

Because the district does not have a complete inventory of the plant and equipment, the district may not have adequate insurance coverage. The district insures itself against loss for unemployment, school leaders errors and omissions, liability, vehicle loss or damage, crime loss and real and personal property through the TASB. The district also provides student accident insurance for all students. The district pays \$3,147 for its real and personal property coverage with a \$1,000 deductible. The policy covers \$2,297,200 of buildings, auxiliary structures, and personal property with a \$5,000 deductible for wind, hurricane and hail damage.

TEA's FASRG, *Update 8, Section 1.2.4.7* establishes the appropriate practices for school districts to follow for the control of fixed assets. With the implementation of GASB Statement #34 that requires the depreciation of fixed assets in governmental units, the detailed records of the district's fixed assets is paramount to implementing this standard. This standard must be implemented by Texas school districts in the 2001-02 school year.

Recommendation 25:

Develop and maintain a comprehensive fixed asset system for the district.

While the fixed asset inventory completed in the fall 2001 is a good start, the district must establish a comprehensive system that includes annual inventories of all fixed assets, the tagging and tracking of new assets as well as the reconciliation of inventories to the accounting records of the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

- | | |
|--|------------------------------------|
| 1. The superintendent, with assistance from the external accounting firm, assigns teachers and support staff to assist in completing an inventory including an inventory of the items not included in the 2001 inventory by researching the date of purchase, purchase price and fund from which purchased for the machinery, vehicles, land and buildings not on the fixed asset listing and provides the information to the external audit firm for input into the district's fixed asset records. | At the close of school
May 2002 |
| 2. The secretary/bookkeeper with assistance from the external accounting firm prepares a written process by which the secretary/bookkeeper and the external accounting firm will control the fixed asset inventory during the year by recording any new items purchased and deleting any items that are sold or destroyed. | May-June 2002 |
| 3. The superintendent reviews the process and approves or gives comments. | July 2002 |
| 4. The teachers and support staff conduct annual inventories of the district at the end of the school year with assistance from the external accounting firm. | May 2003 and
Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

E. PURCHASING

FINDING

MCISD's purchasing process is informal and does not consistently follow board policy. According to the superintendent, no items have been purchased that exceeded \$25,000; consequently no goods or services required a formal bid process. MCISD participates in a purchasing cooperative with Regional Education Service Center XX (Region 20) for supplies and a cooperative through Region 1 for food

service items. The superintendent was unable to provide copies of either of these cooperative agreements.

Board policy CH (Local) requires purchase orders to be used on all purchases. This policy also requires the board to approve purchases that cost more than or aggregate to \$500 before the transaction may take place. Based on interviews with the superintendent, secretary and external bookkeeper, the following summarizes the purchasing process at MCISD. The individual requesting an item fills out a requisition. The superintendent approves or denies the requisition. The order is placed with a vendor or bought from a store. The goods are delivered to the central office or picked up at the store. The goods are distributed to the individual requesting the purchase. While purchases of \$500 in total could be easily identified and taken to the board for approval, it is more difficult to identify aggregate purchases of amounts greater than \$500 since neither the secretary/bookkeeper nor the superintendent keep records of outstanding orders so that they can be aggregated.

MCISD does not use the Request for Proposals (RFP) process when contracting for services. The district has contracts for speech therapy, diagnostician services, tax collection, delinquent tax collection, external audit services, bookkeeping services and transportation services. The superintendent said that none of these services were procured with a RFP. The only service that was acquired with an RFP was the auditing service, but the superintendent was unable to locate a copy of the RFP. No formal evaluation is done for contracted services; instead the superintendent evaluates them through personal observations and informal feedback.

Purchasing is a key component of financial operations. Purchasing must ensure that the goods and services obtained by the district meet the specifications of the users, at the lowest possible cost, and within state laws and regulations. School districts may enter into cooperative purchasing agreements with other governmental entities to consolidate buying power and attain the lowest possible price.

Recommendation 26:

Develop and implement a strong purchasing control system to ensure that the administration is complying with board policy and is obtaining the highest quality goods and services at the lowest possible price.

The board should insist upon compliance with all board policies and monitor purchasing activities more closely. Written procedures should be developed to ensure that everyone within the district knows the purchasing rules and complies with them.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The board directs the superintendent and secretary/bookkeeper to meet with the accounting firm that is handling the district's accounting activities for assistance in setting up a strong purchasing system. April 2002
2. The superintendent, secretary/bookkeeper meet with the accounting firm and develop a written procedure for the handling of all purchasing transactions. Before May 2002
3. The superintendent or secretary/bookkeeper submit the written procedure to the board for review and comment. July 2002

- | | |
|--|-------------------------------|
| 4. The secretary/bookkeeper distributes the purchasing procedures to all teachers and support staff. | August 2002 |
| 5. The superintendent oversees and monitors compliance with the written procedures. | September 2002
and Ongoing |

FISCAL IMPACT

This recommendation can be implemented with existing resources.

APPENDIX A

***PARENT
SURVEY RESULTS***

Appendix A

PARENT SURVEY RESULTS

Mirando City Independent School District Management And Performance Review

n=12

Demographic Data

1.

Gender (Optional)	Male	Female	No Answer
	50.0%	0.0%	50.0%

2.

Ethnicity (Optional)	Anglo	African-American	Hispanic	Asian	No Answer	Other
	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%

3.

How long have you lived in Mirando City ISD?	0-5 Years	6-10 Years	11 Years or More	No Answer
	16.7%	8.3%	75.0%	0.0%

4.

