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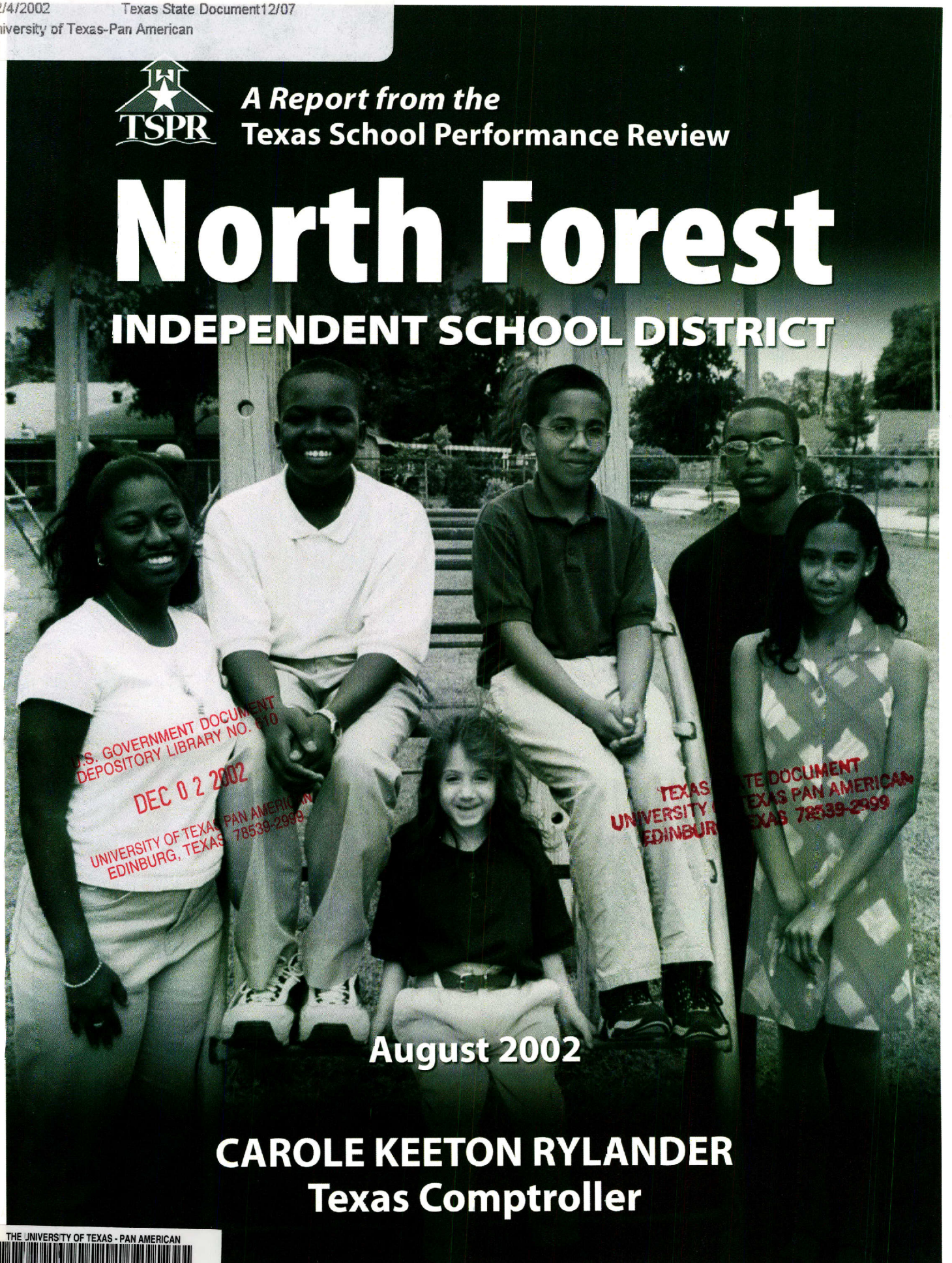
TSPR

A Report from the
Texas School Performance Review

North Forest
INDEPENDENT SCHOOL DISTRICT



August 2002

CAROLE KEETON RYLANDER
Texas Comptroller

THE UNIVERSITY OF TEXAS - PAN AMERICAN
0 1161 0466 7948

August 29, 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.

Fellow Texans:

I am pleased to present my performance review of the North Forest Independent School District (NFISD).

This review is intended to help NFISD hold the line on costs, streamline operations, and improve services to ensure that more of every education dollar goes directly into the classroom with the teachers and children, where it belongs. To aid in this task, I contracted with Gibson Consulting Group, Inc. of Austin, Texas.

I have made a number of recommendations to improve NFISD'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 140 detailed recommendations that could save NFISD more than $23.4 million over the next 5 years, while reinvesting more than $19.3 million to improve educational services and other operations. Net savings are estimated to reach more than $4 million that the district can redirect into the classroom.

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

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

Sincerely,

Carole Keeton Rylander

Carole Keeton Rylander
Texas Comptroller

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EXECUTIVE SUMMARY

Executive Summary

The North Forest Independent School District Texas School Performance Review

In March 2002, Texas Comptroller Carole Keeton Rylander began a review of the North Forest Independent School District (NFISD). Based upon more than five months of work, this report identifies NFISD's exemplary programs and suggests concrete ways to improve district operations. If fully implemented, the Comptroller's 140 recommendations could result in net savings of more than $4 million over the next five years.

Improving The Texas School Performance Review (TSPR)

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 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 Web site at www.window.state.tx.us.

TSPR In North Forest ISD

In 1999, soon after taking office, Comptroller Rylander selected North Forest for a review, but at the request of the former superintendent, delayed the review until stability could be restored to the district. In early 2002, Comptroller Rylander again selected North Forest for a review, noting that a review at this point in the district's history could provide guidance for the new superintendent and board. In March 2002, work began with two public forums held at Shadydale Elementary on March 19 and 21, 2002 from 5 p.m. to 8 p.m. TSPR began onsite work in April 2002. The Comptroller's office selected Gibson Consulting Group, Inc., an Austin-based consulting firm, to assist the agency with the review at a cost to the Comptroller's office of $175,000. The review team interviewed district employees, school board members, parents, business leaders and community members.

To obtain additional comments, the review team conducted focus group sessions with teachers, principals, parents and community members. To ensure that all stakeholder groups had input, TSPR sent surveys to students, parents, teachers, campus and central administrators and support staff.

A total of 114 respondents answered surveys. Thirteen administrative and support staff; eight principals and assistant principals; 37 teachers; 15 parents and 41 students completed written surveys as part of the review. Details from the surveys and public forums appear in **Appendices A** through **F**.

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).

NFISD selected peer districts for comparisons based on similarities in student enrollment, student performance and community and student demographics. The selected peer districts were Eagle Pass, Edgewood, Port Arthur, and South San Antonio ISDs. TSPR also compared NFISD to district averages in TEA's Regional Education Service Center IV (Region 4), to which North Forest ISD belongs, and to the state as a whole.

During its five-month review, TSPR developed 140 recommendations for improving operations and saving taxpayers more than $23.4 million by 2006-07. Cumulative net savings from all recommendations (savings minus recommended investments or expenditures) would reach more than $4 million by 2006-07.

A detailed list of costs and savings by recommendation appears in **Exhibit 4**. Many TSPR recommendations would not have a direct impact but would improve the district's overall operations.

Acknowledgments

The Comptroller's office and Gibson Consulting Group, Inc., wish to express appreciation to the NFISD Board of Trustees, Superintendent Dr. Edwin Walker, district employees, students, parents and community residents who helped during the review. Special thanks go to Ms. Jackie Tolbert, who served as NFISD's liaison. She arranged for office space, equipment and meeting rooms, organized the findings meeting, responded to data requests and accommodated the review team's needs.

North Forest ISD

NFISD is located in Harris County and encompasses 33.6 square miles inside the Houston city limits. NFISD is a property-poor school district, with per-pupil property values in 2001-02 of $75,058, compared with the state average of $215,232 per pupil. NFISD's students are 79.1 percent African American, 20.1 percent Hispanic and less than 1 percent Anglo. About 80 percent of the students are economically disadvantaged.

Exhibit 1 details the demographic characteristics of NFISD, Region 4, the state and NFISD's peer school districts.

Exhibit 1
Demographic Characteristics of Students
NFISD, Peer Districts, Region 4 and the State
2001-02

District	Student Enrollment	Racial/Ethnic Percentage				Economically Disadvantaged
		African American	Hispanic	Anglo	Other	
Eagle Pass	12,778	0.1%	97.1%	1.3%	1.5%	91.1%
Edgewood	13,435	1.6%	97.0%	1.2%	0.1%	96.3%
North Forest	**11,699**	**79.1%**	**20.1%**	**0.8%**	**0.1%**	**80.1%**
Port Arthur	10,823	56.8%	24.7%	10.8%	7.6%	73.8%
South San Antonio	9,970	1.7%	94.9%	3.0%	0.4%	89.5%
Region 4	**900,198**	**21.7%**	**38.1%**	**34.8%**	**5.4%**	**48.8%**
State	**4,150,741**	**14.4%**	**41.7%**	**40.8%**	**3.1%**	**50.5%**

Source: Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2001-02.

NFISD served 11,699 students during 2001-02, a decrease of more than 13.8 percent over the last five years **(Exhibit 2)**.

Exhibit 2
NFISD Student Enrollment History
1997-98 through 2001-02

School Year	Actual Student Enrollment	Percent Change from 1997-98
1997-98	13,579	NA
1998-99	13,416	(1.2%)
1999-2000	12,603	(7.2%)
2000-01	12,487	(8.0%)
2001-02	11,699	(13.8%)

Source: TEA, AEIS, 1997-98 through 2001-02.

Student enrollment in the district peaked in 1996-97 with 13,758 students. In 2000-01, NFISD's enrollment dropped more than 9 percent to 12,487. In 2001-02, enrollment declined by nearly 800 students to 11,699; Tropical Storm Allison in June 2001 is thought to have caused many families to leave the district. Allison also caused $21 million in damage to district buildings.

In 2001-02, the district had 12 schools, including two high schools, two intermediate schools, two middle schools and six elementary schools. Two schools were not operational because of the flood. The district's 2001-02 budget was more than $78.7 million and NFISD had more than 1,500 full-time employees; 45.1 percent were teachers.

In February 2001, the district's accountability rating was lowered to Unacceptable: Data Quality due to reporting and accounting errors for students who dropped out of school. TEA reinstated the district's Academically Acceptable rating after reporting problems were remedied.

The percentage of students in the district who passed the Texas Assessment of Academic Skills (TAAS) reading test rose slightly between 1995-96 and 2000-01, from 74.9 percent to 76.1 percent. In mathematics, the percentage of students passing increased from 66.8 percent to 75.3 percent. The passing rate on the TAAS writing test, however, declined from 80.9 percent to 75.3 percent. The percentage of NFISD students who passed all tests rose from 58.1 percent to 62.6 percent. NFISD's passing rates in 2000-01 were among the lowest 30 districts in the state on all tests, as well as math and reading tests, and were consistently lower than statewide scores in all categories.

On August 1, 2002, TEA released the TAAS results for the 2001-02 school year. NFISD received an overall Academically Acceptable rating; the same as the 2000-01 rating. According to these reports, the district has one Recognized School, Forest Brook High School, and eight Academically Acceptable schools. The district has an alternative education school but it was not rated. The district also had two Low Performing schools, Smiley High School and Tidwell Elementary, and another two schools, Lakewood Elementary and Elmore Middle School were not rated because the students had been relocated as a result of the flood in 2001. Because this information came late in the review process, and because information regarding the cumulative test results will not be available until November 2002, the AEIS data presented throughout the rest of this report reflects information from the 2000-01 school year.

In April 2001, after months of searching, the district filled the vacant superintendent position by hiring Dr. Edwin Walker. At the same time, TEA assigned a monitor to help the district straighten out its financial and governance problems.

What follows is a series of key findings and recommendations designed to assist the board, superintendent and administration to address and overcome a number of challenges, including:

- provide board and organizational leadership;
- improve student performance;
- efficiently manage personnel;
- strengthen financial control; and
- improve operations.

Key Findings and Recommendations

Provide Board and Organizational Leadership

Develop and implement a Board Code of Conduct and standard operating procedures. Despite the adoption of an ethics policy for board members, board members continue to perform activities that are inappropriate and beyond the role of board members. For example, the board president and secretary are signing selected checks to vendors. The TEA monitor reports inappropriate discussions among board members and individual board members are contacting the district's legal counsel without the consent of the board as a whole. Strong leadership from the board must begin with every board member understanding their roles and responsibilities and what is acceptable conduct during board meetings and in communications with district administrators, staff and the community.

Establish a management team to assist staff in rebuilding core business functions. The district has lost a number of key management personnel in the last year, which has left the district without experienced organizational leadership in core business areas such as finance, personnel and facilities. Consequently, district staff are not being held accountable at all levels; internal controls are weak or non-existent in some cases; and many core services such as personnel hiring and construction oversight are inefficient and are having a direct impact on the ability of schools to focus on the education of students. By bringing in a temporary management team the district can ensure that core functions are being performed while the board and superintendent seek to fill key staff positions and train them for their various tasks.

Form a long-range planning committee. NFISD does not have an established planning process, a current long-range plan or a long-range planning committee. The district has not set goals and performance measures for all areas of the district since the 1997 Long Range Plan, and there is no evidence that the district has used those measures to assess progress. District and campus improvement plans, that primarily address instructional issues, are not coordinated and none of these planning documents are linked directly to the budget or budget priorities. By forming a long-range planning committee made up of representatives from inside and outside the district, the district should be able to focus its efforts on universally supported goals and objectives.

Improve Student Performance

Establish vertical teams and align schools under high school feeder systems. Schools are aligned organizationally by grade level instead of by feeder system. Secondary schools report to one executive director, and elementary schools report to another. Alignment by high school feeder system supports better coordination among the schools, and provides for a smoother educational transition between schools. Individual campuses would then be held accountable for preparing students for the next step in their educational careers.

Create and implement a schedule for developing and updating curriculum guides. While there is conflicting information on the number of courses offered, it appears that curriculum guides do not support more than half of the courses offered at the high school. And, despite planning documents that call for summer curriculum development in 2001 and 2002, only limited efforts have been undertaken to follow-through with those plans. By ensuring that all courses have an updated curriculum guide and by coordinating curriculum efforts, NFISD can ensure that all students are taught the same concepts for the same course. This would cost the district an estimated $149,440 over the five-year period.

Establish an academic alternative education program offering a high school diploma. The district does not have an academic alternative education program (AAEP) for students requiring a non-traditional learning environment. The NFISD Dropout Recovery Program prepares students to take the graduate equivalency diploma (GED) examination, but does not offer students the opportunity for a high school diploma. Without an AAEP, NFISD students with special needs or extenuating circumstances must choose between a GED and dropping out. Neither alternative will allow the student to access state grants for college tuition or provide critical skills needed for today's workforce. An AAEP would allow NFISD students to graduate with a high school diploma while maintaining the flexibility they need. The estimated annual cost will be about $616,000 for 10 teachers, one principal, one counselor and two support staff per year.

Encourage graduation under the Recommended High School Program. Less than 1 percent of NFISD students take the courses required to graduate under either of the state's most rigorous programs, the Recommended High School Program or the Distinguished Achievement Program. Board policy may be deterring students because NFISD requires two additional electives over and above those required under any of the state's graduation programs. To encourage economically disadvantaged students to attend college, the Texas Legislature has made two grant programs available: Toward Excellence, Access and Success (TEXAS) Grant and Teach for Texas. However, 99 percent of NFISD graduates are not eligible for these grants because they have not completed the Recommended or Distinguished Achievement high school graduation programs. If the board raises the standard for graduation, NFISD students that graduate with a Recommendation or Distinguished Achievement Program will receive grant money for college.

Efficiently Manage Personnel

Raise salaries to compete with neighboring school districts. NFISD's salaries, especially teacher salaries, are significantly lower than neighboring districts and statewide averages. According to a study conducted for the district, average annual teacher salaries should be raised by $1,600 across the board. Increasing salaries will make the district more competitive and enable the district to recruit and retain highly qualified staff. This recommendation would cost $2.4 million per year beginning in 2003-04.

Use staffing allocation formulas that are linked to enrollment. Although the district uses staffing allocation formulas for teachers, NFISD does not use staffing allocation formulas to effectively manage staffing at other levels. Student enrollment decreased almost 13.8 percent between 1997-98 and 2001-02 and the number of teachers decreased 17.1 percent, but total staffing decreased only 5 percent. When comparing the district with the Southern Association of Colleges and Schools standards, the district is overstaffed by 29 assistant principal, secretary and clerk positions. By using

staffing formulas and reducing the number of staff positions in these categories, the district could save more than $4 million over five years. Related recommendations include staffing standards for custodial and food service staff, which could result in additional savings of more than $1 million per year, when fully implemented.

Implement strategies to recruit and retain highly qualified staff. Human Resource staff are having difficulty fulfilling their key mission of recruiting, hiring and retaining qualified employees at all levels. The area of greatest concern is the teaching staff, but the problem extends to all levels of district management and support. In 2001-02, the district had 86 teaching positions filled by long-term substitutes, an indication that insufficient numbers of certified teachers could be found to fill vacancies. Attempts to fill key administrative vacancies have also proved difficult. Through better management strategies that begin with the development of a Human Resources strategic plan, NFISD will be able to identify internal weaknesses and develop goals, objectives and timelines for attracting and retaining highly qualified staff.

Strengthen Financial Control

Obtain qualified and experienced financial staff. The district does not have sufficient staff in the Finance Department to ensure the day-to-day accounting operations are carried out in a timely and accurate manner. With the chief accountant position vacant since 1999-2000 and the recent resignation of the assistant superintendent of Finance and Operations, many of the routine operations are not performed, including a monthly review of the general ledger and accurate recording of deposits. By filling the positions, adding an additional accountant position and obtaining interim assistance from outside the district for accounting services, NFISD will ensure its financial processes are handled timely and accurately.

Establish and maintain a target general fund balance. NFISD's $2 million general fund balance is $4.5 million below TEA's calculated optimum fund balance. In addition, NFISD's workers' compensation fund also has a large deficit that when combined with the general fund leaves the district with a net reserve of more than $55,000. Based on an annual budget of more than $78.7 million, this is unacceptable. While the district has brought its fund balance up from a deficit of $2.03 million in 1999-2000 by making accounting adjustments and reductions in expenditures, the board has not shown its willingness to address the hard issues that are necessary if the district is to regain control of its finances. By establishing a board policy that establishes a fund balance goal and by receiving regular financial information, the board will be in a better position to improve the district's financial condition.

Regain control of the Workers' Compensation Plan. NFISD had 49 employees receiving workers' compensation pay as of May 2002. Of these, 21 have been off work for more than a year. And, contrary to board policy, NFISD has paid an employee both workers' compensation payments for injuries sustained while on the job plus the employees' regular pay. The district has a deficit fund balance of nearly $1.9 million in its workers' compensation fund. NFISD switched to a self-insurance program for workers' compensation in 2000-01 due to the high premium cost proposed by their previous workers' compensation insurance provider. The $1.9 million deficit occurred in one year, and although district administrators said they anticipate the deficit will be eliminated over a period of years, they have not diagnosed the reason that expenditures exceeded revenues, nor have they established a formal plan to reduce the deficit. A planned approach to eliminating the deficit balance in its workers' compensation fund will help ensure the impact to the district's general fund and other funds are managed in a systematic manner.

Develop procedures to ensure compliance with provisions of the Public Funds Investment Act. The district's annual external audit for 2001 cited four areas of noncompliance with the Public Funds Investment Act including a failing to: provide quarterly investment reports to the board for review and approval, provide an annual investment report to the board; conduct annual reviews of its investment policy; and investing funds in unauthorized instruments. By developing written

procedures and ensuring that the district has a board-designated investment officer, the district can provide assurance to taxpayers that their money is being handled appropriately.

Improve Operations

Create and staff a facility planning and construction monitoring function in the district. In 1998 and 2000, NFISD issued $46.9 million and $42.4 million in bonds, respectively, and has a $21 million program to repair flood damage, yet the district has no organized facility planning division. Following the completion of four newly constructed schools, lingering problems exist, including poor building drainage and problems with exterior walls and roofs. The lack of accountability for facility planning, monitoring and controlling results in increased costs and poor performance by some contractors. By developing a long-range facilities management plan and hiring professional construction management to provide oversight of its construction projects, NFISD's resources will be better managed. The five-year cost will be more than $634,000, but considerable savings can be expected if construction projects are given careful oversight.

Establish a school-based technician (SBT) program. The limited staff in the Technology Department supports the entire district with only informal help available at each school. The lack of trained SBTs at the schools greatly reduces the ability of the Technology Department to meet the support needs of the district. SBTs help resolve many of the reported problems and prevent other additional technology problems and can assist the Technology Department with inventory control, training, software upgrades and installation of new technology. The annual cost of adding a SBT to each of the 14 schools is $14,000 annually.

Develop purchasing policies and procedures and ensure all district staff and board members comply with the law. NFISD is not conducting its purchasing practices in accordance with state law or board policy. In some cases, the district did not properly seek bids or quotes or accepted bids after bid deadlines passed. Additionally, bid files and documentation are not adequately maintained in an organized filing system. The district should develop bid acceptance policies and procedures and train all staff to use those procedures, develop a filing system to ensure that bid documentation is organized and kept on file and develop self-regulating practices.

Evaluate the cost-effectiveness of outsourcing student transportation. The Transportation Department is poorly managed, with high operating costs and poor customer service. Children are routinely late to school or are left at school for several hours after classes have ended. The district has 90 bus driver positions: 61 are available to drive and 29 are out on workers' compensation claims. Drivers and other staff routinely work overtime to cover routes because of missing drivers and high driver absenteeism. By outsourcing transportation through a controlled step-by-step process, the district could save more than $600,000 in operational costs annually, or $1.8 million over three years. If the district chooses to continue to operate the Transportation Department, it can improve Transportation operations by eliminating 22 unnecessary driver positions, improving bus routing and scheduling, reducing absenteeism and improving overall operations management. Implementing these changes could save the district more than $3 million over five years.

Exemplary Programs and Practices

TSPR identified numerous "best practices" in NFISD. Through commendations in each chapter, the report highlights model programs, operations and services provided by district 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 local needs. TSPR's commendations include:

- ***Students gain real life technology skills in the Media Technology and Travel and Tourism programs.*** The Media Technology and the Travel and Tourism programs provide students with an opportunity to gain real-life skills in technology by offering students hands-on learning using commercial software and hardware for specific industries. In the Media

Technology program, students work on multimedia projects from concept to final editing using state-of-the-art workstations, digital video recorders and professional editing software. Team members perform tasks such as recording events, conducting interviews, producing drafts and editing video. The Travel and Tourism program teaches students skills needed to work in the travel industry. Students learn to make travel reservations on airline computer reservation systems, and learn business etiquette and job-search skills. After completing the program, students qualify for entry-level employment with a travel agency or airline.

- ***NFISD has merged education, civil responsibility and discipline into a program run by students with special assistance from the local justice of the peace court.*** NFISD combines a high school career and technology program with a justice court program to provide discipline in an educational setting. The justice of the peace provides judicial assistance and oversight of court proceedings held at the career and technology center. Students in the law enforcement career program serve as court personnel. The program provides the district with an alternative to suspension or other disciplinary measures.

- ***The Department of Public Relations provides information to the public in a variety of ways, and has received awards for several of its publications.*** NFISD uses 15 programs and publications to establish communication with staff, students and the community. The district has received awards for several of its programs, such as the Listening Session and Parent Academy Program.

- ***NFISD provides comprehensive training and information to substitute teachers.*** NFISD provides substitute teachers with training and a handbook. Training for substitute teachers is held at the beginning of the school year and includes an introduction to the district's expectations, a motivational session, a description of procedures, a question-and-answer session and information on evaluations. There is also a section that provides basic survival tips for the substitute teachers. The combination of a formal training session and a handbook give new substitutes the opportunity to receive information and ask questions and still have a written reference for any unanswered or recurring questions—allowing the substitute teacher to focus on the students.

- ***NFISD effectively refunded bonds to reduce interest costs.*** NFISD refunded $1.4 million of bonds in 2000 to take advantage of declining interest rates and saved interest costs by refunding the bonds. The district also issued refunding bonds in prior years to restructure outstanding debt associated with selected general obligation bonds.

- ***NFISD effectively used promotions as an incentive for students to return applications for free and reduced-price meals.*** NFISD increased its federal reimbursement due to a variety of promotions offered in all schools. The district sponsored drawings for prizes, including a $200 gift certificate for shoes for each high school; five football tickets to a NFISD high school football game for middle school students and at the elementary school level offered movie tickets. In addition, there was a drawing for $100 for the first teacher with 100 percent of the applications returned to their homeroom. As a result of these promotions, 10,391 students, 84 percent of the total enrollment, returned applications that were received and certified.

Savings and Investment Requirements

Many TSPR recommendations would save money or result in increased revenues that the district could use to improve classroom instruction. The savings estimates identified in this report are conservative and should be considered minimums. In sections where TSPR recommended spending money, the changes should improve efficiency productivity and effectiveness.

TSPR recommended 140 ways for NFISD to save more than $23.4 million over a five-year period. Recommendations that include additional spending will cost the district more than $19.3 million

during the same period. Implementing all the recommendations in this report could produce net savings of more than $4 million by 2006-07 **(Exhibit 3)**.

Exhibit 3
Summary of Net Savings
TSPR Review of North Forest Independent School District

Year		Total
2002-03	Initial Annual Net Savings	$1,186,346
2003-04	Additional Annual Net Savings	$526,484
2004-05	Additional Annual Net Savings	$598,404
2005-06	Additional Annual Net Savings	$658,528
2006-07	Additional Annual Net Savings	$1,281,709
One Time Net Savings (Costs)		($243,596)
TOTAL SAVINGS PROJECTED FOR 2002-07		**$4,007,875**

A detailed list of costs and savings by recommendation appears in **Exhibit 4**. The page number for each recommendation is listed in the summary chart. 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 NFISD board ask district administrators to review the recommendations, develop an implementation plan and monitor progress. As always, TSPR staff is available to help implement proposals.

Exhibit 4
Summary of Costs and Savings by Recommendation

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1: District Organization and Management								
1	Develop and implement a board Code of Conduct that includes standard operating procedures. p. 34	$0	$0	$0	$0	$0	$0	$0
2	Overhaul the policy manual and assign staff responsibility for developing and routinely updating local policies. p. 36	$0	$0	$0	$0	$0	$0	$0
3	Use a timed agenda to manage board meetings and hold discussion workshops every two weeks. p. 37	$0	$0	$0	$0	$0	$0	$0
4	Adopt a board policy allocating travel and training dollars equitably to all board members. p. 39	$1,144	$1,144	$1,144	$1,144	$1,144	$5,720	$0
5	Establish a management team to assist staff in rebuilding core business functions while the board and superintendent seek to fill positions and train key staff for their various tasks. p. 41	($86,400)	($172,800)	$0	$0	$0	($259,200)	$0
6	Establish vertical teams to align schools by high school feeder systems. p. 42	$0	$0	$0	$0	$0	$0	$0
7	Develop performance reporting to allow the board and superintendent to track the efficiency and effectiveness of all instructional and non-instructional areas. p. 44	$0	$0	$0	$0	$0	$0	$0
8	Conduct annual appraisals of district management. p. 45	$0	$0	$0	$0	$0	$0	$0
9	Integrate performance measures into the superintendent's contract. p. 46	$0	$0	$0	$0	$0	$0	$0
10	Assign a staff member to track and monitor all legal matters for the district. p. 47	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1: District Organization and Management (continued)								
11	Develop a data integrity and quality control process for data collection and reporting. p. 50	$0	$0	$0	$0	$0	$0	$0
12	Form a Long-Range Planning Committee with broad representation from the district and community to develop the district's long-range plan. p. 54	$0	$0	$0	$0	$0	$0	$0
13	Overhaul the District Improvement Plan and Campus Improvement Plan processes to improve coordination and usefulness. p. 55	$0	($1,500)	($1,500)	($1,500)	$0	($4,500)	$0
14	Document budgeting priorities and align the district's planning process with those priorities. p. 58	$0	$0	$0	$0	$0	$0	$0
	Chapter 1-Total	**($85,256)**	**($173,156)**	**($356)**	**($356)**	**$1,144**	**($257,980)**	**$0**
Chapter 2: Educational Service Delivery								
15	Develop and adopt a board policy to provide direction for curriculum management. p. 71	$0	$0	$0	$0	$0	$0	$0
16	Create and implement a schedule for developing and revising curriculum guides. p. 74	($31,388)	($31,388)	($31,388)	($31,388)	($23,888)	($149,440)	$0
17	Modify policies to encourage graduation under the Recommended High School Program. p. 77	$0	$0	$0	$0	$0	$0	$0
18	Update and distribute documents containing essential information to assist secondary students plan high school programs and activities. p. 79	($12,800)	($2,560)	($2,560)	($2,560)	($2,560)	($23,040)	$0
19	Implement strategies to improve student scores on Advanced Placement examinations. p. 82	$0	$0	$0	$0	$0	$0	$0
20	Increase student participation and pass rates for college entrance examinations. p. 85	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 2: Educational Service Delivery (continued)								
21	Develop a long-range Gifted and Talented Improvement Plan and update the Gifted and Talented Education Handbook. p. 87	$0	$0	$0	$0	$0	$0	$0
22	Prepare a plan for expanding the curricular options for gifted students and achieving an Exemplary rating as outlined in the *Texas State Plan for Education of Gifted/Talented Students*. p. 90	$0	$0	$0	$0	$0	$0	$0
23	Prepare a document listing all Career and Technology Education courses by educational areas. p. 97	($79,360)	($10,240)	($10,240)	($10,240)	($10,240)	($120,320)	$0
24	Appoint a committee to help develop a five-year Career and Technology Education plan and to make recommendations on program offerings. p. 100	$0	$0	$0	$0	$0	$0	$0
25	Develop guidelines for acceptable enrollment ranges in all Career and Technology Education courses based on optimal instructional arrangements and cost efficiency. p. 103	$0	$0	$0	$0	$0	$0	$0
26	Apply for all eligible Medicaid reimbursements. p. 107	$0	$312,066	$156,033	$156,033	$156,033	$780,165	$0
27	Provide remediation for special education students who have not performed well on the TAAS. p. 109	($14,000)	($14,000)	($14,000)	($14,000)	($14,000)	($70,000)	$0
28	Examine special education referral and identification methods and incorporate more effective strategies into the Building Level Intervention Teams. p. 111	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 2: Educational Service Delivery (continued)								
29	Recruit certified bilingual and ESL teachers and assist current teachers in obtaining bilingual and ESL certifications to meet the needs of NFISD students. p. 115	$0	$0	$0	$0	$0	$0	$0
30	Develop and implement procedures to ensure that all Bilingual and ESL program staff follow identification and exit procedures. p. 116	$0	$0	$0	$0	$0	$0	$0
31	Develop strategies in the district and campus improvement plans to measure bilingual/ESL program effectiveness. p. 118	$0	$0	$0	$0	$0	$0	$0
32	Develop a comprehensive evaluation program to determine the effectiveness of State Compensatory Education and Title I funds. p. 121	$0	$0	$0	$0	$0	$0	$0
33	Coordinate supplemental program administration efforts to improve funding and student services for at-risk students. p. 123	$0	$0	$0	$0	$0	$0	$0
34	Evaluate the district's school library program against state library standards, and develop a plan to improve school library collections. p. 127	$0	($658,539)	($658,539)	($658,539)	$0	($1,975,617)	$0
35	Reorganize the health services program to enhance overall direction and accountability. p. 129	$0	$0	$0	$0	$0	$0	$0
36	Evaluate the effectiveness of the school-based clinic, including an analysis of student clinic usage and an estimate of clinic costs to the district. p. 130	$0	$0	$0	$0	$0	$0	$0
37	Develop and implement a staffing allocation formula for counselors. p. 132	$0	($61,893)	($61,893)	($61,893)	($61,893)	($247,572)	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 2: Educational Service Delivery (continued)								
38	Reassign non-counseling duties currently performed by counselors to existing clerical staff. p. 134	$0	$0	$0	$0	$0	$0	$0
39	Implement a follow-up program for graduates. p. 135	($9,000)	($9,000)	($9,000)	($9,000)	($9,000)	($45,000)	$0
40	Establish an academic alternative education program offering a high school diploma. p. 137	$0	($616,111)	($616,111)	($616,111)	($616,111)	($2,464,444)	($65,850)
	Chapter 2-Total	**($146,548)**	**($1,091,665)**	**($1,247,698)**	**($1,247,698)**	**($581,659)**	**($4,315,268)**	**($65,850)**
Chapter 3: Community Involvement								
41	Develop a formal job description for the Parental Involvement facilitator. p. 145	$0	$0	$0	$0	$0	$0	$0
42	Annually send a copy of the brochure, *For Kids Sake: Join the North Forest ISD Business Partnership*, to each of the businesses in and around the North Forest area. p. 147	$171	$171	$171	$171	$171	$855	$0
43	Develop a tracking list of business partners along with a monetary value assigned to their contributions. p. 148	$0	$0	$0	$0	$0	$0	$0
44	Implement a procedure for the Department of Public Relations to have input on the content of the Web site. p. 152	$0	$0	$0	$0	$0	$0	$0
45	Change board open forum rules and establish quarterly community forums to allow community members sufficient opportunities for input. p. 153	$0	$0	$0	$0	$0	$0	$0
46	Assign responsibility for pursuing additional grants to fund parental involvement programs and activities to the Parental Involvement facilitator. p. 156	$0	$0	$0	$0	$0	$0	$0
47	Contact non-profit organizations to establish programs in the district that recruit volunteers and fill gaps in the service delivery. p. 158	$0	$0	$0	$0	$0	$0	$0
	Chapter 3-Total	**$171**	**$171**	**$171**	**$171**	**$171**	**$855**	**$0**

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 4: Human Resources Management								
48	Develop a Human Resource Department strategic plan that includes a mission statement, goals, measurable objectives and evaluation timelines. p. 164	$0	$0	$0	$0	$0	$0	$0
49	Use staffing allocation formulas that are linked to enrollment. p. 169	$336,241	$1,008,723	$1,008,723	$1,008,723	$1,008,723	$4,371,133	$0
50	Revise the district's at-will policy to include all personnel except those positions required to be under contract by law and those specific positions designated as key personnel. p. 171	$0	$0	$0	$0	$0	$0	$0
51	Purchase an automated substitute-caller system, and eliminate one central substitute clerk position. p. 172	$0	$28,631	$28,631	$28,631	$28,631	$114,524	($11,995)
52	Raise salaries to compete with neighboring school districts. p. 176	$0	($2,427,632)	($2,427,632)	($2,427,632)	($2,427,632)	($9,710,528)	$0
53	Create and implement a recruiting and retention plan to decrease the number of long-term substitutes and teachers on non-standard permit. p. 178	($15,000)	($15,000)	($15,000)	($15,000)	($15,000)	($75,000)	$0
54	Track the effectiveness of individual recruiting initiatives. p. 180	$0	$0	$0	$0	$0	$0	$0
55	Change the format and update all employee job descriptions. p. 182	$0	$0	$0	$0	$0	$0	$0
56	Ensure annual written performance appraisals are completed for all employees. p. 183	$0	$0	$0	$0	$0	$0	$0
57	Create and implement a coordinated staff development plan that includes instructional and non-instructional staff. p. 184	$0	$0	$0	$0	$0	$0	$0
	Chapter 4-Total	**$321,241**	**($1,405,278)**	**($1,405,278)**	**($1,405,278)**	**($1,405,278)**	**($5,299,871)**	**($11,995)**

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 5: Facilities Use and Management								
58	Create and staff a facility planning and construction monitoring function in the district. p. 195	($69,484)	($138,968)	($138,968)	($138,968)	($138,968)	($625,356)	($9,000)
59	Develop a long-range facilities master plan. p. 198	$0	$0	$0	$0	$0	$0	($50,000)
60	Establish a task force made up of a diverse group of school and community leaders to determine the best approach for controlling the cost of secondary education in the district. p. 200	$0	$200,000	$200,000	$200,000	$200,000	$800,000	$0
61	Identify surplus properties and develop a formal strategy to liquidate these properties. p. 202	$0	$0	$0	$0	$0	$0	$0
62	Develop definitions and standards for construction projects. p. 203	$0	$0	$0	$0	$0	$0	$0
63	Reorganize the Maintenance Department to make it effective and efficient or consider outsourcing maintenance management if it cannot improve departmental efficiency. p. 205	$0	$0	$0	$0	$0	$0	$0
64	Document vandalism incidents and establish a disciplinary system that deters vandalism by holding students and their parents accountable. p. 208	$148,000	$296,000	$444,000	$592,000	$740,000	$2,220,000	$0
65	Reduce district maintenance costs by using a proactive preventive maintenance plan. p. 209	$0	$0	$0	$0	$0	$0	$0
66	Track maintenance work orders by facility, frequency and cost using an automated work order system. p. 210	$0	$0	$0	$0	$0	$0	($2,790)
67	Develop custodial staffing formulas to staff schools and other facilities. p. 212	$221,774	$443,548	$443,548	$443,548	$443,548	$1,995,966	$0
68	Develop cleaning standards and enforce them. p. 214	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 5: Facilities Use and Management (continued)								
69	Assign energy management to the director of Maintenance and conduct an energy management audit of all NFISD facilities. p. 216	$0	$0	$0	$0	$0	$0	$0
	Chapter 5-Total	**$300,290**	**$800,580**	**$948,580**	**$1,096,580**	**$1,244,580**	**$4,390,610**	**($61,790)**
Chapter 6: Asset and Risk Management								
70	Invest all funds in excess of the compensating balances in interest-earning investment accounts. p. 223	$28,780	$38,374	$38,374	$38,374	$38,374	$182,276	$0
71	Develop procedures to ensure compliance with the Public Funds Investment Act. p. 225	$0	$0	$0	$0	$0	$0	$0
72	Develop an aggressive workers' compensation claims review process. p. 229	$158,678	$317,355	$317,355	$317,355	$317,355	$1,428,098	$0
73	Implement all recommendations in the Accident Prevention Plan, including a safety-training program. p. 231	$389,974	$786,668	$786,668	$786,668	$786,668	$3,536,646	$0
74	Develop a plan to eliminate the deficit in the workers' compensation fund. p. 233	$0	$0	$0	$0	$0	$0	$0
75	Implement a light-duty policy for employees returning from workers' compensation leave. p. 234	$0	$0	$0	$0	$0	$0	$0
76	Contract with an insurance consultant to assist in the procurement of insurance coverages. p. 235	$0	$205,807	$205,807	$205,807	$205,807	$823,228	($15,000)
77	Contract for a complete physical inventory of the district's fixed assets and conduct annual inventories thereafter. p. 238	$0	$0	$0	$0	$0	$0	($22,000)
78	Adopt a policy that defines the value of fixed assets that should be capitalized, the depreciation method that should be used and assigns responsibility for safeguarding fixed assets. p. 239	$0	$0	$0	$0	$0	$0	$0
	Chapter 6-Total	**$577,432**	**$1,348,204**	**$1,348,204**	**$1,348,204**	**$1,348,204**	**$5,970,248**	**($37,000)**

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 7: Financial Management								
79	Obtain temporary assistance and add an additional accountant position to provide sufficient staffing. p. 251	($19,008)	($38,010)	($38,010)	($38,010)	($38,010)	($171,048)	$0
80	Hire a full-time secretary for the grant coordinator and hire an additional grant writer. p. 254	$59,759	$28,934	$28,934	$28,934	$28,934	$175,495	$0
81	Adopt a policy for establishing and maintaining target general fund balances. p. 257	$0	$0	$0	$0	$0	$0	$0
82	Use a formal method to project student enrollment for budget purposes. p. 259	($650)	($325)	($325)	($325)	($325)	($1,950)	$0
83	Develop a multiple-year budget to determine the impact of current budget decisions on future years. p. 260	$0	$0	$0	$0	$0	$0	$0
84	Develop an accounting manual for documenting financial policies and procedures. p. 262	$0	$0	$0	$0	$0	$0	$0
85	Reconcile the bank accounts on a monthly basis. p. 264	$0	$0	$0	$0	$0	$0	$0
86	Secure the payroll check stock in a locking file cabinet and control access to cabinet keys. p. 265	$0	$0	$0	$0	$0	$0	($1,500)
87	Implement procedures to ensure that employees cannot receive full workers' compensation benefits while also collecting the full amount of their paycheck. p. 266	$0	$0	$0	$0	$0	$0	$0
88	Develop procedures to ensure timesheets are maintained and accurately reflect the time employees work. p. 267	$0	$0	$0	$0	$0	$0	$0
89	Develop a procedure and form for reporting compensatory time through the payroll system. p. 268	$0	$0	$0	$0	$0	$0	$0
90	Provide schools with access to the current financial information available in the financial system. p. 269	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 7: Financial Management (continued)								
91	Hire an internal auditor. p. 271	$0	$0	$0	$0	$0	$0	$0
92	Adopt a policy for the periodic competitive procurement of external audit services to provide continuity in the audit process and to ensure competitive fees. p. 273	$0	$0	$0	$0	$0	$0	$0
	Chapter 7-Total	**$40,101**	**($9,401)**	**($9,401)**	**($9,401)**	**($9,401)**	**$2,497**	**($1,500)**
Chapter 8: Purchasing								
93	Automate the requisition process and reduce the number of signatures required for purchase order approval. p. 284	$0	$0	$0	$0	$0	$0	$0
94	Develop purchasing procedures to ensure that all district staff and board members follow procedures. p. 287	$0	$0	$0	$0	$0	$0	$0
95	Implement an electronic bidding system. p. 289	$0	$0	$0	$0	$0	$0	$0
96	Reduce district administrative purchasing costs by actively participating in cooperative purchasing programs. p. 290	$0	$0	$0	$0	$0	$0	$0
97	Phase out central warehouse stock and implement a just-in-time ordering system for goods and supplies. p. 291	$0	$70,884	$70,884	$70,884	$70,884	$283,536	$0
98	Establish a contracting process and assign a staff member in the Finance and Operations Department the responsibility of monitoring vendor compliance. p. 294	$0	$0	$0	$0	$0	$0	$0
99	Establish and enforce a policy requiring that individual schools are held accountable for lost textbooks. p. 297	$0	$0	$0	$0	$0	$0	$0
100	Purchase used textbooks from discount textbook vendors to replace lost, damaged or stolen textbooks. p. 298	$0	$2,390	$2,390	$2,390	$2,390	$9,560	$0
	Chapter 8-Total	**$0**	**$73,274**	**$73,274**	**$73,274**	**$73,274**	**$293,096**	**$0**

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 9: Computers and Technology								
101	Hire additional technology staff and implement software to improve the Technology Department service. p. 309	($154,829)	($232,244)	($232,244)	($232,244)	($232,244)	($1,083,805)	($30,000)
102	Establish a school-based technician program. p. 311	($7,000)	($14,000)	($14,000)	($14,000)	($14,000)	($63,000)	$0
103	Develop a comprehensive career development plan for Technology Department staff. p. 312	($3,900)	($3,900)	($3,900)	($3,900)	($3,900)	($19,500)	$0
104	Develop a comprehensive technology training program to educate district personnel and to integrate technology into the classroom. p. 314	$0	$0	$0	$0	$0	$0	$0
105	Establish a district technology committee. p. 318	$0	$0	$0	$0	$0	$0	$0
106	Document and publish an annual technology plan designed to implement specific goals from the long-range technology plan. p. 319	$0	$0	$0	$0	$0	$0	$0
107	Document policies, procedures and standards for the Technology Department. p. 321	$0	$0	$0	$0	$0	$0	$0
108	Develop a comprehensive disaster recovery plan. p. 323	$0	$0	$0	$0	$0	$0	$0
109	Develop strategies to improve the student-to-computer ratio. p. 327	($99,511)	($298,532)	($398,042)	($497,553)	($696,574)	($1,990,212)	$0
110	Implement an electronic problem-tracking software solution for the Technology Department. p. 329	$0	$0	$0	$0	$0	$0	($3,965)
111	Remove unlicensed software from district computers and install control mechanisms to prevent the installation of unlicensed software. p. 330	$0	$0	$0	$0	$0	$0	($6,930)
	Chapter 9-Total	**($265,240)**	**($548,676)**	**($648,186)**	**($747,697)**	**($946,718)**	**($3,156,517)**	**($40,895)**

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 10: Student Transportation								
112	Evaluate the cost-effectiveness of outsourcing the transportation function. p. 348	$0	$0	$0	$0	$0	$0	$0
113	Increase the time between staggered bells and revise route and schedule practices to ensure students are provided on-time transportation to and from school. p. 352	$0	$0	$0	$0	$0	$0	$0
114	Implement automated routing and scheduling and hire a qualified router and scheduler. p. 354	$0	$269,330	$269,330	$269,330	$269,330	$1,077,320	($61,106)
115	Aggressively recruit bus drivers to fill all NFISD driver vacancies. p. 358	$0	$0	$0	$0	$0	$0	$0
116	Eliminate unnecessary bus driver positions through a reduction-in-force and increase hourly rates of bus driver starting salaries. p. 360	$244,988	$489,976	$489,976	$489,976	$489,976	$2,204,892	$0
117	Develop a bus replacement plan and sell surplus buses. p. 363	$0	$0	$0	$0	$0	$0	$43,000
118	Conduct preventive maintenance inspections on school buses every 3,000 miles. p. 366	$0	$0	$0	$0	$0	$0	$0
	Chapter 10-Total	**$244,988**	**$759,306**	**$759,306**	**$759,306**	**$759,306**	**$3,282,212**	**($18,106)**
Chapter 11: Food Services								
119	Implement industry meals per labor hour standards and adjust staffing levels to achieve the recommended standards. p. 377	$156,897	$627,588	$627,588	$627,588	$627,588	$2,667,249	$0
120	Authorize the director of Food Services to perform cafeteria manager evaluations. p. 379	$0	$0	$0	$0	$0	$0	$0
121	Design and implement programs to eliminate obstacles to, and increase breakfast participation. p. 383	$0	$37,370	$37,370	$37,370	$37,370	$149,480	$0
122	Develop and implement strategies to increase high school student lunch participation. p. 389	$0	$9,149	$18,298	$27,447	$36,596	$91,490	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 11: Food Services (continued)								
123	Allocate overhead costs to the Food Service Department budget. p. 392	$36,655	$87,968	$87,968	$87,968	$87,968	$388,527	$0
124	Perform a cost benefit analysis of teacher serving lines to assure they are self-supporting. p. 393	$0	$0	$0	$0	$0	$0	$0
125	Halt vending machines sales during meal periods and require the director of Food Services to approve all vending machine items. p. 396	$0	$0	$0	$0	$0	$0	$0
126	Develop a plan and fully implement the point-of-sale system. p. 397	($2,486)	$0	($2,486)	$0	($2,486)	($7,458)	($3,960)
	Chapter 11-Total	**$191,066**	**$762,075**	**$768,738**	**$780,373**	**$787,036**	**$3,289,288**	**($3,960)**
Chapter 12: Safety and Security								
127	Designate a position to coordinate safety and security initiatives districtwide. p. 404	$0	$0	$0	$0	$0	$0	$0
128	Reposition the Police Department to report directly to the superintendent and have the board clarify the department's role. p. 405	$0	$0	$0	$0	$0	$0	$0
129	Reorganize the Police Department to increase accountability for achieving district goals. p. 408	$4,130	$7,079	$7,079	$7,079	$7,079	$32,446	$0
130	Establish clear expectations and job descriptions for all NFPD employees and annually evaluate them based on performance. p. 411	$0	$0	$0	$0	$0	$0	$0
131	Develop a comprehensive long-range districtwide safety and security plan that includes performance measures. p. 414	$0	$0	$0	$0	$0	$0	$0
132	Develop a process for coordination and review of behavior and incident statistics for continuing improvement of district initiatives. p. 416	$0	$0	$0	$0	$0	$0	$0

	Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 12: Safety and Security (continued)								
133	Review and update the Police Department procedure manual. p. 417	$0	$0	$0	$0	$0	$0	$0
134	Conduct drills plans of the district crisis management plan. p. 419	$0	$0	$0	$0	$0	$0	$0
135	Enforce the policies and procedures related to identifying visitors, staff and students. p. 421	$0	$0	$0	$0	$0	$0	$0
136	Develop and implement a procedure for random metal detector use. p. 422	$0	$0	$0	$0	$0	$0	$0
137	Add an administrative position to the truancy program to perform clerical duties and assist with case management. p. 428	$3,971	$3,971	$3,971	$3,971	$3,971	$19,855	$0
138	Increase truancy reporting and remediation efforts. p. 429	$0	$0	$0	$0	$0	$0	$0
139	Develop a process for periodic review of disciplinary decisions and assign the duty of oversight to an appropriate position. p. 432	$0	$0	$0	$0	$0	$0	$0
140	Develop a comprehensive program for conflict resolution for students and staff. p. 433	$0	$0	$0	$0	$0	$0	($2,500)
	Chapter 12-Total	**$8,101**	**$11,050**	**$11,050**	**$11,050**	**$11,050**	**$52,301**	**($2,500)**
	Gross Savings	**$1,791,162**	**$5,273,126**	**$5,274,242**	**$5,431,391**	**$5,588,540**	**$23,358,461**	**$43,000**
	Gross Costs	**($604,816)**	**($4,746,642)**	**($4,675,838)**	**($4,772,863)**	**($4,306,831)**	**($19,106,990)**	**($286,596)**
	TOTAL	**$1,186,346**	**$526,484**	**$598,404**	**$658,528**	**$1,281,709**	**$4,251,471**	**($243,596)**

Total Savings	**$23,401,461**
Total Costs	**($19,393,586)**
Net	**$4,007,875**

DISTRICT ORGANIZATION AND MANAGEMENT

Chapter 1

DISTRICT ORGANIZATION AND MANAGEMENT

This chapter reviews the North Forest Independent School District's (NFISD) organization and management in the following sections:

A. Governance
B. District Management
C. Planning and Evaluation

A school district's organization and management requires cooperation between the elected members of its Board of Trustees and staff. 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.