What grade level(s) does your child(ren) attend?	PK	K	1	2	3	4	5
	25.0%	0.0%	8.3%	0.0%	25.0%	33.3%	16.7%
	6	7	8	9	10	11	12
50.0%	33.3%	16.7%	0.0%	0.0%	0.0%	0.0%	

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.	8.3%	0.0%	8.3%	25.0%	58.3%
2. School board members listen to the opinions and desires of others.	8.3%	8.3%	25.0%	25.0%	33.3%
3. The superintendent is a respected and effective instructional leader.	8.3%	0.0%	8.3%	41.7%	41.7%
4. The superintendent is a respected and effective business manager.	8.3%	8.3%	8.3%	16.7%	58.3%

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.	8.3%	33.3%	0.0%	25.0%	33.4%
6. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	8.3%	0.0%	16.7%	25.0%	50.0%
7. The needs of the college-bound student are being met.	8.3%	0.0%	25.0%	16.7%	50.0%
8. The needs of the work-bound student are being met.	8.3%	0.0%	25.0%	16.7%	50.0%
9. The district has effective educational programs for the following:					
a) Reading	16.7%	33.3%	0.0%	25.0%	25.0%
b) Writing	16.7%	33.3%	0.0%	16.7%	33.3%
c) Mathematics	8.3%	33.3%	0.0%	00.0%	58.3%
d) Science	8.3%	33.3%	0.0%	8.3%	50.0%
e) English or Language Arts	8.3%	33.3%	8.3%	0.0%	50.0%
f) Computer Instruction	8.3%	0.0%	16.7%	8.3%	66.7%
g) Social Studies (history or geography)	8.3%	16.7%	16.7%	00.0%	58.3%
h) Fine Arts	8.3%	0.0%	16.7%	8.3%	66.7%
i) Physical Education	8.3%	0.0%	16.7%	16.7%	58.3%
j) Business Education	8.3%	0.0%	16.7%	8.3%	66.7%
k) Vocational (Career and Technology) Education	8.3%	0.0%	16.7%	8.3%	66.7%
l) Foreign Language	8.3%	0.0%	16.7%	8.3%	66.7%
10. The district has effective special programs for the following:					
a) Library Service	0.0%	8.3%	16.7%	16.7%	58.3%
b) Honors/Gifted and Talented Education	0.0%	16.7%	16.7%	8.3%	58.3%
c) Special Education	8.3%	8.3%	25.0%	8.3%	50.0%
d) Head Start and Even Start programs	8.3%	41.7%	8.3%	16.7%	25.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
e) Dyslexia program	0.0%	0.0%	25.0%	25.0%	50.0%
f) Student mentoring program	8.3%	0.0%	16.7%	25.0%	50.0%
g) Advanced placement program	8.3%	0.0%	16.7%	16.7%	58.3%
h) Literacy program	8.3%	8.3%	16.7%	8.3%	58.3%
i) Programs for students at risk of dropping out of school	8.3%	0.0%	16.7%	16.7%	58.3%
j) Summer school programs	25.0%	58.3%	0.0%	8.3%	8.3%
k) Alternative education programs	8.3%	8.3%	33.3%	0.0%	50.0%
l) "English as a second language" program	8.3%	16.7%	16.7%	16.7%	41.7%
m) Career counseling program	0.0%	8.3%	16.7%	16.7%	58.3%
n) College counseling program	0.0%	8.3%	16.7%	16.7%	58.3%
o) Counseling the parents of students	8.3%	0.0%	16.7%	25.0%	50.0%
p) Drop out prevention program	0.0%	8.3%	25.0%	16.7%	50.0%
11. Parents are immediately notified if a child is absent from school.	8.3%	8.3%	8.3%	33.3%	41.7%
12. Teacher turnover is low.	8.3%	16.7%	8.3%	25.0%	41.7%
13. Highly qualified teachers fill job openings.	25.0%	25.0%	0.0%	0.0%	50.0%
14. A substitute teacher rarely teaches my child.	16.7%	0.0%	8.3%	41.7%	33.3%
15. Teachers are knowledgeable in the subject areas they teach.	25.0%	16.7%	0.0%	8.3%	50.0%
16. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	8.3%	0.0%	16.7%	16.7%	58.3%
17. Students have access, when needed, to a school nurse.	8.3%	8.3%	16.7%	25.0%	41.7%
18. Classrooms are seldom left unattended.	25.0%	8.3%	16.7%	0.0%	50.0%
19. The district provides a high quality education.	8.3%	8.3%	25.0%	8.3%	50.0%
20. The district has a high quality of teachers.	16.7%	25.0%	0.0%	16.7%	41.7%

C. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
21. The district regularly communicates with parents.	16.7%	16.7%	0.0%	33.3%	33.3%
22. District facilities are open for community use.	25.0%	16.7%	0.0%	33.3%	25.0%
23. Schools have plenty of volunteers to help students and school programs.	16.7%	8.3%	0.0%	41.7%	33.3%

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.	16.7%	8.3%	0.0%	33.3%	41.7%
25. Schools are clean.	8.3%	33.3%	0.0%	33.3%	25.0%
26. Buildings are properly maintained in a timely manner.	8.3%	8.3%	16.7%	33.3%	33.3%
27. Repairs are made in a timely manner.	8.3%	0.0%	16.7%	41.7%	33.3%
28. The district uses very few portable buildings.	25.0%	16.7%	25.0%	8.3%	25.0%
29. Emergency maintenance is handled expeditiously.	8.3%	16.7%	16.7%	25.0%	33.3%

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.	25.0%	0.0%	33.3%	8.3%	33.3%
31. Board members and administrators do a good job explaining the use of tax dollars.	0.0%	8.3%	16.7%	33.3%	41.7%

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.	0.0%	8.3%	25.0%	33.3%	33.3%
33. Campus administrators are well trained in fiscal management techniques.	0.0%	8.3%	16.7%	41.7%	33.3%
34. The district's financial reports are easy to understand and read.	0.0%	41.7%	16.7%	0.0%	41.7%
35. Financial reports are made available to community members when asked.	0.0%	8.3%	33.3%	25.0%	33.3%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
36. Students are issued textbooks in a timely manner.	8.3%	16.7%	25.0%	16.7%	33.3%
37. Textbooks are in good shape.	8.3%	33.3%	8.3%	16.7%	33.3%
38. The school library meets student needs for books and other resources.	8.3%	8.3%	0.0%	41.7%	41.7%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
39. My child regularly purchases his/her meal from the cafeteria.	25.0%	41.7%	8.3%	0.0%	25.0%
40. The school breakfast program is available to all children.	25.0%	75.0%	0.0%	0.0%	0.0%
41. The cafeteria's food looks and tastes good.	16.7%	8.3%	25.0%	8.3%	41.7%
42. Food is served warm.	16.7%	41.7%	0.0%	8.3%	33.3%
43. Students have enough time to eat.	25.0%	50.0%	0.0%	0.0%	25.0%
44. Students eat lunch at the appropriate time of day.	25.0%	50.0%	8.3%	0.0%	16.7%
45. Students wait in food lines no longer than 10 minutes.	25.0%	58.3%	0.0%	16.7%	00.0%
46. Discipline and order are maintained in the school cafeteria.	16.7%	33.3%	16.7%	8.3%	25.0%
47. Cafeteria staff is helpful and friendly.	16.7%	33.3%	16.7%	16.7%	16.7%
48. Cafeteria facilities are sanitary and neat.	16.7%	25.0%	16.7%	16.7%	25.0%

I. Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
49. My child regularly rides the bus.	0.0%	16.7%	58.3%	8.3%	16.7%
50. The bus driver maintains discipline on the bus.	0.0%	16.7%	83.3%	0.0%	0.0%
51. The length of the student's bus ride is reasonable.	0.0%	16.7%	83.3%	0.0%	0.0%
52. The drop-off zone at the school is safe.	0.0%	25.0%	66.7%	8.3%	0.0%
53. The bus stop near my house is safe.	0.0%	16.7%	75.0%	8.3%	0.0%
54. The bus stop is within walking distance from our home.	0.0%	25.0%	75.0%	0.0%	0.0%
55. Buses arrive and depart on time.	0.0%	16.7%	83.3%	0.0%	0.0%
56. Buses arrive early enough for students to eat breakfast at school.	0.0%	8.3%	91.7%	0.0%	0.0%
57. Buses seldom break down.	0.0%	0.0%	66.7%	8.3%	25.0%
58. Buses are clean.	0.0%	0.0%	75.0%	16.7%	8.3%
59. Bus drivers allow students to sit down before taking off.	0.0%	16.7%	83.3%	0.0%	0.0%
60. The district has a simple method to request buses for special events.	8.3%	16.7%	25.0%	8.3%	41.7%

J. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
61. Students feel safe and secure at school.	8.3%	33.3%	0.0%	41.7%	16.7%
62. School disturbances are infrequent.	16.7%	50.0%	0.0%	16.7%	16.7%
63. Gangs are not a problem in this district.	16.7%	83.3%	0.0%	0.0%	0.0%
64. Drugs are not a problem in this district.	16.7%	58.3%	16.7%	0.0%	8.3%
65. Vandalism is not a problem in this district.	8.3%	41.7%	0.0%	33.3%	16.7%
66. Security personnel have a good working relationship with principals and teachers.	8.3%	0.0%	50.0%	16.7%	25.0%
67. Security personnel are respected and liked by the students they serve.	8.3%	0.0%	66.7%	8.3%	16.7%
68. A good working arrangement exists between the local law enforcement and the district.	8.3%	41.7%	16.7%	25.0%	8.3%
69. Students receive fair and equitable discipline for misconduct.	8.3%	8.3%	16.7%	41.7%	25.0%
70. Safety hazards do not exist on school grounds.	16.7%	16.7%	16.7%	16.7%	33.3%

K. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
71. Teachers know how to use computers in the classroom.	8.3%	8.3%	0.0%	33.3%	50.0%
72. Computers are new enough to be useful to teach students.	16.7%	50.0%	16.7%	8.3%	8.3%
73. The district meets student needs in computer fundamentals.	8.3%	8.3%	16.7%	33.3%	33.3%
74. The district meets student needs in advanced computer skills	8.3%	0.0%	16.7%	16.7%	58.3%
75. Students have easy access to the internet.	8.3%	25.0%	0.0%	8.3%	58.3%

NARRATIVE COMMENTS

The narrative comments below reflect the perceptions and opinions of parent survey respondents.

- I am very sorry to say that the education at MCISD. is extremely poor. They have two grade levels together, discipline is not enforced making it impossible to learn or concentrate. They have put 7th and 8th grade together and have one teacher for kinder. The board, superintendent and principal refuse to allow parent involvement. When approached by the parent committee, board members take an offensive stand. They act as if the input by parents is personal. Children are forced to be in a situation not good for their education or future. My child is in the 8th grade and will be going to high school next year. It has been only the first six weeks and she has already brought home 2 D's. This is the first times she's ever brought home such low grades. My daughter is not allowed to go out of the district even to get a better education. This is not fair to her or her future. Please help the parents of this community do something to change the way the district is run or make it easier for children to go somewhere else. Thank you.
- Reading material needs to be more advanced. Interactive computer learning needs to be initiated. Random drug screens and searches need to be conducted. i.e., permission slips can

be developed or a policy to enforce a drug free school. I have seen kids smoking after school on their way home, therefore contraband is entering the school. Safety is an issue. The school needs to purchase and set up dog traps to catch stray dogs that go onto the school grounds.

- More money should be allotted for sports, teams, clubs, and or other extra - curricular activities. This gives the students more pride in their school which in turn gives them more willingness to prove to others that the pride is genuine. Many times a student needs extracurricular ventilation so pent up frustrations can be allowed to be freed in a nonviolent surrounding. MCISD has been without this for a good 4 years, that's too many in my book. Hopefully this can be recommended and amended.
- I, being an alumni of Mirando City, have seen the steady decline of the educational level over the years. I feel that it cannot be blamed on one particular issue, rather on a few. To begin with, there are no extracurricular activities to allow a student to show pride in participation, thus giving them too much empty time in which they argue, fight, and/or insult their fellow classmates. Many times teachers are present when this happens which, in either case, makes a student respect them less.
- The educational level in Mirando City is very much below the level of surrounding area schools. The teachers need not be held accountable so much as the superintendent who doesn't capture the creative attention of much better qualified teachers.
- As a concerned parent, I would like to say that the school does not meet the right requirements in the students' education. I believe this is so because from what I have seen and experienced, it is the superintendent and the board members who are not doing their job. As a parent, I have not been told about any programs that are available to my children. I have many other concepts that I cannot express in writing and would like some answers from someone.
- My child is not getting a good education.
- As a parent I would like for the teacher to have his or her degree in what they teach the children and to have input on what they should teach them and what they need help on in school work. They need more work in math.
- The educational performance at the school is excellent.