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. The superintendent is responsible for reporting management information to the board and for making sure the district is accountable for its performance against established goals. District managers and staff are responsible for managing the day-to-day implementation of the policies and plans approved by the board and for recommending modifications to ensure the district operates efficiently and effectively.

BACKGROUND

NFISD is a "property-poor" school district. With an average home value of $21,900, the district is limited in its ability to raise local funds. The district's property value per pupil in 2000-01 was $61,585 as valued by the Comptroller's office. This compares to a state average property valuation of $215,232 per pupil.

NFISD is a school district steeped in turmoil. In 2001 and 2002 alone, the district experienced more than its share of challenges. Significant events that occurred in the district over the past year include:

- the hiring of a new superintendent in April 2001;
- the assignment in April 2001 of a Texas Education Agency (TEA) monitor to oversee the district's financial management and to assist with governance issues;
- more than $21 million of flood and wind damage in June 2001 caused by Tropical Storm Allison;
- discussions of merging the district's two high schools that ended due to a strong community outcry;
- the district's accountability rating being lowered in February 2001 to "unacceptable: Data Quality" after drop-out reporting problems were discovered by TEA;
- an error in the Transportation Department's reporting that resulted in the district having to return more than $864,000 in funding to TEA;
- shortage of certified teachers to begin the 2001-02 school year;
- a budget crisis that resulted in eliminating several teaching positions; and
- the relocation of approximately 2,000 students for the 2001-02 school year due to the June 2001 floods.

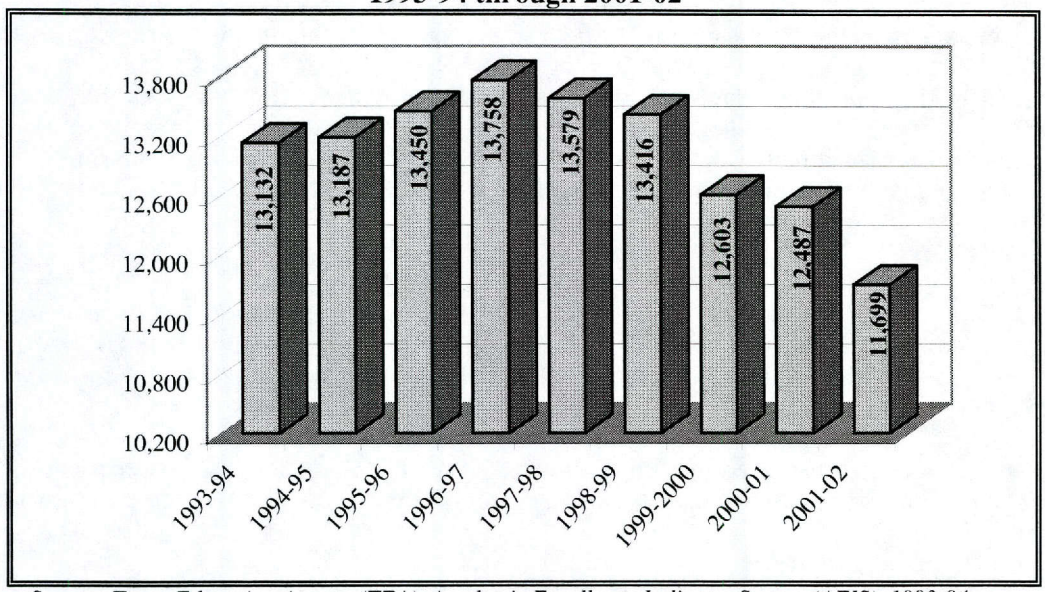
In 1998 and 2000, NFISD voters approved two bond issues, of $46.9 million and $42.4 million respectively. The district participated in the Instructional Facilities Allotment (IFA) program that assists districts in making debt service payments on qualified bond issues. The 1997 funding was used to fund the construction of new schools and for repairs and upgrades on existing facilities. The district

is still in the planning stages to determine how to use the remaining funds from the 1999 bond issue and the federal flood dollars that the district received following the 2001 flood.

The district began 2001-02 with a deficit fund balance, and was able to balance its $67 million operating budget by eliminating nine teachers and leaving other staff vacancies unfilled. A proposal to increase remaining teacher salaries was abandoned in order to balance the budget. The 2001-02 budget also included a $1.2 million contingency to fund the return of state monies pending an audit of the district's Transportation Department.

As **Exhibit 1-1** shows, enrollment in the district from 1993-94 through 2001-02 peaked in 1996-97, with 13,758 students. In 2001-02, NFISD's enrollment was 11,699, down almost 11 percent from 1993-94. Between 2000-01 and 2001-02, the district lost 788 students. The severe flooding that occurred in June 2001 was one of the most significant reasons for this decline.

Exhibit 1-1
Student Enrollment
1993-94 through 2001-02



Source: Texas Education Agency (TEA), Academic Excellence Indicator System (AEIS), 1993-94 through 2000-01 and Public Education Information Management System (PEIMS), 2001-02.

Prior to the flood damage to its schools, the district served its students with two high schools, three middle schools, two intermediate schools and six elementary schools. The district has a TEA rating of Acceptable for 2002. As of August 2002, all the schools will reopen.

NFISD has a predominantly African-American population, with African-Americans making up 79 percent of the student population. Hispanic students represent 20 percent of the total student population, with Anglo students making up 1 percent.

Exhibit 1-2 shows that the African-American population declined 4.7 percentage from 1997-98 to 2001-02. The Hispanic population increased by 4.7 percentage points over this five-year period, while the Anglo student population decreased by .5 percentage points.

Exhibit 1-2
Student Ethnicity Percentages
1997-98 through 2001-02

Ethnicity	1997-98	1998-99	1999-2000	2000-01	2001-02	Percentage Point Change from 1997-98 through 2001-02
African American	83.8%	83.2%	81.9%	80.6%	79.1%	(4.7%)
Hispanic	14.8%	15.6%	17.0%	18.3%	20.1%	4.7%
Anglo	1.3%	1.1%	1.1%	1.0%	0.8%	(0.5%)
Other	0.1%	0.1%	0.0%	0.1%	0.1%	0.0%

Source: TEA, AEIS, 1996-97 through 2000-01and PEIMS, 2001-02.

In 2001-02, 80.1 percent of the total student population was categorized as economically disadvantaged, which is considerably higher than the state average of 50.5 percent. This percentage has increased by 15.3 percentage points since 1996-97 when 64.8 percent of NFISD students were considered to be economically disadvantaged.

A. GOVERNANCE

An elected Board of Trustees that oversees district management governs each school district in Texas. School boards have powers and duties granted to them under Section 11.151 of the Texas Education Code (TEC), including:

- adopting rules, regulations and bylaws to operate the district;
- adopting plans for site-based decision-making;
- levying and collecting taxes;
- issuing bonds; and
- preparing and adopting an annual operating budget for the district.

School boards employ superintendents to serve as educational leaders and chief executive officers of districts. A superintendent's duties are established by Section 11.201 of the TEC and include:

- assuming administrative responsibility and leadership for planning, operation, supervision and evaluation of the district's education programs, services and facilities and for the annual performance appraisal of district staff;
- assuming administrative authority and responsibility for the assignment and evaluation of district personnel other than the superintendent;
- managing the day-to-day operations of the district;
- preparing and submitting an annual proposed budget to the Board of Trustees;
- preparing recommendations for policies to be adopted by the board and ensuring that adopted policies are implemented;
- providing leadership for student performance; and
- organizing central administration.

The district's operation and management depend on a good working relationship and trust between the board and the staff, especially the superintendent. The board sets policy for the district, as well as goals and objectives. It is the staff's responsibility to see that those policies, goals and objectives are carried out, with the superintendent responsible and accountable to the board for their successful implementation.

NFISD's Board of Trustees consists of seven members. Trustees serve three-year terms on a rotating basis. All members are elected at-large. **Exhibit 1-3** lists the board members, appropriate titles, their term expiration dates, years of board member service and professional experience.

Exhibit 1-3
NFISD Board of Trustees
2001-02

Board Member	Title	Term Expires	Full Years of Service as of May 2002	Occupation
Fran Gentry	President	5/05	18	Educator
Mary Holt Ashley	Vice President	5/03	2	Hospital Administrator
Allen Provost	Secretary	5/04	4	Consultant
John Kyles, III	Assistant Secretary	5/03	2	Pharmacist
Maxine Lane-Seals	Member	5/04	14	Airline Industry Team Leader
Mae Sykes	Member	5/05	0	Teacher Aide
James Leonard	Member	5/05	0	Retired

Source: NFISD Superintendent's Office, May 2002.

Regular board meetings are held on the third Monday of each month at 7:00 p.m. in the multipurpose room of Shadydale Elementary School, located at 5905 Tidwell Street. The board also holds additional special meetings, on average as often as two times a month, and occasional workshops. The public has an opportunity to provide comments during the first half-hour of each of these meetings, regardless of the number of community members signed up to speak so that if there are five people, they each have six minutes: if there are 15 people, they each have two minutes.

The superintendent and board president create the agenda for each meeting. Assistant superintendents first approve items that district staff wants added to the agenda and then the superintendent approves them. Board members submit items they want added to the board president who passes them along to the superintendent. The meeting notice is posted on an enclosed bulletin board outside the central administration building 72 hours before the meeting as required by law.

FINDING

The board is performing activities that are inappropriate and beyond the role of board members. Role definition is essential to successful teamwork, and the board and superintendent are not working as a team. The communication problems and mistrust are related to the lack of role definition between the board and superintendent. When roles are established and understood, the importance and purpose of communicating with other team members becomes clear, but NFISD's board and staff roles are confused.

Most prominently, the board president and secretary are signing checks for work completed for the district. This is an inappropriate role for board members. The former assistant superintendent for Finance and Fiscal Affairs explained that he had asked for guidance from the board regarding which checks the board wants to sign, such as those over a specific threshold dollar amount. He had not received this guidance, either verbally or in writing and was told by the board secretary that the board wants to sign all checks to particular vendors, regardless of how small the amount.

There have been allegations, however, that the board is signing checks for the purpose of checking on the accuracy and honesty of the administration, and matters have been referred to the District Attorney's office.

The TEA monitor's reports reflect inappropriate discussions that have taken place during board meetings. One recent example concerned the selection of each and every election judge. Each board

member on the ballot selected his or her own election judge. This topic gives a strong appearance of impropriety and took more than 45 minutes of the board's time at the meeting.

Allegations of inappropriate activities by board members and government investigations have contributed to an atmosphere of suspicion and distrust of the board by district staff and the community. **Exhibit 1-4** includes representative comments from the community regarding the board's micromanagement and the community's confidence in the board.

Exhibit 1-4
Community Perception of the NFISD Board

Perception: Micromanagement and Board and Superintendent not working together
• Micromanagement by board must cease. • Board members are too involved in the district's day-to-day operation. • Community needs help in controlling any board members who engage in micromanagement. (we need a true and serious performance review). • A board that micromanages will cause the superintendent to fail. • Board needs to let Dr. Walker do his job. Need to rotate department chair principals on one-year cycle. • Board needs to keep a superintendent for a while. • Board unwilling to work with the superintendent. • Board and superintendent should work together as a team. • Superintendent should create a more efficient board meeting agenda to ensure that meetings are not protracted. • The board should let the superintendent hire staff. The board should always allow employees the right to a fair hearing. Too much favoritism allowed in the district. The board should not wait too long to change a non-functional administration. The board should allow a new superintendent to function. • Board members should not try to turn the community against the superintendent. The administration is too top heavy.
Perception: Lack of Confidence
• If the school board is not working to improve the community's schools and best educate the students then they [the Board] need to be dismissed. • Lack of appropriate planning, decision-making, agreement, professionalism and follow-through for the board superintendent, assistant superintendent and administrators. • School management need guidelines – the board as a whole needs to be revamped/organized – the district needs a brand new start – the school staff – need a new roster – all new board members – the same members are always re-elected – they only rotate their titles. • Get rid of all board members and revamp the system. • Unity on the board needs improvement. • A divided board divides the community • Not listening to complaints from citizens from the community; two minutes before board meeting no answer from the board. • They do not want to hear anything from parents. • The District Organization and Management requests for the board to consider the students of North Forest first and to learn how to cooperate with each other for the good of the students. In other words, we are requesting the board to be more of a team player in managing the resources efficiently.

Source: NFISD Public Forum comments, April 2002.

The NFISD board adopted an ethics policy for board members, issued in June 2000 by the Texas Association of School Board (TASB) adopted as Policy Update 63, as set forth in **Exhibit 1-5**.

Exhibit 1-5
NFISD Ethics Policy

As a member of the Board, I shall promote the best interests of the District as a whole and, to that end, shall adhere to the following ethical standards:
EQUITY IN ATTITUDE
• I will be fair, just and impartial in all my decisions and actions. • I will accord others the respect I wish for myself. • I will encourage expressions of different opinions and listen with an open mind to others' ideas.
TRUSTWORTHINESS IN STEWARDSHIP
• I will be accountable to the public by representing district policies, programs, priorities and progress accurately. • I will be responsive to the community by seeking its involvement in district affairs and by communicating its priorities and concerns. • I will work to ensure prudent and accountable use of district resources. • I will make no personal promise or take private action that may compromise my performance or my responsibilities.
HONOR IN CONDUCT
• I will tell the truth. • I will share my views while working for consensus. • I will respect the majority decision as the decision of the board. • I will base my decisions on fact rather than supposition, opinion, or public favor.
INTEGRITY OF CHARACTER
• I will refuse to surrender judgment to any individual or group at the expense of the district as a whole. • I will consistently uphold all applicable laws, rules, policies and governance procedures. • I will not disclose information that is confidential by law or that will needlessly harm the district if disclosed.
COMMITMENT TO SERVICE
• I will focus my attention on fulfilling the board's responsibilities of goal setting, policymaking and evaluation. • I will diligently prepare for and attend board meetings. • I will avoid personal involvement in activities the board has delegated to the superintendent.
• I will seek continuing education that will enhance my ability to fulfill my duties effectively.
STUDENT-CENTERED FOCUS
• I will be continuously guided by what is best for all students of the district.

Source: NFISD Update 63, June 2000.

Based on comments from the community, the NFISD board is not making it clear that they are following this policy. Even if it were clear to the community that this policy were being followed, it is narrow and does not address how the board is to work as a team or interact with the district staff or community.

The Navarro ISD (NISD) Board of Trustees developed a Code of Conduct to better define its roles and responsibilities, to help the board work as an effective team, to create a mechanism for members to police their actions and to provide sanctions for those board members acting in a manner deemed harmful to students' education and the district's goals. The Code of Conduct addresses three primary educational and ethical standards (**Exhibit 1-6**).

Exhibit 1-6
Code of Conduct
Navarro ISD

Function	Standard
Governance	• 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 children's needs above the adults' desires. • Recognize that 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 policy-making, 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	• 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 judgment to individuals or special groups. • Refrain from using 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	• 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. • 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.

Source: Navarro ISD.

NISD also has a set of standard board operating procedures that indicate how these standards will be upheld on a daily basis. **Exhibit 1-7** provides a sampling of issues addressed by these procedures.

Exhibit 1-7
Standard Board Operating Procedures
Navarro ISD

Subjects Addressed
• Developing the board meeting agenda
• Member conduct during board meetings
• Voting
• Individual board member request for information or reports
• Citizen request/complaint to individual board member
• Employee request/complaint to individual board member
• Board member visit to school campus
• Communications
• Evaluation of the superintendent
• Evaluation of the board
• Criteria and process for selecting board officers
• Role and authority of board members and/or board officers
• Role of board executive session
• Media inquiries to the board
• Media inquiries to individual board members
• Phone calls/letters
• Response to signed letters
• Required board member training
• Addressing issues involving your own children
• Reimbursable expenses
• Reviewing standard board operating procedures
• Campaigning for election or re-election
• Goal setting

Source: Navarro ISD.

The superintendent of NISD stated that since the board's Code of Conduct and Standard Operating Procedures have been implemented, interference between district leadership and management has diminished and TAAS scores have improved significantly due to the board's focus on continued improvement of educating the district's students.

Spring ISD's (SISD) board offers a best-practice model for communication between a board and superintendent. Since the mid-1990s, SISD's board presidents and administrators have made presentations at state and national conferences and to other school district boards on board management, board committees and long-range planning.

Many school districts in Texas use TASB guides for self-policing and use a facilitator to provide training in areas of need for the superintendent and the board.

Recommendation 1:

Develop and implement a board Code of Conduct that includes standard operating procedures.

The board needs to adopt and follow a broader code of conduct to apply to board meetings as well as its communication with the public. Guidelines should clearly define the appropriate procedure for board members, district staff and members of the public. Once adopted, the board needs procedures to monitor itself for dealing with others and the applicable procedures are to ensure the policy is being applied and that there is not even an appearance of impropriety on the part of board members.

Board members that are not participating regularly or who are performing contrary to district established goals would be subject to sanctions, including additional training, counseling or censorship by their fellow board members.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board obtains TASB's self-censorship guidelines, Navarro ISD's Code of Conduct and standard board operating procedures and information from Spring ISD regarding the operating relationship between their superintendent and their board.	October 2002
2.	The board reviews the obtained information as a group in a special meeting.	October 2002
3.	The superintendent's office obtains the training schedule from TASB and other vendors and provides those to the board for decisions regarding future training.	November 2002
4.	Board members and the superintendent attend training sessions and use a facilitator in district meetings when necessary.	January 2003 and Ongoing
5.	Board members use an evaluation instrument developed by the facilitator to assess the need for additional training.	September 2003 and Yearly Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The board's local policies have not been updated in several years, and there are no policies identified for several key areas. The district contracts with TASB to issue its board policies online. As part of this service, TASB periodically develops an update of legal policies, which often includes legally required changes in policy and identifies local policies that must be changed as a result. TASB distributes these updates in hard copy to all districts on a regular basis. It is up to the district to adopt these policies and to distribute the updated policies appropriately once they are adopted. NFISD had the most recent TASB update, Update 67, on its agenda for adoption in May 2002, but it remains unclear how these updated policies are distributed within the district. While updates are posted on the district's Web site, they are not accessible because the Web site is routinely not functioning. While the information can be found on the TASB Web site, the user must have the district's specific code to access it. Only certain people in the district's administration have that code, and not all staff is aware that the policy is accessible through this route. NFISD has also not updated local policies in several years, leaving gaps in many areas. No individual in the district has been assigned responsibility for updating local policies on a regular basis. The district has no policy regarding board members signing checks. There are also no district policies setting parameters on training or on contact between individual board members and the district's attorneys.

Ysleta ISD (YISD) created a process to expedite policy updates and revisions. The district subscribes to the TASB policy service, which provides draft policies that respond to the changes in the TEC. YISD uses the updates to create its own policies.

The YISD associate superintendent for Human Resources coordinates all updates to the policy manual, and a cabinet member is assigned responsibility for revising the related local policies. When these updates affect various functional areas within the district, the associate superintendent forwards the update to the appropriate cabinet member, who then makes the revisions and forwards the update

to the associate superintendent to be placed in the district's policy manual. Each update is logged using a numbering system, date stamped and initialed when included in the policy manual.

Recommendation 2:

Overhaul the policy manual and assign staff responsibility for developing and routinely updating local policies.

Ensuring that local policies are in place and in compliance with state law should help increase the administration's and board's credibility within the community. Updating policies and disseminating information about their access to the public and district employees should help the board become more accountable to the public.

The district should maintain a functional Web site that includes a link to the board policies as a stand-alone link on the district home page. The district should also publish instructions for board policy access in its newsletter.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent appoints a staff person to review and update board policies.	October 2002
2. That staff person works with TASB and the superintendent to coordinate updates to the policies.	November 2002
3. The superintendent presents policy updates to the board for adoption in a timely manner.	December 2002 Every Six Months and thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Board meetings last several hours and on many occasions do not end until after 2:00 a.m. Voice votes are taken on every item, and individual board members often speak at length on issues. In more than one meeting, no action was taken for more than two hours after the start of the meeting. Below are several examples of time spent in board meetings:

- on November 19, 2001, the board meeting started at 7:13 p.m. and adjourned at 2:07 a.m. the next day;
- on December 10, 2001, the board meeting started at 7:04 p.m. and adjourned at 1:17 a.m. the next day;
- on January 10, 2002, the board meeting started at 7:10 p.m. and adjourned at 10:14 p.m.; and
- on January 24, 2002, the board meeting started at 7:06 p.m. and adjourned at 12:50 a.m. the next day.

In addition to regular meetings, the board holds "called" or special meetings on an average of twice per month, so that the board actually holds three meetings a month. Any board member can call a special meeting, which must then be approved by the board president and superintendent. Special meetings are called to address a specific issue and there are generally only one or two items on the agenda.

Recommendation 3:

Use a timed agenda to manage board meetings and hold discussion workshops every two weeks.

Workshops should be the venue for discussing issues in depth rather than using additional time during board meetings. Other recommendations in this chapter, such as adopting a Code of Conduct and providing detailed management information to the board, will also help to make board meetings more efficient.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board president meets with the superintendent before the agenda is distributed to determine how much time is needed for each item on the agenda.	September 2002 and Ongoing
2.	The agenda is circulated by the board secretary to board members for review and they submit any changes in the time allocation they would like to request.	One week prior to the board meeting
3.	The board secretary makes any changes and the agenda is posted.	At least 72 hours prior to the board meeting
4.	The board president leads the meeting in accordance with agenda, directing individuals to keep within the time limits.	October 2002 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Board members attend many conferences all over the country, and their travel budget is high. One current board member and one board member recently not re-elected are Master Trustees. Master Trustees are graduates of a year-long specialized leadership training program for board members called Leadership TASB.

The State Board of Education's (SBOE) requirements for hours of in-service training for new and experienced board members are presented in **Exhibit 1-8**. State law (TEC 7.102 (c) 7) grants the SBOE the authority to provide and require training for school district boards. According to the Texas Administrative Code (Title 19, Part II, Section 61.1), the SBOE requires that new board members attend a minimum of 16 hours of in-service training for the first year. Experienced board members should receive eight in-service training hours annually and should attend a legislative update session to maintain their understanding of Texas education requirements.

Exhibit 1-8
Overview of Continuing Education Requirements for School Board Members

Type of Continuing Education	First Year Board Member	Experienced Board Member
Local District Orientation	Required within 60 days of election or appointment; No specified length	Not required
Orientation to the Texas Education Code	Three hours	Not required
Update to the Texas Education Code	Incorporated into Orientation to the Texas Education Code	After legislative session: of sufficient length to address major changes
Team-building Session/Assessment of Continuing Education Needs of the Board-Superintendent Team	At least three hours	At least three hours
Additional Continuing Education, based on assessed need and Framework for School Board Development	At least 10 hours	At least five hours
Total Minimum Number of Hours	**16 hours, plus local district orientation**	**8 hours, plus update**

Source: Texas Administrative Code, Title 19, Part II, Section 61.1.

Exhibit 1-9 below sets forth the training hours attended by board members of NFISD in 2000 and 2001.

Exhibit 1-9
NFISD Board Member Training Hours
2000 and 2001

Board Member	2000	2001
Fran Gentry	25.5	44.75
Mary Holt Ashley	33.5	19.75
Allen Provost	70.25	23.5
Mae Sykes, newly elected member	N/A	N/A
James Leonard, newly elected member	N/A	N/A
John Kyles, III	22	20
Maxine Lane-Seals	98.75	33

Source: NFISD Superintendent's Office, May 2002.

According to TEA's Public Education Information Management System (PEIMS) data, board member travel expenses were $49,654 in 1999, $39,416 in 2000 and $29,144 in 2001, an average of $39,404 over the last three years. According to district records, which are slightly different than those reported to TEA, the board spent a total of $39,416 on travel in 1999-2000 and $29,144 in 2000-01.

Recommendation 4:

Adopt a board policy allocating travel and training dollars equitably to all board members.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	Board members determine their highest priority training needs.	October 2002
2.	The board assigns responsibility for researching training opportunities available.	October 2002
3.	The board reviews the location of the available opportunities and determines a limit of money available for board travel expenses.	November 2002
4.	The board develops parameters of what training is beneficial for the board for the current and following school year.	November 2002 and Annually Thereafter

FISCAL IMPACT

Travel expenditures by the NFISD board for 2000-01 were $29,144. If the board limited each board member to $4,000 in travel and training expenses, the most that could be spent would be $28,000. This recommendation will therefore save the district $1,144 ($29,144 - $28,000).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Adopt a board policy allocating travel and training dollars equitably to all board members.	$1,144	$1,144	$1,144	$1,144	$1,144

B. DISTRICT MANAGEMENT

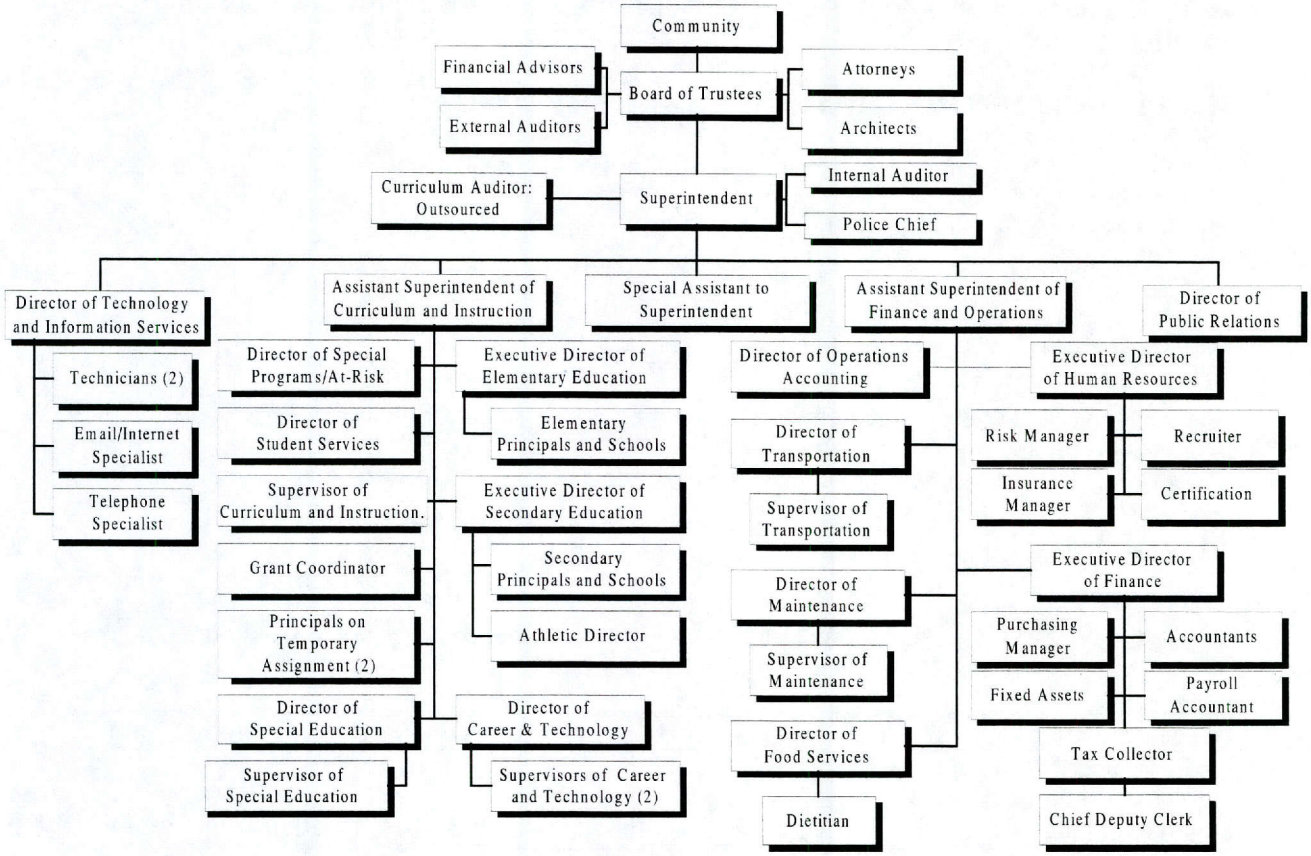
A superintendent serves as the district's chief executive officer for a period of time set by a contract. The superintendent is subject to contract renewal, non-renewal or dismissal. The superintendent recommends staffing and resources needed to operate the district and accomplish the board's goals and objectives. The superintendent also is responsible for reporting management information to the board and ensuring the district is accountable for its performance against established goals.

While the school board is responsible for creating policy, the superintendent is responsible for implementing and carrying out policy. The superintendent must manage the district in the most cost-effective and efficient manner possible.

Section 11.253(a) of the TEC requires, "each school district to maintain current policies and procedures to ensure that effective planning and site-based decision-making occur at each school to direct and support the improvement of student performance."

The board recently adopted an organizational restructuring proposed by the superintendent. **Exhibit 1-10** sets forth the district's organizational structure. This structure was proposed in a 1999-2000 study done by Richard A. Griffin & Associates, but was not adopted by the board until 2002 under the current superintendent, Dr. Edwin Walker.

Exhibit 1-10
Organizational Structure of NFISD



Source: NFISD Organizational Chart, February 18, 2002.

FINDING

The district has lost a number of key management personnel in the last year, which has left the district without experienced organizational leadership in core business areas such as finance, personnel and facilities. Consequently, district staff is not being held accountable at all levels; internal controls are weak or non-existent in some cases; and many core services such as personnel hiring and construction oversight are inefficient and are having a direct impact on the ability of schools to focus on the education of students.

Beginning in April 2001, the new superintendent implemented a structural reorganization of the district's management team. A number of key personnel have left the district either on their own or as a result of contract non-renewals. Most recently, the assistant superintendent of Finance and Operations announced that he was leaving to take a job in the Houston ISD. Even before he announced his intent to leave, the Finance Department was severely understaffed. The chief accountant position has been vacant since 1999-2000. An employee who was transferred from the Benefits Office in November 2001 filled the position briefly, but that employee resigned from the position in April 2002. The external auditor's management letter has reported the lack of adequate staffing since 1999-2000, and this staffing issue is cited as the cause of a number of significant problems in the financial arena. For example, bank accounts are not being reconciled on a timely basis, general accounting activities such as a monthly review of the general ledger and accurate recording of deposits are not being carried out in a timely manner and the workers' compensation fund is experiencing higher than expected losses.

Human Resource staff are having difficulty fulfilling their key mission of recruiting, hiring and retaining qualified employees at all levels. The area of greatest concern is the teaching staff, but the problem extends to all levels of district management and support. In 2001-02, the district had 86 teaching positions filled by long-term substitutes, an indication that insufficient numbers of certified teachers could be found to fill vacancies. Attempts to fill key administrative vacancies have also proved difficult. Additionally, the department does not have adequate or updated job descriptions for all positions in the district, some employees are being paid both workers' compensation payments and regular pay, employee compensatory time is not being accurately tracked through the payroll system and required appraisals for administrative and administrative support staff could not be found.

In the area of facilities, NFISD has begun its second major bond program in four years and has a $21 million program to repair flood damaged facilities. The district lost all of its construction project records when the administration building was flooded and the turnover of staff in Finance and Maintenance positions has eliminated most institutional knowledge of the 1998 bond program. Responsibility for oversight of the more than $50 million in construction is shared by the special assistant to the superintendent, the interim director of Maintenance and outside specialists such as architects and project managers. The lack of experience, accountability and responsibility for facility planning, monitoring and control has resulted in increased costs to the district and poor performance by some contractors.

Regional Education Service Centers (RESC) have recently become more involved in assisting districts in the business operations arena. Some RESCs, such as Region 10 in Fort Worth, have put together SWAT teams made up of retired school business officials to temporarily assist districts to transition through personnel losses or other business related difficulties. While NFISD is in the process of rebuilding its core services, addressing the issues one at a time has resulted in a continuous crisis management situation. Yet, with the limited staff and the difficulty the district is having recruiting and hiring individuals to fill key positions, it will be difficult, if not impossible, for the district to simultaneously address all of the current challenges in a more orderly manner.

Recommendation 5:

Establish a management team to assist staff in rebuilding core business functions while the board and superintendent seek to fill positions and train key staff for their various tasks.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board holds a meeting to propose and approve the district's official request for a TEA management team.	October 2002
2.	The board and the superintendent seek to fill the needed positions in the district and obtain training from Region 10 for key staff positions.	November 2002
3.	The superintendent and board president send a letter to the Commissioner of Education to request a management team.	November 2002
4.	The board and superintendent work with the management team to affect changes.	January 2003

FISCAL IMPACT

A district pays $50 per hour for each member of a management team and necessary travel expenses based on state guidelines. Assuming the district is assigned a three-member management team and that the members each spend three eight-hour days there per week, the monthly cost to the district would be $14,400 (($50 x 3) x 8 hours x 3 days x 4 weeks). Assuming the management team stays in

the district for 18 months, the total cost to the district would be $259,200 ($14,400 cost per month x 18 months). Implementation begins in January 2003; therefore, costs incurred will be $86,400 ($259,200 x 6/18 months) in 2002-03 and $172,800 ($259,200 x 12/18 months) in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Establish a management team to assist staff in rebuilding core business functions while the board and superintendent seek to fill positions and train key staff for their various tasks.	($86,400)	($172,800)	$0	$0	$0

FINDING

Schools in NFISD are aligned organizationally by type instead of by a feeder system that groups all schools that feed students to a specific high school into one grouping. Secondary schools report to one executive director, and elementary schools report to another. Both executive directors report to the assistant superintendent of Curriculum and Instruction. This structure does not allow the district to follow students longitudinally from elementary school through secondary school, which hampers retention efforts because many students drop out when they reach the high school level. This lack of accountability and coordination has had a harmful effect on the education of the students in NFISD.

The assistant superintendent of Curriculum and Instruction has proposed changing this structure to divide the instructional division into feeder systems for the two high schools. Many school systems use vertical team alignments, or alignments by high school feeder system, to better track students through the educational system. Fort Worth ISD, for example, has been successful in implementing vertical team alignments in delivering educational services. Alignment by high school feeder system supports better coordination among the schools and provides for a smoother educational transition between schools.

Recommendation 6:

Establish vertical teams to align schools by high school feeder systems.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Curriculum and Instruction prepares a plan to reorganize the instructional division vertically.	October 2002
2. The assistant superintendent of Curriculum and Instruction presents the proposed Instructional Division reorganization to the superintendent for approval.	October 2002
3. The superintendent approves the reorganization of the Instructional Division.	October 2002
4. The assistant superintendent of Curriculum and Instruction implements the changes.	November 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Management information provided to the board is insufficient and insufficiently explained. The board receives budget reports each month, but reports consist of budgeted amount and actual amount and percent spent in each expenditure category. Budget amendment reports are provided each month that include a list of the amendments by expenditure and code and the beginning and ending balance for the year and a copy of each individual amendment. None of these documents include detailed financial information and program information that compare where the district expected to be to where it is. These reports also do not include any analysis of what happened or detail any unforeseen expenditures so that the board can determine where expenditures are out of line or evaluate the efficiency of programs.

Without detailed budget information, it is much more difficult for the board to curtail any expenditures that do not appear warranted and for the budget to be balanced at the end of the year. The lack of complete information also allows allegations to be made about improprieties because no one has a clear picture of how funds are being spent. This issue divides the board and contributes to dissension among board members and distrust between the board and administration.

As an extension of the state accountability system, some Texas school districts are developing their own accountability systems to improve efficiency and effectiveness. **Exhibit 1-11** presents examples of non-instructional performance measures.

Exhibit 1-11
Examples of Non-Instructional Performance Measures, by Functional Area

Functional Area	Performance Measure (Trend and Peer Comparisons)
Human Resources	• Ratio of total students to total staff • Ratio of employees to human resources staff • Ratio of acceptances to total job offers made • Turnover ratios, by class of employee and by school • Number of vacant positions at end of month, by department and by school
Facilities Management	• Number of square feet per custodian, by school • Custodial cost per square foot • Maintenance cost per square foot, by trade, by school • Energy cost per square foot, by type, by school • Number of square feet per student, by school
Technology	• Ratio of students to instructional computers • Ratio of administrators to administrative computers • Ratio of total computers to technical support • Ratio of total computers to help desk support • Number of computers more than five years old
Food Services	• Meals per labor hour, by school • Food cost per meal, by school • Meal participation rates, by school • Profitability by school, after indirect cost allocation
Transportation	• Cost per mile, by program • Cost per rider, by program • Number of miles per student, by program • Maintenance cost per bus • Ridership, by program, by school • Bus use, by program • Average bus age • Linear density

Exhibit 1-11 (continued)
Examples of Non-Instructional Performance Measures, by Functional Area

Functional Area	Performance Measure (Trend and Peer Comparisons)
Safety and Security	• Number of incidents reported, by type, by school • Security cost per student, by school
Purchasing	• Average dollar amount per purchase order • Ratio of purchase orders processed a month to purchasing staff
Accounting	• Ratio of number of operating account check a month to accounts payable staff

Source: Gibson Consulting Group, Inc., May 2002.

Instructional performance measures in a strategic plan can help a district improve its academic performance. By developing a strategic planning process that provides direction and focus, Bastrop ISD (BISD) helped achieve its mission of improving all students' academic performance.

BISD adopted six long-range goals that form the basis for developing the district's strategic plan objectives and implementation strategies. The process began in 1995 when the strategic planning committee adopted the goals for district performance in conjunction with the District Improvement Plan (DIP).

In 1991, the strategic plan goals and strategies were revised to reflect progress. The plan was revised again in 1998 with an additional goal to make BISD a Recognized district in 2000 and an Exemplary district by 2003. Other goals of the district call for student mastery and progress through the curriculum in order to prepare students to enter the work force or post-secondary education; recruitment, training and retention of qualified and effective personnel; benefiting students through the effective and efficient use of resources; and providing opportunities to citizens for life-long learning. In 2000, additional strategies were implemented to reflect accomplishments. A timeline for meeting the goals was included in the plan. The committee monitored and adjusted strategies as objectives were met.

Recommendation 7:

Develop performance reporting to allow the board and superintendent to track the efficiency and effectiveness of all instructional and non-instructional areas.

Performance measures should be aligned with district goals and objectives. Established targets and timetables for each measure should be included in district planning and assessment documents. Reporting additional performance information – both financial information and efficiency statistics – to the board on a monthly basis will allow board members and the public to evaluate how effectively money is being spent.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent works with executive staff to identify appropriate performance measures.	October 2002
2.	The board approves performance measures for each department.	November 2002
3.	The publication of performance measures and dissemination to all employees occurs.	November 2002
4.	The superintendent annually reviews each department's progress toward its performance measures and reports this progress to the board and community.	Annually Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The superintendent does not conduct annual performance evaluations of the district's management staff, and has not documented job performance to support dismissals. The district has not established performance expectations for which district administrators can be held accountable. Historically, the district has looked away when inappropriate and/or illegal activities occur. After several District Attorney and FBI investigations, the new superintendent is trying to change this practice. He has not, however, documented these efforts by identifying expectations and reporting incidents where staff fail to meet expectations. The superintendent stated that all job performance has been documented, but no evidence of this was supplied to the review team. While the new organizational structure adopted by the board makes sense, individuals filling certain positions are being eliminated by not renewing contracts. The threat of lawsuits may increase because some job descriptions were not well-defined, expectations were not clearly established and performance evaluations did not reflect substandard performance.

The TEC, Section 21.354 addresses the appraisal of school administrators and states that criteria for the appraisal process must be based on job-related performance and that each school district must appraise each administrator annually. The TEC and district policy BJCD (LEGAL) further state that funds of the district may not be used to pay a superintendent who has not been appraised in the preceding 15 months.

Recommendation 8:

Conduct annual appraisals of district management.

Performance measures for each area should be applied in conducting annual performance evaluations and documenting job performance of members of the district's management team. This will give the board and the public confidence in decisions made regarding promotions, pay increases or terminations. The measures should be widely disseminated so that district staff knows the exact criteria with which they are evaluated.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent identifies performance measures for the district's administrators and disseminates those measures widely throughout the district.	October 2002
2. The superintendent informs the district's administrators that they will have an annual performance review and that job performance issues will be documented as they occur.	November 2002
3. The superintendent annually reviews the district's administrators' progress toward their identified performance measures and reports this progress to the superintendent and community.	Annually Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

While the board has evaluated the superintendent, the evaluation was not based on specific performance measures. The superintendent's contract includes no specific accountability measures or performance indicators. It instead requires only that "the superintendent shall" perform a list of duties, but it does not include goals for the district for which he is to be held accountable. The criteria used in the superintendent's evaluation are vague and general and do not specify degrees of improvement or accomplishment that are expected. Examples include: "keeps informed about all aspects of the instructional program...prepares accurately and submits, in a timely manner, all reports required...prepares recommendations for the annual budget." By contrast, an example of a performance measure would be, "reading scores in the district increased by 10 percent," or "teacher turnover decreased by 20 percent," or "improving facilities" or "tightening internal financial controls."

Recommendation 9:

Integrate performance measures into the superintendent's contract.