APPENDIX B

***DISTRICT
ADMINISTRATOR
AND SUPPORT
STAFF SURVEY
RESULTS***

Appendix B

**DISTRICT ADMINISTRATOR AND SUPPORT
STAFF SURVEY RESULTS**

Mirando City Independent School District Management And Performance Review

n=2

Demographic Data

1.

Gender (Optional)	Male	Female	No Answer
	0.0%	100.0%	50.0%

2.

Ethnicity (Optional)	Anglo	African-American	Hispanic	Asian	No Answer	Other
	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%

3.

How long have you been employed by Mirando City ISD?	1-5 Years	6-10 Years	11-15 Years	16-20 Years	20+ Years
	50.0%	0.0%	50.0%	0.0%	0.0%

4.

Are you a(n).	a. administrator	b. clerical staffer	c. support staffer	No Answer
	50.0%	50.0%	0.0%	0.0%

5.

How long have you been employed in this capacity by Mirando City ISD?	1-5 Years	6-10 Years	11-15 Years	16-20 Years	20+ Years
	50.0%	0.0%	50.0%	0.0%	0.0%

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.	0.0%	50.0%	0.0%	50.0%	0.0%
2. School board members listen to the opinions and desires of others.	0.0%	100.0%	0.0%	0.0%	0.0%
3. The superintendent is a respected and effective instructional leader.	50.0%	50.0%	0.0%	0.0%	0.0%
4. The superintendent is a respected and effective business manager.	50.0%	50.0%	0.0%	0.0%	0.0%
5. Central administration is efficient.	50.0%	50.0%	0.0%	0.0%	0.0%
6. Central administration supports the educational process.	50.0%	50.0%	0.0%	0.0%	0.0%
7. The morale of central administration staff is good.	50.0%	50.0%	0.0%	0.0%	0.0%

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.	100.0%	0.0%	0.0%	0.0%	0.0%
9. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	100.0%	0.0%	0.0%	0.0%	0.0%
10. The needs of the college-bound student are being met.	50.0%	0.0%	50.0%	0.0%	0.0%
11. The needs of the work-bound student are being met.	100.0%	0.0%	0.0%	0.0%	0.0%
12. The district has effective educational programs for the following:					
a) Reading	100.0%	0.0%	0.0%	0.0%	0.0%
b) Writing	100.0%	0.0%	0.0%	0.0%	0.0%
c) Mathematics	100.0%	0.0%	0.0%	0.0%	0.0%
d) Science	100.0%	0.0%	0.0%	0.0%	0.0%
e) English or Language Arts	100.0%	0.0%	0.0%	0.0%	0.0%
f) Computer Instruction	100.0%	0.0%	0.0%	0.0%	0.0%
g) Social Studies (history or geography)	100.0%	0.0%	0.0%	0.0%	0.0%
h) Fine Arts	50.0%	0.0%	0.0%	50.0%	0.0%
i) Physical Education	0.0%	50.0%	50.0%	0.0%	0.0%
j) Business Education	0.0%	0.0%	50.0%	50.0%	0.0%
k) Vocational (Career and Technology) Education	0.0%	0.0%	50.0%	50.0%	0.0%
l) Foreign Language:	0.0%	0.0%	50.0%	50.0%	0.0%
13. The district has effective special programs for the following:					
a) Library Service	0.0%	0.0%	0.0%	100.0%	0.0%
b) Honors/Gifted and Talented Education	0.0%	0.0%	0.0%	100.0%	0.0%
c) Special Education	50.0%	50.0%	0.0%	0.0%	0.0%
d) Head Start and Even Start programs	50.0%	50.0%	0.0%	0.0%	0.0%
e) Dyslexia program	0.0%	0.0%	50.0%	50.0%	0.0%
f) Student mentoring program	50.0%	50.0%	50.0%	0.0%	0.0%
g) Advanced placement program	0.0%	0.0%	50.0%	50.0%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
h) Literacy program	50.0%	50.0%	0.0%	0.0%	0.0%
i) Programs for students at risk of dropping out of school	50.0%	50.0%	0.0%	0.0%	0.0%
j) Summer school programs	50.0%	50.0%	0.0%	0.0%	0.0%
k) Alternative education programs	50.0%	50.0%	0.0%	0.0%	0.0%
l) English as a Second Language program	50.0%	50.0%	0.0%	0.0%	0.0%
m) Career counseling program	0.0%	0.0%	50.0%	50.0%	0.0%
n) College counseling program	0.0%	0.0%	0.0%	100.0%	0.0%
o) Counseling the parents of students	50.0%	0.0%	0.0%	50.0%	0.0%
p) Dropout prevention program	50.0%	50.0%	0.0%	0.0%	0.0%
14. Parents are immediately notified if a child is absent from school.	50.0%	50.0%	0.0%	0.0%	0.0%
15. Teacher turnover is low.	0.0%	50.0%	50.0%	0.0%	0.0%
16. Highly qualified teachers fill job openings.	50.0%	50.0%	0.0%	0.0%	0.0%
17. Teacher openings are filled quickly.	0.0%	50.0%	0.0%	50.0%	0.0%
18. Teachers are rewarded for superior performance.	0.0%	100.0%	0.0%	0.0%	0.0%
19. Teachers are counseled about less than satisfactory performance.	0.0%	100.0%	0.0%	0.0%	0.0%
20. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	0.0%	100.0%	0.0%	0.0%	0.0%
21. The student-teacher ratio is reasonable.	0.0%	100.0%	0.0%	0.0%	0.0%
22. Students have access, when needed, to a school nurse.	0.0%	100.0%	0.0%	0.0%	0.0%
23. Classrooms are seldom left unattended.	50.0%	50.0%	0.0%	0.0%	0.0%