A subset of the performance measures described above should be incorporated into the superintendent's contract and evaluating him on that basis would provide protection for both the board and the superintendent.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board meets to identify performance measures for the superintendent.	October 2002
2.	The board approves performance measures for the superintendent.	November 2002
3.	The board incorporates the performance measures for the superintendent into a revised contract.	November 2002
4.	The board annually reviews the superintendent's progress toward his or her performance measures and reports this progress to the superintendent and community.	Annually Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Neither the superintendent nor his staff maintain information regarding services provided by its attorneys. District staff is unable to answer questions about the role of the law firm and the process of selecting legal representation. The superintendent was not at the district when the current attorneys were hired, and he does not maintain a copy of the contracts with the attorneys or a list of pending litigation. The assistant superintendent for Finance and Operations stated that no staff was involved in selecting the attorneys but that the board solely selected the attorneys.

When asked for a copy of the district's contract with its attorney, the district was unable to provide one. The attorney provided one, but it was unsigned and its term was identified from August 2000 to July 2001.

The district has two lawyers from two different firms attending board meetings, but it is unclear why this is necessary. The lawyers responded that they are in a "joint venture" to represent the school district but did not explain why that was beneficial for the district. No district staff was able to explain why that arrangement was in place.

In addition, the board members' communication with attorneys is unstructured. The TEA monitor has reported that the attorneys often respond to individual requests from board members. This practice represents a conflict of interest because the attorney represents the board as a whole, not any individual.

The NFISD legal fees reported to PEIMS are presented in **Exhibit 1-12** for the last three years and the amount of those expenditures per student.

Exhibit 1-12
NFISD Total Legal Expenditures and Per Student
1998-99 through 2000-01

	1998-99	1999-2000	2000-01
Total Legal Expenditures	$127,661	$98,809	$128,287
Legal Expenditures Per Student	$9.52	$7.84	$10.27

Source: NFISD, General Ledger, 1998-99 through 2000-01.

Exhibit 1-13 sets forth payments to a number of attorneys over the last three years, but no one at the district was able to provide an explanation of these services.

Exhibit 1-13
NFISD Legal Expenditures by Attorney
1998-99 through 2000-01

Attorney	Expenditures		
	1998-99	1999-2000	2000-01
Nell McCallum & Associates	$0	$0	$294
Holtz & Wright	$0	$0	$3,282
Greenberg Peden	$1,280	$0	$0
Henslee Fowler	$0	$9,000	$0
Feldman & Rogers	$18,648	$23,732	$2,167
John W. Wiggins, Sr.	$107,561	$66,075	$0
Burney Foreman	$0	$0	$122,423
Miscellaneous Legal Expenses	$172	$2	$121
Totals	**$127,661**	**$98,809**	**$128,287**

Source: NFISD, General Ledger, 1998-99 to 2000-01 and Transaction Listing by Vendor, 2000-01.

It is unclear how or when staff communicate with the attorneys, although there are many times during the year when staff need legal advice on personnel matters or contracting decisions.

Recommendation 10:

Assign a staff member to track and monitor all legal matters for the district.

The superintendent needs to ensure that he is aware of the legal issues facing the district, whether through direct contact with the attorney and by designating a staff person to track all litigation,

maintain contracts and monitor all billings. The district needs to identify and limit the individuals authorized to contact the district's attorneys. Further, the board should designate that the only requests of attorneys be made by the board as a whole.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent designates a staff person to be the attorney contact for district staff.	October 2002
2.	The board selects a designated representative to be the attorney contact for the board.	October 2002
3.	The board president requires the attorney to submit a written report, briefing the board's representative and the superintendent or the superintendent's designated staff person on a monthly basis regarding the legal work being conducted.	October 2002
4.	The attorney submits written reports on a monthly basis for review and responds to questions only from the specified district representatives.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have a clearly defined quality control process to catch errors or make corrections in district databases. An analysis of the district's data shows internal inconsistencies. Reporting responsibility is distributed throughout the district and there is no central data integrity unit to ensure that the data is both accurate and reasonable. There are numerous instances in which the district was unable to provide accurate data: a Transportation report data error resulted in the district being required to refund money to TEA; staff said that unusual Career and Technology Education (CATE) student data was due to coding errors; other student data reflects obvious inaccuracies; and basic student address and phone information is wrong.

In 2001, TEA conducted a transportation audit of NFISD, which covered the 1998-99, 1999-2000 and 2000-01 school years. The audit, released October 4, 2001, found substantial non-compliance with TEA policies and procedures, as the district was not able to provide necessary supporting documentation for the ridership counts or route measurements it reported to TEA. Faced with three years worth of missing and inaccurate data, TEA decided to determine its own numbers for the district for those three years and calculated how much the district had been overpaid by TEA based on those numbers. A letter dated January 2, 2002 from Omar Garcia, Senior Director, Division of State Funding, TEA, to Dr. Edwin Walker, NFISD Superintendent stated that the district would have to return funds to TEA to make up for overpayment in the amount of $864,727 for years 1998-99, 1999-2000 and 2000-01.

In another example of the harmful effects of inaccurate data, the district was rated in 2001 by TEA as Unacceptable; Data Quality. Although the district now has an acceptable rating, there continue to be data problems in the district's PEIMS information.

AEIS data indicate that enrollments in CATE programs in NFISD have fluctuated widely over the past several years. For the years 1996-97 through 2000-01, enrollments were 3,225; 1,305; 532; 2,501; and 1,790. When asked the reasons for such variations in enrollments, a district official responded "the wide fluctuation of enrollment according to AEIS data over the last several years was due to PEIMS coding errors by counselors and PEIMS clerks. Our new director of Student Services

has identified the problem areas and personnel and is doing a good job of preventing reporting errors at this time."

Beyond PEIMS data, inaccurate student address information is another data management problem. The district printed mailing labels for the review team so that parents could be sent a survey questionnaire. A large number of duplicate names and addresses appeared on the labels and a substantial percentage of the mailings were returned due to inaccurate addresses. These inaccurate addresses of record in the district's database create problems in the district's truancy operations. The absent student reporting process requires attempts to contacts parents. Schools have attendance clerks who call and send letters to parents of absent students. Students that have continuing absences are referred to the truancy officer for additional contact and possible criminal truancy charges.

The truancy officer sends contact letters to parents before filing criminal truancy charges, but these letters are often returned as having wrong addresses. The truancy officer also calls parent telephone numbers that are no longer in service. The truancy officer has filed criminal charges against persons incorrectly listed as parents or guardians on the district's student records. In one instance, the truancy officer filed misdemeanor charges against a parent or guardian that had been dead for three years. In another instance, the truancy officer filed against a student's aunt who did not know she had been listed on the student enrollment card as the parent or guardian. The truancy officer said that students might be updating their own enrollment forms without requiring an adult to confirm the information.

The referral of incorrect information indicates school employees are either not making the initial contacts, or are not correcting contact information when changes are submitted. When the truancy officer initially notified schools that student information needed correcting, schools referred the officer to other district departments because correcting data was not part of their responsibility. The truancy officer has now found a contact in the Student Services Department who makes necessary corrections.

The district has pointed to its efforts at improving data quality, most notably the restoration of its acceptable rating in 2001. However, many data problems continue to exist in the district. For example, the district was unable to supply the review team with many documents needed for this performance review.

Many medium-sized districts in Texas have a central data integrity unit that is responsible for ensuring data integrity across the district; many include a PEIMS coordinator.

The data integrity process strives to promote the accurate and timely reporting of data and to improve the quality of critical management information for district staff and administrators. A good data integrity process includes the following elements:

- Clear responsibility and accountability for data. For each data element reported for PEIMS, there should be an "owner" of the data and this should be clearly communicated to all concerned parties, including the owner of the data, owners of related data and other school and special program staff.
- Good and frequent communication with users of the information system. The data integrity unit should communicate with data entry clerks, teachers, counselors, principals, special program leaders and others who use the information system. The PEIMS coordinator is responsible for educating data clerks and others who enter PEIMS data into the system on the current data standards as well as district policies and procedures that have an impact on PEIMS data.
- A knowledgable, experienced PEIMS coordinator. The PEIMS coordinator for the district should be intimately familiar with the PEIMS data standards and the attendance guidelines set forth by TEA.
- A systematic, proactive approach to preparing PEIMS submission. An effective PEIMS correction process is critical to achieving the required accuracy for reporting to TEA.

Following are the major steps in a good correction process:

- Well ahead of the deadline for the initial submission, usually eight to 12 weeks, the data integrity unit develops reports that can be used to verify the accuracy of PEIMS data and distributes them to all concerned parties, including data clerks, principals, central office staff and special program staff.
- The owners of the data review the reports to determine if the data are accurate.
- If the data is accurate, the owners sign off on it. If not, the data owners fill out a correction form and return it to the PEIMS coordinator, along with all necessary documentation.
- The PEIMS coordinator reviews the correction forms and determines the most efficient method for making corrections to the data. He or she communicates with the data owners and data clerks to make sure that the necessary changes are made in the student information system.
- The PEIMS coordinator creates a "practice" PEIMS submission and runs it through the TEA Editor, a program designed to identify any serious errors in the data.
- If there are fatal errors, errors that cause TEA to not accept the record, or special warnings, flags that indicate a possible problem, the PEIMS coordinator performs research to identify the cause of the problem and works with data owners to correct the information.
- This process is repeated until there are no fatal errors and the PEIMS coordinator is comfortable with the accuracy of the data to be submitted to TEA.

Recommendation 11:

Develop a data integrity and quality control process for data collection and reporting.

The district needs to implement a data integrity process through which individuals (department heads, principals) are held accountable for their data, ensuring that the central district office assigns responsibility to a staff person to conduct accuracy and reasonableness testing. This not only includes PEIMS data, but all data gathered and reported such as transportation and food service.

Once the process has been developed, it should be communicated to district employees and the district should designate an additional staff person to be the back up responsible for these procedures in case the primary staff person is absent.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent assigns the PEIMS coordinator the responsibility to oversee the data integrity process for the district.	October 2002
2.	The superintendent works with department heads to compile a complete list of data problems in the district.	October 2002
3.	The superintendent directs the PEIMS coordinator to review and clean up the PEIMS submission data.	October 2002
4.	The PEIMS coordinator meets with school staff responsible for collecting or reviewing information to determine if processes for collecting information needs to be corrected.	November 2002
5.	The PEIMS coordinator works with the technology coordinator to develop a database for cataloguing the data and notifying departments of errors.	November 2002
6.	The PEIMS coordinator develops a process for reporting corrections to data already entered into district databases.	December 2002

7. The PEIMS coordinator designs any forms necessary for reporting and confirming data to be corrected. January 2003

8. The PEIMS coordinator distributes new program and forms to all departments. May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. PLANNING AND EVALUATION

Planning is essential to effective school district management. Proper planning establishes a mission and identifies goals and objectives, sets priorities, identifies ways to complete the mission and determines performance measures and benchmarks to achieve goals and objectives.

FINDING

NFISD does not have an established planning process, a current long-range plan or a Long-Range Planning Committee. The district had a long range plan from 1997-2002, but no evaluation of progress the district has made toward the goals identified in that plan has been conducted. In addition, no committee has been assembled to develop the next long range plan now that the previous time period has ended. The superintendent has identified some long-range administrative goals, but they are informal and have not been approved by the board. The 2001-05 District Improvement Plan (DIP) includes five-year goals, but is not a full strategic plan with a clearly stated mission and goals for all areas, including non-instructional areas. A document indicates that the board is in the process of developing a mission statement and goals for the district, but they are different from the superintendent's goals.

The district has identified some performance measures to evaluate instructional and non-instructional departments in the DIP and prior long-range plan, but the district does not assess progress in the district using these measures. The instructional measures vary between the long-range plan and the DIP and the superintendent's goals for the district do not include any measures of progress. The district has not set goals and performance measures for all areas of the district since the 1997 Long Range Plan, and there is no evidence that the district has used those measures to assess progress.

In 1999-2000, the superintendent commissioned a study at the board's request that was conducted by a consultant, Richard Griffin & Associates, which resulted in a report entitled "Management Study and Core Curriculum Performance Review," submitted to the district in May 2000. According to the assistant superintendent of Curriculum and Instruction, the report was presented to the board but not approved by the board before she and the current superintendent were hired. The organizational structure recommended by this report was later adopted by the board under the current superintendent and is the district's organization chart included above. The assistant superintendent of Curriculum and Instruction was not aware of any other recommendations in the report that have been implemented. She stated that she has convened some task forces to study issues, but no reports regarding progress in implementing the recommendations have been made to the board since she has been in the district.

NFISD has done very little analysis of its goals and virtually no planning for the fiscal years 2002 through 2007. The review team found no evidence of enrollment projections for the district. The superintendent has identified some administrative long-range planning goals, but they are broad and do not include action steps with timelines. Individuals or departments to be held accountable for achieving these goals or objectives are not identified. These goals include: "the district will achieve financial solvency and fiscal stability and will start building a positive fund balance during the 2002-03 school year. The district will achieve full accreditation from TEA as 'academically acceptable' in the year 2004 under the Texas Assessment of Knowledge and Skills (TAKS) with at least 25 percent

of the district's school achieving recognized status by the next year. The district will forge new business and industry partnerships. A proactive teacher and staff recruitment program will be developed."

A model strategic planning process used by Fort Bend ISD (FBISD) includes goal setting in instructional and non-instructional areas. While FBISD is a large district, its planning process is an example of a framework for a district of any size. This planning includes in-depth diagnosis and analysis of community input, critical action planning and the allocation of budget resources to specific goals and objectives. The FBISD 2000-01 budget was developed based on priorities established in the *District Strategic Plan 2000-2005*.

FBISD's *District Strategic Plan 2000-2005*, using a business model referred to as the Deming Cycle as its underlying foundation, was developed using a six-step process that included: (1) planning the plan, (2) situational analysis and diagnosis, (3) goal-setting, (4) action planning, (5) budgeting and (6) writing and publishing the plan. Each step contained discrete activities that culminated in a strategic plan containing goals and objectives. Input was obtained from various stakeholder groups including students, staff, parents and the community. The process was exhaustive and inclusive, with meticulous planning and execution by the district. FBISD's *District Improvement Plan 1996-2000* served as FBISD's strategic plan before the *District Strategic Plan 2000-2005* was developed. Both plans used the six-step strategic planning process.

Exhibit 1-14 presents the chronology of the FBISD *District Strategic Plan 2000-2005* with specific descriptions of each of the six steps and related activities.

Exhibit 1-14
FBISD District Strategic Plan 2000-05
Six-Step Strategic Planning Process

Steps and Timing	Activities
Step 1 - Plan the Plan September - November 1998	FBISD established planning teams to complete the strategic plan, identified their respective roles, determined timelines and developed task maps. Task maps are detailed and show the project title, starting date, target completion date and actual completion date. Task maps also list task force committee members, define the project objectives and project expected results. Discrete tasks are also listed with individual responsibility assignments, start dates, target completion dates, actual completion dates and an area for planning notes.
Step 2 - Situational Analysis and Diagnosis February 23, 1999 – February 25, 1999 March 9, 1999 Spring 1999 August 1999	FBISD conducted a series of community meetings, focus groups and surveys throughout the district to obtain stakeholder input at the outset of the planning process. These activities are considered district needs assessments and include specific sessions with students (February 23, 1999), district staff (February 25, 1999), parents and community members (March 9, 1999) and employee and parent satisfaction surveys (spring 1999). In addition, during the situational analysis and diagnosis phase, FBISD cabinet members engaged in the planning process and reviewed the Academic Excellence Indicator System Report (AEIS) and national, state and district priorities (August 1999) before the goal setting phase.
Step 3 - Goal Setting April - November 1999	FBISD used information gathered from its stakeholders and analysis of AEIS data and related national, state and district priorities to establish the district's goals. The superintendent and cabinet reviewed these goals with the board for its input, shared the goals with stakeholders and refined them as appropriate.
Step 4 - Action Planning September 1999 - January 2000	FBISD administrators developed tactical plans to implement the strategic direction contemplated by the goals and objectives established during the goal setting phase of the process. Action planning considers the interrelationships of time, money, human resource capabilities and efficiencies to ensure proper implementation. FBISD uses task maps as an integral component of its action planning.
Step 5 - Budgeting March - July 2000	FBISD allocated budget resources to the eight goals included in the *District Strategic Plan 2000-2005*. Budget resources were allocated based on priorities established during the goal setting and action planning steps.

Exhibit 1-14 (continued)
FBISD District Strategic Plan 2000-05
Six-Step Strategic Planning Process

Steps and Timing	Activities
Step 6 - Writing Publishing and Sharing the Plan with Stakeholders January - July 2000	FBISD wrote and published its strategic plan and clarified in writing the strategic plan communicating to stakeholders the direction in which the district is going in order to improve student achievement. After publishing the plan and sharing it with stakeholders, FBISD treats the plan as a "living document" through which it continuously monitors and reports the progress toward implementation with quarterly updates to the board and district stakeholders.

Source: Fort Bend ISD District Strategic Plan, 2000-05.

Through its six-step strategic planning process, FBISD developed a strategic plan containing a mission and vision, belief statements, goals and objectives. The plan is supported by detailed action plans in the form of project task maps containing implementation strategies, timelines and responsibility assignments. FBISD's goals are organized into five strategic areas. **Exhibit 1-15** presents FBISD's goals organized by strategic area.

Exhibit 1-15
FBISD District Strategic Plan 2000-05
District Goals by Strategic Area

Strategic Area	Goal
Instructional Strategy	• FBISD will promote and expect students to meet high standards of achievement consistent with the district's vision and mission. • FBISD will foster character development for students, which supports the expectations of our community.
Service Strategy	• FBISD will build community support through effective communications and stakeholder involvement.
Organization Management Strategy	• FBISD will attract, develop and retain quality staff for all district jobs. • FBISD will accomplish its vision and mission through the effective assignment of all personnel.
Fiscal Strategy	• FBISD will accomplish its vision and mission in a way that is fiscally responsible to all stakeholders.
Research and Development Strategy	• FBISD will collect, process and analyze data and research findings to improve all aspects of the district. • FBISD will foster creativity and innovation throughout the district.

Source: FBISD District Strategic Plan, 2000-05.

As shown in **Exhibit 1-15**, FBISD chose to narrow its strategic focus to eight goals because of its exhaustive strategic planning process. Each of these goals is accompanied by specific objectives that will be implemented to ensure that they are achieved. For example, the second goal under the district's organization and management strategy will be accomplished by implementing the following objectives:

- Develop a framework for appropriate and efficient school schedules;
- Systematically examine the roles, responsibilities and work schedules for all district personnel;
- Improve staff effectiveness through the use of stake-holder feedback, training and resources; and
- Improve the criteria, process and timeline for staff allocation.

FBISD's model six-step strategic planning process refines a potentially large strategic plan into a manageable document that focuses on specific goals and objectives fashioned from districtwide stake-

holder input. The superintendent and members of his cabinet will present quarterly updates to the board and district stakeholders detailing FBISD's progress toward implementing the plan.

Recommendation 12:

Form a Long-Range Planning Committee with broad representation from the district and community to develop the district's long-range plan.

In forming the Long-Range Planning Committee, the district should follow procedures similar to the FBISD model so that the Long-Range Planning Committee receives updates from the board and District Advisory Committee.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent researches and selects a long-range planning process based on current literature.	November 2002
2.	The superintendent presents the long-range planning model to the board for approval.	January 2003
3.	The board approves the planning model.	January 2003
4.	The superintendent informs administrators, district employees and the community of the planning process.	January 2003
5.	The superintendent, key administrators and the board select members for a district committee to begin the process of developing a long-range plan for the district.	February 2003
6.	The committee initiates the process to develop the plan by seeking input from all district and community stakeholders.	March 2003
7.	The committee presents the plan to the board for approval.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The DIP and the Campus Improvement Plans (CIPs) are not coordinated, and the resulting documents are not used by the superintendent or school Site-Based Decision-Making (SBDM) committees. While the DIP sets five-year goals and includes assessment information, the superintendent stated he was not involved in the DIP process and questions the value of the document. The SBDM committee developed the DIP following guidelines set forth in the District SBDM Handbook. This handbook references the superintendent's goals for the district, but they are different from the goals identified in the DIP.

The CIPs include timelines, assessment information and cost estimates, but they are not coordinated with the DIP. In addition, the district is not enforcing the CIP planning requirements, including appropriate membership and meetings throughout the year, in that once a school's CIP is completed, many school SBDM committees cease to meet. The district has created an updated handbook for the district-level SBDM committee that created the DIP, but the district has not updated its Site Based Decision Making guide for schools as it has done for the district level handbook.

NFISD's instructional planning instruments, the DIP and CIPs are lacking coordination and adequate strategies. According to the TEA *Financial Accountability System Resource Guide (FASRG)*, the district/campus plan should explain the goals and objectives of different compensatory education strategies at each school. The plan also should explain budget requirements, staffing formulas, curriculum strategies, specialized needs for supplies and equipment and special programs. In addition, the district does not always tie the DIP and CIPs to the budget to allow resources to reach the needed programs assisting at-risk students.

Other districts have improved the SBDM process by opening lines of communication and coordination between the administration, staff and community members responsible in the instructional planning process. Fort Bend ISD (FBISD), for example, has increased the involvement of parents, teachers and community members at the school level. The district provided resource guides and annual training for members of each campus-based leadership team.

FBISD's model includes the Academic Advisory Council, which serves as the District Education Improvement Council and Campus-Based Leadership Teams (CBLT). CBLTs serve as the primary decision-making committees for Fort Bend schools and include teachers, parents and community members. The superintendent's cabinet, in cooperation with the Academic Advisory Council, is responsible for developing FBISD's DIP, while each Campus-Based Leadership Team is responsible for developing individual CIPs.

Each plan is tied to the strategic goals and related objectives included in the *District Strategic Plan 2000-2005*. Each member of the Campus-Based Leadership Team must sign an affidavit confirming that he/she participated in the process that culminated in the development of CIPs. Each principal then submits the CIPs to central administration where they are reviewed to ensure individual school goals are consistent with the district's strategic goals.

Each member of the Campus-Based Leadership Team receives a SBDM Resource Guide and targeted training by principals each year. The Resource Guide is used in training and in guiding the Campus Teams. The guide lists six categories essential to effective administration and management of a school district and school: planning, budgeting, curriculum, staffing patterns, staff development and school organization. The six categories are further divided into sub-functions. The Resource Guide is easy to read and understand and makes lines of authority and decision-making clear at all levels.

Principals reported that the district's SBDM model and the training helped the Campus-Based Leadership Teams understand their respective roles and provide valuable advice to principals throughout the SBDM process.

Recommendation 13:

Overhaul the District Improvement Plan and Campus Improvement Plan processes to improve coordination and usefulness.

The district needs to train school level personnel on the SBDM requirements. The district should set specific steps and target dates for goals in the DIP. SBDM committees should be involved in the process, so that the plan becomes a comprehensive document used throughout the district. The district should also require corresponding steps and due dates to be set in the CIPs.

The DIP and CIPs will improve if the committee members charged with developing them are actively engaged in a planning process. The district therefore needs to reach out to the community to recruit SBDM members, selecting the members carefully and developing a planning process that will engage the members to give their best input. The district also needs to encourage school level SBDM committees to contribute to the CIP and tailor goals and steps to their individual school within the framework defined by the DIP. Because of the challenges the district is facing, a trainer with expertise in developing successful DIPs and CIPs should be brought into the district to train the

committee members. The timeline of the process is also crucial in developing an effective plan. The district needs to form committees and begin to develop a SBDM plan in the spring before the school year begins and meet monthly throughout the year. Selection of district employee District Advisory Committee (DAC) members should be held in the spring so that the committee can meet at the beginning of the school year or before the school year begins. Community members of the DAC should also be recruited and appointed in the spring so that they can be an integral part of the committee.

The development of the CIPs should begin during the prior school year, before the development of school budgets. Accordingly, new members of SBDM teams should be elected in early April of each year, allowing sufficient time for training and intensive involvement in school planning and budgeting. A draft of the CIP could be created in the spring and updated in the fall after the submission of more current student performance.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent establishes an initiative to involve SBDM committees in planning and decision-making at the district and school levels.	October 2002
2.	The board adopts a policy to elect district and school SBDM committee members and appoint community members each April.	October 2002
3.	The superintendent designates the executive director of Human Resources to research trainers with expertise in successful DIPs and CIPs.	December 2002
4.	The superintendent and principals begin recruiting SBDM committee members each January, allowing three months to recruit members.	January 2003 and Ongoing
5.	The executive director of Human Resources recommends trainers with expertise in DIPs and CIPs to potentially train committee members and the superintendent makes a selection.	March 2003
6.	SBDM committee members are elected and appointed for the 2002-03 school year.	April 2003
7.	The superintendent and principals provide an orientation packet to new members describing their role in each component of district planning and decision-making.	April 2003
8.	The executive director of Human Resources obtains the selected trainer to provide a training session for SBDM committee members explaining expertise of how other districts have been successful in developing effective DIPs and CIPs.	May 2003
9.	The superintendent decides on the frequency and length of meetings for the district-level committee. Each principal determines the same parameters for the school-level committees. They also determine whether sub-committees will be used and inform committee members of the changes.	June 2003

FISCAL IMPACT

Training for the SBDM Committees will include the cost of a professional trainer. Based on a nearby district's historical experience with similar meetings, the estimated cost of a trainer is $1,500 a day. The district could hold meetings in the board conference room, eliminating the need to rent a facility. Because committee membership will change over time and the plans require development each year, the district should hold these training sessions once a year for at least three years. The fiscal impact assumes implementation of the sessions in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Overhaul the District Improvement Plan and Campus Improvement Plan processes to improve coordination and usefulness.	$0	($1,500)	($1,500)	($1,500)	$0

FINDING

The district does not document its budgeting priorities, nor demonstrate that those priorities are met in the budget. Without an understanding of the budget and a documented set of priorities, it is impossible for the board to target funds to meet the district's goals and to monitor the district's expenditures to determine whether those expenditures are advancing those goals.

Neither the DIP nor the district's previous long-range plan is linked to the creation of the district's budget. There is no evidence that planning is considered in any budget revisions or evaluation. The TEA monitor reported that he has done a great deal of work with the district to try and balance NFISD's budget for the coming year. When asked about long-range plans, however, he said he had not been involved in that. Cost estimates are included in the prior long-range plan, but there is no evidence that the district's budget took these costs into consideration.

By developing a sound planning process that tied budget allocation to district and campus improvement plans, Smithville ISD (SISD) ensured that funds were directed towards increasing student performance.

The SISD superintendent coordinated the district's improvement initiatives with the budget development process. The business manager sent a budget worksheet to each principal and program director in mid-February. Each principal distributed budget request sheets to the teachers to complete and return to the principal. The principal assembled the request sheets and developed a school budget. The principal submitted the school's budget to the Business manager by the end of March. Next, budget meetings were held with all principals and program directors during April. The business manager, the school principal and the superintendent met to review the budget submitted by each school and program. Every staff position was reviewed. Any principal who could not properly justify a staff position lost that position.

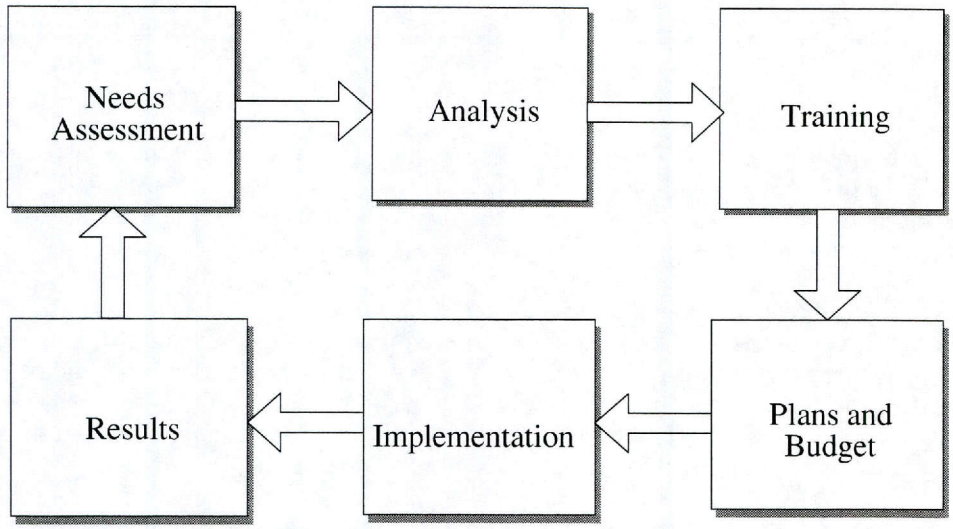
The SISD superintendent requested justification for budget requests. If an item could not be justified, funding was reduced. In some cases, funding increased for some line items based upon CIP strategies. According to the superintendent, the purpose of this approach was to establish an expectation that principals must be knowledgeable about their school budgets and to ensure that principals articulated the need for their programs and educational services in terms of the costs involved.

The SISD Business manager then recorded all the principals' submissions on one document. The superintendent reviewed the document and made some adjustments and presented the first draft to the board in May. Adjustments were made during the summer as tax data became available and staffing changes such as retirements and terminations were made. Additional drafts were presented to the board each month during the summer.

By requiring principals to justify their budget request in terms of school improvement needs, SISD increased the accountability of school principals and ensured that budgeting was made in line with clearly developed school plans for increasing student performance.

A model planning process is set forth in **Exhibit 1-16.**

Exhibit 1-16
Recommended Planning Process



Source: Gibson Consulting Group, May 2002.

Recommendation 14:

Document budgeting priorities and align the district's planning process with those priorities.

The district needs to adjust the planning timeline so that most planning occurs before the budget is adopted. The district's strategic plan, the DIP, CIPs and spending priorities should drive the budget. The board should formally document its priorities and demonstrate that those priorities are met in the budget. All planning should be completed by the end of June and can be updated in September and October after the tax rate is established and more current student performance is available.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board directs the superintendent to develop a comprehensive planning process and timeline based on Smithville ISD or a similar model that allows the DIP and Strategic Plan to be completed by the end of June or July at the latest in future years.	October 2002
2.	The board approves and supports the model.	October 2002
3.	The superintendent assigns a staff person to coordinate the planning process and develop a calendar to be disseminated throughout the district.	November 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

EDUCATIONAL SERVICE DELIVERY

Chapter 2

EDUCATIONAL SERVICE DELIVERY

This chapter reviews the North Forest Independent School District's (NFISD) educational service delivery in the following sections:

A. Student Performance and Instructional Delivery
B. Gifted and Talented Education
C. Career and Technology Education
D. Special Education
E. Bilingual Education/English as a Second Language
F. Title I/State Compensatory Education
G. Library Services
H. Health Services
I. Guidance and Counseling

To meet the needs of its students, a school district must have a well-designed and well-managed process for directing instruction, maintaining its curriculum, evaluating and monitoring the success of its educational programs and providing the resources needed to support them.

BACKGROUND

The Texas Education Agency (TEA) annually provides information on Texas Assessment of Academic Skills (TAAS) results as well as other demographic, staffing and financial data to school districts and the public through its Academic Excellence Indicator System (AEIS) and its Public Education Information Management System (PEIMS). This chapter uses AEIS data for 2000-01, the latest available, and PEIMS data for 2001-02.

NFISD selected four Texas school districts to serve as "peer districts" for comparative purposes: Eagle Pass, Edgewood, Port Arthur and South San Antonio. NFISD has a higher percent of African American students and a lower percent of Hispanic and Anglo students than the four peer districts, the Regional Education Service Center IV (Region 4) and the state. The percent of economically disadvantaged students in NFISD is the second lowest among the peer districts but higher than the average in Region 4 or the state (**Exhibit 2-1**).

Exhibit 2-1
Demographic Characteristics of Students
NFISD, Peer Districts, Region 4 and State
2001-02

District	Student Enrollment	Racial/Ethnic Percent				Economically Disadvantaged
		African American	Hispanic	Anglo	Other	
Eagle Pass	12,778	0.1%	97.1%	1.3%	1.5%	91.1%
Edgewood	13,435	1.6%	97.0%	1.2%	0.1%	96.3%
North Forest	**11,699**	**79.1%**	**20.1%**	**0.8%**	**0.1%**	**80.1%**
Port Arthur	10,823	56.8%	24.7%	10.8%	7.6%	73.8%
South San Antonio	9,970	1.7%	94.9%	3.0%	0.4%	89.5%
Region 4	**900,198**	**21.7%**	**38.1%**	**34.8%**	**5.4%**	**48.8%**
State	**4,150,741**	**14.4%**	**41.7%**	**40.8%**	**3.1%**	**50.5%**

Source: Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2001-02.

During 2001-02, NFISD employed 1,549 total personnel, including 698 teachers, 55 campus and central office administrators, 121 professional support employees, 102 educational aides and 573 auxiliary personnel or full-time non-educational staff such as maintenance or food service employees. NFISD's percentage of total staffing represented by teachers, professional support personnel and central and campus administrators is lower than in the state as a whole. NFISD's share of total staffing represented by educational aides and auxiliary staff is higher than the state average (**Exhibit 2-2**).

Exhibit 2-2
Staff Information
NFISD and State Totals
1996-97 and 2001-02

Category	NFISD			State		
	1996-97	2001-02	Percentage Change 1996-97 through 2001-02	1996-97	2001-02	Percentage Change 1996-97 through 2001-02
Staff						
Teachers	51.9%	45.1%	(6.8%)	51.9%	50.5%	(1.4%)
Professional Support	6.8%	7.8%	1.0%	6.7%	8.9%	2.2%
Campus Administration	2.3%	2.6%	0.3%	2.5%	2.7%	0.2%
Central Administration	0.7%	0.9%	0.2%	0.9%	1.0%	0.1%
Educational Aides	4.6%	6.6%	2.0%	9.0%	10.3%	1.3%
Auxiliary Staff	33.7%	37.0%	3.3%	29.1%	26.5%	(2.6%)
Race/Ethnicity (Teachers)						
African American	89.0%	93.1%	4.1%	8.2%	8.9%	0.7%
Hispanic	1.1%	1.1%	0.0%	15.5%	17.6%	2.1%
Anglo	9.3%	5.0%	(4.3%)	75.6%	72.5%	(3.1%)
Other	0.6%	0.7%	0.1%	0.8%	1.0%	0.2%

Source: TEA, Academic Excellence Indicator System (AEIS), 1996-97 and PEIMS, 2001-02.
Note: Totals may not add to 100 percent due to rounding.

NFISD's share of beginning teachers is 6.9 percent, the second highest among the peer districts and lower than Region 4 and state averages. Over 64 percent of NFISD's teachers have 11 or more years of experience, a higher share than in the peer districts, Region 4 and the state as a whole (**Exhibit 2-3**).

Exhibit 2-3
Percent of Teachers by Years of Experience
NFISD, Peer Districts, Region 4 and State
2001-02

District	Beginning	1-5 Years	6-10 Years	11-20 Years	20+ Years	11 or More Years Experience
Eagle Pass	2.8%	29.3%	21.6%	20.9%	25.4%	46.3%
Edgewood	6.5%	30.8%	17.3%	25.2%	20.2%	45.4%
North Forest	**6.9%**	**18.2%**	**10.0%**	**20.9%**	**43.9%**	**64.8%**
Port Arthur	10.2%	29.2%	18.9%	16.7%	25.1%	41.8%
South San Antonio	6.2%	25.6%	19.3%	23.8%	25.1%	48.9%
Region 4	**9.1%**	**29.0%**	**17.1%**	**23.1%**	**21.6%**	**44.7%**
State	**7.8%**	**27.8%**	**18.1%**	**24.7%**	**21.6%**	**46.3%**

Source: TEA, PEIMS, 2001-02.

NFISD's share of teachers with no degree is the highest among the peer districts and is higher than the percent in Region 4 and the state. The share of NFISD teachers with a masters or doctorate degree is the highest among the peer districts and is higher than Region 4 and the state (**Exhibit 2-4**).

Exhibit 2-4
Degree Status of Teachers
NFISD, Peer Districts, Region 4 and State
2001-02

District	Percent with Degree				
	No Degree	Bachelors	Masters	Doctorate	Masters and Doctorate
Eagle Pass	0.5%	79.1%	19.9%	0.4%	20.3%
Edgewood	1.2%	77.7%	21.0%	0.1%	21.1%
North Forest	**5.6%**	**51.3%**	**42.1%**	**1.0%**	**43.1%**
Port Arthur	2.7%	76.2%	21.0%	0.1%	21.1%
South San Antonio	1.5%	64.9%	33.6%	0.0%	33.6%
Region 4	**1.5%**	**73.2%**	**24.5%**	**0.8%**	**25.3%**
State	**1.4%**	**75.3%**	**22.8%**	**0.5%**	**23.3%**

Source: TEA, PEIMS, 2001-02.

Exhibit 2-5 compares student performance on TAAS and property values for NFISD, the peer districts and the state. NFISD's property value per student is the third highest among the peer districts but is much lower than the Region 4 and state averages. NFISD's percent of students passing all TAAS is the lowest among the peer districts and lower than the Region 4 and state averages.

Exhibit 2-5
Property Value per Pupil and Percent of Students Passing the TAAS
NFISD, Peer Districts, Region 4 and State
2000-01

District	2000-01 Enrollment	2000-01 Property Value per Pupil	Rank by Value	Percent of Students Passing All TAAS 2000-01	Rank by Performance
Eagle Pass	12,515	$63,403	2	78.6%	1
South San Antonio	9,984	$57,202	4	77.2%	2
Edgewood	12,983	$37,928	5	76.3%	3
Port Arthur	10,945	$194,497	1	71.1%	4
North Forest	**12,487**	**$61,585**	**3**	**62.6%**	**5**
Region 4	**876,901**	**$242,055**	**N/A**	**83.1%**	**N/A**
State	**4,059,619**	**$215,232**	**N/A**	**82.1%**	**N/A**

Source: TEA, AEIS, 2000-01.

PEIMS provides information regarding the percent of students enrolled in various programs including regular education, bilingual education and English as a Second Language (ESL), career and technology education (CATE), gifted and talented education (G/T) and special education. Among the peer districts, NFISD has the lowest percent of students enrolled in special education programs and the next-to-lowest percent of students enrolled in G/T, CATE and bilingual/ESL programs. The percent of NFISD students enrolled in each of the four program areas is lower than in Region 4 and the state (**Exhibit 2-6**).

Exhibit 2-6
Percent of Student Enrollment by Program
NFISD, Peer Districts, Region 4 and State
2001-02

District	Special Education	Gifted and Talented	Bilingual/ESL	Career and Technology
Eagle Pass	7.6%	11.8%	34.4%	22.9%
Edgewood	14.5%	7.2%	19.4%	16.5%
North Forest	**6.4%**	**3.0%**	**9.3%**	**15.8%**
Port Arthur	8.3%	2.5%	6.5%	16.0%
South San Antonio	12.3%	8.2%	13.3%	13.9%
Region 4	**10.0%**	**7.4%**	**15.4%**	**17.1%**
State	**11.7%**	**8.2%**	**13.1%**	**19.3%**

Source: TEA, PEIMS, 2001-02.

The percent of NFISD teachers assigned to regular education is second highest among the peer districts and higher than the Region 4 and state percentages. Its share of teachers assigned to career and technology education is the highest among peer districts as well as that in Region 4 and the state. The percent of NFISD teachers assigned to special education is the lowest among peer districts and lower than the percents in Region 4 and state. The percent of NFISD teachers assigned to G/T education programs is the third highest among peer districts and higher than the state, but slightly lower than the percent in Region 4 (**Exhibit 2-7**).

Exhibit 2-7
Percent of Teachers by Program
NFISD, Peer Districts, Region 4 and State
2001-02

District	Regular Education	Comp. Education	Special Education	Gifted and Talented	Bilingual /ESL	Career and Technology	Other
Eagle Pass	41.2%	2.3%	8.0%	8.9%	35.0%	4.3%	0.3%
Edgewood	82.1%	4.0%	8.6%	0.7%	0.8%	3.7%	0.1%
North Forest	**71.6%**	**4.9%**	**6.2%**	**2.9%**	**5.8%**	**7.3%**	**1.2%**
Port Arthur	61.3%	10.9%	8.3%	0.2%	5.8%	5.1%	8.3%
South San Antonio	47.6%	9.0%	10.1%	9.1%	18.7%	4.3%	1.3%
Region 4	**65.7%**	**3.2%**	**9.4%**	**3.0%**	**8.1%**	**3.2%**	**7.4%**
State	**70.3%**	**3.1%**	**10.0%**	**2.3%**	**7.8%**	**4.2%**	**2.3%**

Source: TEA, PEIMS, 2001-02.
Note: Totals may not add to 100 percent due to rounding.

In 2001-02, NFISD's budgeted instructional operating expenditures per student ranked last among the peer districts. The percent of NFISD's budgeted instructional expenditures was the highest for career and technology education and lowest for special education among the five peer districts (**Exhibit 2-8**).

Exhibit 2-8
Budgeted Instructional Operating Expenditures
NFISD and Peer Districts
2001-02

		Percent of Budgeted Instructional Operating Expenditures**					
District	Total Instructional Operating Expenditures* per Student	Regular Education	Gifted and Talented	Special Education	Career and Technology	Bilingual ESL	Comp. Education
Eagle Pass	$3,157	69.4%	8.0%	9.1%	3.7%	2.0%	7.8%
Edgewood	$3,336	70.7%	0.4%	11.6%	3.5%	1.3%	12.5%
North Forest	**$3,102**	**70.3%**	**0.4%**	**8.1%**	**6.6%**	**2.6%**	**11.8%**
Port Arthur	$3,765	65.5%	4.9%	13.1%	3.8%	4.3%	8.3%
South San Antonio	$3,938	59.3%	2.6%	11.1%	4.6%	13.1%	9.2%

Source: TEA, PEIMS, 2001-02.
**Instruction (Functions 11, 95) and Instructional Leadership (Function 21).*
***Functions 11 and 95 only.*
Note: State and region data comparisons are not available from TEA until October 2002.

A. STUDENT PERFORMANCE AND INSTRUCTIONAL DELIVERY

School districts need reliable systems for managing the instructional process. Administrators must ensure that the resources allocated to instructional programs produce continual improvements in student performance. This effort should include monitoring and evaluating personnel and programs as well as maintaining a comprehensive program for student assessment that accurately evaluates achievement across all content areas and grades.

The TAAS is a series of tests used to measure student performance. TAAS is administered in reading and mathematics in grades 3 through 8 and grade 10; in reading and mathematics in Spanish in grades 3 and 4; in writing in grades 4, 8 and 10; and in science and social studies in grade 8. End-of-course (EOC) examinations are administered in Algebra I, Biology, English II and U.S. History. To graduate from a high school in Texas, a student must pass the TAAS exit-level examination, which is given for the first time in grade 10. By 2003, TAAS will be replaced by the Texas Assessment of Knowledge and Skills (TAKS) and administered in grades 9, 10 and 11. Reading and mathematics tests will be added in grade 9 and the exit-level exam, including science, social studies, English language arts and mathematics, will be moved to grade 11. A science test also will be added in grade 5.

Passing rates for NFISD students rose over the six-year period 1995-96 through 2000-01 on two of the three TAAS sub-tests and on all tests combined. The percent of students passing the TAAS reading test rose slightly, from 74.9 percent to 76.1 percent. In mathematics, the percent of students passing increased from 66.8 percent in 1995-96 to 75.3 percent in 2000-01. The passing rate on the TAAS writing test, however, declined from 80.9 percent in 1995-96 to 75.3 percent in 2000-01. The percent of NFISD students passing all tests combined rose from 58.1 percent to 62.6 percent. NFISD's passing rates in 2000-01 were lower than those statewide in all areas. NFISD and state pass rates on TAAS reading, mathematics, writing and all tests for 1995-96 through 2000-01 are provided in **Exhibit 2-9**.

Exhibit 2-9
NFISD Passing Rates: Texas Assessment of Academic Skills
Reading, Mathematics, Writing and All Tests
1995-96 through 2000-01

Year	Reading		Mathematics		Writing		All Tests	
	District	State	District	State	District	State	District	State
1995-96	74.9%	80.4%	66.8%	74.2%	80.9%	82.9%	58.1%	67.1%
1996-97	78.2%	84.0%	69.8%	80.1%	81.0%	85.3%	62.1%	73.2%
1997-98	79.2%	83.3%	72.8%	80.4%	80.5%	84.2%	63.9%	73.1%
1998-99	70.6%	86.5%	59.1%	85.7%	77.4%	88.2%	51.8%	78.3%
1999-2000	79.1%	87.4%	72.7%	87.4%	81.7%	88.2%	64.1%	79.9%
2000-01	76.1%	88.9%	75.3%	90.2%	75.3%	87.9%	62.6%	82.1%

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

The percent of NFISD students passing each of the three TAAS sub-tests and all tests combined was the lowest among the six peer districts. It was also lower than the percent in Region 4 and state by approximately 13 points on the reading sub-test, 15 points on the mathematics sub-test, 13 points on the writing sub-test and 20 points on all tests combined (**Exhibit 2-10**).

Exhibit 2-10
2000-01 TAAS Pass Rates
Reading, Mathematics, Writing and All Tests
NFISD, Peer Districts, Region 4 and State

District	Reading	Mathematics	Writing	All Tests
Eagle Pass	84.8%	89.2%	88.2%	78.6%
Edgewood	86.0%	86.9%	79.5%	76.3%
North Forest	**76.1%**	**75.3%**	**75.3%**	**62.6%**
Port Arthur	81.8%	82.6%	79.1%	71.1%
South San Antonio	84.2%	87.2%	88.7%	77.2%
Region 4	**89.7%**	**91%**	**88.6%**	**83.1%**
State	**88.9%**	**90.2%**	**87.9%**	**82.1%**

Source: TEA, AEIS, 2000-01.