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.	0.0%	50.0%	0.0%	50.0%	0.0%
25. The district has a good and timely program for orienting new employees.	0.0%	50.0%	0.0%	50.0%	0.0%
26. Temporary workers are rarely used.	0.0%	0.0%	50.0%	50.0%	0.0%
27. The district successfully projects future staffing needs.	50.0%	0.0%	50.0%	0.0%	0.0%
28. The district has an effective employee recruitment program.	0.0%	0.0%	100.0%	0.0%	0.0%
29. The district operates an effective staff development program.	50.0%	50.0%	0.0%	0.0%	0.0%
30. District employees receive annual personnel evaluations.	0.0%	100.0%	0.0%	0.0%	0.0%
31. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	0.0%	50.0%	0.0%	50.0%	0.0%

C. Personnel Management (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
32. Employees who perform below the standard of expectation are counseled appropriately and timely.	0.0%	100.0%	0.0%	0.0%	0.0%
33. The district has a fair and timely grievance process.	0.0%	50.0%	50.0%	0.0%	0.0%
34. The district's health insurance package meets my needs.	50.0%	50.0%	0.0%	0.0%	0.0%

D. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
35. The district regularly communicates with parents.	50.0%	50.0%	0.0%	0.0%	0.0%
36. The local television and radio stations regularly report school news and menus.	0.0%	0.0%	50.0%	50.0%	0.0%
37. Schools have plenty of volunteers to help student and school programs.	0.0%	0.0%	0.0%	100.0%	0.0%
38. District facilities are open for community use.	0.0%	0.0%	0.0%	100.0%	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.	0.0%	50.0%	50.0%	0.0%	0.0%
40. The architect and construction managers are selected objectively and impersonally.	0.0%	100.0%	0.0%	0.0%	0.0%
41. Schools are clean.	0.0%	50.0%	50.0%	0.0%	0.0%
42. Buildings are properly maintained in a timely manner.	100.0%	0.0%	0.0%	0.0%	0.0%
43. Repairs are made in a timely manner.	0.0%	0.0%	50.0%	50.0%	0.0%
44. Emergency maintenance is handled promptly.	100.0%	0.0%	0.0%	0.0%	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.	50.0%	0.0%	50.0%	0.0%	0.0%
46. Campus administrators are well trained in fiscal management techniques.	100.0%	0.0%	0.0%	0.0%	0.0%
47. The district's financial reports are easy to understand and read.	0.0%	50.0%	50.0%	0.0%	0.0%
48. Financial reports are made available to community members when asked.	0.0%	50.0%	50.0%	0.0%	0.0%

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.	100.0%	0.0%	0.0%	0.0%	0.0%
50. Purchasing acquires the highest quality materials and equipment at the lowest cost.	0.0%	50.0%	50.0%	0.0%	0.0%
51. Purchasing processes are not cumbersome for the requestor.	0.0%	50.0%	50.0%	0.0%	0.0%
52. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment.	0.0%	50.0%	50.0%	0.0%	0.0%
53. Students are issued textbooks in a timely manner.	0.0%	100.0%	0.0%	0.0%	0.0%
54. Textbooks are in good shape.	0.0%	100.0%	0.0%	0.0%	0.0%
55. The school library meets students' needs for books and other resources for students.	0.0%	50.0%	50.0%	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.	0.0%	50.0%	50.0%	0.0%	0.0%
57. Drugs are not a problem in this district.	0.0%	50.0%	50.0%	0.0%	0.0%
58. Vandalism is not a problem in this district.	0.0%	0.0%	0.0%	100.0%	0.0%
59. Security personnel have a good working relationship with principals and teachers.	0.0%	0.0%	50.0%	50.0%	0.0%
60. Security personnel are respected and liked by the students they serve.	0.0%	0.0%	50.0%	50.0%	0.0%
61. A good working arrangement exists between the local law enforcement and the district.	0.0%	50.0%	0.0%	50.0%	0.0%
62. Students receive fair and equitable discipline for misconduct.	0.0%	100.0%	0.0%	0.0%	0.0%

I. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
63. Students regularly use computers.	50.0%	50.0%	0.0%	0.0%	0.0%
64. Students have regular access to computer equipment and software in the classroom.	50.0%	50.0%	0.0%	0.0%	0.0%
65. Teachers know how to use computers in the classroom.	50.0%	50.0%	0.0%	0.0%	0.0%
66. Computers are new enough to be useful for student instruction.	50.0%	50.0%	0.0%	0.0%	0.0%
67. The district meets students' needs in computer fundamentals.	50.0%	50.0%	0.0%	0.0%	0.0%
68. The district meets students' needs in advanced computer skills.	50.0%	50.0%	0.0%	0.0%	0.0%
69. Teachers and students have easy access to the Internet.	50.0%	0.0%	0.0%	50.0%	0.0%

No Additional Comments

APPENDIX C

***TEACHER
SURVEY RESULTS***

Appendix C

TEACHER SURVEY RESULTS

Mirando City Independent School District Management And Performance Review

n=5

Demographic Data

1.

Gender (Optional)	No Answer	Male	Female
	0.0%	0.0%	100.0%

2.

Ethnicity (Optional)	No Answer	Anglo	African American	Hispanic	Asian	Other
	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%

3.

How long have you been employed by Mirando City ISD?	No Answer	1-5 years	6-10 years	11-15 years	16-20 years	20+ years
	0.0%	80.0%	20.0%	0.0%	0.0%	0.0%

4.