Student TAAS performance is the primary factor in determining district and school accountability ratings. Accountability standards for 2000-01 include four ratings for districts (Exemplary, Recognized, Academically Acceptable and Academically Unacceptable) and four ratings for schools (Exemplary, Recognized, Acceptable and Low Performing). For a school to receive an Exemplary rating, at least 90 percent of all students combined as well as 90 percent of each student group (African American, Hispanic, Anglo and economically disadvantaged) must pass all TAAS sub-tests (reading, writing and mathematics). In addition, the annual dropout rate in grades 7 through 12 for all students and each student group cannot exceed 1 percent. To receive a rating of Recognized or Acceptable, the passing rates must be at least 80 percent and 50 percent, respectively. The annual dropout rate cannot be greater than 3 percent to receive the Recognized rating or greater than 5.5 percent to be rated as Acceptable. A school is rated as Low Performing if less than 50 percent of all students or any of the four student groups pass any of the subject area tests or if the dropout rate exceeds 5.5 percent.

Schools are not rated if they do not serve students within grades 1 through 12, such as pre-kindergarten centers, or if a school has no official enrollment, such as certain magnet schools where students are reported through their sending or "parent" school. Additionally, schools that have applied to TEA and are identified as alternative education programs (AEP) are evaluated under alternative education (AE) procedures resulting in one of three ratings including AE: Acceptable, AE: needs peer review or AE: not rated.

Since 1997-98, there have been only minor changes in the NFISD schools' accountability ratings. The number of Recognized schools has declined from three to zero. There were no low performing

schools in the district in 2000-01, although there were four in 1998-99 and one in 1999-2000. The district has had no Exemplary schools in any of the last four years (**Exhibit 2-11**).

Exhibit 2-11
NFISD Schools by Grades Served with Accountability Ratings
1997-98 through 2000-01

School	Grades Served	Accountability Rating			
		1997-98	1998-99	1999-2000	2000-01
M.B. Smiley High School	9-12	Acceptable	Acceptable	NR: Data Quality	Acceptable
Forest Brook High School	9-12	Acceptable	*Low Performing*	Acceptable	Acceptable
Kirby Middle School	7-8	Acceptable	Acceptable	Acceptable	Acceptable
Northwood Middle School	7-8	Acceptable	*Low Performing*	**Recognized**	Acceptable
Oak Village Middle School	7-8	Acceptable	Acceptable	Acceptable	Acceptable
Elmore Middle School	7-8	Acceptable	NR: PK-K	NR	NR
East Houston Intermediate	5-6	**Recognized**	Acceptable	Acceptable	Acceptable
Keahey Intermediate	5-6	Acceptable	Acceptable	Acceptable	Acceptable
Fonwood Elementary	K-4	**Recognized**	*Low Performing*	Acceptable	Acceptable
Hilliard Elementary	K-4	**Recognized**	Acceptable	**Recognized**	Acceptable
Lakewood Elementary	K-4	Acceptable	Acceptable	Acceptable	Acceptable
W.E. Rogers Elementary	K-4	Acceptable	Acceptable	Acceptable	Acceptable
Shadydale Elementary	K-4	**Recognized**	NR: PK-K	**Recognized**	Acceptable
Tidwell Elementary	K-4	Acceptable	*Low Performing*	*Low Performing*	Acceptable
Thurgood Marshall Elem.	PK-K	NR: PK-K	NR: PK-K	NR: PK-K	NR: PK-K
Exemplary		**0**	**0**	**0**	**0**
Recognized		**4**	**0**	**3**	**0**
Acceptable		**10**	**8**	**8**	**13**
AE: Acceptable		**0**	**0**	**0**	**0**
Low-Performing		**0**	**4**	**1**	**0**
Not Rated		**1**	**3**	**3**	**2**

Source: TEA, AEIS, 1997-98 through 2000-01.

The percent of schools statewide receiving one of the top two accountability ratings, Exemplary or Recognized, has increased from 40.7 percent in 1997-98 to 55.8 percent in 2000-01. In 1997-98, 26.6 percent of NFISD schools received a Recognized rating, 20 percent received the rating in 1999-2000 and no NFISD school received either rating in 1998-99 or 2000-01 (**Exhibit 2-12**).

Exhibit 2-12
Accountability Ratings by Percent of Schools
NFISD and State
1997-98 through 2000-01

Accountability Rating	Percent of Schools							
	1997-98		1998-99		1999-2000		2000-01	
	NFISD	State	NFISD	State	NFISD	State	NFISD	State
Exemplary	0.0%	15.7%	0.0%	16.5%	0.0%	18.8%	0.0%	22.5%
Recognized	26.6%	25.0%	0.0%	27.1%	20.0%	29.1%	0.0%	33.3%
Acceptable	66.7%	50.5%	53.3%	46.3%	53.3%	42.2%	86.7%	35.4%
Low Performing	0.0%	0.9%	26.7%	1.4%	6.7%	2.1%	0.0%	1.4%
Alternative Education	0.0%	6.1%	0.0%	5.8%	0.0%	4.7%	0.0%	4.8%
Other*	6.7%	1.8%	20.0%	2.9%	20.0	3.1%	13.3%	2.5%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**99.9%**

Source: TEA, AEIS, 1997-98 through 2000-01.
Note: Totals may not equal 100 percent due to rounding.
**Includes ratings of "Acceptable: Data Issues" and "No Rating" based on data quality, PK-K schools and issues related to charter schools.*

District and school accountability ratings are determined, in part, by student performance on the TAAS. Although the state intends that every Texas public school student enrolled in grades 3 through 8 and grade 10 take the TAAS, not every student's performance is used to determine school and district accountability ratings. Under certain circumstances, a student may not be tested or his or her test performance may not be included in the accountability ratings. The number of students participating in TAAS and the reasons for any non-participation are reported in AEIS as the district's "participation profile." Reasons for a student's non-participation include:

- the student is absent during test administration.
- the student takes the test but was not enrolled in the district by the last Friday in the previous October, referred to as the "mobile subset."
- the student is being served in special education in grades 3 through 8 and is tested using the state-developed alternative assessment (SDAA) used for the first time in 2000-01.
- the student receives a special education Admission, Review and Dismissal (ARD) exemption for every test.
- the student receives a bilingual education Limited English Proficiency (LEP) exemption as an immigrant receiving services in grades 3 through 8 and in his or her first three years of enrollment in the United States.

During 2000-01, 97.4 percent of all NFISD students were tested on TAAS. However, the performance of 6.2 percent of those students did not contribute to the district's rating because they were not enrolled in the district by the last Friday of the previous October. An additional 6 percent of those tested made no contribution to the district's accountability rating because they were tested using the SDAA and 2.6 percent of NFISD students were not tested for various other reasons.

The percent of NFISD students tested on the SDAA is about average among the peer districts, higher than Region 4 and lower than statewide. The percent of students not tested at all is the second lowest among peer districts and lower than the percent in Region 4 and the state. The percent of students taking the TAAS but who were not enrolled by October is higher than the peer districts, Region 4 or the state (**Exhibit 2-13**).

Exhibit 2-13
Student Tested/Not Tested on TAAS
NFISD, Peer Districts, Region 4 and State
2000-01

District	Percent of Students Tested or Not Tested on TAAS					
	Students Tested			Students Not Tested		
	Performance Not Counted		Performance Counted (Accountability Subset)	Total Not Tested	LEP Exempt	ARD Exempt
	Mobile Subset	SDAA				
Eagle Pass	5.0%	5.8%	87.2%	2.0%	0.3%	1.0%
Edgewood	5.6%	11.0%	78.0%	5.3%	1.4%	1.9%
North Forest	**6.2%**	**6.0%**	**85.2%**	**2.6%**	**0.3%**	**0.6%**
Port Arthur	3.7%	5.4%	87.2%	3.7%	1.3%	0.8%
South San Antonio	5.5%	8.1%	83.2%	3.2%	1.0%	1.5%
Region 4	**4.5%**	**5.0%**	**86.7%**	**3.7%**	**1.5%**	**0.9%**
State	**4.8%**	**6.4%**	**85.0%**	**3.8%**	**1.4%**	**1.1%**

Source: TEA, AEIS, 2000-01.
Note: Totals may not equal 100 percent due to rounding.

In addition to TAAS-related information, AEIS provides data on other performance indicators including dropout and graduation rates. Dropout rates are reported as an annual rate and as a four-year rate. The annual dropout rate is the percent of students in grades 7 through 12 who leave school in one school year for reasons other than graduation, receipt of a GED, death or continuance of an education elsewhere. The four-year dropout rate is the percent of students entering grade 9 who, four years later, did not graduate, earn a GED or are still enrolled at the time the class graduates.

Between 1998-99 and 1999-2000, the annual dropout rate for all NFISD students in grades 9 through 12 increased from 3.4 percent to 4.3 percent and for economically disadvantaged students from 0.4 percent to 1.1 percent. The dropout rate for special education students decreased during this period from 4.5 percent to 2.7 percent. In 1999-2000, NFISD's dropout rate was the highest among peer districts for all students, second highest for special education students and second lowest for economically disadvantaged students. Similarly, the dropout rate in NFISD for all students and for special education students was higher than the percent in Region 4 and the state but lower for economically disadvantaged students than the rates for Region 4 and the state (**Exhibit 2-14**).

Exhibit 2-14
Annual Dropout Rate Grades 9-12
NFISD, Peer Districts, Region 4 and State
1998-99 and 1999-2000

District	Percent of Students Dropping Out Annually					
	All Students		Economically Disadvantaged Students		Special Education Students	
	1998-99	1999-2000	1998-99	1999-2000	1998-99	1999-2000
Eagle Pass	1.1%	0.3%	0.9%	0.2%	1.1%	0.6%
Edgewood	3.5%	2.6%	2.9%	1.5%	3.0%	2.6%
North Forest	**3.4%**	**4.3%**	**0.4%**	**1.1%**	**4.5%**	**2.7%**
Port Arthur	1.7%	1.4%	1.7%	1.3%	1.7%	0.9%
South San Antonio	2.2%	2.4%	2.1%	1.7%	2.1%	3.1%
Region 4	**1.7%**	**1.5%**	**1.7%**	**1.4%**	**1.8%**	**1.5%**
State	**1.6%**	**1.3%**	**1.5%**	**1.3%**	**1.8%**	**1.6%**

Source: TEA, AEIS, 1998-99 and 1999-2000.

For the four-year period ending in 1999-2000, NFISD's dropout rate was higher than for the previous four years for all students, including economically disadvantaged and special education students. Among the peer districts, NFISD's four-year dropout rate ending in 1999-2000 was the lowest for all students and for economically disadvantaged and the second lowest for special education students. The four-year rate ending in 1999-2000 was lower than the rates in Region 4 and the state for economically disadvantaged students and higher for all students and special education students (**Exhibit 2-15**).

Exhibit 2-15
Four-Year Dropout Rate Grades 9-12
NFISD Peer Districts, Region 4 and State
1998-99 and 1999-2000

District	Percent of Students Dropping Out Over a Four-Year Period					
	All Students		Economically Disadvantaged Students		Special Education Students	
	Class of 1999	Class of 2000	Class of 1999	Class of 2000	Class of 1999	Class of 2000
Eagle Pass	12.1%	9.2%	11.3%	9.8%	16.7%	8.3%
Edgewood	21.6%	19.5%	18.6%	17.5%	21.1%	23.4%
North Forest	**5.7%**	**7.6%**	**1.9%**	**3.5%**	**0.0%**	**14.3%**
Port Arthur	28.7%	14.8%	40.4%	22.6%	26.5%	32.0%
South San Antonio	15.1%	15.0%	15.0%	14.8%	13.7%	16.7%
Region 4	**9.9%**	**7.3%**	**15.1%**	**12.2%**	**11.9%**	**11.5%**
State	**8.5%**	**7.2%**	**13.1%**	**11.6%**	**12.1%**	**11.0%**

Source: TEA, AEIS, 1998-99 and 1999-2000.

FINDING

NFISD does not have a specific board-approved policy providing districtwide direction for curriculum management that supplements the existing seven curriculum design and required instruction policies developed by the Texas Association of School Boards (TASB). Well-written board policies provide commonly understood curriculum standards and a framework for districtwide consistency in decision-making across all instructional settings. Strong curriculum management policies provide clear direction for staff members and set a direction for the use of available district resources. They also establish the processes by which curriculum-delivery decisions are made.

The district contracts with TASB to develop its basic policies. Any policy TASB designates in the policy manual as a legal (LEGAL) policy or as an exhibit (Exhibit) is designed to comply with various legal requirements. Local policies developed by or for the district to reflect board decisions are designated as (LOCAL). TASB issues policy updates to help the district keep its basic policies current. All of the district's policies are available online through the TASB website.

NFISD has seven basic LEGAL policies related to curriculum or curriculum design that address the legal requirements for curriculum as laid out in the Texas Education Code. These policies include:

- Policy EGA (LEGAL) Curriculum Development: Innovative and Magnet Programs;
- Policy EHA (LEGAL) Curriculum Design: Basic Instructional Programs;
- Policy EHAA (LEGAL) Basic Instructional Program: Required Instruction (All Levels);
- Policy EHAB (LEGAL) Basic Instructional Program: Required Instruction (Elementary);
- Policy EHAC (LEGAL) Basic Instructional Program: Required Instruction (Secondary);
- Policy EHAD (LEGAL) Basic Instructional Program: Elective Instruction; and
- Policy EHB (LEGAL) Curriculum Design: Special Programs.

Strong local curriculum policies include statements that not only define the law, but establish guidance to administrators by:

- defining the curriculum;
- outlining the overall curriculum development process;
- requiring written documents in all subject areas and courses;
- establishing expectations that the curriculum, instructional materials and assessment program will be coordinated;
- providing for staff training; and
- connecting the budgeting process with the district's curricular priorities.

Although NFISD's existing LEGAL policies provide the framework for the district's curriculum, elements related to strong curriculum management are missing. A number of districts, such as San Angelo ISD and Fort Bend ISD, have developed and adopted in-depth local policies to specifically direct and manage their curricula as efforts to standardize curriculum and create curriculum guides are implemented.

Recommendation 15:

Develop and adopt a board policy to provide direction for curriculum management.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent contacts TASB for information on districts with locally developed and adopted policies related to curriculum management.	September 2002
2. The superintendent appoints a committee of staff with instructional responsibilities, chaired by the assistant superintendent of Curriculum and Instruction, to review the curriculum management policies and propose additions and modifications for board consideration and adoption.	October 2002
3. The assistant superintendent of Curriculum and Instruction submits the committee's proposed policy to the superintendent for review and approval.	January 2003
4. The superintendent submits the policy to the board for approval and inclusion in the NFISD policy manual.	February 2003
5. The superintendent submits the policy to TASB's Policy Services for formatting and inclusion in the Internet-accessible version of NFISD's policy manual.	April 2003 On Receipt
6. The superintendent and principals establish procedures to inform teachers, support personnel and administrators of curriculum management policy updates and additions.	May 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Curriculum guides do not support a large number of courses taught in grades 9 through 12, and there has been no follow-through on plans for preparing these curriculum guides. Well-written curriculum guides serve as work plans for teachers. They provide direction related to student objectives, assessment methods, prerequisite skills, instructional materials and resources and classroom

strategies. The lack of curriculum documents often results in a fragmented approach to how instruction is planned and delivered. While teaching can still be effective, it is more difficult for teachers to coordinate what to teach and to determine consistent curriculum delivery.

The review team reviewed curriculum materials for 156 courses or subjects offered in the district in grades PK through 12, 63 at the elementary level, 14 at the middle school level and 79 at the high school level. With a few variations, the documents were constructed following a format that included the following components:

- introductory materials, including a foreword, philosophy of education, philosophy of the subject area covered in the guide, conceptual goals, educational goals, subject area continuum, acknowledgements, teaching strategies, instructional modifications and special education instructional arrangements;
- sections of the Texas Education Code outlining state curriculum requirements for the subject area; and a district-developed document entitled "TAAS Timelines for 2001-02" that indicates six-week periods in which to present TAAS objectives with a correlation to the new TAKS objectives. These are indicated as "TAAS II" in the document, which is included in some guides; and
- suggested lessons and supplementary materials for teachers were also included in some of the reviewed guides.

Two NFISD board policies, EHAB (Legal) Basic Instructional Program: Required Instruction (Elementary) and EHAC (Legal) Basic Instructional Program: Required Instruction (Secondary), require that grades K through 8 must learn "English language arts, mathematics, science, social studies, fine arts, health, physical education, technology applications, and to the extent possible, languages other than English." The review of curriculum materials for subjects taught in NFISD grades K through 8 indicate that guides are available for all required subjects except technology applications.

TSPR reviewed courses offered at the high school level listed in the *NFISD High School Program Planning Guide 1997-98,* in the 2001-02 program planning guide draft, *Course Offerings from Master Schedules 2001-02* and in a NFISD document entitled *Report on the Alignment or Correlation of the Course Offerings and Master Schedule Report, Course Catalog with State Descriptions Report, PEIMS Service ID Numbers, & Curriculum Guides* dated January 11, 2001.

The 1997-98 program-planning guide lists 205 courses available to students in grades 9 through 12. The draft of the guide for 2001-02 lists 79 courses. The *Course Offerings from Master Schedules 2000-01* lists 196 alphabetized course titles but no course descriptions or course groupings by subject area. The *Report on the Alignment or Correction of the Course Offerings* lists 152 courses as being on the master schedule of one or both of the district's high schools, 53 of which are courses "with curriculum guides" and 99 of which are courses "with no curriculum guides." Because there are differences in the codes assigned to courses in the 2001-02 draft document and the *Course Offerings* document, it is difficult to determine the extent to which courses are the same. No codes were used in the 1997-98 planning guide or the *Report on the Alignment or Correction of the Course Offerings* to allow for a course comparison. **Exhibit 2-16** indicates the courses listed in the *High School Program Planning Guides* for 1997-98 and 2001-02.

Exhibit 2-16
NFISD Courses in Grades 9-12
1997-98 and 2001-02

Subject Area	Courses Offered	
	1997-98	2001-02*
English Language Arts	25	9
Fine Arts	23	14
Health and Physical Education	10	9
Mathematics	22	4
Other Languages	8	6
Science	12	5
Social Studies	14	8
Agricultural Science and Technology	11	0
Home Economics Education	14	0
Health Occupations	4	0
Engineering	4	0
Business/Office Education	19	10
Trade and Industrial Education	20	14
Industrial Technology Education	4	0
Criminal Justice	8	0
Other	7	0
Total	**205**	**79**

Source: NFISD Program Planning Guide, 1997-98 and 2001-02.
**Dated 4/2001 and designated as "Draft."*

Exhibit 2-17 indicates the number of guides available for TSPR review, by subject area, in grades 9 through 12.

Exhibit 2-17
NFISD Curriculum Guides, Grades 9-12

Subject Area	Guides Available
English Language Arts	11
Fine Arts	22
Health and Physical Education	6
Mathematics	3
Other Languages	8
Science	7
Social Studies	8
Career and Technology Education	18
Other	0
Total	**83**

Source: NFISD Curriculum Guides.

It is difficult to estimate the number of courses that do not have guides. Assuming there have been no changes to the courses listed in the *1997-98 Program Planning Guide,* the district has guides for 83 of 204, or 40.7 percent, of the courses offered in grades 9 through 12. If the courses listed in the *Course Offerings from Master Schedules 2000-01* document are accurate, the district has guides for 83 of 196, or 42.3 percent, of the courses offered at the high school level. If the Report on the Alignment or Correlation of the Course Offerings document is correct, the district has guides for 53 of 152, or 34.9 percent, of its high school courses.

The district provided two documents entitled *Summer Curriculum Development 2001*, one of which was a draft for 2002. According to district staff, the document for 2001 was the proposal presented for summer writing activities. It is undated and staff could not document when it was presented for

review and approval. Few activities took place during summer 2001 due to the June flood. The draft document for 2002 is the 2001 proposal with hand-written notes regarding possible changes. Staff had not completed revisions to the 2001 document nor submitted a final proposal regarding summer 2002 guide-writing activities at the time of the TSPR site visit.

Many districts create a master schedule for planning and assembling teams of teachers for curriculum guide development and subsequent updates. By ensuring that all courses have an updated curriculum guide and by coordinating curriculum efforts, a district can ensure that all students are taught the same concepts for the same course. Although differing in approach and format, Fort Bend, Laredo and San Angelo all provide excellent models for the development of curriculum guides.

Recommendation 16:

Create and implement a schedule for developing and revising curriculum guides.

Curriculum guides identify basic instructional resources and describe suggested approaches for delivering content in the classroom. Curriculum guides should identify essential district priorities; suggest effective teaching strategies based on feedback from assessment data; and connect what is taught between grades and schools. The most effective curriculum guides are "user friendly" and easy to translate into day-to-day lessons.

During 2002-07, schedule initial development or review and revision of a guide for each NFISD high school course, and coordinate them with TAKS objectives, state graduation requirements and the state textbook adoption cycle. Using the 196-course listing contained in the *Course Offerings from Master Schedules 2000-01*, approximately 135 guides must be developed during 2002-07, not including reviews and possible revisions to currently existing guides. Over the long-term, the district should consider placing all guides on the district's Intranet to avoid the cost for printing and to make the guides more readily available to all teachers.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Curriculum and Instruction convenes a committee of teachers, administrators and support staff to develop and recommend a curriculum-guide-development schedule for all high school subjects.	September 2002
2.	The committee recommends a curriculum development schedule after reviewing current documents, TAKS requirements, state textbook adoption schedules and current and projected course offerings.	November 2002
3.	The assistant superintendent of Curriculum and Instruction submits the committee's recommendations to the superintendent for review and approval.	January 2003
4.	The superintendent submits the schedule to the board for approval.	February 2003
5.	The assistant superintendent of Curriculum and Instruction initiates and oversees the curriculum guide project.	April 2003 and Ongoing

FISCAL IMPACT

Nine teams of three teachers per team are needed to prepare the necessary curriculum guides with each team writing three guides each year. The teams will write 27 guides per year for a total of 135 guides in a five-year cycle and revise outdated guides as needed thereafter. The estimated cost for guide preparation is $13,500 per year (nine teams x three teachers per team x $100 per day per teacher x five days per teacher =$13,500). During 2002-03 through 2005-06, five teams of three

teachers per team will be responsible for reviewing the 65 current guides. The estimated cost for this activity is $7,500 (five teams x three teachers per team x $100 per day per teacher x five days per teacher = $7,500). Total cost for teacher-writers is estimated at $21,000 per year through 2005-06 and $13,500 thereafter. The district can provide required central office oversight and secretarial assistance at no additional cost.

An estimated 75 copies of each guide will be needed, or 2,025 total guides (75 copies x 27 guides) per year starting in 2003-04. The district must outsource printing jobs in quantities over 500. The estimate for printing a 240-page, front and back, black and white document on 20-pound white paper with tape binds and card cover, including tax, is $5.13 per copy. The annual cost for printing is estimated at $10,388 ($5.13 x 2,025 = $10,388). To reduce or avoid this printing cost entirely, the district should attempt to place all guides on the district's Intranet as soon as practical.

The total cost to implement this recommendation is estimated to be $31,388 from 2002-03 through 2005-06 ($21,000 per year for teacher-writers + $10,388 for printing costs = $31,388) and $23,888 per year thereafter ($13,500 for teacher-writers + $10,388 for printing costs = $23,888).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Create and implement a schedule for developing and revising curriculum guides.	($31,388)	($31,388)	($31,388)	($31,388)	($23,888)

FINDING

Less than 1 percent of NFISD students take the courses required to graduate under either the Recommended High School Program or the Distinguished Achievement Program (DAP). Research indicates that the best predictor of success in higher education is the rigor of courses taken in high school. Studies on college admission testing suggest that college entrance examination scores increase as the amount of academic coursework increases, and that the generally higher SAT I scores might relate to the rigor of the academic courses taken.

Students graduating from all Texas schools must complete one of three programs: the DAP, the Recommended High School Program or the Minimum High School Program. The plans differ in the type and number of courses to be taken for high school credit. Effective for students entering grade 9 in 2000-01, the minimum program requires students to complete 22 credits to graduate. The DAP and the recommended program each require 24 high school credits. In addition, DAP requires that a student achieve certain levels on at least four "advanced measures," including an original research or research project; specified scores on Advanced Placement (AP), International Baccalaureate (IB) or Preliminary Scholastic Assessment Test (PSAT) examinations; and a minimum grade on any courses taken for college credit. With certain exceptions, students entering grade 9 in 2004-05 will be required to meet the requirements of either the Recommended High School Program or the DAP.

AEIS combines the number of students graduating under the DAP and the recommended program and also reports special education students who graduate as a result of completing an individualized education plan (IEP). For the class of 2000, less than 1 percent of NFISD students completed the DAP or Recommended High School Program, the lowest percent among the five peer districts, Region 4 and the state (**Exhibit 2-18**).

To encourage economically disadvantaged students to attend college, the Texas Legislature has made two grant programs available: Toward Excellence, Access and Success (TEXAS) Grant and Teach for Texas. The TEXAS Grant program provides any high school graduate who completes the recommended high school program and comes from a family that has an aggregate income of less than roughly $50,000 (it is formula driven and is higher or lower depending on the number of children in the family, etc.) a college scholarship for tuition and fees. However, 99 percent of NFISD

graduates are not eligible for these grants because they have not graduated under the recommended program.

Exhibit 2-18
Graduates by Graduation Program
NFISD, Peer Districts, Region 4 and State
Class of 2000

District	Total Graduates	Percent of Total Graduates		
		Recommended or DAP Program	Special Education	Other
Eagle Pass	591	44.7%	5.4%	49.9%
Edgewood	511	11.2%	17.2%	71.6%
North Forest	**586**	**0.9%**	**3.4%**	**95.7%**
Port Arthur	501	34.9%	6.2%	58.9%
South San Antonio	514	38.7%	11.5%	49.8%
Region 4	**42,699**	**29.0%**	**7.4%**	**63.6%**
State	**212,925**	**38.6%**	**9.4%**	**52.0%**

Source: TEA, AEIS, 2000-01.

NFISD board policies allow students to graduate under any of the three state-approved programs, but require two elective credits in addition to those required by the State Board of Education (SBOE). The major difference between the district's minimum program and the recommended program or DAP is in the number of courses that students must take. For example, although all three programs require four credits in English/Language Arts and three credits in mathematics, the Recommended High School Program and DAP specify all seven courses that satisfy the requirement. The minimum program specifies three courses in English/Language Arts and two in mathematics, allowing students the option of selecting the other two courses. Another major difference between the plans is the number of electives students can take. The minimum program allows students to take eight and one-half electives; the recommended program limits electives to four and one-half; and the DAP plan limits electives to three and one-half. A comparison of the three programs is provided in **Exhibit 2-19**.

Exhibit 2-19
Graduation Program Criteria
NFISD

Subject Area	Graduation Program Requirements With Required Courses		
	Minimum Program	Recommended Program	Distinguished Achievement Program
English/ Language Arts	4 credits English I, II and III	4 credits English I, II, III and IV	4 credits English I, II, III and IV
Mathematics	3 credits Algebra I and Geometry	3 credits Algebra I and II and Geometry	3 credits Algebra I and II and Geometry
Science	2 credits Biology and Integrated Physics and Chemistry	3 credits 1 Biology credit and 2 credits from Integrated Physics and Chemistry, 1 Chemistry credit and 1 Physics credit	3 credits 1 Biology credit and 2 credits from Integrated Physics and Chemistry, 1 Chemistry credit and 1 Physics credit
Social Studies	2 1/2 credits World History Studies or World Geography Studies, U.S. History Studies and U.S. Government	3 1/2 credits World History Studies, World Geography Studies, U.S. History Studies, U.S. Government	3 1/2 credits World History Studies, World Geography Studies, U.S. History Studies, U.S. Government

Exhibit 2-19 (continued)
Graduation Program Criteria
NFISD

Subject Area	Graduation Program Requirements With Required Courses		
	Minimum Program	**Recommended Program**	**Distinguished Achievement Program**
Economics	1/2 credit	1/2 credit	1/2 credit
Languages Other than English	None required	2 credits Level I and II of same language	3 credits Level I, II and III of same language
Academic Elective	1 credit World History Studies, World Geography Studies, or any Science course	None required	None required
Physical Education	11/2 credits Foundations of Physical Fitness	1 1/2 credits Foundations of Physical Fitness	11/2 credits Foundations of Physical Fitness
Health Education	1/2 credit	1/2 credit	1/2 credit
Speech	1/2 credit Communication Applications	1/2 credit Communication Applications	1/2 credit Communication Applications
Technology Applications	1 credit	1 credit	1 credit
Fine Arts	None required	1 credit	1 credit
Electives	7 1/2 credits	4 1/2 credits	31/2 credits
Total	**24 credits**	**25 credits**	**25 credits**
Advanced Measures	None required	None required	An original research project; specified scores on the SAT I, ACT, an IB examination, or PSAT; a specific grade counting for college credit and in a tech-prep course.

Source: NFISD, Board Policies EIF (H) Academic Achievement: Graduation and EIF (L) Academic Achievement: Graduation.

Recommendation 17:

Modify policies to encourage graduation under the Recommended High School Program.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent consults TASB's website for information on districts with local policies that require credits in core subjects in addition to those required in one of the three graduation programs. — September 2002

2. The superintendent appoints a committee of individuals from the community and the staff, chaired by the assistant superintendent of Curriculum and Instruction, to review the policies and make recommendations to the superintendent. — September 2002

3. The assistant superintendent of Curriculum and Instruction submits the committees' recommendations to the superintendent for review and approval.	December 2002
4. The superintendent submits the committees' recommendations to the Board of Trustees for consideration and discussion.	December 2002
5. The superintendent submits the policies to TASB's Policy Services for formatting and inclusion in the Internet-accessible version of NFISD's policy manual.	January 2003 On Receipt
6. The superintendent and principals establish procedures to inform teachers, support personnel, administrators and the community of the new graduation policies.	March 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD does not have a current document to inform students of their high school career choices or to help plan high school academic programs and activities. Most school districts provide students with a wide range of information to help plan their high school programs. The most common planning document contains, at a minimum, listings of state and local graduation requirements as well as a listing of all courses available in grades 9 through 12 and a description of each. To be most effective, the document is available to students and their parents prior to the students' entry into high school. Codifying and making such information available to students and parents is an important step in ensuring that students are not confronted with unexpected obstacles to high school completion such as taking courses out of sequence or having an insufficient number of credits.

The last planning guide available to NFISD students was for 1997-98. Entitled *High School Program Planning Guide 1997-98,* the document contained information on how to use the guide, graduation requirements and suggested programs, course descriptions, copies of enrollment forms and planning worksheets, state curriculum and grade placement requirements and certain information on the staff and layouts of the district high schools.

While the district has made some effort to revise the planning guide, there has been no completed document since 1997-98. A committee of district staff was convened in October 2001 to "make final revisions" to the 2001-02 publication. Although information provided by the district states that a revised document was prepared for 2001-02, the only document provided to the TSPR team was a draft copy of a program-planning guide.

The district has also initiated efforts to revise the student handbook. An initial meeting of a student handbook task force was held in March 2002. The meeting agenda states that the task force reviewed a number of handbook models from districts in Texas and other states and made assignments for the next meeting. But there is no record of any subsequent meetings or that there were any additional actions taken by the committee to revise the district's handbook.

Several of the handbooks reviewed by the task force provide excellent models for NFISD, particularly those from school districts in Aspen, Colorado; Cascade, Washington; and East Lansing, Michigan. A number of Texas districts have developed effective planning documents for students including Center Point, Dallas, Fort Bend and Laredo.

Recommendation 18:

Update and distribute documents containing essential information to assist secondary students plan high school programs and activities.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Curriculum and Instruction convenes a committee of teachers, administrators, support staff, parents and students to review and recommend the contents of documents providing students with information important to planning their high school program.	September 2002
2. The assistant superintendent of Curriculum and Instruction assigns the responsibility of chairing the committee to the supervisor of Curriculum and Instruction.	September 2002
3. The committee reviews document copies collected from other districts and, if necessary, secures additional information and recommends to the assistant superintendent of Curriculum and Instruction items to be included in the district's document or documents.	September – November 2002
4. The assistant superintendent of Curriculum and Instruction submits the committee's recommendations to the superintendent for review and approval.	December 2002
5. The supervisor of Curriculum and Instruction oversees production and distribution of the planning guide to all middle and high school students and appropriate staff.	February 2003 and Ongoing

FISCAL IMPACT

The district has limited printing capabilities and outsources many jobs in quantities over 500. An estimated 5,000 initial copies will be needed for all students in grades 7 through 12 and all counseling and other selected staff; after that, 1,000 copies annually for incoming grade 7 students and a limited number of replacements. The estimate for printing a 60-page, front and back, black and white document on 20-pound white paper with tape binds and card cover, tax included, is $2.56 per copy. Total cost for the initial printing is estimated at $12,800 ($2.56 x 5,000 = $12,800) with an annual cost thereafter estimated at $2,560 ($2.56 x 1,000 = $2,560).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Update and distribute documents containing essential information to assist secondary students plan high school programs and activities.	($12,800)	($2,560)	($2,560)	($2,560)	($2,560)

FINDING

NFISD students' Advanced Placement (AP) examination scores and participation rates are low on all courses tested. AP is a nationally recognized program that introduces students to university-level work while they are still in high school. The results of student performance on the examinations are widely accepted as a valid measurement of how well students are likely to perform in the same courses taken in college. Over 90 percent of the nation's colleges and universities, including 58 in Texas, have an AP policy granting incoming credit, placement, or both, for satisfactory grades on AP exams. In 2001, almost 821,000 students in U.S. high schools took at least one AP examination in 35 courses in 19 subject areas.

The percent of NFISD students taking an AP examination was the lowest or second lowest among peer districts and lower than the percent in Region 4 and the state for the years 1998-99, 1999-2000 and 2000-01 (**Exhibit 2-20**).

Exhibit 2-20
Percent of Students Tested
Advanced Placement Examinations
NFISD, Peer Districts, Region 4 and State
1998-99 through 2000-01

District	Percent of Students Tested		
	1998-99	1999-2000	2000-01
Eagle Pass	13.0%	17.2%	17.4%
Edgewood	3.4%	3.6%	15.9%
North Forest	**1.7%**	**1.8%**	**5.0%**
Port Arthur	3.4%	1.5%	0.5%
South San Antonio	13.8%	19.2%	11.6%
Region 4	**10.5%**	**12.0%**	**13.3%**
State	**11.0%**	**12.7%**	**14.3%**

Source: TEA, AEIS, 1998-99 through 2000-01.

To award credit or advanced standing for an AP course, colleges and universities generally require an AP examination score of three, four or five: three defined as "qualified," four as "well-qualified" and five as "extremely well-qualified." The percent of NFISD students with scores of three, four or five was the lowest among the peer districts in 1998-99 and 1999-2000 but was the second highest in 2000-01. The percent of NFISD students with a score of three, four or five was lower than the percent in Region 4 and the state in all three years (**Exhibit 2-21**).

Exhibit 2-21
Percent of AP Examination Scores with a Score of 3, 4 or 5
NFISD, Peer Districts, Region 4 and State
1998-99 through 2000-01

District	Percent of Scores of 3, 4 or 5		
	1998-99	1999-2000	2000-01
Eagle Pass	50.9%	31.5%	37.8%
Edgewood	41.9%	41.0%	5.6%
North Forest	**8.7%**	**7.4%**	**10.9%**
Port Arthur	11.5%	14.3%	0.0%
South San Antonio	12.8%	29.6%	8.5%
Region 4	**68.4%**	**67.5%**	**64.0%**
State	**55.7%**	**53.9%**	**50.1%**

Source: TEA, AEIS, 1998-99 through 2000-01.

In 2000, NFISD had the second lowest number and percent of students in grades 11 and 12 taking an AP exam among the five peer districts. Of 1,188 students in those two grades, only 21, or 1.8 percent, took at least one AP exam, and fewer than five students scored a three, four or five on the exam. These data are provided in **Exhibit 2-22.**

Exhibit 2-22
2000 AP Examination Results
NFISD, Peer Districts and State

District	Number of Students in Grades 11-12	Number of Students Taking at Least One AP Course	Percent of Students Taking at Least One AP Course	Number of Students with at Least One Score >= 3	Percent of Students with at Least One Score >= 3	Total Number of AP Exams	Number of AP Exam Scores >= 3	Percent of AP Exam Scores >= 3
Eagle Pass	1,156	199	17.2%	107	53.8%	400	126	31.5%
Edgewood	943	34	3.6%	16	47.1%	39	16	41.0%
North Forest	**1,188**	**21**	**1.8%**	*	*	*	*	*
Port Arthur	1,075	16	1.5%	*	*	*	*	*
South San Antonio	954	183	19.2%	64	35.0%	314	93	29.6%
State	**NA**	**NA**	**12.6%**	**NA**	**57.7%**	**NA**	**NA**	**53.5%**

Source: 2000 Advanced Placement and International Baccalaureate Examination Results in Texas, TEA, August 2001.
**Results are not reported for districts with five or more examinees but fewer than five examinees scoring a three, four or five on the examination.*

Results of AP examinations are sent to students, their high schools and student-designated colleges. The *AP Grade Reports* are sent to the colleges or universities in early July and to the students and their schools by mid-July. When five or more students take a particular exam, the high school receives a *Report to AP Teachers* that compares the performance of its students with the performance of students nationally. According to *AP Grade Reports* dated May 2001, NFISD students received 70 examination scores covering seven AP courses during 2000-01. Of the 70 scores, seven (10 percent) were three's, 17 (24.3 percent) were two's and 46 (65.7 percent) were one's. No NFISD student received a score of four or five on any AP examination. These data are provided in **Exhibit 2-23.**

Exhibit 2-23
NFISD Advanced Placement Examination Scores
2000-01

AP Course	Examination Score									
	Score of 1 No Recommendation		Score of 2 Possibly Qualified		Score of 3 Qualified		Score of 4 Well Qualified		Score of 5 Extremely Well Qualified	
	Number of Scores	Percent of Total	Number of Scores	Percent of Total	Number of Scores	Percent of Total	Number of Scores	Percent of Total	Number of Scores	Percent of Total
Calculus AB	2	66.7%	1	33.3 %	0	0.0%	0	0.0%	0	0.0%
Chemistry	1	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
English Lang/Comp	19	65.5%	9	31.0%	1	3.4%	0	0.0%	0	0.0%
English Lit/Comp	8	38.1%	7	33.3%	6	28.6%	0	0.0%	0	0.0%
Gov/Pol U.S.	1	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Physics B	1	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
U.S. History	14	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**46**	**65.7%**	**17**	**24.3%**	**1**	**1.4%**	**0**	**0.0%**	**0**	**0.0%**

Source: College Board, NFISD 2001 Student Grade Reports by Subject, May 2001.

Killeen ISD conducted seminars and preparation courses designed to assist students with the information generally included on Advanced Placement and SAT tests. The district also provided students with study materials, sample tests and tutorials. Strategies that concentrated on specific

curricular areas, such as vocabulary and analogies, were included in the campus improvement plans (CIPs).

Recommendation 19:

Implement strategies to improve student scores on Advanced Placement examinations.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Curriculum and Instruction contacts the College Board to determine the programs and resources available to assist students in preparing for AP exams.	September 2002
2.	The assistant superintendent of Curriculum and Instructions meets with AP teachers, students enrolled in AP classes, counselors and administrators to decide on ways to improve AP class enrollment.	November 2002
3.	The assistant superintendent of Curriculum and Instruction and a selected group of faculty, staff and students develop recommendations for assisting students in preparation for AP exams.	February 2003
4.	The assistant superintendent of Curriculum and Instruction submits the proposed plan to the superintendent for review and approval.	March 2003
5.	The superintendent submits the plan to the board for approval.	April 2003
6.	The assistant superintendent of Curriculum and Instruction initiates the program and provides regularly scheduled status reports to the superintendent and board.	September 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The percent of NFISD students taking a college entrance examination and the percent receiving a score at or above the criterion score is low. The College Board's SAT I: Reasoning and SAT II: Subject Tests are designed to assess the academic skills deemed important to a student's success in college. The American College Testing Program Assessment (ACT) is designed to evaluate the general educational development of high school students and their ability to complete college-level work. In Texas, most four-year post-secondary institutions require either the SAT I or ACT in some combination with other criteria for entry. Although the standards vary based on the selectivity of the college or university, most often, the higher the score on the entrance examination, the lower the grade point average that is required for entrance. Texas colleges and universities must admit applicants who graduate with grade point averages in the top 10 percent of their classes regardless of the entrance examination score. Therefore, scoring well on the SAT I or ACT is of particular importance in being accepted for post-secondary studies for students whose grade point averages are not in the top 10 percent of their classes.

The SAT I is composed of two parts, verbal and math. The verbal test focuses on critical reading. Students read passages from the sciences, social sciences and humanities and discuss the authors' points of view, techniques and logic. The math test requires students to apply problem-solving techniques and use math flexibly in thinking about solutions to new and different problems. The ACT examination includes 200+ multiple-choice questions covering English, Mathematics, Reading and

Science reasoning based on high school curriculum. It also includes an interest inventory that provides information for career and educational planning.

The percent of NFISD students with scores at or the above the TEA criterion for reporting SAT I and ACT information in AEIS — 1110 on the SAT I and 24.0 on the ACT — is the lowest among the peer districts. It is also lower than the percent in Region 4 and the state for the class of 2000. The percent of NFISD students taking the SAT I or ACT is the lowest among peer districts and lower than the percent in Region 4 and the state. The average SAT I and ACT scores of NFISD students were the lowest among peer districts and were lower than those in Region 4 and the state (**Exhibit 2-24**).

Exhibit 2-24
SAT I and ACT Scores, Students Tested and Average SAT I and ACT Scores
NFISD, Peer Districts, Region 4 and State
Class of 2000

District	Percent of Students With SAT/ACT Scores At or Above 1110/24.0	Percent of Students Tested	Average SAT I Score	Average ACT Score
Eagle Pass	7.0%	53.3%	872	18.6
Edgewood	2.6%	53.7%	780	16.2
North Forest	**1.9%**	**36.6%**	**772**	**16.1**
Port Arthur	8.3%	40.9%	852	17.0
South San Antonio	5.9%	56.3%	832	16.4
Region 4	**31.1%**	**64.1%**	**1001**	**20.7**
State	**27.3%**	**62.2%**	**990**	**20.3**

Source: TEA, AEIS, 2000-01.
Note: SAT/ACT scores reported are for the prior year.

The percent of NFISD students with SAT I or ACT scores at or above the criterion remained about the same for the classes of 1998 and 2000, with some increase in 1999. The percent of NFISD students with scores at or above the criterion was much lower that the percent in Region 4 and the state from 1998-2000. The percent of students taking the test followed the same pattern as the percent of students scoring at or above the criterion—an increase between the classes of 1998 and 1999 and then a decline in 2000. The percent of NFISD students tested is much lower than the percent in Region 4 and the state, both of which remained relatively constant from 1998-2000. These data are provided in **Exhibit 2-25**.

Exhibit 2-25
Percent SAT I/ACT Scores and Students Tested
NFISD, Region 4 and State
Classes of 1998, 1999 and 2000

District	Percent of Students with SAT I or ACT Scores At or Above Criterion			Percent of Students Tested		
	Class of 1998	Class of 1999	Class of 2000	Class of 1998	Class of 1999	Class of 2000
North Forest	**1.9%**	**2.9%**	**1.9%**	**38.2%**	**45.0%**	**36.6%**
Region 4	31.5%	30.7%	31.1%	64.0%	64.9%	64.1%
State	27.2%	27.2%	27.3%	61.7%	61.8%	62.2%

Source: TEA, AEIS, 1998-99 through 2000-01.

Exhibit 2-26 lists the materials available at the M.B. Smiley High School library for students to use while preparing for the SAT and ACT.

Exhibit 2-26
SAT/ACT Preparation Materials
M.B. Smiley High School

Media	Title
Software	• Alge Blaster 3 (AP Math) • Algebra Quest (AP Math) • Cartopedia (AP Social Studies) • Geopedia • Learn 100,000 Words in a Day (AP English) • Math Advantage 2000 for High School (AP Math) • Math Advantage 2001 for High School (AP Math) • One on One with the SAT • Princeton Review: ACT • Princeton Review: SAT • SAT, ACT and PSAT Deluxe • Smart Pack: Algebra I, Biology and Physics (AP Science) • Smart Pack: Chemistry and Vocabulary • Trigonometry (AP Math) • World or Words: Vocabulary Essentials for SAT
Media	**Title**
Videotapes	• Conquer the SAT • PSAT Preparation • PSAT Preparation: Writing Skills • Preparing for the ACT • SAT I: Mathematics Reasoning—Quantitative Comparison • SAT Tips, Tricks and Traps • SAT I: Verbal Reasoning—Analogies • SAT I: Mathematical Reasoning—Problem Solving and Grid-ins • SAT I: Verbal Reasoning—Sentence Completions • SAT Preparation for the New Test • SAT Reading Comprehension • Secrets to SAT Success • SAT Analogies • Video Course for the SAT—Verbal • Video Course for the SAT—Math • SAT Vocabularies • Thinking Your Way to Better SAT Scores • The Video SAT Review

Source: M.B. Smiley High School, April 2002.

District personnel said that there are ongoing efforts to encourage students to take the SAT and ACT and to assist them with exam preparation. Some of the efforts include:

- making Talent Search (a federally funded program that helps students in grades 11 and 12 prepare for entrance) available to help students complete SAT and ACT applications and examination waivers;
- reminding students of important dates and upcoming exams through monthly newsletters from the English Department;
- providing SAT/ACT Saturday and evening workshops through the Counseling and Athletic Departments; and
- encouraging sophomores to take the Preliminary Scholastic Aptitude Test (PSAT).

The College Board and American College Testing Program both offer various strategies for assisting students with test preparation. The College Board encourages students to take the PSAT to prepare for the SAT. It also offers free analysis of areas needing strengthening and methods for making improvements. Both the College Board and American College Testing Program can provide schools with test preparation software.

Recommendation 20:

Increase student participation and pass rates for college entrance examinations.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Curriculum and Instruction assigns the supervisor of Curriculum and Instruction to chair a committee of teachers, students, administrators and support staff to: review information and programs currently available to assist students with test preparation; determine how students use the available information; and recommend ways to improve student participation on the SAT and ACT exams.	September 2002
2.	To help identify successful programs available to assist NFISD students, the committee contacts the College Board, the American College Testing Program, regional education service centers, TEA and school districts with a high percent of students scoring at or above the criterion score on the SAT or ACT.	October 2002
3.	Through the assistant superintendent of Curriculum and Instruction, the committee submits recommendations to the superintendent to increase student participation on the SAT and ACT and to assist them in preparing for the examinations.	January 2003
4.	The superintendent submits the recommendations to the board for approval and assigns implementation to the assistant superintendent of Curriculum and Instruction.	February 2003
5.	The assistant superintendent of Curriculum and Instruction begins implementation of any plan components not requiring new expenditures.	March 2003
6.	The superintendent includes any new estimated costs for the approved program in the proposed 2003-04 budget.	March 2003
7.	The assistant superintendent of Curriculum and Instruction begins implementing any plan components requiring new expenditures.	September 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources. The district should plan for additional resources in future budgets.

B. GIFTED AND TALENTED EDUCATION

Section 29.122 of the Texas Education Code (TEC) states that school districts "...shall adopt a process for identifying and serving gifted and talented students in the district and shall establish a program for those students in each grade level." Section 29.123 requires the State Board of Education (SBOE) to "...develop and periodically update a state plan for the education of gifted and talented students..." to be used for accountability purposes "...to measure the performance of districts in providing services to students identified as gifted and talented." The SBOE plan, adopted in 1996 and revised in 2000, provides direction for the refinement of existing services and the creation of additional curricular options for gifted and talented (G/T) students.

The *Texas State Plan for the Education of Gifted/Talented Students* establishes three levels of performance measures—acceptable, recognized and exemplary—for five program areas: student assessment, program design, curriculum and instruction, professional development and family-community involvement. "Acceptable" performance measures are those required by state law or rule. The "recognized" and "exemplary" measures are provided as "...viable targets that local district educators seeking excellence, both for their district and for its students, may strive to attain."

TEA's Division of Accountability Evaluations is responsible for conducting District Effectiveness and Compliance (DEC) and accreditation visits to districts to monitor compliance with state and federal requirements for special programs. TEA conducted a combination accreditation and DEC visit in NFISD from October 30 through November 3, 2000. The indicators used by on-site monitoring teams are the acceptable performance measures for educating G/T students. Of 20 compliance indicators for gifted and talented programs reviewed by the DEC team, 11 were selected for on-site review. The team found the district was in compliance with state requirements in all 11 areas.

In 2001-02, the percent of the total NFISD student enrollment served in its G/T program was next to lowest among the peers and lower than the percent in Region 4 and the state. The percent of teachers allocated to G/T programs was third highest among peer districts and higher than the percent in the state. Funds for instructional expenditures allocated for G/T programs in NFISD were lowest among the peer districts, along with one other peer (**Exhibit 2-27**).

Exhibit 2-27
Percent of Students, Teachers and Budgeted Instructional Operating Expenditures
Gifted/Talented Programs
NFISD, Peer Districts, Region 4 and State
2001-02

District	Percent G/T Student Enrollment	Percent G/T Teachers	Percent G/T Budgeted Instructional Expenditures
Eagle Pass	11.8%	8.9%	8.0%
Edgewood	7.2%	0.7%	0.4%
North Forest	**3.0%**	**3.0%**	**0.4%**
Port Arthur	2.5%	0.2%	4.9%
South San Antonio	8.2%	9.1%	2.6%
Region 4	**7.4%**	**3.3%**	**N/A***
State	**8.2%**	**2.3%**	**N/A***

Source: TEA, PEIMS, 2001-02.
** State and Region data comparisons are not available from TEA until October 2002.*

Between 1997-98 and 2001-02, NFISD's budgeted instructional operating expenditures for all programs declined by 8.6 percent; but the expenditures per student increased by 6.1 percent. During the same period, its expenditures for G/T programs declined by 1.4 percent, from $156,483 to $154,338, while program enrollment declined by 16.4 percent. Expenditures per student enrolled in

G/T programs increased 18 percent, from $377 per student to $445 per student. These data are provided in **Exhibit 2-28.**

Exhibit 2-28
NFISD Budgeted Instructional Operating Expenditures
All Programs and Gifted and Talented Program
1997-98 and 2001-02

Expenditure Category	1997-98	2001-02	Percent Increase (Decrease)
Expenditures, All Programs	$38,462,531	$35,172,536	(8.6)%
Student Enrollment	13,579	11,699	(13.8)%
Expenditures per Student Enrolled	$2,833	$3,006	6.1%
Expenditures, G/T Program	$156,483	$154,338	(1.4)%
G/T Enrollment	415	347	(16.4)%
Expenditure per G/T Student Enrolled	$377	$445	18.0%

Source: TEA, AEIS, 1997-98 and PEIMS, 2001-02.

FINDING

The documents that provide district direction for the G/T program are either nonexistent or outdated. Many districts prepare long-range or five-year improvement plans to better focus planning efforts on securing the resources required to meet program objectives. The documents provide the blueprints for program evaluation and revision and ensure that assigned tasks and completion dates are current and realistic. Such planning documents also provide direction on implementing the state plan for G/T student education. NFISD currently does not have such a planning document.

NFISD's undated *Gifted and Talented Education Handbook* does not contain sufficient information to communicate effectively with parents and the community about the G/T program. While including information about gifted programs in general and certain procedural information and forms related to the NFISD program, other important information is either missing or inaccurate. For example, a number of personnel lists, including "Campus Administration," "Superintendent's Cabinet" and "Committee Members," contain names of personnel no longer employed by the district or in the positions indicated. There are no descriptions of program components at any level, elementary, intermediate, middle school or high school. The handbook suggests that a specific curriculum and curriculum guides exist for the G/T program, but according to district staff, neither currently exists.

Recommendation 21:

Develop a long-range Gifted and Talented Improvement Plan and update the Gifted and Talented Education Handbook.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Secondary Education recommends to the assistant superintendent of Curriculum and Instruction the names of district staff, parents and community members to serve on two committees: one to update the Gifted and Talented Education Handbook and one to develop a long-range or five-year Gifted and Talented Improvement Plan.	September 2002
2.	The assistant superintendent of Curriculum and Instruction submits the proposed committees to the superintendent for approval.	October 2002

3. The committees update the handbook and develop the long-range plan, meet collectively to ensure coordination of the documents and submit them for review to the assistant superintendent of Curriculum and Instruction. — March 2003

4. The assistant superintendent of Curriculum and Instruction submits the documents to the superintendent for submission to the Board of Trustees for approval. — April 2003

5. The executive director of Secondary Education monitors implementation of the long-range plan, ensures that the documents are kept current and relevant and provides regularly scheduled status reports to the superintendent and Board of Trustees. — Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD programs serving gifted and talented students are limited at all levels. According to the *Texas State Plan for Education of Gifted/Talented Students*, meeting the curricular and instructional needs of gifted and talented students requires modifications to the regular school program. The plan outlines specific performance measures related to curriculum and instruction required by state law or State Board of Education (SBOE) rules for students in grades 1 through 12 in gifted and talented programs. The components required for "Acceptable," "Recognized" or "Exemplary" program status are indicated in **Exhibit 2-29**.

Exhibit 2-29
Gifted and Talented Program Requirements
Curriculum and Instruction
Acceptable, Recognized and Exemplary

Component Required for Acceptable Status	Component Required for Recognized Status	Component Required for Exemplary Status
An array of appropriately challenging learning experiences offers emphasis on content from the four core academic areas.	Students have opportunities to pursue areas of interest in selected disciplines through guided and independent research. There are opportunities for career and leadership assessment and training in areas of student strength.	There are options in intellectual, creative or artistic areas; leadership; and specific academic fields.
A continuum of learning experiences leads to the development of advanced-level products or performances.	Students at all levels are involved in experiences resulting in development of advanced-level products or performances targeted to audiences outside the classroom.	Students in G/T programs for more than one year will develop advanced-level products evaluated by external evaluators knowledgeable about the area of the product.

Exhibit 2-29 (continued)
Gifted and Talented Program Requirements
Curriculum and Instruction
Acceptable, Recognized and Exemplary

Component Required for Acceptable Status	Component Required for Recognized Status	Component Required for Exemplary Status
Students can accelerate in areas of student strengths.	Flexible pacing allows students to learn at the pace and level appropriate to their abilities and skills.	Scheduling modifications meet individual student needs.
District and campus improvement plans include provisions for the needs of gifted and talented students.	Curriculum is modified based on annual evaluations. Resources and release time for staff are provided for curriculum development. Developed guidelines evaluate resources and select appropriate materials.	Appropriate staff collaborates in designing and evaluating curriculum for gifted and talented students.
	Release time or contract extensions enable teachers at all levels to collaboratively develop services for gifted and talented students.	
	Student progress or performance is periodically evaluated and communicated to parents.	Student performance is evaluated by standards developed by experts in the areas served in the district's program.

Source: TEA, Texas State Plan for the Education of Gifted/Talented Students, May 2000.

According to the self-evaluation conducted by district personnel prior to the combination accreditation and DEC visit, "…the purpose of the NFISD gifted and talented program is to provide each student the opportunity to develop to his/her full potential and to provide G/T students with a differentiated program that provides time for them to work with other gifted students, time for development of leadership skills, and time for creative self-directed projects." But interviews with staff indicated that the elementary- and intermediate-level programs assign identified G/T students to G/T certified teachers who then provide appropriate curricular options to students. Neither a specified curriculum nor any curriculum guides exist to provide direction for how the curriculum is delivered in the G/T program. At the middle and high school levels, Pre-AP and AP courses serve as the curriculum for identified G/T students. There is no evidence that independent research or study is provided as a matter of district practice. No other scheduling modifications designed to meet the individual needs of G/T students are evident. As a result, G/T students in NFISD are not challenged to their fullest potential.

Many districts, including the Killeen, Fort Bend and Laredo ISDs, have developed programs that meet the state plan guidelines. TEA has recognized Crowley, Highland and La Porte ISDs for providing "recognized" or "exemplary" G/T programs. Districts seeking "exemplary" status have ongoing nomination processes that allow student screening at any time. Students are evaluated and served in the four core academic areas, arts, leadership and creativity. Program modifications should better meet the needs of the gifted student. Formative and summative strategies should evaluate programs and share the evaluation results with the board and community. Staff receives appropriate training within a long-range plan for professional development of G/T teachers. The community is involved in planned G/T activities and parent advisory committees are encouraged. While the approaches among districts seeking "exemplary" status may be different based on locally identified needs, all modify the general school program in ways that best meet the needs of G/T students.

Recommendation 22:

Prepare a plan for expanding the curricular options for gifted students and achieving an Exemplary rating as outlined in the *Texas State Plan for Education of Gifted/Talented Students.*

NFISD should establish a goal of achieving an Exemplary rating as outlined in the *Texas State Plan for Education of Gifted/Talented Students*. To accomplish this goal the district should gather together a committee of staff parents and community members to review options and prepare a plan for achieving that goal over the next three to five years.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Secondary Education recommends to the assistant superintendent of Curriculum and Instruction the names of staff, parents and community members to serve on a committee to review options for expanding services to G/T students.	September 2002
2.	The executive director of Secondary Education contacts Region 4 and TEA for the names of districts with "recognized" and "exemplary" programs for G/T students and requests program descriptions from each.	September 2002
3.	The executive director of Secondary Education secures the process for achieving "exemplary" status from the TEA website or by contacting the Division of Advanced Academic Services.	September 2002
4.	The assistant superintendent of Curriculum and Instruction submits the proposed committee to the superintendent for approval.	October 2002
5.	The committee reviews the programs and, working collaboratively with the committees developing the district's long-range plan and modifying the program handbook, makes recommendations for district program enhancements, including steps for achieving "exemplary" status. They then submit these recommendations to the superintendent through the assistant superintendent of Curriculum and Instruction.	November 2002-March 2003
6.	The superintendent approves district program modifications and submits them, along with timelines and cost estimates, to the Board of Trustees for approval and inclusion in the 2003-04 budget.	April 2003
7.	The executive director of Secondary Education coordinates district program modifications, monitors implementation and provides regularly scheduled status reports to the superintendent and Board of Trustees.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. CAREER AND TECHNOLOGY EDUCATION

All students, whether or not they continue their education after high school, eventually enter the workplace. A major source of workforce employees is the grades K through 12 educational systems. TEC Section 29.181 requires that school districts provide a curriculum that allows each student the opportunity to master the basic skills and knowledge necessary for managing the dual roles of family member and wage earner. Students should also learn how to gain entry-level employment in a high-skill, high-wage job or continue their education at the post-secondary level. Career and Technology Education (CATE) provides students the opportunity to make informed occupational choices and develop marketable skills. According to district publications, the purpose of the NFISD CATE program "...is to provide students with a world-class education and training, ensuring that the necessary knowledge and skills are available for success in the workplace and society."

The enrollment in the district's CATE programs has fluctuated widely between 1996-97 and 2001-02. Student enrollment was 3,225 in 1996-97, declined to 532 in 1998-99 and then increased to 2,501 in 1999-2000. In 2001-02, there were 1,848 students enrolled in the NFISD programs. The number of teachers assigned to CATE and the student to teacher ratio in those programs has also fluctuated between 1996-97 and 2000-01. In 1996-97, there were 49.6 teachers assigned to CATE programs with a resulting student to teacher ratio of 65 to 1. The number of teachers in the program declined to 33.6 in 1998-99 resulting in an improved student to teacher ratio of 17 to 1. In 2001-02, 50.9 teachers were assigned to CATE programs with a student to teacher ratio of 36 to 1. Between 1996 and 2001, budgeted expenditures remained relatively stable (**Exhibit 2-30**)

Exhibit 2-30
NFISD Percentage of Student Enrollment,
Budgeted Expenditures and Staffing in CATE
1996-97 through 2001-02

	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
Number of students	3,225	1,305	532	2,501	1,790	1,848
Percent of all students	23.4%	9.6%	4.0%	19.8%	14.3%	15.8%
Budgeted expenditures	$2,316,354	$2,393,827	$2,353,896	$2,656,326	$2,367,535	$2,303,983
Percent of budget	6.4%	6.4%	6.1%	6.8%	6.9%	6.6%
Number of teachers	49.6	39.8	33.6	44.0	59.5	50.9
Percent of all teachers	5.9%	4.7%	4.1%	5.6%	7.8%	7.4%
Students per teacher	65:1	33:1	17:1	57:1	30:1	36:1

Source: TEA, AEIS, 1996-97 through 2000-01 and PEIMS, 2001-02.

In 2001-02, 15.8 percent of NFISD students were enrolled in CATE programs, the second lowest percent among peer districts and lower than the percent in Region 4 and the state. Budgeted expenditures in NFISD for CATE programs were the highest among peer districts in total funds and as a percent of total budgeted expenditures. The expenditures per student in NFISD for CATE programs were the highest among the peer districts (**Exhibit 2-31**).

Exhibit 2-31
Percent of Student Enrollment and Budgeted Expenditures in CATE
NFISD, Peer Districts, Region 4 and State
2001-02

District	Number CATE Students Enrolled	Percent of Total Students Enrolled in CATE	Budgeted Career and Technology Expenditures	Percent of Total Budgeted Expenditures	Per Student Expenditure	Rank
North Forest	**1,848**	**15.8%**	**$2,303,983**	**6.6%**	**$1,247**	**1**
South San Antonio	1,389	13.9%	$1,723,399	4.6%	$1,241	2

Exhibit 2-31 (continued)
Percent of Student Enrollment and Budgeted Expenditures in CATE
NFISD, Peer Districts, Region 4 and State
2001-02

District	Number CATE Students Enrolled	Percent of Total Students Enrolled in CATE	Budgeted Career and Technology Expenditures	Percent of Total Budgeted Expenditures	Per Student Expenditure	Rank
Port Arthur	1,737	16.0%	$1,471,573	3.8%	$847	3
Edgewood	2,215	16.5%	$1,511,719	3.5%	$682	4
Eagle Pass	2,922	22.9%	$1,462,216	3.7%	$500	5
Region 4	**153,971**	**17.1%**	**N/A***	**N/A***	**N/A***	**N/A***
State	**802,149**	**19.3%**	**N/A***	**N/A***	**N/A***	**N/A***

Source: TEA, PEIMS, 2001-02.
** State and region data comparisons are not available from TEA until October 2002.*

TAAS scores for CATE students have improved since 1997-98, with the percent passing all tests rising from 60.4 percent that year to 66.7 percent in 2000-01. TAAS scores have improved on each of the three TAAS sub-tests. In addition, the CATE student attendance improved between 1997-98 and 1998-99, the last year data were available, from 91.5 percent to 92.9 percent. The dropout rate of NFISD students also declined, from 0.1 percent in 1997-98 to zero percent in 2000-01. These data are provided in **Exhibit 2-32.**

Exhibit 2-32
TAAS Passing, Attendance and Dropout Rates
CATE Programs
1997-98 through 2000-01

Year	Passing All Tests	Passing Reading	Passing Math	Passing Writing	Attendance Rate	Dropout Rate
2000-01	66.7%	86.4%	80.4%	74.4%	Not Available	0.0%
1999-2000	66.1%	80.6%	78.7%	78.8%	Not Available	0.7%
1998-99	63.1%	82.3%	70.5%	83.5%	92.9%	0.3%
1997-98	60.4%	77.6%	70.2%	74.0%	91.5%	0.1%

Source: TEA, 2001 TAAS/2000 Dropout, May 22, 2002.

Section 74.3 of the Texas Administrative Code (TAC) requires districts to offer courses in career and technology education in at least three of the following eight areas:

- Agricultural Science and Technology Education;
- Business Education;
- Health Science Technology Education;
- Family and Consumer Sciences Education/Home Economics;
- Technology/Industrial Technology Education;
- Marketing Education;
- Trade and Industrial Education; and
- Career Orientation.

In NFISD, CATE courses are offered in grades 7 through 12. At the middle school level, courses are offered in four areas: Business Education, Family and Consumer Sciences Education, Technology Education and Career Orientation. In grades 9 through 12, courses are offered in seven areas: Agricultural Science and Technology Education, Business Education, Health Science Technology Education, Family and Consumer Sciences Education/Home Economics, Marketing Education, Trade and Industrial Education and Career Education.

NFISD offers CATE courses at all secondary schools, although not all courses are offered at all schools. Three programs—engineering, health professions and criminal justice/law enforcement—are listed in district publications as magnet programs with the first two limited to Forest Brook students and the third to M.B Smiley students. Students receive transportation from Forest Brook High School to the W.G. Smiley Career and Technology School, also referred to as the CATE Center, for courses offered only at that location. Transportation is not provided to the CATE Center for students attending M.B. Smiley High School because the schools are located across the street from each other.

The state encourages districts to develop School-To-Work arrangements such as Tech Prep and Dual Credit programs and articulation agreements with post-secondary institutions. Tech Prep programs begin in high school and continue at a post-secondary institution, frequently a community college. These programs provide for a coherent sequence of courses involving classroom instruction and on-site training. Participation allows students to enter the work force with both technical skills and practical work experience. Dual credit courses allow students to fulfill graduation requirements and complete college credits simultaneously by registering and taking courses at either the high school or on a college campus. School districts and colleges establish articulation agreements after it is determined that alignment exists between specific courses. Students receive high school credit upon course completion and college credit upon enrollment. The courses covered by articulation agreements with area colleges are shown in **Exhibit 2-33.**

Exhibit 2-33
NFISD Articulation Agreements

Course	North Harris Montgomery Community College	MTI College of Business and Technology	Houston Community College System
Electronics I and II	X	X	
Microcomputer Applications	X		
Computer Applications	X		
Business Computer Programming I and II	X		
Word Processing Applications		X	
Business Computer Information Systems I and II		X	
Introduction to Electrical/Electronics Career I		X	
Electronics/Instrumentation Technology		X	
Introduction to Criminal Justice			X
Office Support Systems			X
Crime in America			X
Law Enforcement and Criminal Justice	X		X

Source: NFISD, Career and Technology Center, April 22, 2002.
Note: All agreements are current except Electronics I and II, which are being revised.

FINDING

There is no consistency in district publications regarding CATE courses offered in the district. The district provided two locally produced documents listing the CATE courses offered to NFISD students, copies of the master schedules for the two high schools and the CATE Center and the TEA publication entitled, "A Catalog of Career and Technology Courses," October 2000. The NFISD documents, a pamphlet entitled, "Teaching and Technology for Tomorrow," and a document entitled, "Career and Technology Education Course Descriptions and Four Year Plan," contain listings of CATE courses offered at each of the three locations for students in grades 9 through 12. Of 65 courses listed on a master schedule or included on a district publication, only 25 (38.5 percent) were listed on both district publications. Thirteen (20 percent) courses on one of the three second-semester

master schedules are not listed on either district document as being available to students. This information is provided in **Exhibit 2-34.**

Exhibit 2-34
NFISD CATE Courses in Grades 9-12
Master Schedule

Course	Forest Brook High School	M.B. Smiley High School	W.G. Smiley CATE Center
Agricultural Science and Technology Education			
Applied Agricultural Science and Technology			TC
Introduction to Horticulture Science			TC
Horticulture Plant Production			TC
Agricultural Metal Fabrication Technology			TC
Food Technology			TC
Meats Processing			TC
Animal Science			TC
Business Education			
Administrative Procedures	C	C	TC
Business Computer Information Systems I-II	TC	TC	TC
Business Computer Programming	TC	C	TC
Business Education Career Preparation	T		
Business Independent Study	Not Listed	Not Listed	Not Listed
Business Image Multimedia	Not Listed	Not Listed	Not Listed
Keyboarding	TC	TC	TC
Word Processing Applications	TC	TC	TC
Career Orientation			
Career Connections	TC	C	TC
Health Science Technology Education			
Anatomy and Physiology of Human Systems	Not Listed	Not Listed	Not Listed
Scientific Research	Not Listed	Not Listed	Not Listed
Introduction to Health Science Technology	TC		
Health Science Technology I-III	TC		
Medical Technology	C		
Medical Care Science	Not Listed	Not Listed	Not Listed
Family and Consumer Sciences/Home Economics Education			
Apparel	T		
Child Development	TC	TC	TC
Food Science and Technology	C	C	TC
Food Production, Management and Services			TC
Personal and Family Development	TC	TC	C
Textile and Apparel Design	T		
Nutrition and Food Science	Not Listed	Not Listed	Not Listed
Career Studies	Not Listed	Not Listed	Not Listed
Housing, Furnishing and Equipment Production, Management and Services			T
Consumer and Family Economics	Not Listed	Not Listed	Not Listed
Family and Career Management	Not Listed	Not Listed	Not Listed

Exhibit 2-34 (continued)
NFISD CATE Courses in Grades 9-12
Master Schedule

Course	Forest Brook High School	M.B. Smiley High School	W.G. Smiley CATE Center
Marketing Education Technology Education			
Marketing Dynamics	TC	C	TC
Principles of Marketing	TC	C	TC
Retailing	TC	C	TC
Hotel Management	TC	C	TC
Travel and Tourism Marketing	TC	TC	TC
Marketing Education Career Coop			
Technology Education/Industrial Technology Education			
Technology Systems	T		T
Principles of Technology	T		
Communications Systems	T		T
Computer Applications			T
Communication Graphics	T		
Engineering Principles I-II	T		
Pregnancy, Education and Parenting Program (PEP)			
Child Care and Guidance, Management and Services			TC
Trade and Industrial Education			
Engineering and Architectural Drafting	T		
Trade and Industrial Education Career Preparation	T		TC
Introduction to Construction Trades	Not Listed	Not Listed	Not Listed
Building Trades			TC
Heating, Ventilation, Air-Conditioning and Refrigeration			TC
Introduction to Electrical/Electronics Careers			TC
Cosmetology			TC
Crimes in America	C	C	TC
Technical Introduction to Criminal Justice	C	C	TC
Correctional Systems and Practices	C	C	TC
Courts and Criminal Procedures	C	C	TC
Automotive Technician I-II			TC
Automotive Collision and Repair/Refinishing Technology			TC
Auto Body Preparation	Not Listed	Not Listed	Not Listed
Introduction to Computer Maintenance	Not Listed	Not Listed	Not Listed
Computer Maintenance Technician	C	C	TC
Multi-Media Animation Technology	Not Listed	Not Listed	Not Listed
Introduction to Media Technology		T	
Media Technology		T	

Source: NFISD, Teaching and Technology for Tomorrow, undated.
T="Teaching and Technology for Tomorrow."
C="Career and Technology Education Course Descriptions and Four Year Plan."

A review of the master schedules for Forest Brook High School, M.B. Smiley High School and the CATE Center indicates that 51 of 65, or 78.5 percent, of the courses listed in a district publication or on a master schedule were actually offered during Spring 2002. That information is provided in **Exhibit 2-35**.

Exhibit 2-35
NFISD CATE Courses Grades 9-12
Offered in Spring 2002 Semester

Course	Forest Brook High School	M.B. Smiley High School	W.G. Smiley CATE School
Agricultural Science and Technology Education			
Applied Agricultural Science and Technology			X
Introduction to Horticulture Science			
Horticulture Plant Production			
Agricultural Metal Fabrication Technology			
Food Technology			X*
Meats Processing			X*
Animal Science			X*
Business Education			
Administrative Procedures	X		X
Business Computer Information Systems I-II	X	X	X
Business Computer Programming	X		X
Business Education Career Preparation			
Business Independent Study			X
Business Image Multimedia	X		
Keyboarding	X	X	
Word Processing Applications			X
Career Orientation			
Career Connections			X
Health Science Technology Education			
Anatomy and Physiology of Human Systems	X		
Scientific Research	X		
Introduction to Health Science Technology			
Health Science Technology I-III	X		
Medical Terminology	X		
Medical Care Science	X*		
Family and Consumer Sciences/Home Economics Education			
Apparel	X		
Child Development			X
Food Science and Technology	X		
Food Production, Management and Services			X
Personal and Family Development		X	X
Textile and Apparel Design			
Nutrition and Food Science	X	X	
Career Studies	X		
Housing, Furnishings and Equipment Production, Management and Services	X		
Consumer and Family Economics	X		
Family and Career Management	X		
Marketing Education			
Marketing Dynamics			
Principles of Marketing			X
Retailing			X
Hotel Management			X
Travel and Tourism Marketing	X	X	
Marketing Education Career Coop			X
Technology Education/Industrial Technology Education			
Technology Systems	X		X
Principles of Technology	X		
Communications Systems	X		

Exhibit 2-35 (continued)
NFISD CATE Courses Grades 9-12
Offered in Spring 2002 Semester

Course	Forest Brook High School	M.B. Smiley High School	W.G. Smiley CATE School
Computer Applications			
Communication Graphics			
Engineering Principles	X		
Pregnancy, Education and Parenting Program (PEP)			
Child Care and Guidance, Management and Services			X
Trade and Industrial Education			
Engineering and Architectural Drafting			
Trade and Industrial Education Career Preparation	X		
Introduction to Construction Trades			X
Building Trades			X
Heating, Ventilation, Air-Conditioning and Refrigeration			X
Introduction to Electrical/Electronics Careers			
Cosmetology I-II			X
Crimes in America			X
Technical Introduction to Criminal Justice			X
Correctional Systems and Practices			
Courts and Criminal Procedures			
Automotive Technician I-II			X
Automotive Collision and Repair/Refinishing Technology			X
Auto Body Preparation			X
Introduction to Computer Maintenance			X
Computer Maintenance Technician			X
Multi-Media Animation Technology	X		
Introduction to Media Technology		X	
Media Technology		X	

Source: NFISD, Master Schedules, Forest Brook High School, M.B. Smiley High School, W.G. Smiley High School.
** Courses have different titles on the master schedule.*

Recommendation 23:

Prepare a document listing all Career and Technology Education courses by educational areas.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. A committee composed of the director of Career and Technology Education, the supervisor of Curriculum and Instruction and selected secondary counselors and administrators collects all district documents containing any listing of CATE programs and courses offered in the district and the most recent listing of TEA approved CATE courses and PEIMS numbers.	September 2002
2. The committee prepares a reference document for all CATE courses based on the documents collected and the TEA listing of courses and PEIMS numbers and a pamphlet for distribution to students, parents and the business community.	September – October 2002
3. The committee submits the proposed documents to the superintendent through the assistant superintendent for Curriculum and Instruction for review and approval.	November 2002

4. The supervisor of Curriculum and Instruction oversees production of the reference document and the pamphlet and distributes both to the appropriate staff. — January 2003 and Ongoing

5. The director of Career and Technology Education oversees distribution of the pamphlet to students, parents and the business community. — February 2003 and Ongoing

FISCAL IMPACT

The district outsources printing jobs in quantities over 500. An estimated 250 copies of the reference document will be needed for all counseling and other staff. An estimated 7,500 copies will be needed initially and 1,000 copies annually thereafter for distribution to secondary students, parents, staff and business representatives. The estimate for printing a four-fold pamphlet, front and back, three-color document, including tax, is $10.24 per copy. The cost for printing the document in 2002-03 is $79,360 ([250 copies + 7,500 copies = 7,750 copies] x $10.24 per copy = $79,360) and $10,240 (1,000 copies x $10.24 per copy = $10,240) annually thereafter.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Prepare a document listing all Career and Technology Education courses by educational areas.	($79,360)	($10,240)	($10,240)	($10,240)	($10,240)

FINDING

NFISD does not have processes or procedures in place for securing broad-based input to determine the relevance of CATE programs to the workforce, nor for developing a five-year plan to provide direction for the CATE programs.

Concerns about the appropriateness of the NFISD CATE programs surfaced in the school performance review surveys that were completed and returned to TSPR. Parents, students, teachers, principals and assistant principals and administrative and support staff received separate surveys. Respondents were asked to indicate the extent to which they agreed or disagreed with two statements related to the CATE program: *The needs of the work-bound student are being met* and *The district has effective educational programs for vocational (career and technology) education.* Only about one-third of respondents from two groups, parents and administrative and support staff, agreed with the first statement. Of parents responding, 26.7 percent disagreed with the statement and 40 percent had no opinion. Over 38 percent of the administrative and support staff disagreed or strongly disagreed with the statement and 30.8 percent had no opinion or did not respond. While the majority of all five groups agreed or strongly agreed with the second statement, 46.7 percent of parents had no opinion or disagreed with the statement, and 27 percent of teachers expressed no opinion or did not respond. These data are provided in **Exhibit 2-36.**

Exhibit 2-36
Parents, Teachers and Administrative Support Staff
View of NFISD CATE Program

Parents						
	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
Work-bound student needs are being met.	0.0%	33.3%	40.0%	26.7%	0.0%	0.0%
The district has effective educational programs for vocational (career and technology) education.	0.0%	53.3%	33.3%	6.7%	6.7%	0.0%

Exhibit 2-36 (continued)
Parents, Teachers and Administrative Support Staff
View of NFISD CATE Program

Parents						
	Strongly Agree	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Teachers						
The district has effective educational programs for vocational (career and technology) education.	18.9%	40.5%	24.3%	10.8%	2.7%	2.7%
Administrative and Support Staff						
	Strongly Agree	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Work-bound student needs are being met.	0.0%	30.8%	23.1%	23.1%	15.4%	7.7%

Source: TSPR Survey Responses, April 2002.

Although not required by state law or SBOE rules, many districts use business advisory committees at the school or district level to help evaluate program relevance and to assist in developing long-range plans. District-level advisory committees work closely with area and regional workforce development councils and post-secondary educational institutions in securing input on workforce trends and standards against which to evaluate local programs. Spring ISD uses business partnerships and advisory boards composed of teachers, parents and community representatives to assist in providing direction for its CATE programs.

The State Plan for Career and Technology Education 2000-02 includes strategies for evaluating career and technology education programs, including the following:

- evaluate each CATE program and its individual components to determine strengths and weaknesses;
- evaluate CATE program facilities, equipment and instructional resources;
- use business and industry partnerships in CATE program evaluations;
- at the district's discretion, use information about graduates' post-high school activities in evaluating CATE programs; and
- develop and implement a plan to improve or enhance CATE programs based on evaluation results.

Many districts have developed five-year plans, including Dallas ISD. Its plan includes the following objectives:

- prepare the future Dallas workforce to reach world-class standards;
- provide curricula based on competencies identified by Dallas business and industry;
- link secondary and post-secondary learning through curricula across educational levels;
- promote awareness, knowledge and support of school-to-work programs;
- promote Career Pathways as established by the Texas State Plan for Career and Technology Education; and
- increase the percent of high school graduates by identifying vocational interests.

The district should provide the committee with historical data including class size, course demand, assurance that students will be admitted to a chosen CATE path and facility, equipment and transportation needs. The committee should gather input on CATE needs through surveys and/or focus groups and assist the district in analyzing the current program. Exemplary practices for CATE are available from the Southern Regional Education Board's (SREB) *High Schools That Work*

program, the nation's largest and fastest-growing effort to combine academic courses and modern vocational studies.

Recommendation 24:

Appoint a committee to help develop a five-year Career and Technology Education plan and to make recommendations on program offerings.

To ensure that the plan will result in a program that leads directly to jobs and/or to higher educational opportunities where skills can be further developed before students enter the workforce, the committee should be made up of not only district personnel, but should include representatives from the community, business and area colleges and universities.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Career and Technology Education submits to the assistant superintendent of Curriculum and Instruction the names of individuals to serve on a CATE advisory committee, including district personnel, community and business representatives and representatives from area colleges and universities.	September 2002
2. The assistant superintendent of Curriculum and Instruction reviews and approves the recommended membership for the advisory committee.	September 2002
3. The director of Career and Technology Education convenes the committee and has it develop a five-year plan and make recommendations regarding the degree to which the program is meeting student and community needs.	October 2002
4. The committee submits its recommendations to the superintendent through the assistant superintendent of Curriculum and Instruction.	April 2003
5. The superintendent submits the committee's recommendations to the Board of Trustees for review and approval.	May 2003
6. The assistant superintendent of Curriculum and Instruction delegates to the director of Career and Technology Education the authority to ensure planning implementation and make regular status reports.	June 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The number of CATE course periods offered at the M.G. Smiley Career and Technology Center is not supported by course enrollments, nor is staff used effectively. The *Master Schedule* for the CATE Center indicates that 970 students were enrolled in 33 courses during the second semester 2001-02. But because many CATE courses are two or three periods in length, a student may attend more than one period although he/she is enrolled in only one course and is considered a "duplicated" count. The duplicated student count at the Center during the second semester was 1,220.

Each of the 18 teachers assigned to the facility during the second semester had a seven period workday. Besides the conference period, each teacher must have five periods assigned to off-campus

supervision of interns and work/study program students. CATE teachers had 103 duty-periods at the Center in which 86 students were enrolled. The average enrollments for the 86 courses ranged from highs of 26.4 in Technology Systems, 22 in Marketing Education and 21 in Applied Agriculture, to lows of 3 in Air Conditioning II, 5.7 in Crime in America and 6 in Computer Maintenance Technician I and Food Production. These data are provided in **Exhibit 2-37**.

Exhibit 2-37
Courses, Periods, Enrollments and Averages
M.G. Smiley Career and Technology Center
Spring Semester 2002

Course Title	Periods	Enrollment by Period	Subtotal of Periods	Average Per Period
Cosmetology I	6	20, 20, 20, 15, 15, 15	105	17.5
Cosmetology II	6	9, 9, 9, 15, 15, 15	72	12.0
Technology Systems	5	25, 25, 27, 27, 28	132	26.4
Auto Technician I	4	1, 1, 15, 15	32	8.0
Auto Technician II	2	12, 12	24	12.0
Air Conditioning I	2	11, 11	22	11.0
Air Conditioning II	2	3, 3	6	3.0
Meat Lab	2	16, 16	32	16.0
Applied Agriculture	2	20, 22	42	21.0
Equine Science	1	15	15	15.0
Crimes in America	3	9, 6, 2	17	5.7
Introduction to Criminal Justice	3	12, 15, 10	37	12.3
Business Computer Information Systems I, Magnet	3	10, 11, 16	37	12.3
Business Computer Information Systems I, Regular	4	21, 16, 13, 21	71	17.8
Principles of Marketing	3	17, 14, 16	47	15.7
Marketing Education, Career Coop	1	22	22	22.0
Auto Collision Repair and Refinishing I	2	17, 17	34	17.0
Auto Collision Repair and Refinishing II	2	11, 11	22	11.0
Auto Body Prep	2	8, 8	16	8.0
Word Processing	1	10	10	10.0
Life Skills	1	10	10	10.0
Computer Maintenance Technician I	2	6, 6	12	6.0
Introduction to Computer Maintenance	2	14, 13	27	13.5
Career Connections	4	16, 13, 19, 17	65	16.3
Business Computer Programming	1	15	15	15.0
Business Individual Study	1	16	16	16.0
Hotel Management	4	15, 14, 21, 19	69	17.3
Building Trades	2	14, 14	28	14.0
Introduction to Construction Trades	3	12, 16, 18	46	15.3
Child Care	4	14, 14, 16, 16	60	15.0
Social Science Advanced Studies	3	15, 17, 13	45	15.0
Child Development	1	20	20	20.0
Food Production	2	6, 6	12	6.0
Subtotal	**86**	**1220**	**1220**	**14.2**

Exhibit 2-37 (continued)
Courses, Periods, Enrollments and Averages
M.G. Smiley Career and Technology Center
Spring Semester 2002

Course Title	Periods	Enrollment by Period	Subtotal of Periods	Average Per Period
GED dropout recovery	3	0	N/A	N/A
Additional conference period	1	0	N/A	N/A
Lunch duty	7	0	N/A	N/A
Other non-CATE assignments	4	0	N/A	N/A
Interim assistant principal	2	0	N/A	N/A
Subtotal	**103**	**1220**	**1220**	**11.8**
Conference period	18	0	N/A	N/A
Supervision of Work/Study students	2	0	N/A	N/A
Supervision of interns	3	0	N/A	N/A
Subtotal	**126**	**1220**	**1220**	**9.7**

Source: NFISD, Master Schedule, W.G. Smiley High School, Second Semester 2001-02.

A review of the Center's master schedule shows that teachers had student responsibilities during the second semester of 2001-02 for only 17 of 103, or 16.5 percent, of all duty periods. Two of the periods were allocated to the interim assistant principal for duties associated with that position. One teacher was provided an additional conference period. Seven periods were assigned to teachers to provide supervision during the lunch period. Two teachers were assigned to other district offices for two periods each for non-teaching duties, and one teacher worked with the GED dropout recovery program for three periods in a non-teaching responsibility. For the 86 periods in which students were enrolled, 20, or 19.4 percent, had enrollments of 10 students or less, 33, or 32 percent, had enrollments of 11 to 15 and 33, or 32 percent, had enrollments of 16 or more. Of the 10 periods with enrollments of 21 or more students, one-half were in one course, Technology Systems (see **Exhibit 2-37**). Exclusive of the five sections in that course, 53 of 81, or 65.4 percent, periods had enrollments of 15 or less. These data are provided in **Exhibit 2-38**.

Exhibit 2-38
CATE Enrollments
M.G. Smiley High School
Spring 2001-02

Assignments of CATE Staff	Number of Periods by Enrollment						Total Periods
	0	1-10	11-15	16-20	21-25	More than 25	
Periods with students assigned	0	20	33	23	7	3	86
Interim assistant principal	2	--	--	--	--	--	2
Additional conference period	1	--	--	--	--	--	1
Lunch duty	7	--	--	--	--	--	7
Other non-CATE assignments	4	--	--	--	--	--	4
GED dropout recovery	3	--	--	--	--	--	3
Total	**17**	**20**	**33**	**23**	**7**	**3**	**103**

Source: NFISD, Master Schedule, W.G. Smiley High School, Second Semester 2001-02.

Recommendation 25:

Develop guidelines for acceptable enrollment ranges in all Career and Technology Education courses based on optimal instructional arrangements and cost efficiency.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Curriculum and Instruction, the executive director of Human Resources and the CATE director, with input from CATE teachers and supervisors, review and recommend guidelines for CATE course enrollments to the superintendent.	November 2002
2. The superintendent reviews and approves the guidelines and submits them to the board for consideration.	December 2002
3. The board approves the guidelines for implementation in 2003-04.	January 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. SPECIAL EDUCATION

The Individuals with Disabilities Education Act (IDEA) requires free, appropriate public education for all children with disabilities. This law, also designed to protect children and parents in educational decision making, requires the district to develop an individualized education plan (IEP) for each disabled child.

In 1997, Public Law 101-15 re-authorized IDEA at the federal level. The revised law states that the IEP must be clearly aligned with the education received by children in general classrooms and that the IEP preparation process must include regular education teachers. The law also requires disabled students to be included in state and district assessment programs and performance goals.

To serve the multiple needs of all disabled students and comply with IDEA requirements, an effective special education program should implement the following practices as enumerated in the 1997 amendments to IDEA:

- pre-referral intervention in regular education—when a student experiences an academic problem in regular education, an intervention can and should solve the problem. If the intervention does not produce positive results, the student should be referred to special education;
- referral to special education for evaluation—referring a student to special education requires an official, written request supported by documentation. Documentation should include an explanation of the steps taken in regular education to address the student's problem before the referral;
- Full Individual Evaluation—after student referral, the district must provide a Full and Individual Evaluation (FIE), which requires parental permission. The district must complete the evaluation within 30 days from the date of referral;
- initial placement through an Admission, Review and Dismissal (ARD) committee meeting—after the evaluation is complete, an ARD committee meets to discuss the evaluation results with the parents. The ARD committee decides if the student qualifies for special education services in one of 13 federal special education categories. If so, the ARD committee must develop an individualized educational plan for the student within another 30 days;

- provision of educational services and supports according to a written individualized education plan (IEP) —the IEP developed by the ARD committee includes information about which classes the student will take and the amount of time the student will spend in regular and special education, including resource room, speech therapy or counseling. The IEP also specifies the amount of time that the student receives any related services such as occupational therapy, physical therapy, counseling or adaptive physical education;
- annual program review—each year after a student's initial qualification and placement, an ARD committee conducts a review to ensure that the student's program is appropriate. A new IEP is developed annually based on the student's progress toward set goals;
- three-year reevaluation—every three years, the student receives an FIE. The ARD committee meets to discuss the reevaluation results and decides whether or not the student continues to qualify for special education in the same category, or needs an IEP to support academic progress; and
- dismissal from the special education program—if and when the ARD committee decides that a student may not need special education for success in school, it can request an evaluation to determine if the student still meets the eligibility criteria. Based on the testing results, the student can then be dismissed from special education.

Disabled students who spend all of their classroom hours in a regular classroom are considered "fully included" or to be in a "full inclusion model." Additional instructional and related services are provided depending on student needs, up to full-day service in special education settings. If a student's disability is so severe that satisfactory education cannot take place for any part of the school day in a regular classroom, he or she may be served in a separate "self-contained" classroom. In addition, a school district must be prepared to provide a more restrictive setting such as a day treatment program, or even residential treatment placements if the student needs an appropriate educational program.

NFISD has a pre-referral process to determine whether or not students require special education assessment. Special education staff from both the central office and the individual schools provide support to regular education teachers and professional staff who need assistance with student pre-referrals. A special education representative sits on the building-level intervention team meeting, as well as a school psychologist if discussing a student with behavior problems. Region 4 offers NFISD training and support for teachers working with mainstreamed special education students. This training includes lesson modifications and classroom management techniques. Additional in-service training is provided by private consultants, by a local law firm that specializes in special education legal issues and also by the Harris County Educational Department.

To ensure the least restrictive environment appropriate for each student, district personnel always begin by considering supplementary aids and services or modifications that can be offered in regular education. All students receive appropriate curricular modifications and services. ARD committees composed of parents and professional staff determine program eligibility and participation, educational plans and placement in and dismissal from special education. IEPs are developed for every disabled student.

NFISD provides special education services to 712 students with disabilities, or 5.7 percent of the district's student population. NFISD offers a full range of special education services including general education, content mastery, mainstream, mainstream with modifications, resource, self-contained, homebound and vocational adjustment classes. Additional instructional help is provided through content mastery, co-teaching and in-class tutoring.

NFISD offers special education services at all schools, including its discipline alternative education and residential care facilities. Related services for disabled students include counseling; occupational and physical therapies; school health and social work services; assistive technology services such as recordings, reading machines, tape recordings, computers and other devices that help disabled students learn; orientation and mobility training and transportation.

The NFISD Special Education Department is fully staffed, with all personnel having current and appropriate credentials and certifications. The Special Education Department employs a total of 86.5 personnel: 50.5 full-time equivalent special education professionals including teachers, diagnosticians, adaptive physical education teachers, speech therapists and pathologists, teachers for the visually impaired and homebound teachers and 36 teacher assistants, or aides and paraprofessionals. The district's special education teacher-student ratio is 1:14, slightly less than the region's ratio of 1:19 and the state's ratio of 1:18.

The director of Special Education and the supervisor of Special Education both serve all NFISD schools. NFISD employs six diagnosticians, each of whom serves two buildings. Other school-based special education staff members, such as psychologists and special education teachers, provide training to assist regular education teachers with lesson plan modifications and to obtain assistive devices as needed. These personnel also work with teachers to ensure that modifications are correctly implemented in the classroom. The district also contracts with the Harris County Department of Education for occupational and physical therapy (OT/PT) services, for one special education counselor in 2001-02 and for two in 2002-03.