What grade(s) do you teach this year?	PK	K	1	2	3	4	5
	40.0%	20.0%	20.0%	20.0%	20.0%	20.0%	40.0%
	6	7	8	9	10	11	12
40.0%	40.0%	40.0%	0.0%	0.0%	0.0%	0.0%	

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.	20.0%	20.0%	40.0%	0.0%	20.0%
2. School board members listen to the opinions and desires of others.	0.0%	20.0%	20.0%	20.0%	40.0%
3. School board members work well with the superintendent.	20.0%	20.0%	20.0%	40.0%	0.0%
4. The school board has a good image in the community.	0.0%	0.0%	20.0%	60.0%	20.0%
5. The superintendent is a respected and effective instructional leader.	20.0%	0.0%	40.0%	40.0%	0.0%
6. The superintendent is a respected and effective business manager.	20.0%	20.0%	40.0%	20.0%	0.0%
7. Central administration is efficient.	20.0%	40.0%	40.0%	0.0%	0.0%
8. Central administration supports the educational process.	20.0%	40.0%	40.0%	0.0%	0.0%
9. The morale of central administration staff is good.	20.0%	60.0%	20.0%	0.0%	0.0%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
10. Education is the main priority in our school district.	0.0%	20.0%	20.0%	60.0%	0.0%
11. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	40.0%	40.0%	0.0%	20.0%	0.0%
12. The needs of the college-bound student are being met.	20.0%	0.0%	40.0%	40.0%	0.0%
13. The needs of the work-bound student are being met.	20.0%	0.0%	40.0%	40.0%	0.0%
14. The district provides curriculum guides for all grades and subjects.	20.0%	40.0%	20.0%	20.0%	0.0%
15. The curriculum guides are appropriately aligned and coordinated.	0.0%	20.0%	20.0%	60.0%	0.0%
16. The district's curriculum guides clearly outline what to teach and how to teach it.	0.0%	20.0%	20.0%	60.0%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
17. The district has effective educational programs for the following:					
a. Reading	40.0%	0.0%	0.0%	40.0%	20.0%
b. Writing	0.0%	20.0%	20.0%	40.0%	20.0%
c. Mathematics	20.0%	40.0%	0.0%	40.0%	0.0%
d. Science	0.0%	40.0%	0.0%	60.0%	0.0%
e. English or Language Arts	20.0%	40.0%	0.0%	40.0%	0.0%
f. Computer Instruction	20.0%	0.0%	0.0%	60.0%	20.0%
g. Social Studies (history or geography)	0.0%	40.0%	0.0%	60.0%	0.0%
h. Fine Arts	0.0%	0.0%	0.0%	80.0%	20.0%
i. Physical Education	0.0%	20.0%	0.0%	60.0%	20.0%
j. Business Education	0.0%	0.0%	40.0%	40.0%	20.0%
k. Vocational (Career and Technology) Education	0.0%	0.0%	40.0%	40.0%	20.0%
l. Foreign Language	0.0%	0.0%	60.0%	20.0%	20.0%
18. The district has effective special programs for the following:					
a. Library Service	0.0%	0.0%	20.0%	0.0%	80.0%
b. Honors/Gifted and Talented Education	20.0%	20.0%	0.0%	40.0%	20.0%
c. Special Education	20.0%	0.0%	0.0%	40.0%	40.0%
d. Head Start and Even Start programs	20.0%	60.0%	20.0%	0.0%	0.0%
e. Dyslexia program	0.0%	20.0%	0.0%	40.0%	40.0%
f. Student mentoring program	0.0%	0.0%	20.0%	40.0%	40.0%
g. Advanced placement program	0.0%	0.0%	40.0%	20.0%	40.0%
h. Literacy program	0.0%	40.0%	0.0%	20.0%	40.0%
i. Programs for students at risk of dropping out of school	20.0%	20.0%	20.0%	20.0%	20.0%
j. Summer school programs	40.0%	60.0%	0.0%	0.0%	0.0%
k. Alternative education programs	0.0%	0.0%	60.0%	20.0%	20.0%
l. "English as a Second Language" program	20.0%	20.0%	40.0%	20.0%	0.0%
m. Career counseling program	0.0%	0.0%	60.0%	20.0%	20.0%
n. College counseling program	0.0%	0.0%	60.0%	20.0%	20.0%
o. Counseling the parents of students	0.0%	0.0%	60.0%	20.0%	20.0%
p. Drop out prevention program	0.0%	0.0%	40.0%	40.0%	20.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
19. Parents are immediately notified if a child is absent from school.	20.0%	0.0%	40.0%	20.0%	20.0%
20. Teacher turnover is low.	20.0%	0.0%	20.0%	40.0%	20.0%
21. Highly qualified teachers fill job openings.	20.0%	0.0%	40.0%	20.0%	20.0%
22. Teacher openings are filled quickly.	0.0%	0.0%	20.0%	40.0%	40.0%
23. Teachers are rewarded for superior performance.	0.0%	0.0%	40.0%	20.0%	40.0%
24. Teachers are counseled about less-than-satisfactory performance.	20.0%	20.0%	40.0%	20.0%	20.0%
25. Teachers are knowledgeable in the subject areas they teach.	60.0%	20.0%	20.0%	0.0%	0.0%
26. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	0.0%	20.0%	20.0%	20.0%	40.0%
27. The students-to-teacher ratio is reasonable.	40.0%	0.0%	60.0%	0.0%	0.0%
28. Classrooms are seldom left unattended.	60.0%	20.0%	20.0%	0.0%	0.0%

C. Personnel Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
29. District salaries are competitive with similar positions in the job market.	20.0%	20.0%	40.0%	20.0%	20.0%
30. The district has a good and timely program for orienting new employees.	0.0%	0.0%	60.0%	0.0%	40.0%
31. Temporary workers are rarely used.	20.0%	20.0%	20.0%	0.0%	40.0%
32. The district successfully projects future staffing needs.	0.0%	20.0%	40.0%	0.0%	40.0%
33. The district has an effective employee recruitment program.	0.0%	0.0%	60.0%	0.0%	40.0%
34. The district operates an effective staff development program.	20.0%	20.0%	40.0%	0.0%	20.0%
35. District employees receive annual personnel evaluations.	60.0%	20.0%	20.0%	0.0%	0.0%
36. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	0.0%	20.0%	20.0%	20.0%	40.0%

C. Personnel Management (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
37. Employees who perform below the standard of expectation are counseled appropriately and timely.	0.0%	20.0%	60.0%	0.0%	20.0%
38. The district has a fair and timely grievance process.	0.0%	20.0%	20.0%	40.0%	20.0%
39. The district's health insurance package meets my needs.	0.0%	40.0%	40.0%	20.0%	0.0%

D. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
40. The district regularly communicates with parents.	0.0%	80.0%	0.0%	0.0%	20.0%
41. The local television and radio stations regularly report school news and menus.	0.0%	0.0%	0.0%	40.0%	60.0%
42. Schools have plenty of volunteers to help student and school programs.	20.0%	0.0%	0.0%	20.0%	60.0%
43. District facilities are open for community use.	60.0%	0.0%	20.0%	0.0%	20.0%

E. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
44. The district plans facilities far enough in the future to support enrollment growth.	0.0%	0.0%	40.0%	20.0%	40.0%
45. Parents, citizens, students, faculty, staff and the board provide input into facility planning.	0.0%	20.0%	20.0%	20.0%	40.0%
46. The architect and construction managers are selected objectively and impersonally.	0.0%	40.0%	40.0%	0.0%	20.0%
47. The quality of new construction is excellent.	0.0%	20.0%	20.0%	20.0%	40.0%
48. Schools are clean.	0.0%	0.0%	0.0%	40.0%	60.0%
49. Buildings are properly maintained in a timely manner.	0.0%	20.0%	20.0%	0.0%	60.0%
50. Repairs are made in a timely manner.	0.0%	0.0%	40.0%	0.0%	60.0%
51. Emergency maintenance is handled promptly.	20.0%	0.0%	0.0%	20.0%	60.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
52. Site-based budgeting is used effectively to extend the involvement of principals and teachers.	20.0%	20.0%	20.0%	20.0%	20.0%
53. Campus administrators are well-trained in fiscal management techniques.	0.0%	40.0%	40.0%	0.0%	20.0%
54. Financial reports are allocated fairly and equitably at my school.	0.0%	40.0%	20.0%	20.0%	20.0%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
55. Purchasing gets me what I need when I need it.	0.0%	60.0%	0.0%	0.0%	40.0%
56. Purchasing acquires the highest quality materials and equipment at the lowest cost.	0.0%	40.0%	40.0%	0.0%	20.0%
57. Purchasing processes are not cumbersome for the requestor.	0.0%	20.0%	60.0%	0.0%	20.0%
58. Vendors are selected competitively.	20.0%	0.0%	60.0%	0.0%	20.0%
59. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment.	20.0%	20.0%	40.0%	0.0%	20.0%
60. Students are issued textbooks in a timely manner.	40.0%	60.0%	0.0%	0.0%	0.0%
61. Textbooks are in good shape.	40.0%	40.0%	0.0%	0.0%	20.0%
62. The school library meets students' needs for books and other resources.	0.0%	0.0%	40.0%	0.0%	60.0%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
63. The cafeteria's food looks and tastes good.	0.0%	40.0%	0.0%	20.0%	40.0%
64. Food is served warm.	0.0%	60.0%	0.0%	20.0%	20.0%
65. Students eat lunch at the appropriate time of day.	20.0%	60.0%	0.0%	0.0%	20.0%
66. Students wait in food lines no longer than 10 minutes	40.0%	60.0%	0.0%	0.0%	0.0%
67. Discipline and order are maintained in the school cafeteria.	20.0%	0.0%	0.0%	20.0%	60.0%
68. Cafeteria staff is helpful and friendly.	60.0%	0.0%	0.0%	20.0%	20.0%
69. Cafeteria facilities are sanitary and neat.	0.0%	60.0%	20.0%	0.0%	20.0%

I. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
70. School disturbances are infrequent.	20.0%	40.0%	0.0%	20.0%	20.0%
71. Gangs are not a problem in this district.	20.0%	60.0%	0.0%	20.0%	0.0%
72. Drugs are not a problem in this district.	0.0%	40.0%	0.0%	40.0%	20.0%
73. Vandalism is not a problem in this district.	0.0%	20.0%	20.0%	40.0%	20.0%
74. Security personnel have a good working relationship with principals and teachers.	20.0%	0.0%	40.0%	0.0%	40.0%
75. Security personnel are respected and liked by the students they serve.	0.0%	20.0%	40.0%	0.0%	40.0%
76. A good working arrangement exists between the local law enforcement and the district.	20.0%	60.0%	0.0%	0.0%	20.0%
77. Students receive fair and equitable discipline for misconduct.	0.0%	40.0%	20.0%	0.0%	40.0%
78. Safety hazards do not exist on school grounds.	0.0%	20.0%	0.0%	40.0%	40.0%

J. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
79. Students regularly use computers.	20.0%	60.0%	20.0%	0.0%	0.0%
80. Students have regular access to computer equipment and software in the classroom.	40.0%	40.0%	20.0%	0.0%	0.0%
81. Teachers know how to use computers in the classroom.	40.0%	40.0%	20.0%	0.0%	0.0%
82. Computers are new enough to be useful for student instruction.	60.0%	40.0%	0.0%	0.0%	0.0%
83. The district meets students' needs in classes in computer fundamentals.	20.0%	40.0%	0.0%	40.0%	0.0%
84. The district meets students' needs in classes in advanced computer skills.	20.0%	0.0%	0.0%	60.0%	20.0%
85. Teachers and students have easy access to the Internet.	0.0%	20.0%	0.0%	40.0%	40.0%

Additional Comments

- There is a total of 50 students in our district. There is a total of 6 teachers. The lower grades have a total of 4 teachers - grades 3 yr olds through 4th grade. The upper grades (5th through 8th) have a total of 2 teachers. I feel more emphasis is being put in the lower grades instead of the upper grades where TAAS is administered.
- At times I feel that the students educational needs are not important to the community. For example, one year I shared a concern with some parents and they told me that the fall carnival was more important than the six weeks tests.