During 2001-02, 751 students were enrolled in the NFISD special education program, with the district's budgeted special education expenditures totaling $2,856,617. The percent of NFISD students enrolled in special education was the lowest among peer districts and lower than that in the region and state. The budgeted special education expenditures were lowest among peers (**Exhibit 2-39**).

Exhibit 2-39
2001-02 Special Education Expenditures
NFISD, Peers, Region 4 and State

District	Number Students Enrolled	Percent of Total Students Enrolled	Budgeted Special Education Expenditures	Percent of Total Expenditures
Eagle Pass	970	7.6%	$3,576,267	9.1%
Edgewood	1,942	14.5%	$5,063,157	11.6%
North Forest	**751**	**6.4%**	**$2,856,617**	**8.1%**
Port Arthur	900	8.3%	$5,114,236	13.1%
South San Antonio	1,229	12.3%	$4,187,024	11.1%
Region 4	**90,238**	**10.0%**	**N/A***	**N/A***
State	**486,725**	**11.7%**	**N/A***	**N/A***

Source: TEA, PEIMS, 2001-02.
** State and region data comparisons are not available from TEA until October 2002.*

FINDING

NFISD offers its special education staff extensive training opportunities through its own personnel, Harris County Department of Education, Region 4 and other individuals, agencies and providers. Topics offered include behavior management and intervention plans, special education law, ARD meetings, inclusion, technology, educating and understanding individuals with learning disabilities, the needs of diverse learners, co-teaching, parents as teachers and student support system (SSS) core team training.

Faculty members attend statewide conferences and meetings, such as the state conference on autism and meetings of the Bilingual/Special Education Assessment Institute Task Force. NFISD also pays registration and travel expenses for parents of special education students who attend conferences concerning their children's disabilities. The district encourages active parent involvement on the parent advisory committee that meets monthly with the special education director and supervisory staff. The district also provides annual training and written materials to parents and regular teachers

on the NFISD Department of Special Education Policies and Procedures. The manual explains specific disability characteristics and the accompanying learning styles, so that teachers and parents can recognize disability symptoms and seek a referral through the Special Education Department to determine whether or not their child is eligible for services. For each disability type, the manual identifies common learner organizational skills or the ways that a child in that category tends to learn and process information. It then suggests modifications to classrooms and techniques in classroom management to enhance learning.

COMMENDATION

NFISD provides its special education personnel and parents of disabled students with extensive training opportunities.

FINDING

NFISD has improved the quality of the special education program during 2000-02. The current director of Special Education has hired fully certified staff for all positions. The department has completed the Corrective Action Review (CAR) Plan and is fully compliant with state and federal guidelines. An increased level of staff support through training efforts and full staffing of paraprofessional positions has improved department efficiency and compliance. The speech pathology staff is now fully staffed due to aggressive statewide recruiting efforts, and in-depth, ongoing parent training workshops have been initiated.

NFISD has an outstanding program serving the early childhood population of three- and four-year olds. Located at Thurgood Marshall Elementary, the program provides curricula to help students understand, appreciate, interact with and evaluate their living environments. Speech pathology, occupational therapy, physical therapy and adapted physical education are essential components of the program. Teachers use innovative strategies and share ideas that help personalize their school experience by involving the students in creative artistic processes, developing their learning skills, heightening their sensibilities and fostering higher communication levels.

COMMENDATION

NFISD's Special Education Department has improved the quality of services for children.

FINDING

NFISD is not applying for its eligible Medicaid reimbursements. In September 1992, Texas' Medicaid program was amended to allow school districts to enroll as Medicaid providers and apply for Medicaid reimbursement for services provided to disabled children. The reimbursement program, known as School Health and Related Services (SHARS), does not require school districts to spend new money, but requires only that they apply for the reimbursement for specific services provided to Medicaid-certified students. Because SHARS provides reimbursement for funds already spent, it is returned to the district and made available to offset future expenses without restrictions. If a student's IEP requires occupational therapy, physical therapy or speech therapy and the student is Medicaid-eligible, the district can receive Medicaid reimbursement for providing those services.

Another reimbursement program available to Texas school districts is the Medicaid Administrative Claims (MAC) program. MAC reimburses districts for health-related administrative services that cannot be billed through SHARS. Because public schools play a critical role in helping children and their families obtain physical and mental health services, they can be reimbursed for referral, outreach, coordination and other related administrative activities.

NFISD special education staff reported that the district receives approximately $160,000 annually through the MAC reimbursement program, but that they were unaware of the SHARS reimbursement availability. Among the five peer districts, NFISD was the only district not receiving SHARS reimbursements in 2000-01. The MAC and SHARS reimbursements for 1998-99 through 2000-01 for the four peer districts are shown in **Exhibit 2-40**.

Exhibit 2-40
MAC and SHARS Reimbursements
1998-99 through 2000-01
NFISD and Peer Districts

District	1998-99	1999-2000	2000-01	3-year Average
MAC Reimbursements				
Eagle Pass	$18,450	$31,499	$15,825	$21,925
Edgewood	$257,064	$226,947	$174,384	$219,465
Port Arthur	$209,411	$90,859	$191,181	$163,817
South San Antonio	$0	$0	$17,003	$5,668
Average without NFISD	**$121,231**	**$87,326**	**$99,598**	**$102,719**
SHARS Reimbursements				
Eagle Pass	$9,728	$0	$18,529	$9,419
Edgewood	$167,501	$256,281	$213,388	$212,390
Port Arthur	$126,539	$62,736	$374,133	$187,803
South San Antonio	$249,403	$220,460	$173,694	$214,519
Average without NFISD	**$138,293**	**$134,869**	**$194,936**	**$156,033**

Source: TEA, PEIMS, 1998-99 through 2000-01.

NFISD contracts with La Porte ISD for the MAC portion of the reimbursement program. Because NFISD does not receive any SHARS revenue, the district is losing reimbursements for services provided by assessment personnel, speech therapists, special education counselors, nurses or eligible transportation services provided for special education students. Other school districts, such as Dallas and Houston, have identified these and other areas as a means of increasing reimbursements. Some districts contract with private vendors to provide this service. For example, Texas State Billing Services, Inc. charges a percent of the reimbursed amount while groups such as Texas Association of School Boards (TASB) file for a district's Medicaid claims for a flat fee per claim. Consortiums of smaller districts have also been organized to collectively file claims in an effort to save on expenses such as staff salaries.

Recommendation 26:

Apply for all eligible Medicaid reimbursements.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Curriculum and Instruction assigns the director of Special Education to research the financial advantages of contracting with an outside agency to assume responsibilities for both MAC and SHARS portions of the Medicaid reimbursement.	September 2002
2. The director of Special Education contacts the Texas Department of Health and TEA to secure information about the reimbursement procedures.	September – October 2002
3. The director of Special Education reviews costs for district Medicaid submissions and works through the business office to obtain information and cost estimates from outside vendors who provide this service.	November 2002 – February 2003

4. The director of Special Education submits a recommendation to the superintendent through the assistant superintendent of Curriculum and Instruction regarding the appropriateness of using outside vendors for all Medicaid submissions. — March 2003

5. The superintendent submits the recommendation to the board for consideration and approval. — April 2003

6. The director of Special Education ensures that all appropriate personnel receive training on identifying services eligible for reimbursement and monitors tracking and reporting procedures throughout the district. — September 2003 Ongoing

FISCAL IMPACT

Assuming that NFISD is receiving an annual MAC reimbursement of $160,000, it is conservatively estimated that the district could increase its annual Medicaid reimbursements by the three-year average of the peer districts for SHARS reimbursement, or $156,033. The estimated increase in revenue is doubled the second year because Medicaid allows retroactive billings for up to 12 months.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Apply for all eligible Medicaid reimbursements.	$0	$312,066	$156,033	$156,033	$156,033

FINDING

NFISD does not provide remediation for improving the TAAS scores of its special education students. For the past two years, TAAS pass rates have been significantly lower for special education students than for regular students. Between 1999-2000 and 2000-01, the difference in the pass rates widened in grades 3 and 7, improved slightly in grade 5 and was considerably improved in grades 4 and 8. There is insufficient data to evaluate the difference in grades 6 and 10 because AEIS does not report data when less than five students are in a group (**Exhibit 2-41**).

Exhibit 2-41
Percentage Difference in TAAS Pass Rates
All Students and Special Education Students
1999-2000 and 2000-01

	1999-2000 Percent Passed			2000-01 Percent Passed		
Grade	All Students	Special Education	Difference	All Students	Special Education	Difference
3	57.6%	33.3%	(24.3%)	57.2%	30.0%	(27.2%)
4	64.9%	37.5%	(27.4%)	63.3%	58.8%	(4.5%)
5	64.0%	16.7%	(47.3%)	61.1%	28.6%	(32.5%)
6	58.6%	42.9%	(15.7%)	64.1%	*	*
7	65.1%	50.0%	(15.1%)	68.8%	27.8%	(41.0%)
8	61.6%	41.2%	(20.4%)	51.6%	41.7%	(9.9%)
10	64.0%	10.0%	(54.0%)	57.4%	*	*

Source: TEA, AEIS, 1999-2000 and 2000-01.
**Results involving less than five students are not reported.*

NFISD does not monitor or analyze the TAAS data of its special education students and cannot identify discrepancies between the performance of special education students and other students. In an effort to address the discrepancies, the department has launched several programs and increased staff development related to the curriculum and instructional strategies. The department has conducted more comprehensive formal and informal evaluations to obtain information about students'

present performance levels and to assist staff with writing more effective goals and objectives for skills not attained by special education students.

In addition, the district has analyzed the causal factors contributing to the low TAAS scores for disabled students. In many cases, parents of special education students do not see the need for remedial classes since the students are receiving special education assistance. Many disabled students do not take advantage of summer classes due to frustration and fatigue from the regular school year. Many students with disabilities have a low tolerance for frustration and may not take the time needed for tests. The district has not addressed the students' need for extra tutoring to improve TAAS scores.

El Paso ISD uses several academic programs to help improve student performance on TAAS. For instance, some of the district's schools use a "student item analysis report" to identify individual student needs and make appropriate recommendations for tutoring and class groupings. Other programs include Time for Learning, Success for All, Reading Initiative, Accelerated Reader, Helping One Student to Succeed (HOSTS), Lightspan, Reading Recovery, Rereading Renaissance, Sharon Wells Math and TAAS Camps.

El Paso ISD also conducts teacher and administrator training activities such as balanced literacy workshops, TAAS-taking skills, writing processes, reading and math assessment, curriculum compacting, teaching strategies for specific content areas, special education and gifted and talented programs. Outside experts have trained with district staff in motivating students; teaching low-income students; analyzing test data; reading and writing in Spanish; developing curriculum between and among content areas; and coordinating Texas Essential Knowledge and Skills (TEKS) with TAAS. The district has also encouraged parents to become actively involved in various activities such as science fairs, TAAS reading and math nights and reading circles.

Recommendation 27:

Provide remediation for special education students who have not performed well on the TAAS.

NFISD must identify the specific academic needs of special education students who fail TAAS. District personnel should determine which programs help special education students and find the resources and personnel needed to implement or support these programs. Each student's ARD Committee must approve and coordinate these additional remediation activities according to the student's individual need and must document these in the student's records.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Special Education surveys the principals to determine what TAAS remediation efforts are currently provided to disabled students.	September 2002
2. The assistant superintendent of Curriculum and Instruction and director of Special Education, along with the building principals, develop and implement a plan to provide intensive remediation programs for disabled students who have been unsuccessful in passing TAAS.	November 2002
3. The director of Special Education maintains monthly contact with all principals to monitor the remediation program and reports the status to the superintendent through the assistant superintendent for Curriculum and Instruction.	November 2002 Ongoing

FISCAL IMPACT

This recommendation requires hiring additional personnel to provide intensive tutoring programs at each of the 14 NFISD schools. The projected need is for 14 tutors, each providing approximately 100 hours of tutoring at $10 an hour at a total cost of $14,000 (14 x 100 hours x $10 per hour = $14,000). The director of Special Education and the district and campus improvement committees should allocate the hours, the length of tutoring sessions, and the tutoring-session format based on individual student needs.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Provide remediation for special education students who have not performed well on the TAAS.	($14,000)	($14,000)	($14,000)	($14,000)	($14,000)

FINDING

Procedures for referring and identifying students in need of special education services are not being consistently followed. The district building level intervention teams meet regularly with a special education representative. Although the district has a detailed, coordinated plan for early, pre-referral intervention practices, the process at the school level is ignored or poorly implemented. Therefore, educational needs of students who are not identified but are in need of special education services are not being met. NFISD identifies a substantially lower percentage of students needing special education services than any of the peer districts and only approximately half the percentage of students needing special education services in the region and the state (see **Exhibit 2-39**). The district has not addressed the reasons why the number of students receiving special education services within the district is so much lower than the peer districts, the region and the state. The number of special education referrals by building is provided in **Exhibit 2-42.**

Exhibit 2-42
Number of Special Education Referrals
2000-01 and 2001-02

School	Referrals 2000-01	Referrals 2001-02	Did Not Qualify 2000-01	Did Not Qualify 2001-02	Parents Refusing Testing Placement 2000-01	Parents Refusing Testing Placement 2001-02
Marshall Primary	9	1	2	0	0	0
Rogers Elementary	5	4	0	2	3	0
Tidwell Elementary	17	20	2	0	1	0
Fonwood Elementary	4	4	0	0	1	0
Hilliard Elementary	13	21	1	0	1	2
Shadydale Elementary	13	13	3	3	0	1
Keahey Intermediate	2	6	2	2	0	0
East Houston Intermediate	5	4	2	2	0	0
Kirby Middle School	1	3	1	1	0	0
Oak Village Middle School	0	0	0	0	0	0
Forest Brook High School	0	1	0	0	0	0
M.B. Smiley High School	2	1	1	0	0	0

Exhibit 2-42 (continued)
Number of Special Education Referrals
2000-01 and 2001-02

School	Referrals 2000-01	Referrals 2001-02	Did Not Qualify 2000-01	Did Not Qualify 2001-02	Parents Refusing Testing Placement 2000-01	Parents Refusing Testing Placement 2001-02
Langstead Elementary	7	1	1	0	0	0
Lakewood Elementary	10	0	2	0	0	0
Speech Only	20	5	0	0	0	0
District	**108**	**84**	**17**	**10**	**6**	**3**

Source: NFISD Department of Special Education.

Even adjusting the number of referrals by school, by those that did not qualify and by those whose parents refused testing or placement does not explain the under-reporting or under-identifying of NFISD students when compared to peer districts, the region and the state (see **Exhibit 2-39**). The district does not have an effective training process for administrators, teachers and parents to learn and use the referral and identification process to its full benefit. The district does not track the source of referrals to the building intervention teams. Without this information, NFISD cannot measure the effectiveness of the referral process.

Galveston ISD has developed an effective system for evaluating and referring students needing special services. To eliminate the confusion and the duplication of effort associated with identifying particular student needs, Galveston ISD established the Multi-Disciplinary/Family Support Team (M-Team). The M-Team serves as a problem-solving tool so that students receive the necessary help to be successful. Each school's M-Team meets weekly to share information, discuss referrals received, gather specific information concerning students, make recommendations for placement in programs/support services and work on preventive planning. Team members include the principal, counselor, social worker, nurse, Success For All (reading program) facilitator (grades K-5), referring teacher and others as deemed appropriate. Each M-Team is encouraged to also have an individual familiar with student assessment, such as a diagnostician, as a team member. Parent participation is also encouraged.

Teachers and parents are encouraged to refer any student experiencing difficulty in the classroom for any reason, or students can refer themselves for the same reason Usually the counselor collects data on each referral, and the team reviews each student's referral information. Each student is assigned a team member to choose among several alternatives. The M-Team has four options to consider before making a decision to intervene. These options, from least restrictive to most restrictive, are: implement campus modifications for a predetermined amount of time; refer to the dyslexia committee on campus; initiate 504 referral process and initiate a special education referral process.

Recommendation 28:

Examine special education referral and identification methods and incorporate more effective strategies into the Building Level Intervention Teams.

NFISD should ensure that all students needing special education services get referred to the program. Teachers should receive additional in-service training to increase their ability to detect and act on early indicators of student need.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Curriculum and Instruction delegates the director of Special Education to draft a plan to develop and implement a training program for the pre-referral process.	September 2002
2. The director of Special Education gathers information on effective interventions from district staff, Region 4 personnel, TEA and other sources.	October 2002
3. The director of Special Education and the executive director of Human Resources work with principals to establish an early recognition-training schedule during the district's scheduled in-service days.	October 2002-January 2003
4. The director of Special Education, director of Research and Evaluation and the coordinator of Technology implement a system to track and evaluate the effectiveness of the pre-referral intervention process.	January-March 2003 Ongoing
5. The director of Special Education and the executive director of Human Resources, with assistance from Region 4, provide the appropriate training at each building for the appropriate staff and parents.	August 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

E. BILINGUAL EDUCATION/ENGLISH AS A SECOND LANGUAGE

Texas Education Code (TEC) Chapter 29 requires all school districts with 20 Limited English Proficient (LEP) students in the same grade level to offer a Bilingual English/English as a Second Language (BE/ESL) class or an alternative language program. An LEP student is defined as one whose primary language is not English and whose English language proficiency limits participation in an English-language academic environment.

With the exception of LEP exemptions in NFISD and Port Arthur, AEIS 2000-01 school year quality indicators reveal minimal internal differences between all students and Hispanic students receiving bilingual/ESL instruction when compared to the peer districts. **Exhibit 2-43** and **Exhibit 2-44** show that although NFISD is significantly behind the peer districts, the region, and the state in key quality indicators, there is not a significant difference in key indicators when comparing all students to Hispanic students. These data suggest that NFISD is not treating Hispanic students any differently from all students.

Exhibit 2-43
Comparison of Quality Indicators
2000-01

District	Students	LEP Exemption	Annual Dropout Rate	Passing All TAAS	TAAS Participation	Attendance
North Forest	**All**	**0.8%**	**4.3%**	**62.6%**	**97.4%**	**93.9%**
	Hispanic	**4.4%**	**3.6%**	**62.3%**	**96.1%**	**93.8%**
South San Antonio	All	1.0%	2.4%	77.2%	96.8%	95.8%
	Hispanic	0.9%	2.5%	77.1%	96.9%	95.9%
Edgewood	All	1.4%	2.6%	76.3%	94.7%	95.2%
	Hispanic	1.5%	2.5%	76.3%	94.7%	95.1%
Port Arthur	All	1.3%	1.4%	71.1%	96.3%	94.0%
	Hispanic	5.7%	1.2%	72.1%	92.2%	94.5%
Eagle Pass	All	0.3%	0.3%	78.6%	98.0%	95.8%
	Hispanic	0.3%	0.3%	78.8%	98.1%	95.9%
Region 4	**All**	**1.5%**	**1.5%**	**83.1%**	**96.3%**	**95.6%**
	Hispanic	**3.4%**	**2.2%**	**77.0%**	**94.1%**	**95.2%**
State	**All**	**1.4%**	**1.3%**	**82.1%**	**96.2%**	**95.6%**

Source: TEA, AEIS, 2000-01.

Exhibit 2-44
NFISD Students Passing All TAAS
All Students and Hispanic Students
2000-01

Grade Level	3	4	5	6	8	10	All
All Students	57.2%	63.3%	61.1%	64.1%	51.6%	57.4%	62.6%
Hispanic Students	47.7%	60.9%	71.7%	63.3%	46.9%	65.0%	62.3%

Source: TEA, AEIS, 2000-01.

Parents can waive bilingual/ESL instruction. Students with waived status receive no modifications and must take the TAAS the year they enroll. NFISD has a written policy that states parents must provide a bilingual/ESL waiver letter if the parents insist on waiving bilingual/ESL instructional services.

NFISD serves 874 LEP students. The primary languages are English and Spanish. State law specifies that bilingual education must be provided in pre-kindergarten through the elementary grades and that bilingual education, instruction in ESL or other transitional language instruction approved by TEA be provided in post-elementary grades through grade 8. Students in grades 9 through 12 require only ESL instruction. NFISD provides bilingual instruction at two elementary schools. All other schools provide ESL instruction for eligible students. NFISD has received waiver authorization from TEA to provide ESL instruction in lieu of bilingual instruction at all but two schools, because the district seems unable to hire qualified bilingual teachers.

Bilingual instruction uses two languages for instructional purposes: the student's native language and English. The amount of instruction in each language is commensurate with the students' level of proficiency in both languages and their level of academic achievement. Students at two of the district's elementary schools in grades K through 2 receive most of their instruction in their native language, with a designated time for ESL instruction. Content-area instruction like math, science and social studies is provided in both languages.

Dual-language classes are made up of 50 percent of students whose first language is English and 50 percent of students whose first language is Spanish. Dual-language classes are only offered at two

schools within the district. Instruction in each language is provided equally. Dual language classes are intended to encourage bilingual fluency.

ESL instruction should develop proficiency in the comprehension, speaking, reading and composition of both oral and written English. Depending on each student's language ability, the amount of time accorded to English may vary from total immersion to partial instruction in the regular classroom in one to two periods in grades 6-12.

TEA requires that all LEP students be tested with the TAAS or with an alternative test if the student is not academically prepared in English. A school-based Language Proficiency Assessment Committee (LPAC) decides identification, instructional placement and reclassification of LEP students at each school. The LPAC can also exempt students from TAAS. Beginning in Spring 2001, an LPAC may grant immigrants in grades 3 through 8 an exemption on the basis of limited English proficiency during their first three years of enrollment in U.S. schools. Spanish-speaking LEP students cannot take the TAAS in Spanish for more than three years.

NFISD uses Spanish and English TAAS data to evaluate the impact of bilingual education on student performance. The district uses the Reading Proficiency Test in English (RPTE) to evaluate students' English reading skills. The Texas Primary Reading Inventory (TPRI) is used as an evaluation instrument for students in grades PK through 2. Local evaluations in mathematics and reading in English and Spanish are administered to all students in grades 1 through 10.

FINDING

NFISD has not fully implemented TEA's Peer Review Team recommendations from an on-site peer review in January 2000. Recommendations concerning Bilingual Education included:

- provide students with appropriate instruction from a bilingual-certified teacher in their native language;
- provide teachers with staff development in the use of state-adopted materials;
- take the proper steps to ensure adequate instructional resources for the future bilingual program; and
- administer a Spanish achievement test to evaluate student progress.

Interviews with the supervisor of Bilingual/ESL Programs state that NFISD has received a waiver from TEA that allows the district to substitute ESL instruction for Bilingual instruction due to the district's inability to attract certified bilingual teachers. An interview with a principal at one middle school revealed that the school's ESL teaching position was vacant for over five months for this same reason. The district currently offers bilingual instruction in only two of its elementary schools. As a result of this, students that need bilingual instruction in the other district schools are not receiving the necessary instruction. The lack of necessary instructional services in bilingual education may contribute to the district's low student assessment scores.

Galveston ISD uses innovative methods to attract and train teachers. In 1998-99, Galveston ISD was one of eight school districts selected by the Texas Education Agency to recruit in Spain. The district hired seven Spanish teachers for bilingual and Spanish classes. Galveston ISD was approved to recruit in Spain again in 2000-01.

San Angelo ISD encourages the recruitment of certified bilingual and ESL teachers by providing academic and financial support for its classroom teachers who want to pursue certification or endorsement. The district sponsored study sessions and provided a one-time $250 stipend when teachers received their certification. Since the program's inception in 1995, 330 teachers have participated in study sessions for the Examination for Certification of Educators (ExCET) and have received their bilingual/ESL certification endorsement. Teachers who are already certified in another academic area receive an endorsement in bilingual/ESL education. All program participants must pass the ExCET in bilingual/ESL education to receive certification or endorsement.

McDade ISD encourages teachers to obtain multiple certifications in addition to the required elementary education certification. The district funds the cost of the required ExCET exam, as well as additional training for teachers in areas such as dyslexia. In grades K through 5, five teachers and the assistant superintendent completed Reading certification in addition to their elementary education certification. The ESL teacher and three grade level teachers also obtained ESL certification.

Recommendation 29:

Recruit certified bilingual and ESL teachers and assist current teachers in obtaining bilingual and ESL certifications to meet the needs of NFISD students.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent designates the executive director of Human Resources to work with a District Improvement Team subcommittee to evaluate the need for bilingual and ESL teachers within the district.	September 2002
2. The executive director of Human Resources and the subcommittee develop a plan to recruit certified bilingual and ESL teachers and to assist current teachers in obtaining certification as determined by the district's needs assessment. The plan is then submitted to the superintendent.	October – December 2002
3. The superintendent ensures that the plan includes strategies for reallocating existing bilingual/ESL supplemental funds to provide financial incentives to bilingual/ESL teachers.	January 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district inconsistently identifies and exits students from its bilingual and ESL programs. As a result, the district cannot ensure that all students who qualify and could benefit from bilingual and ESL programs are enrolled in the programs or that students leave the programs at the appropriate time. NFISD uses Home Language Surveys as an initial identification tool to determine eligibility for ESL and bilingual programs. The district's *Bilingual/English as a Second Language Handbook* suggests using a variety of tests and consideration by the LPAC committee to determine program enrollment and un-enrollment. During visits to district schools, however, there was no documentation to verify the testing and LPAC consideration policy. There are substantial differences between the number of identified LEP students and the number of identified bilingual/ESL students in the peer districts. In NFISD, a zero percent difference exists between the number of LEP students and students identified as needing bilingual/ESL services (**Exhibit 2-45**). Data suggest that within the NFISD, initial identification by the Home Language Survey as an LEP student equates to identification as needing bilingual/ESL instruction.

Exhibit 2-45
Hispanic Bilingual/ESL Participation
NFISD, Peer Districts, Region 4 and State
2001-02

District	Hispanic	Bilingual	LEP	LEP vs. Bilingual Difference
Edgewood	97.0%	19.4%	21.8%	2.4%
Eagle Pass	97.1%	34.4%	38.7%	4.3%
North Forest	**20.1%**	**9.3%**	**9.3%**	**0.0%**
Port Arthur	24.7%	6.5%	12.3%	5.8%
South San Antonio	94.9%	13.3%	16.6%	3.3%
Region 4	**38.1%**	**15.4%**	**N/A***	**N/A***
State	**41.7%**	**13.1%**	**N/A***	**N/A***

Source: TEA, PEIMS, 2001-02.
** State and region data comparisons are not available from TEA until October 2002.*

Bastrop ISD established an effective program to identify when students do and don't need bilingual and ESL instructional services anymore. By implementing an effective Bilingual/ESL program, that district experienced both fewer test exemptions and improved test performance. Students in both programs at pre-K through grade 6 take the Language Assessment Skills - Oral Test (LAS-O) in both English and Spanish annually. Students in grades 7 through 12 take the LAS-O in English to determine their growth in oral language. Bilingual/ESL students take the district's Benchmark Assessments at grades K-12 in reading and writing in English or Spanish, as appropriate, to measure growth. At grades 3 through 6, students take TAAS either in English or Spanish.

Students can exit Bastrop ISD's bilingual/ESL programs if they pass the reading portion of the grade-appropriate English TAAS and the writing portion of the grade-appropriate English TAAS and meet the other exit requirements. Students can also exit bilingual/ESL programs by scoring at or above the 40th percentile on the English reading and language portions of a state-approved norm-referenced measure. Identified pre-K, K and grade 1 LEP students cannot exit from the bilingual/ESL program until the end of grade 1. The district monitors students who exit the bilingual program for two years.

Recommendation 30:

Develop and implement procedures to ensure that all Bilingual and ESL program staff follow identification and exit procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Special Programs reviews current practices for identifying and exiting students from bilingual/ESL programs and evaluates each school's compliance with district policy.	September 2002
2. The director of Special Programs reports findings to the superintendent and District Improvement Team and helps the team develop monitoring procedures to ensure that campus improvement plans (CIPs) follow district policy.	November 2002
3. The District Improvement Team develops strategies to monitor all CIPs on a quarterly basis to ensure compliance with district policy concerning identifying and exiting students in bilingual/ESL programs. The team then submits the strategies to the superintendent for approval.	December 2002 – March 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD has no strategies to ensure that bilingual/ESL resources are used to promote successful programs. NFISD allocates substantial resources to its bilingual/ESL programs. **Exhibit 2-46** and **Exhibit 2-47** indicate that the district compares favorably to peer districts in the resources allocated to the programs. Although the district budgets approximately $900,000 annually for bilingual/ESL programs, the District Improvement Plan (DIP) has no objective to measure the effectiveness of the expenditure. School improvement plan strategies do not specify how to evaluate an individual strategy. For example, one elementary Campus Improvement Plan (CIP) lists six separate strategies to improve bilingual/ESL student achievement at a cost of $4,500. All six strategies identify improvement on the Iowa Test of Basic Skills and Texas Primary Reading Inventory as the summative measure of success. Because all strategies have the same summative measure, it will be difficult to determine which strategies were successful and which were not.

Exhibit 2-46
Bilingual/ESL per Student Expenditure
NFISD, Peer Districts, Region 4 and State
2001-02

District	Students Enrolled in Bilingual ESL	Percent of Total Enrollment	Budgeted Expenditures	Percent of Budgeted Expenditures	Per Student Expenditures
Edgewood	2,602	19.4%	$560,913	1.3%	$216
Eagle Pass	4,393	34.4%	$808,792	2.0%	$184
North Forest	**1,089**	**9.3%**	**$924,001**	**2.6%**	**$848**
Port Arthur	701	6.5%	$1,657,902	4.3%	$2,365
South San Antonio	1,323	13.3%	$4,935,413	13.1%	$3,730
Region 4	**138,476**	**15.4%**	**N/A***	**N/A***	**N/A***
State	**542,609**	**13.1%**	**N/A***	**N/A***	**N/A***

Source: TEA, PEIMS, 2001-02.
** State and region data comparisons are not available from TEA until October 2002.*

Exhibit 2-47
Bilingual/ESL Teacher to Student Ratio
NFISD, Peer Districts, Region 4 and State
2001-02

District	Students Enrolled in Bilingual/ESL	Bilingual/ ESL Faculty	Percent of Bilingual/ ESL Staff to Total Staff	Teacher to Student Ratio
Edgewood	2,602	7.0	0.8%	1:372
Eagle Pass	4,393	255.5	35.1%	1:17
North Forest	**1,089**	**40.7**	**5.9%**	**1:27**
Port Arthur	701	43.2	6.4%	1:16
South San Antonio	1,323	127.3	18.9%	1:10
Region 4	**138,476**	**4,620.8**	**8.8%**	**1:30**
State	**542,609**	**21,989.5**	**8.0%**	**1:25**

Source: TEA, PEIMS, 2001-02.

Ysleta ISD established comprehensive procedures for collecting and analyzing data for program evaluations. Examples of such data collection and analysis are found in the "Project Mariposa

External Evaluation Report" and "Accountability Through Limited English Proficient (LEP) Data Analysis for Principals 1996-97." These reports provide summary information by grade level, school and district concerning performance. An example of comprehensive analysis is identifying LEP students in the "danger-zone." "Danger-zone" students are those who have not progressed in oral English proficiency, as measured on Language Assessment Scale (LAS). The LAS is a five-level scale with level one representing no proficiency and level five representing proficiency. Such analysis is provided to principals and other affected personnel and is based on the number of years the student spent in the program and the level of achievement.

Recommendation 31:

Develop strategies in the district and campus improvement plans to measure bilingual/ESL program effectiveness.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The District Improvement Team develops objectives to measure the effectiveness of bilingual/ESL expenditures, including procedures to monitor district objective implementation at each school.	September 2002
2.	Each school's Campus Improvement Team revises the CIP objectives to ensure that each strategy listed can be measured.	November 2002
3.	The District Improvement Team reviews and monitors each CIP to ensure that each strategy is measured.	January 2003
4.	The building principals make periodic reports to the board on the status of evaluation efforts of CIP strategy effectiveness.	May 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

F. TITLE I/STATE COMPENSATORY EDUCATION

In addition to regular classroom instruction, other instructional programs provide special support for students at risk of dropping out and students who are not performing on grade level. The Federal Elementary and Secondary Education Act (Title I) originally enacted in 1965, and the Improving America's Schools Act of 1994, provide funds for students not meeting performance standards. The TEA sends Title I funds to districts based on their number of economically disadvantaged students. Students eligible for free/reduced-price lunch or breakfast are typically used to determine eligibility for Title I programs. But the students served are selected on the basis of educational need, not economic status. Funds are intended to be supplemental. Title I and SEC funds must enhance the regular program and not replace or supplant regular funds.

NFISD uses Title I funds to supplement opportunities for low income and at-risk students to master the TEKS and meet state TAAS performance standards. The amended law allows a school to be designated as a schoolwide Title I Program if 50 percent or more of students in the school or the attendance zone are low income. All NFISD schools, except for two high schools, are designated as schoolwide programs. M.B. Smiley High School and Forest Brook High School are designated as Targeted Assistance Schools, individual schools within a district that do not meet the 50 percent criteria for low income students. These schools must expend Title I funds directly towards academically improving specifically identified students. A Targeted Assistance School cannot use Title I funds for schoolwide programs.

Texas state-funded compensatory programs began in 1975 with the passage of H.B. 1126. In 1997, Section 42.152 of the Texas Education Code was amended to include the reporting and auditing of compensatory education funds. The Texas Education Code requires that state compensatory education (SCE) funds, like federal Title I funds, must be supplemental in nature. SCE rules allow a great deal of flexibility in student identification and program approaches. As with the federal program, the state funds flow based on the number of economically disadvantaged students; however, students served need not be economically disadvantaged. These federal and state special programs provide funds to targeted special populations that often have eligibility crossovers.

The NFISD policy and procedure manuals for Title I and at-risk programs state that a comprehensive needs assessment process identifies student educational needs. Each middle and elementary school receives a Title I schoolwide program packet. These packets include the program requirements, intended beneficiaries, instructions on developing parent involvement and directions for incorporating the eight components of a schoolwide program. NFISD policy states that students attending targeted assistance campuses are identified on an individual basis.

The NFISD state compensatory education program provides Pregnancy Education and Parenting (PEP) services and school and districtwide at-risk services. The SCE program supplements the regular program by providing program staff at all schools. This includes the discipline alternative education facilities, supplies and materials, tutoring, attendance monitoring, focused childcare, counseling and professional training in specialized areas. Specialized areas include ESL strategies, TAAS strategies and dropout prevention methods. The district operates a limited enrollment Discipline Alternative Education Program (DAEP) at the district's Guidance Center program with a maximum capacity of 100 students. For $120,000 annually, the district contracts for additional alternative education program services as needed with the High Point Program operated by the Harris County Department of Education.

District counselors work with administrators and teachers to identify students at-risk of dropping out of school. The district strictly uses state identification criteria in Section 29.081 of the Texas Education Code. The criteria for secondary students include failing a grade level for two or more years; math or reading skills two or more years below grade level; failing two or more courses during a semester and/or not being expected to graduate from high school within four years; unsatisfactory performance on TAAS or other testing; or pregnancy or parenthood. Elementary student criteria include unsatisfactory performance on a readiness or other assessment test given at the beginning of the year; unsatisfactory performance on TAAS or other testing; limited English proficiency; or physical, sexual or emotional abuse.

NFISD provides an extensive range of programs and initiatives to help at-risk students. **Exhibit 2-48** lists the various programs by grade level. **Exhibit 2-49** lists districtwide initiatives.

Exhibit 2-48
NFISD Supplemental Programs for At-Risk Students

PreK-6 Programs	Secondary Programs	PreK-12 Programs
Testwiseness	Saturday Classes for TAAS	Summer Reading and Math Camp
Extended Academic Summer School	Summer School 7 and 8	Alternative School Guidance Center
Optional Extended Year Summer School	Advanced Summer School 9-12	Drug Abuse Resistance Program
Creative Education Institute	At-Risk Counseling Program	Corrective Reading
Pre-Kindergarten Program	Extended Academic Summer School	Accelerated Reader

Exhibit 2-48 (continued)
NFISD Supplemental Programs for At-Risk Students

PreK-6 Programs	Secondary Programs	PreK-12 Programs
Jostens Learning Lab	HCC/Adult Program	Mandatory Tutorial
Language for Learning	Peer Assistance Program	ESL
Title I	PEP Program	Student Assistance Program
Bilingual/ESL	Educational Learning Enrichment	Peer Mediation
		Extended Day
		Lightspan/Learnstar

Source: NFISD At-Risk Programs: Strategies for Addressing Critical Needs. Not dated.

Exhibit 2-49
Districtwide Title I
Initiatives for At-risk Students

Title I Initiatives for At-risk Students
Compass Learning Lab
Waterford Early Reading Program
Lightspan Partnership
Creative Education Institute Lab
Brainchild
Extended Day Classes
Saturday Classes
Summer School

Source: NFISD At-Risk Programs: Strategies for Addressing Critical Needs. Not dated.

FINDING

NFISD does not collect sufficient information to determine the effectiveness of SCE or Title I funds used to support district and school-based initiatives for at-risk students. The district relies primarily on district and school TAAS results to measure program effectiveness of Title I and SCE programs. Although both district and campus improvement plans cite additional measures to determine Title I and SEC program effectiveness, there was no documentation that measures other than the TAAS scores were collected or used to determine program effectiveness.

NFISD devotes a higher percentage of resources to supplementary programs for students identified as at-risk than all but one of the other peer districts. **Exhibit 2-50** documents the resources currently devoted to supplementary programs in NFISD, the peer districts, Region 4 and the state.

Exhibit 2-50
NFISD, Peer Districts, Region 4 and State
SCE Expenditures per Student
2001-02

District	Amount	Ranking
Edgewood	$407	1
North Forest	**$356**	**2**
South San Antonio	$347	3
Port Arthur	$299	4
Eagle Pass	$240	5
Region 4	**N/A***	**N/A**
State	**N/A***	**N/A**

Source: TEA, PEIMS, 2001-02.
** State and region data comparisons are not available from TEA until October 2002.*

Most CIP objectives are not consistent with either formative or summative evaluation methods. TEA requires all CIP and DIP objectives to identify both formative and summative evaluation methods. Formative measures are the measurements a school or district takes throughout the year to determine progress made towards accomplishing the stated objective. Summative measures are the measurements a school or district takes at the end of a school year to assess the overall success or failure of the objective. For example, the campus improvement plan for Forest Brook High School lists a strategy that will add eight teachers, at a cost of $313,370, for at-risk students. The formative measure for this strategy is to "monitor classes" while the summative measure is "more teachers to service students at-risk." Neither the formative or summative evaluation as stated within the objective is written in a manner consistent with measuring the success or failure of the strategy.

The Shadydale Elementary School CIP lists 10 distinct strategies for the first objective of their plan. All 10 strategies, including one strategy to fund two teacher salaries with SCE funds at a cost of $68,000, identify improved TAAS scores as the summative evaluation measure. It will not be possible, however, for the site-based team to determine if an individual strategy was a success or a failure by the rise or fall of TAAS scores. By all strategies having the same effectiveness measure, it is impossible to evaluate the individual effectiveness of any single strategy.

SCE and Title I programs are under the administrative supervision of the director of Special Programs. NFISD provides a total of 29 highly diverse supplemental programs for at-risk students. Nine programs are targeted towards grades PreK through 6 students, nine programs for secondary students and 11 programs for all students. NFISD has not developed, implemented or approved a policy or procedure to measure the individual effectiveness of supplemental programs offered to the district's at-risk students.

Spring ISD has an effective procedure to measure program evaluation effectiveness. By using a continuing, systematic approach to program evaluation, the district uses consistent standards to determine the worth of programs, identifying both strengths and concerns. The district published the "Spring Independent School District Standard Process for Program Evaluation" in 1990, describing standards to use when evaluating all district educational programs. The plan gathers information useful to improving, revising and determining the worth of programs. Two types of evaluation are included: an evaluation designed to improve the implementation of programs in progress and another designed to measure the merit of programs. Variables for program evaluation include: Degree of Program Implementation; Student Performance; Quality of Teacher Preparation and Development; Teacher Satisfaction and Concern; Use, the Quantity and the Quality of Materials and Resources; Unintended Effects; Student, Parent and Community Satisfaction; and Adequacy of Staffing, Facilities and Equipment. These measures identify both strengths and concerns. The board and district administrative staff uses evaluation results as the basis for program planning and revision.

Recommendation 32:

Develop a comprehensive evaluation program to determine the effectiveness of State Compensatory Education and Title I funds.

NFISD currently has no effective measures of its district and school initiatives. District and school-based measures are ineffective in determining the success or failure of individual initiatives within the district and school-based improvement plans. Excessive reliance on TAAS scores as the measure of success or failure does not allow district and campus improvement teams to determine the individual effectiveness of specific initiatives.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent appoints a Special Curriculum Committee to develop measures for evaluating the effectiveness of SCE and Title I programs.	September 2002

2. The superintendent and the district's three directors of supplemental programs review the measures developed by the Special Curriculum Committee for incorporation into the district improvement plan.	October 2002
3. The director of Accountability and Evaluations, along with the district's peer review team, establishes a schedule to review school and district measures of SCE and Title I fund effectiveness at least three times per school year.	October – November 2002
4. Campus improvement teams review and incorporate the measures developed by the district's improvement team into campus-based improvement plans.	November – December 2002
5. The superintendent ensures all district and campus improvement plans specify corrective action procedures and timelines for correction of programs found ineffective or not measurable by the district's peer review process.	January 2003
6. District and campus improvement teams review SCE and Title I funding of district and school-based initiatives to improve the academic performance of at-risk students and revise or eliminate ineffective programs.	May 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

District SCE programs are not organized to maximize the effectiveness of their resources. NFISD's supplemental program organization and administration is inconsistent. Three different district directors supervise supplemental programs, including different directors for Special Education, Title I and SEC programs and Bilingual/ESL programs. These program directors do not meet regularly to discuss their programs and look for overlaps or gaps among them. Many school districts have found that regular meetings among the supplemental fund directors help them to integrate their programs and use targeted funds more efficiently. Furthermore, such communication can help ensure that a district draws down the maximum amount of federal and state funds.

Without regular meetings, directors cannot share and compare best practices. Inadequate districtwide oversight of SCE expenditures has led the district to return $150,000 in unspent Accelerated Reading funds during 2001-02, while district reading scores declined.

San Antonio ISD has an effective method to increase and improve communication between division heads and its superintendent's office. By convening frequent and effective staff meetings and improving the standards of protocol of these meetings, the district created a well-informed staff working consistently and cooperatively in problem solving, and produced an electronic record of management decisions. The district's central administrative staff members communicated and coordinated district activities effectively. Regularly scheduled meetings, with agendas and minutes, were the primary means by which administrators accomplished coordination and effectiveness. Meetings generally attracted full attendance and participation from attendees and provided a critical thread of continuity among the district staff amid frequent changes in leadership and organization. This "management by meeting" was effective, as district staff remained well informed about issues facing the district as well as board directives and questions. Regularly held meetings included the weekly cabinet meeting held by the superintendent and meetings between the executive directors in the Campus Leadership division, associate superintendents and other executive directors, referred to as "steward" meetings. Attendees of these meetings reported that they offered an effective way to address procedural questions or concerns and valuable time to exchange creative thoughts and solutions to problems.

Recommendation 33:

Coordinate supplemental program administration efforts to improve funding and student services for at-risk students.

Regular meetings should improve overall understanding of all special programs. Program directors could rotate annually as group chair so that everyone has a chance to lead the meetings. Program directors should prepare and follow agendas for each meeting. This should help directors become fully knowledgeable about all programs, not simply their own, so that they can learn how to integrate their programs and use best practices.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent charges the district improvement team to review the current administrative organization and management of supplemental programs and recommend improvements.	September 2002
2. The district improvement team studies current practices, interviews parents, teachers and other interested parties and requests exemplary practices from TEA and the U.S. Department of Education. It forwards all changes to the superintendent.	September – October 2002
3. The supplemental program directors meet to schedule meeting dates and plan agendas for 2002-03.	November 2002
4. The supplemental programs directors meet a minimum of four times to discuss ways to better integrate and manage federal and state programs for targeted populations.	September 2002 – May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

G. LIBRARY SERVICES

TEC 33.021 states, "...Texas State Library and Archives Commission (TSLAC), in consultation with the State Board of Education, shall adopt standards for school library services. A school district shall consider the standards in developing, implementing or expanding library services." In May 1997, the TSLAC adopted the *School Library Program Standards: Guidelines and Standards*. These guidelines ensure that students and staff become effective users of ideas and information, enabling them to be literate lifelong learners. To accomplish this task, the school library program should provide instruction in information gathering and resource evaluation, individual guidance and access to materials in multiple formats.

To assist districts, the guidelines provide criteria identifying programs as exemplary, recognized, acceptable or below standard in five areas: library learning environment, curriculum integration, resources, library program management and facilities. **Exhibit 2-51** provides examples of these rating criteria.