APPENDIX D

***PUBLIC FORUM
AND FOCUS
GROUP COMMENTS***

Appendix D

PUBLIC FORUM AND FOCUS GROUP COMMENTS

Mirando City Independent School District Management And Performance Review

As part of the review process, the review team held a public forum to obtain input. During this forum, parents, teachers, administrators and community members participated by writing personal comments about the major topics of review, and in some cases talking in person to review team members.

The following comments convey the community's perception of the Mirando City Independent School District (MCISD) and do not reflect the findings or opinion of the Comptroller or review team.

- We are concerned about the safety and security of students in relation to facilities. In particular, non-age appropriate playground equipment, missing ceiling tiles, exposed electric wiring on the outside of the building and in the gym, and the like.
- Younger students cannot reach the sinks.
- Because of the open area around the schools, some Webb CISD student come and loiter around the facility during their intercession from year-round school.
- Switching teachers at the last minute from grade levels they have prepared to teach all summer is disruptive. Also changing the instructional setting for the upper grades from a departmentalized approach where students change classes, back to self-contained classes mid-year is disruptive.
- Serving many grades in one classroom requires a teacher's aide, no matter how small the classes. Teachers can't work between grade levels without someone to help supervise the rest of the class.
- Special education students can't be served properly in regular classrooms. Special education students shouldn't be put in a portable for baby-sitting. They need to be educated.
- Teachers get no respect and parents blame them because the school is not meeting their expectations.
- Teachers care about the students.
- None of the parent representatives on the supposed site-based committee attend meetings or otherwise participate.
- The site-based committee is merely a way for teachers to tell the superintendent their concerns.
- The superintendent claims she takes teacher concerns to the board but that doesn't always happen.
- Teachers believe the students are going to fail.
- Teachers come to MCISD because of small class sizes and one-on-one work with the students.
- Substitutes have no training.
- The school has no library and there aren't any computers for the kids to do research.
- Assertive discipline isn't enough; need some way to control the classrooms.
- Teachers get lots of staff development.
- Students can't participate in any normal extra-curricular activities. No sports because classes are too small.
- The district is behind the times. They like to do things the way they have always been done!

- The board is on a power trip!
- We need parent volunteers.
- Teachers are not appreciated and they aren't treated like professionals.
- The superintendent/principal can't do it all by herself.
- Teacher reprimands aren't fair. It is like Russian roulette. You never know when you might be fired or suspended.
- Teachers have to bring things from home so that students have resources. One teacher brought an encyclopedia on CD-Rom because the district didn't have one.
- Met with superintendent about numerous concerns.
- Textbooks are outdated. State brings them up for review every four years-the district didn't bring their books current-their books are outdated.
- Teachers assigned to grade groupings of two grades each, meaning each grade level getting half a day's work and attention only.
- Two teachers are not certified to teach. TEA says that if after 30 days your permanent teacher is not certified, a letter must be sent to parents-this has never happened.
- The superintendent is not certified to hold that position.
- The three year old class of one student had one teacher all to itself until recently.
- The board is being run by four members, since three do not attend.
- The school is not being run like a democracy, but like a tyranny.
- The students do not receive positive reinforcement.
- The superintendent/principal takes disagreements with parents out on the children.
- Superintendent tells students things before she tells their parents.
- Superintendent frequently gets their hopes up about things, and then breaks her promises. (i.e. they were excited about practicing and playing flag football. The bus broke down. The team could have fit in the van but she told them they couldn't go to the game because the whole school couldn't go. Last-last year they were preparing for a TAAS test rally-she got upset with the teacher coordinating the rally and cancelled it).
- The students lack motivation to learn.
- TEA says that if a school is rated low performing, it must send out letters by 2/4/01-no-one ever got letters.
- There are 5 LEP students in the school. They receive money for bilingual ed/ESL, but are not doing any. All they do is put bilingual software in the classroom computers. These students need one-on-one attention.
- The board uses Title I funds for the mainstream population, not for those students furthest behind academically.
- If the school was being run differently/better, people would bring their children back.
- Do not want the school closed.
- Why not look for grants?
- The superintendent says one thing to the board, and another to the public.
- The board is not doing a good job.
- Parents in the district had become complacent before CPC was formed.

If you could have three wishes for the Mirando City ISD, what would they be? (for each time an exact answer is repeated, an asterisk is placed next to that item)

- Good memories for children of their school years
- Better education**
- A different superintendent*****
- Change the board

- Kids to have extracurricular activities****, be more motivated
- For kids to be happy
- Bring back the high school****
- Fix our school* or build a new one
- Sports*
- A new gym
- A new staff
- Fine arts, music, dance
- History class
- For the administration to support parents, volunteers, teachers
- Respect the students
- Stricter rules and consequences
- Clean the dirty environment of the school
- Have a school beautification committee-clean up broken windows, vandalism, dead gardens
- Rid facilities of bees, ants, insects
- Bilingual education classes, teachers, textbooks
- Year round school
- More parental involvement with teachers/parent volunteers
- Better administration
- A PE coach
- Better kitchen
- Separate grade level classes*
- A full school board
- Cut the grass
- Uniforms
- For the school to stay open*

Additional comments:

- Substitutes don't have any authority.
- The children take no pride in themselves.
- The administration lacks discipline, structure, organization and routine.
- The administration won't let parents meet with teachers.
- Negativity from school board and the superintendent toward the CPC-won't meet them halfway.
- The superintendent provides for herself-not for the children.
- The children don't like the food-greasy, hard bread, chicken crusts, and outdated milk. Chocolate milk only on Fridays because of the claim that it makes the children hyper.
- The meals are not balanced.
- Mirando children are stereotyped in Bruni.

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INNOVATIONS IN AMERICAN GOVERNMENT

The Texas School Performance Review won a 1999 Innovations in American Government award for its efforts to improve education. The awards are administered by the John F. Kennedy School of Government of Harvard University in partnership with the Council for Excellence in Government.



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On the Cover

Mirando City ISD students Justice J. Augillard, Jesus Peña Jr., Liandro Omar Perez and Alina Marie Villarreal.

If you would like more information on any aspect of the Texas School Performance Review, please visit the Comptroller's Web site at:

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