Exhibit 2-51
TSLAC School Library Standards
1997

Standard	Acceptable Rating	Recognized Rating	Exemplary Rating
School library staffing	1 librarian and 0.5 paraprofessional per 700 students	1 librarian and 1 paraprofessional per 700 students	1 librarian and 1.5 paraprofessionals per 700 students
District staffing (6-15 programs)	1 all-level, certified director/coordinator with additional district duties	1 all-level, certified director/coordinator with other district duties; 1 technical services specialist	1 all-level, certified director/coordinator with no other district duties
Funding for library resources, equipment, supplies	Receives at least 1% of total instructional budget	Receives at least 2% of total instructional budget	Receives at least 3% of total instructional budget
Resources	9,000 for fewer than 600 students; 15 items per student if more than 600	10,000 for fewer than 600 students; 18 items per student if more than 600	12,000 for fewer than 600 students; 20 items per student if more than 600
Periodicals	--HS 45-75 --MS 40-70 --ES 20	--HS 45-120 --MS 45-70 --ES 35	--HS 55-125 --MS 50-125 --ES 45
News sources	1 local and 1 state or international paper and 1 full-text database	1 local and 1 state or international paper and 1 full-text database	1 local and 1 state or international paper and 1 full-text database
Electronic databases	Full text periodical and news databases	Full-text periodical and news databases	Full-text periodical and news databases
Statewide resources	Participation in TLC	Participation in Texas Library Connection (TLC)	Participation in TLC
Scheduling	Modified flex/controlled	Mostly flex/some scheduled	Total flexible scheduling
Librarian/teacher planning	Attends grade level department meetings with teachers; plans some lessons to correlate with content areas	Plans collaboratively with individual teachers on a regular basis	Collaborates with individual teachers at scheduled times to integrate library instruction with content areas
Library access	Controlled access to resources and librarian during the instructional day; minimal access beyond the instructional day	Some access to resources and librarian at point of need, some controlled; access available beyond the school day	Individual and group access to resources and librarian at point of need, beyond the instructional day, either onsite or electronically
Teaching	Librarian teaches library/media lessons; provides individual reference assistance; introduces research tools	Librarian offers instruction on use of library resources as needed; facilitates use of technology; teaches information resources within curriculum context	Librarian teaches information literacy models; engages, directs and encourages students in technology research and use; totally integrates library instruction with content instruction

Source: School Library Programs, Standards and Guidelines for Texas, Texas State Library and Archives Commission, 1997.

NFISD has 14 librarians, one at each elementary, middle and intermediate school and two at each high school. All librarians are certified except the Kirby Middle School librarian, who will complete certification in Summer 2002. School librarians report to the principals at their respective schools.

Six schools implemented an automated checkout system; other schools will implement the system in 2002-03. All school libraries are open from 30 minutes before school until 30 minutes after school, except for the high school libraries, which are open one hour after school every day. The Smiley High

School library is open for students two hours after school until 5:00 PM two days per week. Forest Brook High School students can request extended hours. All libraries have Internet access and are connected to the Texas Library Connection (TLC), an educational technology initiative of the TEA. TLC provides statewide electronic resource sharing for K through 12 schools and libraries.

FINDING

NFISD does not evaluate its library program using state standards or maintain comprehensive information about program strengths or weaknesses. Library budgets are currently developed without meaningful input from library or other school-based staff. Individual school needs are not considered, nor are librarians consulted about resource needs. NFISD allocates $6 per student to elementary school libraries and $7 per student to middle and high school libraries. The library coordinator and librarians do not know the rationale for these amounts.

There is an annual inventory of collections, but the district prepares no evaluations or annual reports. At the request of the review team, the library coordinator called school librarians to obtain verbal resource counts before the scheduled annual inventory. Resources by school are presented in **Exhibit 2-52.** None of the NFISD schools have library collections that meet the standard for even the lowest level acceptable rating.

Exhibit 2-52
NFISD Library Collections by School
May 2002

School	Number of Books	Enrollment	Number of Books Per Student
Fonwood Elementary	7,883	912	8.6
Hilliard Elementary	6,708	823	8.2
Marshall Primary	10,507	1,161	9.0
Rogers Elementary	5,512	585	9.4
Shadydale Elementary	3,693	1,037	3.6
Tidwell Elementary	7,398	767	9.6
East Houston Intermediate	4,694	1,069	4.4
Keahey Intermediate	8,124	838	9.7
Kirby Middle School	8,445	938	9.0
Oak Village Middle School	5,000	695	7.2
Forest Brook High School	3,123	1,206	2.6
M.B. Smiley High School	14,823	1,631	9.1
Total	**85,910**	**11,662**	**7.4**

Source: NFISD Library Coordinator, May 2002; PEIMS 2001-02 enrollment figures, excluding students enrolled in dropout recovery and disciplinary alternative education programs.

Exhibit 2-53 presents the total number of library books necessary for each NFISD school to meet each rating level of the TSLAC standards. NFISD would need a total of 175,155 books to meet the acceptable rating; 209,386 books to meet the recognized rating; and 233,540 books to meet the exemplary rating.

Exhibit 2-53
Total Library Books Needed To Meet TSLAC Standards by School
May 2002

School	Total Books Needed for TSLAC Rating		
	Acceptable	Recognized	Exemplary
Fonwood Elementary	13,680	16,416	18,240
Hilliard Elementary	12,345	14,814	16,460
Marshall Primary	17,415	20,898	23,220
Rogers Elementary	9,000	10,000	12,000
Shadydale Elementary	15,555	18,666	20,740
Tidwell Elementary	11,505	13,806	15,340
East Houston Intermediate	16,035	19,242	21,380
Keahey Intermediate	12,570	15,084	16,760
Kirby Middle School	14,070	16,884	18,760
Oak Village Middle School	10,425	12,510	13,900
Forest Brook High School	18,090	21,708	24,120
M.B. Smiley High School	24,465	29,358	32,620
Total	**175,155**	**209,386**	**233,540**

Source: School Library Programs, Standards and Guidelines for Texas, Texas State Library and Archives Commission, 1997.

NFISD requires more than 89,000 new books to qualify for an acceptable rating. An exemplary rating would require approximately 150,000 new books. **Exhibit 2-54** presents the number of new books that would be needed by school for each rating.

Exhibit 2-54
New Library Books Needed To Meet TSLAC Standards by School
May 2002

School	New Books Needed for TSLAC Rating		
	Acceptable	Recognized	Exemplary
Fonwood Elementary	5,797	8,533	10,357
Hilliard Elementary	5,637	8,106	9,752
Marshall Primary	6,908	10,391	12,713
Rogers Elementary	3,488	4,488	6,488
Shadydale Elementary	11,862	14,973	17,047
Tidwell Elementary	4,107	6,408	7,942
East Houston Intermediate	11,341	14,548	16,686
Keahey Intermediate	4,446	6,960	8,636
Kirby Middle School	5,625	8,439	10,315
Oak Village Middle School	5,425	7,510	8,900
Forest Brook High School	14,967	18,585	20,997
M.B. Smiley High School	9,642	14,535	17,797
Total	**89,245**	**123,476**	**147,630**

Source: School Library Programs, Standards and Guidelines for Texas, Texas State Library and Archives Commission, 1997.

A higher percent of principals and teachers than of students responding to the TSPR April 2002 survey agreed or strongly agreed that the libraries are currently effective or meet students' needs **(Exhibit 2-55)**.

Exhibit 2-55
Survey Feedback on Library Effectiveness
April 2002

Group	Strongly Agree or Agree Library Services are Effective	Strongly Agree or Agree Library Meets Student Needs
Students	36.6%	34.2%
Teachers	59.4%	54.0%
Principals/Assistant Principals	75.0%	62.5%

Source: TSPR Surveys, April 2002.

Staffing standards for a district the size of NFISD require an all-level director/coordinator for the district's library program. The current library coordinator's contract has not been renewed. The superintendent plans to reassign the current coordinator to a school librarian position. One of the school librarians will also receive a small stipend to serve as the library coordinator. Since the library coordinator will have other district duties, NFISD will not qualify for the exemplary rating on the district-staffing standard. An acceptable or recognized rating is still possible.

Recommendation 34:

Evaluate the district's school library program against state library standards, and develop a plan to improve school library collections.

The district cannot improve its library services until it assesses its library staffing and resources. Library needs should be prioritized. It may be necessary to move some libraries from unacceptable status before moving others to acceptable, or from acceptable to recognized and so on.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. With the help of the school librarians, the superintendent directs the assistant superintendent of Curriculum and Instruction to evaluate NFISD library services against state standards and identify necessary improvements to move school collections to the next highest rating.	November 2002
2. The assistant superintendent of Curriculum and Instruction appoints a librarian workgroup to review individual and district library needs and to develop a districtwide library services improvement plan, including specific goals and actions, estimated improvement costs, a framework for budgeting resources based on needs, a timeline for completing improvements and a person responsible for each activity,	December 2002
3. The workgroup consults with the grant coordinator and assistant superintendent of Finance and Operations to identify and incorporate all possible funding sources into the plan.	April 2003
4. The superintendent approves the task force's plan and directs the assistant superintendent of Curriculum and Instruction to implement the plan.	June 2003

FISCAL IMPACT

NFISD schools need 89,245 new books for an acceptable rating; 123,476 new books for a recognized rating; and 147,630 new books for an exemplary rating. Annual costs will vary depending upon the developed and approved library services improvement plan. Assuming that the final plan calls for adding enough books to receive a recognized rating by the beginning of the 2006-07 school year, and assuming an average price of $16 per book, the estimated total cost would be $1,975,616 over a three-year period (123,476 books x $16 per book) or $658,539 per year ($1,975,616/3 years).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Evaluate the district's school library program against state library standards, and develop a plan to improve school library collections.	$0	($658,539)	($658,539)	($658,539)	$0

H. HEALTH SERVICES

Children cannot perform well academically if they are unhealthy, undernourished, have vision or hearing problems, have serious emotional problems or abuse drugs or alcohol. By preventing or alleviating health problems, coordinated school health programs serve the primary mission of schools. According to the American Cancer Society's Healthy Schools Healthy Kids Initiative, quality school health programs result in the following benefits:

- reduced absenteeism;
- fewer behavior problems in the classroom;
- improved student performance;
- higher test scores;
- more alert students;
- more students with positive attitudes;
- increased health awareness in children's daily lives; and
- more cooperation among parents, community organizations and teachers.

No federal or state law mandates that Texas school districts provide health services for students without disabilities. However, because an estimated 25 percent of Texas children ages 18 and under have no health insurance, a school nurse may be the only health professional they see.

School boards have discretion over which health services to provide and how to provide them. Before 1991, TEA played a major role in monitoring school health programs. Since 1992, however, the Texas Department of Health (TDH) has implemented a School Health Program that provides consultant services to public schools and information and resources to school personnel. TDH also awards communities competitive grants for school-based health centers.

FINDING

The district's health services program lacks high-level direction and leadership, making it more difficult to ensure that students receive the health services they need and that health-related goals and objectives are met. The district has a nurse coordinator who ensures that required reports on immunizations and communicable diseases are completed and submitted to local and state health agencies; schedules and staffs mandatory vision and hearing screening programs; arranges staff development for continuing nursing education; and monitors implementation of the district's health services program at individual schools. But the nurse coordinator also functions as a fulltime high school nurse for over 1,200 students, with limited time available for coordination duties. The nurse coordinator has no input into budgeting for the health program districtwide or into other school nurse evaluations. School nurses report to and are evaluated by the individual school principals.

NFISD assigns one registered nurse (RN) to each school. After the June 2001 flooding damaged the Lakewood Elementary School, the nurse assigned to that building was moved to Marshall Elementary School which currently has two RNs. NFISD does not employ licensed vocational nurses, clinical assistants or paraprofessional personnel for health services.

The National Association of School Nurses and Texas Association of School Nurses recommend a maximum ratio of 750 students per school nurse. NFISD nurse caseloads are shown in **Exhibit 2-56.**

Overall, the district has a ratio of 897 students per school nurse. However, ratios at individual schools vary from 581 students per school nurse at Marshall Primary School to 1,631 students per school nurse at M.B. Smiley High School.

Exhibit 2-56
NFISD Nurse Caseloads by School
May 2002

School	Number of Nurses	Enrollment	Number of Students per Nurse
Fonwood Elementary	1	912	912
Hilliard Elementary	1	823	823
Marshall Primary	2	1,161	581
Rogers Elementary	1	585	585
Shadydale Elementary	1	1,037	1,037
Tidwell Elementary	1	767	767
East Houston Intermediate	1	1,069	1,069
Keahey Intermediate	1	838	838
Kirby Middle School	1	938	938
Oak Village Middle School	1	695	695
Forest Brook High School	1	1,206	1,206
M.B. Smiley High School	1	1,631	1,631
District Total	**13**	**11,662**	**897**

Source: NFISD Guidance and Counseling secretary; PEIMS 2001-02 enrollment figures, excluding students enrolled in dropout recovery and disciplinary alternative education programs.

Nurses have no input into the budgeting process at their schools. The director of Student Services handles a small, centralized budget for administrative items such as equipment maintenance, but school principals approve purchases necessary for the school health clinics. Nurses reported buying supplies with their own money to avoid long delays and to ensure that students received the necessary care.

Recommendation 35:

Reorganize the health services program to enhance overall direction and accountability.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent has the executive director of Human Resources assign responsibility for overall district health services development and coordination to the nurse coordinator, with direct-report responsibilities assigned to the director of Student Services.	December 2002
2.	The superintendent directs the executive director of Human Resources to transfer one of the current Marshall Elementary School RN positions to the nurse coordinator's school to assume school nurse responsibilities at the school.	January 2003
3.	The superintendent directs the nurse coordinator to evaluate the current status of the district's health services program and prepare a strategic plan for health services delivery.	January 2003
4.	The nurse coordinator assesses the current status and prepares a strategic plan for health services.	January – April 2003

5. The superintendent and nurse coordinator present the strategic plan to the board for approval.	May 2003
6. The superintendent and nurse coordinator implement the plan.	June 2003 Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district has not evaluated the usage and effectiveness of the school-based health center in the W.G. Smiley Career and Technology Center, nor has it estimated the clinic's cost. Under the current agreement with the Harris County Hospital District (HCHD), NFISD provides the facility for the clinic, including utilities and telephone and fax lines. HCHD staffs the clinic with a nurse practitioner, licensed vocational nurse, a patient eligibility registration worker and a receptionist. The school-based health center has arrangements with other providers such as local hospitals to accept referrals for complex health problems and serve students during hours the clinic is closed.

According to the TDH School Health Program, school-based health centers offer services to children who often lack access to health services, especially for chronic conditions and for preventive health care. School-based health centers can fill the gap for uninsured and underinsured children and ensure that all Texas students have a "health care home." Services offered can include diagnosis and treatment of simple illnesses or minor injuries, immunizations, physical examinations, preventive and screening services and mental health and psychosocial counseling.

Recommendation 36:

Evaluate the effectiveness of the school-based clinic, including an analysis of student clinic usage and an estimate of clinic costs to the district.

Without evaluating the clinic, NFISD cannot identify ways to serve more students and increase efficiency.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the director of Career and Technology Education and nurse coordinator to meet with Harris County Hospital District staff regarding the school-based clinic's effectiveness and usage.	October 2002
2. The superintendent directs the director of Career and Technology Education to estimate the clinic cost to NFISD, in consultation with district fiscal and facilities personnel.	October 2002
3. The director of Career and Technology Education, in cooperation with the nurse coordinator and Harris County Hospital District staff, prepares an evaluation of the school-based clinic.	November 2002 – February 2003
4. The superintendent and board review the evaluation of the school-based clinic and take appropriate action.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

I. GUIDANCE AND COUNSELING

The *1996-2000 Long Range Plan of the State Board of Education for Public School Education* includes the State Board of Education's goal to provide all Texas students with equal access to developmental guidance and counseling. The Texas Education Code, Chapter 21.356, requires the commissioner of education to develop and periodically update a counselor job description in consultation with the state guidance association.

In 1998, TEA published *A Model Developmental Guidance and Counseling Program for Texas Public Schools*. The guide addresses achieving program balance by allocating resources to four components of developmental guidance and counseling:

- Guidance Curriculum – planned lessons covering seven areas including self-confidence development, motivation to achieve, decision-making and problem-solving skills and responsible behavior. School counselors can teach all or some of the curriculum through direct instruction or can consult with teachers who integrate the curriculum into the classroom;
- Responsive Services – interventions on behalf of students whose immediate personal concerns or problems put their continued personal-social, career and/or educational development at risk. Counselors can meet with individuals or groups of students as indicated in the particular setting;
- Individual Planning – guidance for students as they plan, monitor and manage their own educational, career and personal-social development. Counselors can perform activities such as conducting group guidance sessions, interpreting standardized test results and consulting with individual students and their parents regarding colleges and financial aid; and
- System Support – services and management activities that indirectly benefit students. Counselors can consult with teachers, participate in developing campus-based school improvement plans and supporting parent and community relations efforts.

The guide recommends that school counselors divide their time between these four components depending on the developmental and special needs of the students served. Each district or school will determine the amount of counselor time devoted to each component. Allocations will vary, but TEA's suggested allocations are shown in **Exhibit 2-57**.

Exhibit 2-57
Recommended Percentage Distribution of
Counselor Services by Level

Service Type	Elementary	Middle School	High School
Guidance Curriculum	35-45%	35-40%	15-25%
Responsive Services	30-40%	30-40%	25-35%
Individual Planning	5-10%	15-25%	25-35%
System Support	10-15%	10-15%	15-20%

Source: TEA, A Model Developmental Guidance and Counseling Program for Texas Public Schools, 1998.

FINDING

NFISD does not assign counselors based upon a staffing allocation formula or assessment of student needs. Counselors interviewed did not know how decisions on the number of counselors for the district and for each school were made. The director of Research and Evaluation supervised the overall district guidance and counseling program, but her contract was not renewed. The assistant superintendent of Curriculum and Instruction will supervise the guidance and counseling program during 2002-03.

Counselors report to and are evaluated by the principals at their respective schools. NFISD has a total of 32 counselors, with five elementary school counselors designated as "at-risk" counselors funded with compensatory education funds. **Exhibit 2-58** presents counselor and caseload information for each NFISD school.

Exhibit 2-58
NFISD Counselors and Caseloads by School
May 2002

School	Number of Counselors	Enrollment	Number of Students per Counselor
Fonwood Elementary	2	912	456
Hilliard Elementary	1	823	823
Marshall Primary	2	1,161	581
Rogers Elementary	1	585	585
Shadydale Elementary	2	1,037	519
Tidwell Elementary	2	767	384
East Houston Intermediate	2	1,069	535
Keahey Intermediate	2	838	419
Kirby Middle School	3	938	313
Oak Village Middle School	2	695	348
Forest Brook High School	4.5	1,206	268
M.B. Smiley High School	6	1,631	272
District Subtotal*	**29.5**	**11,662**	**395**
Guidance Center*	1	60*	60
W.G. Smiley Career and Technology Center*	1.5	888*	592
District Total	**32**	**11,662**	**364**

Source: NFISD Guidance and Counseling secretary; PEIMS 2001-02 enrollment figures, excluding students enrolled in dropout recovery and disciplinary alternative education programs.
**Guidance Center and CATE Center students are reported in their "home" schools above. Enrollment numbers are estimates according to NFISD personnel. Student-per-counselor ratios for the Guidance Center and CATE Center are estimates based on enrollment estimates.*

The American School Counselor Association recommends an ideal ratio of one counselor per 100 students and a maximum ratio of one counselor per 300 students. The Texas School Counselor Association recommends a ratio of one counselor per 350 students. The TEC Section 33.002 requires school districts with 500 or more enrolled elementary students to employ a certified counselor for each 500 students.

Counselor-to-student ratios at individual NFISD schools vary from one counselor per 60 students at the Guidance Center to one counselor per 823 students at Hilliard Elementary School; in elementary schools the ratio varies from 384 students per counselor at Tidwell to 823 students per counselor at Hilliard Elementary. Students' access to counselors therefore varies depending on which school they attend. But with an overall ratio of 364 students per counselor, NFISD is near the ratio recommended by the Texas School Counselor Association recommendations.

Recommendation 37:

Develop and implement a staffing allocation formula for counselors.

Applying a 350 student per counselor goal districtwide would result in the district needing approximately 33.5 counselors, as compared to the 32 currently employed. However, the more important aspect of the recommendation will be the reallocation of counselors so that every campus meets the student to counselor goals for that grade level.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the assistant superintendent of Curriculum and Instruction, in consultation with NFISD counselors, to develop a staffing allocation plan for counselors. — December 2002
2. The assistant superintendent of Curriculum and Instruction presents the plan to the superintendent for approval. — March 2003
3. The Human Resources office begin hiring counselors for the new year and counselors are assigned to district schools based on the counselor staffing allocation plan. — June 2003

FISCAL IMPACT

Assuming that the average counselor in NFISD makes $35,087, adding 1.5 additional positions will cost $52,630 plus 9 percent of gross salary or $4,737 ($52,630 x .09) and $3,017 for health insurance per full time equivalent or $4,526 ($3,017 x 1.5 FTEs), for a total of $61,893. This cost is estimated to begin in 2003-04 school year

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop and implement a staffing allocation formula for counselors.	$0	($61,893)	($61,893)	($61,893)	($61,893)

FINDING

NFISD counselors perform many non-counseling functions such as PEIMS data entry, lunchroom monitoring duty, hall monitoring duty and preparing student grade reports. Five NFISD elementary school counselors are funded with a portion of the Compensatory Education Allotment under TEC 33.006. The TEA grant continuation application for 2001-02 prohibits these counselors from performing non-counseling functions. Specific duties that cannot be assigned to counselors funded by these grants include: lunchroom monitoring duty; hall monitoring duty; playground monitoring duty; bus monitoring duty; PEIMS data entry; substitute teaching duties; providing relief for teacher planning periods; and other administrative or clerical duties that detract from the counselor's responsibilities to provide direct services to students.

TEA's *A Model Developmental Guidance and Counseling Program for Texas Public Schools* contains characteristics of both low-performing and high-performing counseling programs. One characteristic of low-performing programs is that counselors spend most of their time doing technical tasks, paperwork and other assignments such as bus duty and student supervision. In high-performing programs, counselors develop alliances with teachers and link their work with students in the classroom.

Nine NFISD counselors responded to a confidential survey on the actual services they provide. As shown in **Exhibit 2-59**, counselors spend most of their time on tasks not related to guidance and counseling.

Exhibit 2-59
Average Estimated Percentage Distribution
of NFISD Counselor Services

Service Type	Level of Counselors Responding		
	Elementary School N=1	Middle School N=2	High School N=6
Guidance Curriculum	10%	10%	7%
Responsive Services	15%	25%	10%
Individual Planning	1%	10%	16%
System Support	9%	10%	8%
Non-counseling duties	65%	45%	59%

Source: TSPR survey of NFISD counselors, May 2002.
N=number of counselors responding to survey.

Assigning such a large amount of non-counseling duties to counselors severely limits the amount of time counselors can provide direct services to students and implement a balanced guidance and counseling program as recommended in TEA's *Model Developmental Guidance and Counseling Program Guide*. Students do not receive the benefits of a balanced guidance and counseling program.

Less than one-third of students and teachers responding to TSPR's survey felt that the NFISD counseling program was effective. Principals responded more positively. **Exhibit 2-60** presents the results of student, teacher and principal surveys.

Exhibit 2-60
Survey Feedback on Counseling Program Effectiveness
April 2002

Group Responding / Program	Strongly Agree or Agree Program is Effective
Student Responses	
Career counseling	26.8%
College counseling	26.8%
Teacher Responses	
Career counseling	29.7%
College counseling	27.0%
Counseling the parents of students	24.3%
Drop-out prevention program	32.4%
Principal Responses	
Career counseling	37.5%
College counseling	50.0%
Counseling the parents of students	37.5%
Drop-out prevention program	62.5%

Source: TSPR Surveys, April 2002.

Recommendation 38:

Reassign non-counseling duties currently performed by counselors to existing clerical staff.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs principals, in consultation with counselors, to review existing counselor assignments for elementary, middle and high schools and identify non-counseling related duties. — October 2002

2. The superintendent directs the assistant superintendent of Curriculum and Instruction, in consultation with principals and counselors, to develop a plan to reassign non-counseling duties to other school personnel.	November 2002
3. The assistant superintendent of Curriculum and Instruction presents the plan to the superintendent for approval.	February 2003
4. Counselors are relieved of non-counseling duties and focus on guidance and counseling activities.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not conduct follow-up studies on its graduates. The ultimate goal of any secondary education program is to provide students with the tools needed for success after graduation. Without a program to track students after graduation, NFISD cannot determine whether or not that goal is being met. Information received from a follow-up program enhances a school district's ability to analyze its curriculum and programs from the students' perspective. Follow-up information provides data to ensure that programs are aligned with the needs of students and employers.

School districts can develop an internal program to track graduates or can purchase an outside service. Wall ISD uses the Life Track service to follow up on its graduates. Various options are available from Life Track, including senior exit surveys just before graduation, initial graduate surveys 18 months after graduation and an advanced graduate survey five years after graduation. Depending on the option selected, costs range from $3.50 to $15 per graduate.

Recommendation 39:

Implement a follow-up program for graduates.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the director of Student Services to review graduate follow-up program options, including what various options will cost NFISD.	January 2003
2. The director of Student Services reviews available options and makes a recommendation to the superintendent for either an internal or outsourced program.	February 2003
3. The superintendent approves the recommendation and directs the director of Student Services to implement the program selected.	March 2003
4. The director of Student Services implements a graduate follow-up program and prepares an annual report for the board summarizing the results of the program.	May 2003 and Ongoing

FISCAL IMPACT

The cost to implement this recommendation will depend on the particular option selected. If the outsourced option is chosen, the estimate assumes a cost of $15 per graduate and an average of 600

graduates per year. The annual cost to the district of an outsourced follow-up program would be $9,000. [If the district hired a quarter-time secretary with five years experience to implement the program, the cost would be $7,591 ($16,785 x 25 percent plus 9 percent of gross salary plus $3,017 for health insurance)].

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement a follow-up program for graduates.	($9,000)	($9,000)	($9,000)	($9,000)	($9,000)

FINDING

The district does not have an academic alternative education program (AAEP) for students needing a non-traditional learning environment. The NFISD Dropout Recovery Program, a graduate equivalency diploma (GED) program, prepares students to take the GED examination, but does not offer a high school diploma. Students attend classes for four hours a day, with students below the grade 8 level attending a pre-GED program. PLATO educational software provides traditional and self-paced instruction. During 2000-01, 132 dropouts attended the GED program. Of these 132 students, 18 passed the GED examination, 13 were still enrolled in 2001-02, 42 transferred to another school or GED program, 12 were incarcerated and 47 withdrew for various other reasons.

In addition to the GED program, NFISD also offers disciplinary alternative education programs (DAEP) in compliance with Chapter 37 of the TEC. The Guidance Center has space for 60 students removed from their regular classrooms for disciplinary reasons. NFISD contracts with the Harris County Department of Education to provide expelled students with DAEP services and juvenile justice academic education services.

Without an AAEP, NFISD students with special needs or extenuating circumstances must choose between obtaining a GED and dropping out of school. Neither alternative will allow the student to access state grants for college, which are contingent upon the student graduating under the state's recommended high school program, or provide critical skills needed for today's workforce. An academic alternative education program allows students to graduate with a high school diploma while maintaining the flexibility that they need. As noted in **Exhibit 2-14**, NFISD's annual dropout rate, 3.4 percent for 1998-99 and 4.3 percent for 1999-2000, was more than twice that of the State and Region 4 as a whole. Had an AAEP been available, many of these dropouts could have graduated from NFISD.

Progressive High School (PHS) is a high school of choice in the Fort Bend ISD. PHS offers competency-based education to students that have applied for admission. Eligible students include older students, pregnant or parenting students, students needing a flexible schedule and students who completed high school requirements but did not pass the TAAS. Fort Bend ISD's annual dropout rate of 0.7 percent for 1998-99 and 0.7 percent for 1999-2000 was significantly below the State average for both years, indicating that this program was helpful in curbing dropout rates.

Eagle Pass ISD established the Frank Chisum Regional Technical Center (FCRTC) as an alternative school for students in grades 9 through 12 with special needs or that need a non-traditional learning environment. Students apply for admission to FCRTC and sign a contract upon enrollment, committing to work toward a high school diploma and abide by school guidelines. Average daily enrollment at FCRTC is between 130 and 150 students, with about 260 students enrolling per year. Students graduate throughout the year as they meet all graduation requirements. At 1.1 percent for 1998-99 and 0.3 percent for 1999-2000, the Eagle Pass ISD annual dropout rate was also well below the State average, again demonstrating the value of an alternative education program.

Recommendation 40:

Establish an academic alternative education program offering a high school diploma.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent establishes a taskforce to develop options for an academic alternative education program offering a high school diploma, including curriculum alternatives, possible physical locations and funding sources.	September 2002
2. The task force conducts a thorough review of model academic alternative education programs and makes recommendations, including cost estimates, to the superintendent.	September 2002 – January 2003
3. The superintendent submits the recommendations and a proposed job description for the program administrator to the board for consideration and approval for inclusion in the 2003-04 budget.	February 2003
4. The board approves the recommendations and directs the superintendent to include an estimate of expenditures for the program in the 2003-04 budget.	March 2003
5. The superintendent directs the executive director of Human Resources to advertise the positions of program administrator and appropriate faculty and staff.	March 2003
6. The superintendent recommends to the board the individual who should fill the position of administrator of the alternative education program.	May 2003
7. The superintendent ensures that all other decisions regarding initiation of the program for 2003-04 are made in a timely manner.	May – August 2003

FISCAL IMPACT

The exact cost for the academic alternative education program cannot be determined until the taskforce completes its review and recommendations. However, costs can be estimated based upon certain assumptions. Using the assumptions explained below, estimated AAEP costs are $681,961 for 2003-04 and $616,111 for each subsequent year.

Costs are estimated for 200 students. For a 20:1 student to faculty ratio, 10 teachers would be needed. Assuming that NFISD hires teachers at an average salary of $34,700 for a teacher with a bachelor's degree and 10 years experience, the annual cost for teacher salaries and benefits would be $408,400.

Add 10 teacher positions:	
Annual salary per position	$34,700
Variable benefits rate	x 1.09
	$37,823
Fixed benefits (health insurance)	$3,017
Total annual salary and benefits per position	$40,840
Total annual salary and benefits for 10 teacher positions	$408,400

Annual salary and benefits costs for a principal, one counselor, and two secretaries would be $138,111.

Add principal position:	
Annual salary, 10 years experience	$46,202
Variable benefits rate	x 1.09
	$50,360
Fixed benefits (health insurance)	$3,017
Total annual salary and benefits for principal	$53,377
Add counselor position:	
Annual salary, 10 years experience	$35,087
Variable benefits rate	x 1.09
	$38,245
Fixed benefits (health insurance)	$3,017
Total annual salary and benefits for counselor	$41,262
Add secretary position:	
Annual salary, 10 years experience	$19,582
Variable benefits rate	x 1.09
	$21,344
Fixed benefits (health insurance)	$3,017
Total annual salary and benefits for secretary	$24,361
Add entry-level secretary position:	
Annual salary, entry-level	$14,765
Variable benefits rate	x 1.09
	$16,094
Fixed benefits (health insurance)	$3,017
Total annual salary and benefits for entry-level secretary	$19,111
Total annual salary and benefits for non-teaching positions	$138,111

No additional library costs are projected since students would have access to existing NFISD library facilities. No additional costs are included for facilities or transportation. NFISD has excess space in its facilities. Possible alternative locations for the academic alternative education program include the old administration building at Smiley High School, the current temporary administration building or one of the existing schools in the event that school facility consolidation is planned. AAEP students would use existing bus transportation routes.

Furniture and equipment may be available from other NFISD facilities, but a one-time cost of $25,000 for equipment and $40,850 for 50 classroom computers (50 x $817 cost for a Dell educational computer) is included in cost estimates for 2003-04. Supplies are estimated at $348 per student, the actual level of NFISD spending in 2000-01, for 200 students, which totals $69,600 per year ($348 x 200 students = $69,600).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Establish an academic alternative education program offering a high school diploma.	$0	($616,111)	($616,111)	($616,111)	($616,111)
One-time cost for equipment and computers.	$0	($65,850)	$0	$0	$0
Net Savings/(Costs)	**$0**	**($681,961)**	**($616,111)**	**($616,111)**	**($616,111)**

COMMUNITY INVOLVEMENT

Chapter 3

COMMUNITY INVOLVEMENT

This chapter reviews North Forest Independent School District's (NFISD) community involvement in the following sections:

A. Organization and Management
B. Community and Business Involvement
C. Communications/Public Relations
D. Parental Involvement

Community involvement is an integral part of the successful operation of a school district. An effective community involvement program requires that a school district establish mutually beneficial relationships with community members, parents, civic and faith-based organizations and business leaders. By encouraging the participation of each of these groups, the district is able to put their collective contributions towards the enhancement of each child's educational experience.

In addition to communicating with the community, the district must communicate internally so that employees are aware of their rights and responsibilities according to the formal and informal policies, procedures and relationships that govern the environment in which they work.

BACKGROUND

There are several factors that affect the size and effectiveness of a community involvement program. Some of these factors include the size of the district, the number of businesses in the area, the income level of the parents and other community members and the amount of money and number of staff members the district can afford to allocate towards community involvement. Because these factors vary in school districts across the state of Texas, there is variation among the community involvement programs.

Some NFISD conditions that affect the district's community involvement efforts are:

- The district is business-poor;
- Income levels in the district are low, resulting in considerable difficulty recruiting volunteers during typical work hours;
- Low income levels restrict the amount of money parents and community members are able to spend on school related activities;
- The district has had trouble enticing young parents and elderly guardians to participate in school-related activities; and
- There is a sentiment among members of the community that the district's administration is not open or responsive to comments and concerns.

Despite these conditions, NFISD has developed a community involvement program that strives to serve its members with the informational needs required for them to take an active part in the district's programs and activities. While there are areas that can be improved in order to fine tune the overall process, there are also successes that have brought the department a long way since its inception.

A. ORGANIZATION AND MANAGEMENT

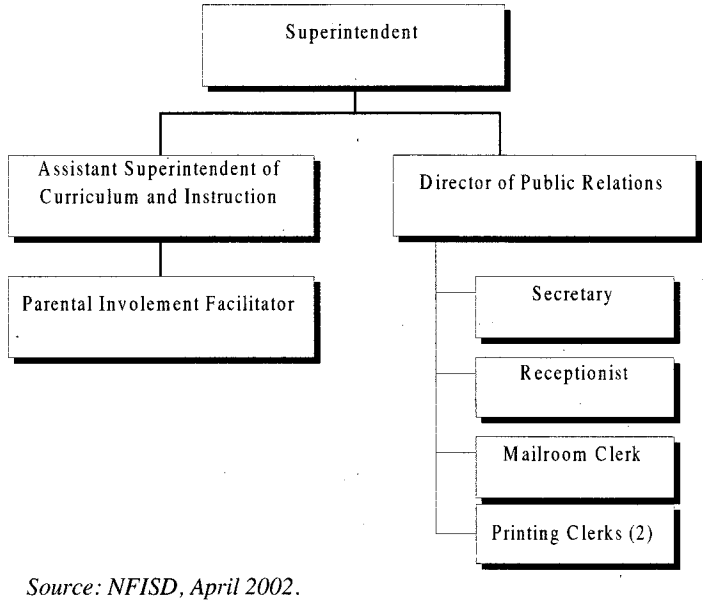
The director of Public Relations, who oversees a secretary, a receptionist, a mailroom clerk and two printing clerks, heads the Department of Public Relations at NFISD. In the past, a communications specialist reported to the director of Public Relations, but the position was vacated two years ago and has since been eliminated. The director is also the head liaison for special committees, the media, parents and community members, businesses and a Key Communicators network. The Key Communicators network is a group of people who come in contact with, and have influence over, large numbers of people during the course of the day. Each member of the network receives copies of the yearly calendar, monthly calendar and *Info Site* to help them stay abreast of district happenings so that they can communicate this information to the people with whom they come in contact. The monthly calendar, yearly calendar and *Info Site* are published and distributed by the Department of Public Relations.

The goals of the director of Public Relations are: to produce and distribute the district's internal and external communications; to provide the community with complete and accurate information regarding the needs, activities and accomplishments of the district's schools; to ensure public involvement and understanding of the district and its schools; to serve as a liaison between various community members and groups. The director of Public Relations also serves as the district's official media spokesperson.

In addition to the Department of Public Relations, the district also has a Parental Involvement facilitator who reports to the assistant superintendent of Curriculum and Instruction. This newly created position began functioning on August 1, 2001 and is currently filled by a principal on temporary assignment. The destruction caused by Tropical Storm Allison required the district to use her school as the temporary location for the administration building.

Exhibit 3-1 presents the organization of the community involvement functions.

Exhibit 3-1
Organization of Community Involvement Functions



Source: NFISD, April 2002.

The total budget for the Department of Public Relations was $253,015 for 2001-02. This was a decrease from the 2000-01 budget of $271,003. **Exhibit 3-2** shows a summary of budget expenditures for 2000-01 and 2001-02.

Exhibit 3-2
Department of Public Relations
Summary of Budget Expenditures
2000-01 through 2001-02

Category	2000-01	2001-02
Salaries	$157,539	$130,500
Contracted Services	$44,437	$66,357
Supplies and Materials	$59,369	$50,000
Travel	$658	$1,158
Miscellaneous Operating Expenses	$9,000	$5,000
Total	**$271,003**	**$253,015**

Source: NFISD Department of Public Relations, April 2002.

FINDING

The Parental Involvement facilitator does not have a formal job description. The lack of a job description has led to confusion in determining the responsibilities of the Parental Involvement facilitator. A formal job description is important because it helps the employee understand exactly what the job requires and gives the supervisor the guidelines to hire, promote, supervise and conduct evaluations with maximum effectiveness.

In many districts, the major responsibilities of the parental involvement facilitator are to coordinate parental involvement programs, produce and distribute publications that relate to parental involvement, coordinate with other districts to find out which parental involvement programs and publications have been successful and are replicable at other districts, research creative ways to involve parents in the district, administer parent workshops and serve as a liaison for the PTA and other parent organizations.

Recommendation 41:

Develop a formal job description for the Parental Involvement facilitator.

The job description should include:

- Goal(s) of the job;
- Supervisor to whom the parental involvement facilitator reports;
- Major responsibilities;
- Terms of employment; and
- Evaluation measures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Human Resources creates a job description for the Parental Involvement facilitator.	October 2002
2.	The director of Human Resources submits the new job description to the superintendent for review.	November 2002
3.	The superintendent submits the job description to the board for approval.	December 2002
4.	The board approves the job description.	January 2003
5.	The director of Human Resources provides the approved job description to the Parent Involvement facilitator.	January 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. COMMUNITY AND BUSINESS INVOLVEMENT

NFISD currently has a business partnership program, which pairs schools with businesses that provide them with both monetary and in-kind contributions. The director of Public Relations is in charge of the program and is responsible for soliciting contributions from potential business partners and coordinating the contributions of existing partnerships.

The business partnership program currently has 15 participants, listed below:

- Browning Ferris Industries;
- Pipe Distributors, Inc.;
- Exxon;
- Southwestern Bell Telephone Pioneers;
- Windsor Village United Methodist Church;
- Education Design;
- Houston Bar Association;
- Aspiring Youth;
- Junior Achievement;
- Gerland's;
- Sherrita Lee, Attorney at Law;
- PACE;
- Chase Bank;
- North Houston Bank;
- Bernard Harris, former astronaut.

Some of these participants donate to specific schools, while others provide districtwide assistance.

FINDING

The district is no longer using a brochure to aggressively solicit contributions from businesses in and around the North Forest area. In previous years, the director of Public Relations sent a brochure titled *For Kids Sake: Join the North Forest ISD Business Partnership.* A list of all businesses in the NFISD area was developed by International Mailing, a printing logistics company that works with post offices throughout the nation to develop customized mailing solutions that meet their clients' requirements. The list includes only those businesses that share the same zip code as the district. The director of Public Relations sent a copy of the brochure to approximately 300 businesses on the list.

A representative from the Greater Houston Partnership (GHP), a non-profit organization that helps to develop and market the city of Houston, assisted the district by contacting businesses outside of the North Forest area. The relationship with the representative from the Greater Houston Partnership has dissolved for reasons beyond the district's control. The Department of Public Relations is still, however, a member of GHP and, as such, continues to receive a directory of businesses in the Houston area.

The brochure was an effective and cost-efficient way to communicate information about NFISD's Business Partnership Program to businesses in the North Forest area. The brochure provided general information about the program, showed what businesses could do to partner with schools, cited reasons why a business should get involved, described the responsibilities of a business partner, and listed specific ways businesses could help.

The brochure has not been sent to the businesses included in the mailing list developed by International Mailing or the businesses included in the directory provided by GHP since 2000-01. The director of Public Relations no longer had time to send the brochure due to other higher priority responsibilities.

Although the current contributors provide much needed resources, several administrators, including the superintendent and the director of Public Relations, have expressed a need for more partnerships. In fact, the most recent district improvement plan (DIP) cited "limited business partnerships" as one of the district's weaknesses.

Many districts send brochures to local businesses in order to make those businesses aware that the need for monetary and in-kind contributions exists, and to provide information regarding how the business can contribute.

Recommendation 42:

Annually send a copy of the brochure, *For Kids Sake: Join the North Forest ISD Business Partnership,* to each of the businesses in and around the North Forest area.

The brochure should be sent to all of the businesses on the mailing list developed by International Mailing, as well as those businesses in the directory provided by the Greater Houston Partnership.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The secretary for the Department of Public Relations consolidates the Greater Houston Partnership directory with the mailing list developed by International Mailing.	October 2002
2. The director of Public Relations sends a copy of For Kids Sake: Join the North Forest ISD Business Partnership to each business and organization on the list.	November 2002 Annually
3. The mailing list is reviewed and updated annually by the director of Public Relations.	Ongoing

FISCAL IMPACT

A copy of *For Kids Sake: Join the North Forest ISD Business Partnership* is sent to 300 businesses in and around the North Forest ISD area. Each copy of the brochure costs $0.20 to print and postage for each brochure is $0.37 for a total annual cost of $171 (300 copies x $0.20 each = $60) + (300 copies x $0.37 postage for each = $111).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Annually send a copy of the brochure, *For Kids Sake: Join the North Forest ISD Business Partnership,* to each of the businesses in and around the North Forest area.	($171)	($171)	($171)	($171)	($171)

FINDING

The Department of Public Relations keeps neither a comprehensive list of each business and organization that participates in the Business Partnership Program nor a record of their total monetary or in-kind contributions. Documentation and correspondence between the businesses and the district is kept in a file, but the information is not compiled in any way. Presently, a business interested in

contributing to the district contacts the director of Public Relations and works with the Public Relations office to determine how a contribution will be made and used.

In order to address the lack of business partnerships, the DIP includes an objective aimed at increasing business involvement. The objective states, "By the year 2005, there will be a 50-percent increase in active business school partners." Since the district does not have a methodology in place for tracking the contributions of business partners, NFISD administrators cannot assess where the district stands in terms of achieving this objective. In addition, monetary values are not assigned to in-kind contributions in order to calculate a total sum of contributions for the year.

Districts often use tracking lists because they provide administrators with information needed to assess district goals to increase the number of business partners. In addition, the information contained in such lists can be used by districts in publications, both internal and external, to inform the community about established business partnerships.

Recommendation 43:

Develop a tracking list of business partners along with a monetary value assigned to their contributions.

The tracking list should include the name of the business partner, contact information, a description of the monetary or in-kind contribution, a description of how the contribution will be used and the time period in which the contribution will be used. The list should be updated when businesses begin a partnership with the district, as well as when business partnerships dissolve.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The secretary for the Department of Public Relations creates a tracking list.	October 2002
2.	The director of Public Relations reviews the list in order to monitor and track progress in relation to the goal(s) described in the District Improvement Plan.	November 2002
3.	The director of Public Relations submits a printed copy of the spreadsheet to the superintendent and discusses progress of the Business Partner program.	Annually
4.	The secretary for the Department of Public Relations updates the tracking list.	Bi-Monthly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. COMMUNICATIONS/PUBLIC RELATIONS

Communicating with members of the community, as well as with employees, is an important part of the community involvement function. A school district must use effective vehicles for communication that transmit honest and timely information in order to maintain the trust and confidence of internal and external stakeholders.

FINDING

The purpose of the Department of Public Relations is to establish effective, two-way communication that adequately addresses the informational needs of both internal and external audiences in an accurate and timely manner. The department has established a well-defined set of goals used to direct the department towards achieving this purpose. The goals of the department are:

- To enhance informal communication efforts;
- To make greater use of the electronic media;
- To continue to strengthen formal communication efforts;
- To improve general operation of the district print shop;
- To create a more informed community;
- To appropriately recognize student and staff accomplishments; and
- To enhance the school system's image.

Responses from a survey given to administrators, principals, teachers and parents indicate that the district does a good job of communicating with parents on a regular basis. A majority of each group agreed, or strongly agreed, that the district regularly communicates with parents. **Exhibit 3-3** summarizes the results of the survey.

Exhibit 3-3
Survey Responses
The District Regularly Communicates With Parents

Group	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
Administrators	7.7%	53.8%	15.4%	7.7%	15.4%	0.0%
Principals	37.5%	62.5%	0.0%	0.0%	0.0%	0.0%
Teachers	18.9%	62.2%	5.4%	8.1%	2.7%	2.7%
Parents	6.7%	46.7%	13.3%	33.3%	0.0%	0.0%

Source: TSPR Survey Results, April 2002.

COMMENDATION

The Department of Public Relations has established well-defined goals used to direct the department towards achieving its purpose.

FINDING

The Department of Public Relations uses a variety of programs and publications to establish communication with internal and external audiences in the district. NFISD's communications are directed to its employees, community leaders, area businesses, news media, parents, volunteers and the North Forest community at-large. The programs and publications that are currently used by the district are listed in **Exhibit 3-4.**

Exhibit 3-4
NFISD Programs and Publications

Publication/Program	Description
Key Communicators Network	Members receive pertinent school district information, which they are asked to share with as many people as possible during the course of a day. In addition, they are asked to contact the public relations office if they or their friends, neighbors and/or coworkers have any questions or concerns about NFISD.
Distinguished Alumni Program	Program that recognizes graduates of NFISD who, through their performance and achievements, are a positive reflection of the district. One of the main intentions of the program is to help current students identify with past students and establish goals for the future through the inspiration of distinguished alumni.
24-Hour Information Line	Telephone-accessible information source that allows users to access individual school information, school board updates, report card dates, holidays, early dismissal days, testing dates, emergency announcements, district announcements, emergency school closings and Dial-a-Brag (good news about NFISD).
District Map	Map of the entire district sent out yearly to the community and staff. The map shows the location of all the NFISD schools, contains a school directory and lists the members of the school board and superintendent's cabinet.
Info Site	Monthly newsletter to the community.
Back to School Answers Book	Publication that contains information that parents and students need for the upcoming school year. Information provided includes dress code, immunization requirements, registration dates and a school calendar.
Monthly Calendar	Calendar with various school and district-wide activities. It is distributed to the community, the press, electronic media and all schools.
Yearly Calendar	Calendar sent to the community, the press and electronic media and all schools at the beginning of the school year with holidays, early dismissal days, progress report and report card days, staff development/teacher preparation days, inclement weather days and parent/teacher conference days. The calendar also shows the first and last day of the school year, as well as the first and last day of each six-week period.
General Information Brochure	Brochure that is sent annually to the community, staff and businesses of NFISD containing general information about the district.
North Forest Honors and Accomplishments booklet	Yearly publication that highlights accomplishments of both students and staff throughout the previous school year.
Dear Community Cards	Postcards that are sent to the community on an as-needed basis that provide a quick means of communicating various announcements.
Special Delivery	Monthly paycheck stuffer written by the superintendent that is sent to the district's staff.

Exhibit 3-4 (continued)
NFISD Programs and Publications

Publication/Program	Description
Status of the Schools	Annual report sent to the community that provides an array of district information including the district's mission, board members, district successes, instructional enhancements, community involvement programs and activities, facilities information, financial data, budget information, enrollment data and future challenges.
NFISD Business Partnership Program	Program that solicits contributions from businesses and organizations in order to provide the district's schools with monetary and in-kind support.
School Supply Lists	Brochure that is sent to parents and area businesses that informs them of the coming school year's school supply requirements.
Board Recognition Program	Program that honors the achievements of students and staff members, using board meetings as a forum. Individuals who meet the designated criteria are presented with an "Achieving through Excellence" award.

Source: NFISD Department of Public Relations, April 2002.

The Department of Public Relations has received awards for several of its programs and publications, as shown in **Exhibit 3-5**.

Exhibit 3-5
Community Involvement Program/Publication Awards

Publication/Program	Award(s) Received
Parent Academy	• Texas School Public Relations Association *Gold Star Award* • National School Public Relations Association *Golden Achievement Award* • American School Board Journal *1999 Magna Award: Honorable Mention*
Listening Sessions	National School Public Relations Association *Golden Achievement Award*
Identity Package (logo, letterhead, business cards)	National School Public Relations Association *Print Award*
Monthly Calendar	2001 Texas School Public Relations Association *Gold Star Award*
General Information Brochure	2001 Texas School Public Relations Association *Gold Star Award*
Superintendent's Search Brochure	2001 Texas School Public Relations Association *Silver Star Award*
B.C. Elmore Dedication Program	2001 Texas School Public Relations Association *Silver Star Award*
Info Site	2000 Texas School Public Relations Association *Silver Star Award*

Source: NFISD Department of Public Relations, April 2002.

COMMENDATION

The Department of Public Relations communicates information externally and internally in a variety of ways and has received awards for several of its publications.

FINDING

The director of Public Relations does not have input on the NFISD Web site. During 2000-01, responsibility for the district Web site was reassigned to the Technology Department. Prior to this change, the director of Public Relations was in charge of the Web site and the material that it contained. No procedures were implemented to allow the director of Public Relations to continue to have input concerning content on the Web site.

Maintaining an informative and user-friendly Web site provides an effective avenue for district communications. Many school district Web sites contain useful information such as profiles of each of the district's schools, calendars, names of district administrators and board members, job postings, bond program information, board meeting dates, agendas and briefs, Academic Excellence Indicator System (AEIS) and Texas Assessment of Academic Skills (TAAS) data, school-closing information and lunch menus.

Recommendation 44:

Implement a procedure for the Department of Public Relations to have input on the content of the Web site.

The director of Public Relations for NFISD should collaborate with the director of Technology to devise a procedure for the Department of Public Relations to have input on the content of the Web site. The director of Public Relations should decide what information relating to community involvement should be included on the Web site. Since the director of Public Relations was previously in charge of the Web site, she has the knowledge and experience needed to develop a detailed plan how this information should be organized and displayed on the screen. Once this procedure is developed, the Internet/E-mail specialist in the Technology Department should implement it.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Public Relations and the director of Technology collaborate to devise a procedure for the Department of Public Relations to have input on the content of the Web site.	November 2002
2.	The director of Public Relations submits the procedure to the superintendent for approval.	December 2002
3.	The superintendent approves the procedure.	January 2003
4.	The director of Public Relations determines the items that relate to community involvement that should be included on the Web site.	January 2003
5.	The director of Public Relations, using this information, develops a plan to display and update the information on the Web site.	February 2003
6.	The Internet/E-mail specialist in the Technology Department implements the plan.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD board policy does not provide adequate time during board meetings for members of the community to express comments and concerns. The board reserves the first 30 minutes of each board meeting as an open forum for public input. Persons wishing to speak during this time sign-up before the meeting, and the total open forum time of 30 minutes is divided among them. Several community members have expressed that this procedure is insufficient.

Many districts have faced a similar dilemma and have established alternative means for community members to express their comments and concerns outside of board meetings. Wilmer-Hutchins ISD holds several special meetings, sometimes within one week of a regular board meeting. The public has an opportunity to provide comments at each of these meetings. Individuals are strictly limited to three minutes of time to address the board, and they must wait for the board to come to the agenda item on which they wish to comment.

The superintendent of Fort Worth ISD conducts a series of monthly public forums, each month at a different school. The purpose of the forums is to seek input on educational issues from students, parents and the greater Fort Worth community. Spanish and sign language interpreters are present to facilitate dialogues between the district and all its participating stakeholders. These events are publicized in local newspapers, in schools, through invitations sent to parents and in various community newsletters.

Recommendation 45:

Change board open forum rules and establish quarterly community forums to allow community members sufficient opportunities for input.

The open forum rules at board meetings should be changed to allow people who wish to speak a guaranteed amount of time. In order to control the total time designated for open forum, the board might put a limit on the number of people who can speak. For example, the board could implement a first come/first serve system in which a fixed number of people who sign-up to speak before the meeting are given the opportunity to do so. The superintendent might lead quarterly community forums, each held at a different location, to allow an additional opportunity for the community to voice their comments and concerns.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent revises open forum rules and submits them to the board for approval.	November 2002
2.	The board approves the revised open forum rules.	December 2002
3.	The director of Public Relations produces a flyer describing the revised board meeting open forum rules and provides a copy to each student to take home to their parents.	December 2002
4.	The Parental Involvement facilitator, with input from the superintendent and board, develops the schedule and format of public forums.	January 2003
5.	The director of Public Relations publicizes the forums in external communications.	Quarterly
6.	The Parental Involvement facilitator, in coordination with the superintendent and board, convenes the forums.	Quarterly

7. The superintendent and board members report on the district's responses and accomplishments and urge further community input.	Ongoing

FISCAL IMPACT

This recommendation can be implemented using existing resources.

D. PARENTAL INVOLVEMENT

Parental involvement is an important aspect of the district's community involvement function. Parental involvement includes, but is not limited to, involving parents in the schools as volunteers. Keeping parents informed about district programs, meetings and events is also important for parental involvement. Schools also provide training and literacy classes in which parents can participate. Parent teacher groups, booster clubs, and other organizations, exist within the system to encourage parent participation in the schools.

NFISD provides a variety of opportunities for parents to become involved with the district. Some of these are listed below.

- Each school has an active Parent Teacher Association (PTA) that supports the school through fundraising activities and a variety of projects. A district council of PTAs meets monthly with representatives from each school's PTA to discuss issues, share ideas and coordinate district-wide projects and activities;
- Each of the district's high schools has an active athletic booster club, as well as a band booster club. These groups support the band and athletic teams through fundraising activities designed to raise money for various projects including trips, snacks and scholarships;
- Each school has a site-based decision-making committee that must include at least two parents. The committee assists the principal in formulating school performance objectives and helps make decisions regarding the operation of the school; and
- Each school has a parent center, which is an area in the school set aside especially for parents to find information about their child's school, read about upcoming events in the district, help teachers with special projects and participate in various literacy classes offered throughout the year.

FINDING

The district's grant writer is not able to dedicate a sufficient amount of time to apply for grants to fund parental involvement programs and activities. The grant writer for the district is in charge of writing all grants for the district, including those for parental involvement. Therefore, her time is divided amongst all of the grants for which she researches and writes. Making the district grant writer solely responsible for the parental involvement grant process would not be possible within the current time constraints of the position. Involving the Parental Involvement facilitator in the process might solve the problem.

Currently, at the direction of the superintendent, the Parental Involvement facilitator is researching an Even Start grant. The Even Start grant is funded by the U.S. Department of Education; its purpose is to improve the educational opportunities of low-income families by integrating early childhood education, adult literacy (or adult basic education) and parenting education into a unified family literacy program. With the exception of the Even Start grant, the Parental Involvement facilitator is not involved in the grant process. The district's grant writer will provide assistance to the Parental Involvement facilitator in writing the grant proposal, which is due in August 2002.

Most of the parental involvement activities are funded through the district's Title I program. Title I is a federally funded program that specifically mandates a parental involvement component. A total of 1

percent of NFISD's Title I budget is allocated to parental involvement. The director of Special Programs oversees the budget and works with the Parental Involvement facilitator to distribute money requested by the Parental Involvement facilitator for programs, activities and publications. The total Title I budget allocated for district parental involvement was $41,191 during 2001-02. This is a slight decrease from the total budget of $43,900 for 2000-01.

In addition to Title I money, the district must seek funding to support its parental involvement programs. One of the ways the district receives additional money is through grants. Three of the grants that were awarded to the district in 2001-02 include parental involvement components and are listed in **Exhibit 3-6.**

Exhibit 3-6
Grants with Parental Involvement Component
2001-02

Grant	Brief Description	Funding for Parental Involvement Component
Community Coalition	Funded by the Department of Justice to educate students and parents about drug, tobacco and alcohol abuse.	$8,200
21st Century Community Learning Centers Program	Funded by the Department of Education to establish school-based learning centers, which provide safe, drug-free, supervised and cost-effective after-school activities for youth and their families.	$6,000
Read for Texas	Local Reading Improvement Grant that requires the establishment of parent learning centers at two schools. Parents can take classes and receive training in various subjects.	$83,100

Source: NFISD Grant Writer, April 2002.

Several districts have realized the importance of aggressively pursuing grants as a means of providing additional funding for parental involvement programs, publications and activities. **Exhibit 3-7** lists examples of grants with a community/parental involvement component.

Exhibit 3-7
Grants with Community/Parental Involvement Component

Grant Name	Grant Description
Adult Education Program	The purpose of the federal adult education program is to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency; to assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children; and to assist adults in the completion of a secondary school education.
Braitmayer Foundation	The Braitmayer Foundation supports organizations and programs across the U.S. that enhance the education of K-12 children. The Foundation is particularly interested in curricular and school reform initiatives, professional development opportunities for teachers and local community efforts that increase educational opportunities for students.

Exhibit 3-7 (continued)
Grants with Community/Parental Involvement Component

Grant Name	Grant Description
AT&T Learning Network	The AT&T Learning Network provides funding to projects that demonstrate effective and innovative uses of technology in supporting families, schools and communities to accomplish the following: promote family involvement in education; provide professional development opportunities for educators and assist in the preparation of future teachers; and develop and implement plans to promote lifelong learning and community collaboration.
Lowe's Charitable and Educational Foundation	Lowe's Charitable and Educational Foundation supports projects that enhance the natural environment and/or increase community involvement, including playground renovations.
Nike Foundation	The Nike Foundation is committed to helping communities improve the quality of services they provide for young people by providing an array of resources to the community, such as financial, product and in-kind donations and the volunteer efforts of Nike employees.
Verizon Foundation	The Verizon Foundation funds projects that focus on technology applications and programs in one or more of the following areas: Literacy, Digital Divide, Women & Economic Development, People With Disabilities, Math/Science Education and Scholarships and Community Development.
Dow Chemical Company	Dow Chemical Company supports many school districts and communities in which Dow is located. Dow has established general priority areas for K-12 education funding, including systemic reform in math and science, teacher training and parental involvement.

Source: School Grants Web site (www.schoolgrants.org), April 2002.

NFISD is missing valuable opportunities to increase funding for its parental involvement programs due to a lack of resources dedicated to the task of researching and applying for grants.

Recommendation 46:

Assign responsibility for pursuing additional grants to fund parental involvement programs and activities to the Parental Involvement facilitator.

The Parental Involvement facilitator should write the first draft of grant applications. The first draft should then be sent to the district's grant writer for editing and revision. This process should continue until the Parental Involvement facilitator has the experience required to assume full responsibility for writing grants.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The job description for the Parental Involvement facilitator is updated to reflect the responsibility for researching and applying for grants. — October 2002
2. The Parental Involvement facilitator attends a grant-writing workshop. — November 2002
3. The Parental Involvement facilitator begins researching grant opportunities for parental involvement. — December 2002 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Survey responses from a majority of administrators, principals and teachers indicate that the volunteer program in the district does not attract a sufficient number of participants to help student and school programs. In the same survey, parent response indicated almost an exact distribution among those who agreed, those who disagreed and those who had no opinion. The responses are summarized in **Exhibit 3-8**.

Exhibit 3-8
Survey Responses
NFISD Volunteers Participating
In Student and School Programs

Group	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
Administrators	0.0%	15.4%	7.7%	53.8%	23.1%	0.0%
Principals	0.0%	12.5%	12.5%	62.5%	12.5%	0.0%
Teachers	0.0%	10.8%	2.7%	45.9%	37.8%	2.7%
Parents	0.0%	33.3%	33.3%	26.7%	6.7%	0.0%

Source: TSPR Survey Results, April 2002.

In interviews, administrators and community members cited the following reasons for the lack of volunteer participation:

- Income levels in the district are low, resulting in considerable difficulty recruiting volunteers during typical work hours;
- Low income levels restrict the amount of money parents and community members are willing to spend on school-related activities; and
- The district has trouble enticing young parents and elderly guardians to participate in school-related activities.

Many districts are plagued with a similar dilemma and look to organizations outside of the district to provide assistance. Several non-profit organizations exist that have the resources to supply school districts with volunteers who are able to devote their time without infringing upon work schedules and financial constraints. Some examples of organizations in the Houston area are listed in **Exhibit 3-9**.

Exhibit 3-9
Examples of Organizations

Organization	Description of Services
Whole Family Outreach Services, Inc.	The mission of Whole Family Outreach Services is to increase the quality of life by testing and educating adults and their children regardless of race, nationality, religious background or creed. WFOS offers ABE/GED, ESL, Family Literacy/Family Reading, Parenting Educational training as well as Anger/Stress Management classes.
Houston Can Academy	The mission of the Houston Can Academy is to break the cycle of hopelessness, poverty, failure and economic dependency in the lives of our youth and their families.
Literacy Advance of Houston	Literacy Advance of Houston is a non-profit United Way Agency that enables functionally illiterate adults and their children to develop reading, writing and communication skills primarily through the use of trained volunteers. It provides an affordable opportunity for individuals to become more self-reliant and productive members of society.

Exhibit 3-9 (continued)
Examples of Organizations

Organization	Description of Services
Serve Houston Youth	Serve Houston Youth Corps is a part of AmeriCorps, the national community service movement. SHY recruits, trains and places young adults, ages 17-24, in community service assignments around the Houston area.
S.T.R.I.V.E. (Students Taking Responsibility in Visualizing Education)	The mission of S.T.R.I.V.E. is to empower underprivileged youth to seek higher education to become productive citizens in their community.
Teach for America-Houston	Teach For America is the national corps of outstanding and diverse recent college graduates of all academic majors who commit two years to teach in under-resourced urban and rural public schools. Their mission is to provide underserved students with committed, talented teachers.
Houston READ Commission	The mission of the Houston READ Commission is to enrich the lives of adult Houstonians and their families by helping them achieve their full potential through literacy and to contribute to a workforce that will ensure a strong economy and a promising future for the greater Houston area. The Commission's vision is to achieve 100% literacy in Houston.
I Have a Dream - Houston	The goal of the I Have a Dream program is to help young people get an education and to provide inspiration and opportunities for Houston's at-risk youth to stay in school and to achieve their true potential.

Source: Idealist Web site (www.idealist.org), April 2002.

Recommendation 47:

Contact non-profit organizations to establish programs in the district that recruit volunteers and fill gaps in the service delivery.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Parental Involvement facilitator begins researching non-profit organizations. — October 2002
2. The Parental Involvement facilitator contacts the non-profit organizations that could potentially contribute resources to the district. — Ongoing
3. The Parental Involvement facilitator works with interested organizations to allocate resources to the district. — Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

HUMAN RESOURCES MANAGEMENT

Chapter 4

HUMAN RESOURCES MANAGEMENT

This chapter reviews the North Forest Independent School District's (NFISD's) human resources management function in the following sections:

A. Organization and Management
B. Staffing Patterns, Salaries and Benefits
C. Recruitment and Hiring Activities
D. Performance Appraisals and Staff Development

School districts are often one of the largest employers in their communities, and related human resource costs are typically the single largest expenditure of any school district. On average human resources expenditures account for 80 percent of a district's total expenditures. As a result, efficient and effective management of human resources functions is critical to the overall effectiveness of a district. Successful management of personnel includes efficient recruiting, hiring, classification and compensation, benefit administration, training and development and performance evaluation. Compliance with equal employment opportunity statutes and other applicable federal and state laws, and the establishment of fair and workable policies, procedures and training are important for the recruitment and retention of competent staff.

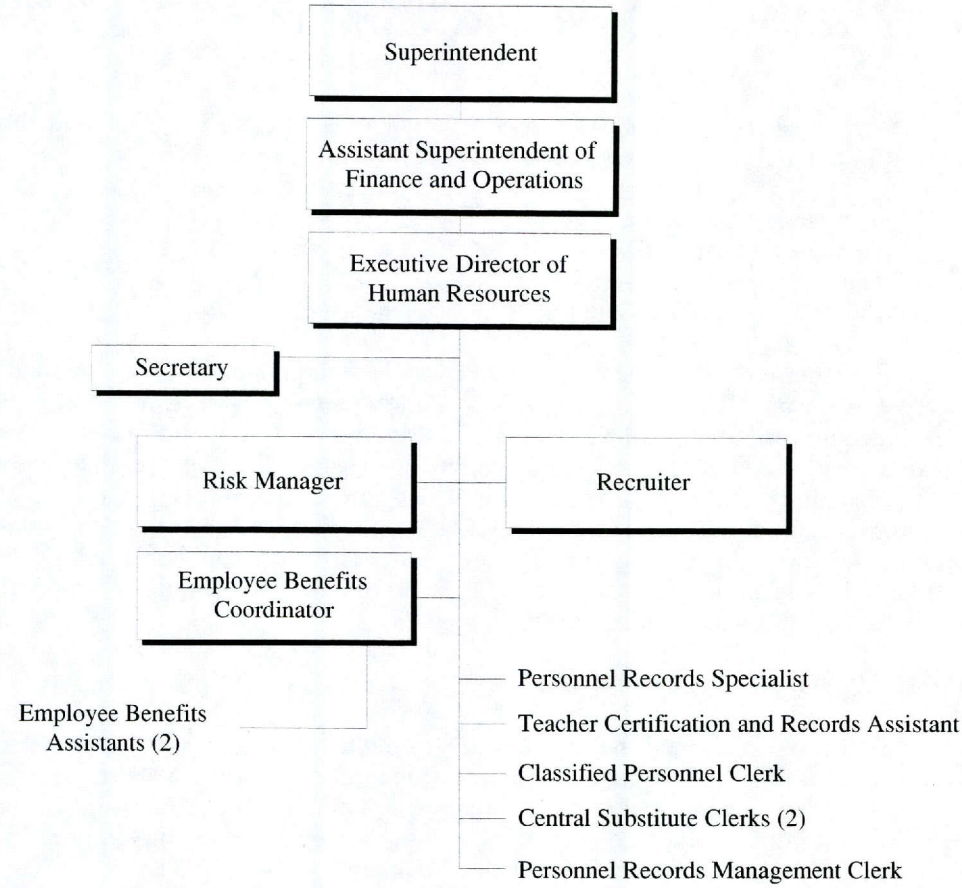
BACKGROUND

The role of human resource departments has changed dramatically over the past 20 years. The function has moved from an administrative function that processed employee status changes and maintained records to an expanded role that encompasses not only the administrative functions, but also planning, recruiting, workforce development and a strategic partnership with management. The goal of the modern human resource department is to provide services and advice to the organization and not to exert control and issue edicts.

A. ORGANIZATION AND MANAGEMENT

NFISD's Human Resources Department is composed of an executive director of Human Resources, a recruiter, a risk manager, an Employee Benefits coordinator and nine support staff. The department is responsible for recruitment, hiring, managing employee information, maintaining and updating job descriptions and handling grievances and employment related lawsuits, benefits enrollment and administration and risk management. Payroll, including all leave tracking, is handled by the Payroll Department. Staff development is handled through the Curriculum and Instruction Department for teachers and through individual departments for other employees. **Exhibit 4-1** displays the organization chart of the Human Resources Department.

Exhibit 4-1
Human Resources Department Organization



Source: NFISD Organizational Chart, February 18, 2002 and Human Resources Department job descriptions, April 2002.

NFISD spends more than $57 million on payroll costs. **Exhibit 4-2** details payroll costs in comparison to other district expenditures.

Exhibit 4-2
NFISD Budgeted Expenditures by Object Group
All Funds 2001-02

Expenditure Category	Budgeted Amount	Percent of Total
Payroll Costs	$57,092,565	72.5%
Contracted Services	$6,662,241	8.5%
Supplies & Materials	$4,230,455	5.4%
Capital Outlay Expenses	$757,687	1.0%
Other Operating Expenses	$2,931,362	3.6%
Debt Service	$7,059,746	9.0%
Total	**$78,734,056**	**100.0%**

Source: Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2001-02.

Exhibit 4-3 presents the number and percentage of total staff for each staffing category from 1998-99 through 2001-02. According to the Texas Education Agency's (TEA's) Academic Excellence

Indicator System (AEIS) Glossary, central administrators include the superintendent, assistant superintendents, central office instructional officers, central office athletic director, business manager, tax assessor/collector, and human resources director. Professional support staff includes therapists, psychologists, audiologists, counselors, educational diagnosticians, librarians, nurses, social workers, athletic trainers and other campus and non-campus professional support staff. Teachers include teachers, special-duty teachers and substitutes and all educational aides and interpreters. Auxiliary staff includes all custodial, maintenance, transportation, clerical workers and any other non-professional support staff not included in any other category. The number of teachers has decreased by 129.5 FTEs between 1998-99 through 2001-02, representing a 15.7 percent decrease. All other staffing categories have remained relatively constant except for educational aides and auxiliary staff that have increased by 34.3 percent and 3.7 percent, respectively, since 1998-99.

Exhibit 4-3
NFISD Number of FTE Employees
1998-99 through 2001-02

Classification of Staff	1998-99		1999-2000		2000-01		2001-02		Percent change from 1998-99 to 2001-02
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Teachers	827.4	50.8%	783.6	49.0%	759.7	46.7%	697.9	45.1%	(15.7%)
Professional Support	118.2	7.3%	118.5	7.4%	119.4	7.4%	121.4	7.8%	2.7%
Campus Administrators	40.0	2.5%	44.0	2.7%	41.0	2.5%	40.9	2.6%	2.3%
Central Administrators	14.5	0.9%	13.0	0.8%	12.0	0.7%	14.0	0.9%	(3.4%)
Educational Aides	75.6	4.6%	89.1	5.6%	85.2	5.2%	101.5	6.6%	34.3%
Auxiliary Staff	552.8	33.9%	551.9	34.5%	610.3	37.5%	573.0	37.0%	3.7%
Total Staff	**1,628.5**	**100.0%**	**1,600.1**	**100.0%**	**1,627.6**	**100.0%**	**1,548.7**	**100.0%**	**(4.9%)**

Source: TEA, Academic Excellence Indicator System (AEIS), 1998-99 through 2000-01; TEA, PEIMS, 2001-02.

FINDING

The Human Resources Department does not have a formal mission statement, goals or performance measures. The district's Long Range Plan 1997-2002 lists several objectives related to human resources, but they are not designed to be easily measurable, are about to expire and have not been accomplished to any degree. **Exhibit 4-4** details the district's goal and corresponding objectives as they relate to human resources.

Exhibit 4-4
Personnel Related Goal and Objectives
Long Range Plan 1997-2002

Goal 1	Qualified Personnel and Equitable Adequate Finances: Qualified personnel and equitable, adequate finances will be provided in order to enhance student achievement for all student populations (African American, Hispanic, white, economically disadvantaged, Exceptional Education, male or female).
Objective 1:1	During the 1997-2002 school years, additional funds will be allocated to maintain previous years' accomplishments.
Objective 1:2	During the 1997-2002 school years, Personnel and Finance will continue to build a staff abreast of the latest educational and technological advancements.

Exhibit 4-4 (continued)
Personnel Related Goal and Objectives
Long Range Plan 1997-2002

Objective 1:3	During the 1997-2002 school years, every school and department will provide staff training, and the teaching force will have access to programs for the improvement of their professional skills so that they may be able to better instruct and prepare students for the next century.
Objective 1:4	During the 1997-2002 school years, additional funds will be allocated for salaries.
Objective 1:5	During the 1997-2002 school years, the district will accelerate its collection efforts to generate an increase in revenue from local taxpayers.
Objective 1:6	During the 1997-2002 school years, funds will be allocated for staff to attend conferences, seminars and workshops.
Objective 1:7	By the year 2002, funds will be allocated to enlarge the Tax Office.
Objective 1:8	During the 1997-2002 school years, in-service training will be expanded by 50% to improve teaching strategies and methodology, thereby increasing student achievement.
Objective 1:9	During the 1997-2002 school years, additional funds will be allocated to purchase furniture, supplies and equipment.

Source: NFISD, Long Range Plan, 1997-2002.

The accomplishments from the previous year are not defined and the activities to be performed to accomplish each objective are vague. No costs are estimated for the activity "maintain current salary standards to reflect the cost of living ratio." No goals related to human resources are included in the district improvement plan, although a lack of competitive salaries was cited as a weakness.

In addition, the department does not track standard performance measures such as ratio of acceptances to total job offers made, turnover ratios by class of employee and by school or number of vacant positions at end of month by department and by school.

The concise, well-developed goals, objectives and strategies of a department-level strategic plan set a clear direction for progress and allow human resource departments to assess the effectiveness of their programs. The periodic evaluations allow resources to be focused on the areas that need enhancement, such as recruitment, staffing projections and workers' compensation management.

Recommendation 48:

Develop a Human Resource Department strategic plan that includes a mission statement, goals, measurable objectives and evaluation timelines.

The objectives should also detail which evaluation tools and timelines will be used and include benchmark or baseline data. As the evaluations occur, the plan and operation of the department should be modified to eliminate unproductive programs and refine strategies.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Human Resources establishes a comprehensive human resources strategic plan that supports the district's priorities.	November 2002
2.	The executive director of Human Resources, with input from the superintendent and other senior staff, develops strategies to achieve goals and identifies responsible staff.	December 2002
3.	The executive director of Human Resources establishes clear goals and objectives for implementing the plan.	February 2002

4.	The executive director of Human Resources obtains approval from the superintendent and the board.	February 2002
5.	The Human Resources Department implements the plan.	March 2002 and Ongoing
6.	The executive director of Human Resources evaluates progress and makes any necessary updates and modifications.	July 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. STAFFING PATTERNS, SALARIES AND BENEFITS

One of the most vital roles of any human resource department is to ensure, through workforce planning and recruitment, that the right number and the right type of employee is available when needed and that these employees are compensated with a salary and benefits package that best fits the needs of both the employer and the employee.

Exhibit 4-5 presents the percentage of staff by category for NFISD and peer districts for 2001-02. The chart shows NFISD had the highest percentage of auxiliary personnel and the second highest percentage of professional support staff when compared with its peer districts. The district had the lowest percentage of educational aides. The percentage of teachers is below the state average of 50.5 percent and the percentage of auxiliary staff is significantly higher than the state average of 26.5 percent. NFISD's ratio of students per teacher is more than two points higher than the state average.

Exhibit 4-5
NFISD, Peer Districts and State Averages
Percent of Staff by Category and Students per Teacher
2001-02

District	Teachers	Prof. Support	Campus Admin.	Central Admin.	Ed. Aides	Auxiliary Staff	Students per Teacher
North Forest	**45.1%**	**7.8%**	**2.6%**	**0.9%**	**6.6%**	**37.0%**	**16.8**
Eagle Pass	42.8%	5.5%	1.8%	0.3%	15.6%	34.0%	17.5
Edgewood	42.6%	10.3%	2.4%	1.4%	11.9%	31.5%	16.3
Port Arthur	46.2%	6.6%	3.1%	0.8%	13.2%	30.2%	14.6
South San Antonio	48.9%	6.3%	3.0%	1.4%	13.2%	27.2%	14.6
State	**50.5%**	**8.9%**	**2.7%**	**1.0%**	**10.3%**	**26.5%**	**14.7**

Source: TEA, PEIMS, 2001-02.

Exhibit 4-6 presents the district's staff by category and ethnicity.

Exhibit 4-6
NFISD Staff by Category and Ethnicity
2001-02

	African American	Anglo	Asian/Pacific Islander	Hispanic
Teachers	42.0%	2.3%	0.3%	0.5%
Prof. Support	7.4%	0.4%	0.0%	0.1%
Campus Admin	2.6%	0.1%	0.0%	0.0%
Central Admin	0.8%	0.1%	0.0%	0.0%
Education Aide	5.6%	0.1%	0.0%	0.8%
Auxiliary	33.6%	1.3%	0.0%	2.0%
Total	**92.0%**	**4.3%**	**0.3%**	**3.4%**

Source: TEA, PEIMS, 2001-02.

Exhibit 4-7 presents the salary schedules of the district for teachers, nurses and librarians by years of experience and college degrees.

Exhibit 4-7
Teachers, Nurses and Librarians Salary Schedule
Years of Experience and College Degree
2001-02

Years of Experience	Bachelor's Degree	Master's Degree	Doctorate's Degree
0	$32,000	$34,000	$36,000
5	$33,000	$34,517	$36,500
10	$34,700	$35,600	$37,000
15	$37,760	$38,500	$40,100
20	$40,800	$41,620	$43,000
25	$43,000	$44,800	$49,000
30	$46,600	$50,200	$52,500

Source: NFISD Salary Tables, 2001-02.

FINDING

NFISD provides substitute teachers with training and a handbook. Training for substitute teachers is held at the beginning of the school year and includes an introduction to the district, expectations, a motivational session, procedures, a question and answer session and information on evaluations. Substitutes are also provided with a handbook that gives them additional information about the district, a copy of the job description, a map of district schools, salary information and payroll dates and procedures, copies of lesson planning documents and the appraisal form. There is also a section that provides "basic survival tips" for the substitute teacher.

The combination of a formal training session and a handbook give new substitutes the opportunity to receive information and ask questions and also have a written reference for any unanswered or recurring questions—allowing the substitute to focus on the students.

COMMENDATION

NFISD provides comprehensive training and information to substitute teachers.

FINDING

While the district uses staffing allocation formulas for teachers, the district does not use staffing formulas to effectively manage staffing at other levels. **Exhibit 4-8** shows staffing trends and student

enrollment in the district from 1997-98 through 2001-02. The total number of staff has decreased by 81.6 positions with teachers decreasing by 144. All categories of staff except for teachers have increased over the period. Student enrollment decreased 13.8 percent over the period and teachers have decreased 17.1 percent whereas total staff decreased only 5.0 percent.

Exhibit 4-8
Staffing Trends and Student Enrollment
1997-98 through 2001-02

	1997-98	1998-99	1999-2000	2000-01	2001-02	Percent Change from 1997-98 to 2001-02
Staffing by Category						
Teachers	841.9	827.4	783.6	759.7	697.9	(17.1%)
Professional Support	113.9	118.2	118.5	119.4	121.4	6.6%
Campus Administration	40.0	40.0	44.0	41.0	40.9	2.3%
Central Administration	12.0	14.5	13.0	12.0	14.0	16.7%
Educational Aides	68.4	75.6	89.1	85.2	101.5	48.4%
Auxiliary Staff	554.1	552.8	551.9	610.3	573.0	3.4%
Total Staff	**1,630.3**	**1,628.5**	**1,600.1**	**1,627.6**	**1,548.7**	**(5.0%)**
Ratios of Students to Staff						
Student Enrollment	13,579	13,416	12,603	12,487	11,699	(13.8%)
Student/Staff Ratio	8.3:1	8.2:1	7.9:1	7.7:1	7.6:1	(8.4%)
Student/Teacher Ratio	**16.1:1**	**16.2:1**	**16.1:1**	**16.4:1**	**16.8:1**	**4.3%**

Source: TEA, AEIS, 1997-98 through 2000-01 and PEIMS, 2001-02.

Staffing allocation worksheets dated May 2001 show that formulas, guidelines and enrollment projections are not provided, but that principals simply request the staff they would like, which may closely resemble the staff currently assigned to the school. Staffing allocation summaries, which detail how many teaching positions were allotted to each school, were prepared by the Human Resources Department in September 2001. These summaries show enrollment projections and some formulas and guidelines for allocating teaching staff; however, no other positions were included in the summaries. **Exhibit 4-9** presents each school's projected enrollment based on the September 2001 report and the staffing requests dated May 2001. Since the number of staff does not vary based on the school enrollment, this data is not used to manage the number of available positions at each school.

Exhibit 4-9
Projected Enrollment and Staff Allocations by School
2001-02

School	Projected Enrollment*	Non-teaching Professional Staff	Teachers*	Support and Auxiliary Staff	Total Staff Allocated
Smiley High	1,520	15	89	42	146
Forest Brook High	1,067	17	82	37	136
Kirby Middle	950	10	44	26	80
Oak Village Middle	750	8	35	22	65
E. Houston Intermediate	1,050	9	67	37	113
Keahey Intermediate	830	9	56	30	95
Fonwood Elementary	925	9	49	26	84
Hilliard Elementary	808	6	43	22	71
Marshall Primary	1,210	9	43	32.5	84.5
Rogers Elementary	560	7	32	23	62
Shadydale Elementary	975	7	50	23	80
Tidwell Elementary	769	7	41	27	75

Source: NFISD Staffing Allocation Worksheets, May 2001.
**NFISD Staffing Allocation Summaries, September 2001.*

The Southern Association of Colleges and Schools (SACS) is an accrediting agency for elementary, middle and high schools throughout the south, including Texas. **Exhibit 4-10** provides a comparison between the SACS personnel standards and NFISD employees at each school. As the chart shows, NFISD has 9.5 more assistant principals and 26 more clerical staff than the standards recommend.

Exhibit 4-10
SACS Standards and NFISD Staffing Comparison

School	Projected Enrollment	Principals			Assistant Principals			Secretaries or Clerks		
		SACS	NFISD	Over (Under) staffed	SACS	NFISD	Over (Under) staffed	SACS	NFISD	Over (Under) staffed
Smiley High	1,520	1.0	1.0	**0.0**	3.0	4.0	**1.0**	4.5	9.0	**4.5**
Forest Brook High	1,067	1.0	1.0	**0.0**	2.0	4.0	**2.0**	4.0	8.0	**4.0**
Kirby Middle	950	1.0	1.0	**0.0**	1.0	2.0	**1.0**	1.5	5.0	**3.5**
Oak Village Middle	750	1.0	1.0	**0.0**	1.0	2.0	**1.0**	1.5	4.0	**2.5**
E. Houston Intermediate	1,050	1.0	1.0	**0.0**	1.5	2.0	**0.5**	2.0	3.0	**1.0**
Keahey Intermediate	830	1.0	1.0	**0.0**	0.5	2.0	**1.5**	1.5	3.0	**1.5**
Fonwood Elementary	925	1.0	1.0	**0.0**	1.0	1.0	**0.0**	1.5	3.0	**1.5**
Hilliard Elementary	808	1.0	1.0	**0.0**	0.5	1.0	**0.5**	1.5	3.0	**1.5**
Marshall Primary	1,210	1.0	1.0	**0.0**	1.5	1.0	**(0.5)**	2.0	4.0	**2.0**
Rogers Elementary	560	1.0	1.0	**0.0**	0.0	1.0	**1.0**	1.0	3.0	**2.0**
Shadydale Elementary	975	1.0	1.0	**0.0**	1.0	2.0	**1.0**	1.5	2.0	**0.5**
Tidwell Elementary	769	1.0	1.0	**0.0**	0.5	1.0	**0.5**	1.5	3.0	**1.5**
Totals		**12.0**	**12.0**	**0.0**	**13.5**	**23.0**	**9.5**	**24.0**	**50.0**	**26.0**

Source: Enrollment—NFISD Staffing Allocation Worksheets, May 2001 and September 2001; NFISD staffing—Payroll records, April 2002; SACS standards— SACS High School Accreditation Standards, 2000; SACS Additional Standards Unique to Middle Schools, 2001-02; SACS Checklist of Standards for the Accreditation of Elementary Schools, 2001-02.

Staffing allocation worksheets or formulas were not provided for non-campus staff, such as transportation, maintenance and central administration workers.

Financial resources spent on unnecessary positions are unavailable for other staffing or program needs. Many districts use industry standards for determining staffing levels. These standards include not only ratios for teachers but also guidelines on the number of campus administrators and campus support staff and use student enrollment projections and data, such as square footage, to determine staffing needs. Use of staffing formulas also ensures that resources are equitably and fairly distributed among schools.

Recommendation 49:

Use staffing allocation formulas that are linked to enrollment.

Standard staffing for custodial workers will be discussed in Chapter 5, *Facilities Use and Management,* and formulas for cafeteria workers will be detailed in Chapter 9, *Food Services.* Based on the staffing allocations for school professional and clerical support staff from SACS, the district should eliminate nine assistant principal positions and 20 school clerical positions. Although comparison with SACS standards indicates the district is overstaffed by 26 school clerical workers, a 20 percent reduction in this number was made to account for the PEIMS reporting requirements unique to Texas, and not part of the SACS standards, and other special needs of the district.

Once the staffing reductions have occurred, the district should implement a hiring freeze.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Human Resources conducts research and identifies appropriate staffing allocation formulas for each class of position.	October 2002
2.	The executive director of Human Resources, superintendent and assistant superintendent of Finance and Operations review the staffing allocation formulas.	November 2002
3.	The superintendent and executive director of Human Resources identify positions to be eliminated.	December 2002
4.	The superintendent submits the contracted position elimination recommendations to the board for approval.	January 2003
5.	The board approves the contracted position eliminations, effective at the end of the contract term.	January 2003
6.	The superintendent notifies at-will employees that their positions will be eliminated at the end of the school year.	March 2003
7.	The executive director of Human Resources, superintendent and assistant superintendent of Business and Operations use the identified staffing allocations to project staffing needs for future school years.	May 2003
8.	The superintendent implements the position eliminations.	May 2003
9.	The superintendent implements a hiring freeze for all positions.	May 2003

FISCAL IMPACT

The total savings of eliminating the 29 positions will be $1,008,723.

Eliminating nine assistant principal positions will result in the savings of $520,763 annually. These savings are calculated by taking the average annual salary of assistant principals and adding benefits. ([$50,317 x 1.09 variable benefits] + $3,017 health insurance benefits x 9 positions).

Eliminating 20 school clerical positions will result in the savings of $487,960 annually. These savings are calculated by taking the average annual salary of school clerical workers and adding benefits. ([$19,616 x 1.09 variable benefits] + $3,017 health insurance benefits x 20 positions).

In 2002-03, one-third of the annual savings or $336,241 ($1,008,723/12 x 4 months for June through August 2002) is recognized due to the May 2002 implementation.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Use staffing allocation formulas that are linked to enrollment.	$336,241	$1,008,723	$1,008,723	$1,008,723	$1,008,723

FINDING

NFISD has too many employees on contract. The district offers employment contracts to every central administrative professional position in addition to state-mandated contracts. According to the Texas Education Code (TEC), a district must employ classroom teachers, principals, librarians, nurses and counselors under a probationary, a continuing or a term contract. The TEC does not require any other categories of school district employees to be employed by contract, although most districts contract with superintendents. The Texas Association of School Boards (TASB) further recommends that if districts require educational administrator positions, such as Special Education or Career and Technology Education directors, to hold a certification from the State Board of Educator Certification (SBEC), that those positions also be employed using a probationary, continuing or term contract although the SBEC no longer requires such positions to hold certification. Even though not required by law, NFISD employs all professional administration employees by contract. Of 30 non-renewal letters completed in spring 2002, at least seven were for administrators not required to be on contract. Since job descriptions do not include experience and certification requirements, all administrator positions in the Curriculum and Instruction Department were assumed to require an SBEC certification.

The NFISD board contract policy states, "The board may employ by a written contract personnel not eligible for a contract under Chapter 21 of the Education Code. Such contracts shall not be governed by the provisions of Chapter 21 of the Education Code." The board's at-will employment policy states "the board delegates to the Superintendent authority to hire and dismiss the following categories of employees, who shall serve on an at-will basis: teachers with District permits, paraprofessional and auxiliary personnel."

The existence of contracts beyond the legal requirements limits the district's ability to reassign and adjust staffing levels when necessary. The board approved a reorganization in February 2002, but the reorganization will not become effective until July 2002 because the district must wait until the contracts for some of the positions expire. Contracts increase the district's liability for employment related litigation and increase the administrative duties of the Human Resources Department and the superintendent when preparing for, and participating in, grievance proceedings and employment lawsuits. As of April 24, 2002, the district had six outstanding grievances regarding contract non-renewals.

While many professional positions in school districts do not require contracts, the employee filling the position may be a former teacher or principal and used to being employed by contract. The requirements of the position determine the need for a contract, not the qualifications of the employee filling the position. Many school districts limit contract employees to those required by Chapter 21 of the TEC and certain key personnel.

Recommendation 50:

Revise the district's at-will policy to include all personnel except those positions required to be under contract by law and those specific positions designated as key personnel.

The at-will policy should be expanded to include all categories of personnel whose positions do not require contracts under Chapter 21 of the TEC, or when necessary to hire and retain key personnel in strategic positions. Positions designated as key personnel should include the superintendent, and might also include any assistant superintendent positions in the district. The revision to board policy should be made immediately and communicated to all district employees. All new hires in positions that do not require a contract under the new policy should be employed at-will. As contracts for positions that would become at-will positions under the new policy expire, they should not be renewed, but the district should notify these employees that their positions, if merited, would continue as non-contract/at-will positions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent revises the districts at-will policy to include all categories of personnel not governed by Chapter 21 of the Education Code or designated as key personnel.	October 2002
2.	The superintendent submits the revised policy to the board for approval.	November 2002
3.	The superintendent notifies all affected personnel of the change in policy.	December 2002
4.	The district enters into employment contracts only with key personnel and instructional personnel governed by Chapter 21 of the education code.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Human Resources Department has two full-time employees that schedule substitute teachers. The two central substitute clerks arrive at 6:30 a.m. and begin transcribing messages left by teachers who will be absent and then begin calling substitute teachers until all positions are filled. The average volume of substitute teacher placements is 40 on a typical day. The employees also manage substitute teacher applications, time cards and personnel files and track long-term substitutes.

The system used is manual and labor intensive. Daily reports on substitutes placed each day are hand-written. Time cards are submitted by substitutes and verified by the substitute clerks. These manual processes allow multiple opportunities for human error and necessitate time consuming cross checking of time cards and reports to ensure that substitutes are correctly recording their assignments.

Both Austin ISD and El Paso ISD use automated substitute-calling systems that allow employees to report absences. Substitutes are then identified and contacted using an automated system that calls the potential substitute and allows them to respond. All of this can be done without direct contact with an

employee. Some systems notify principals when replacements cannot be found, so that the principal can make other arrangements. Most automated calling systems also interact with existing human resource and payroll systems to eliminate redundant data entry and automatically make entries regarding the employee's absence and the substitute's pay information. The systems also allow the districts to obtain detailed absenteeism reports that can identify trends at schools, in grade levels or with a particular teacher and formulate strategies to address absenteeism issues. While primarily used for finding substitute teachers, the automated calling systems can also accommodate other categories of employees for whom substitutes may need to be called, such as bus drivers and cafeteria workers.

Recommendation 51:

Purchase an automated substitute-caller system, and eliminate one central substitute clerk position.

Several companies have software packages that provide these services. The automated substitute-calling system software price will vary based on the features required by the district, but the basic package should meet the district's needs. Once the system is implemented, the district would be able to eliminate at least one central substitute clerk position.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Human Resources and the director of Technology and Information Services discuss the needs of the system and prepare specifications.	October 2002
2.	The director of Technology and Information Services investigates potential vendors and makes a list of contact information.	October 2002
3.	The executive director of Human Resources contacts the purchasing office to have bidding documents prepared.	November 2002
4.	The Purchasing manager releases the bidding documents and ensures that the vendors identified by the director of Technology and Information Services receive copies.	November 2002
5.	The executive director of Human Resources and the director of Technology and Information Services review the bid responses and make a recommendation to the superintendent.	January 2003
6.	The superintendent recommends the software purchase to the board and the elimination of at least one central substitute clerk position upon implementation of the software.	February 2003
7.	The board approves the software purchase and position elimination.	February 2003
8.	The director of Technology and Information Services implements the software.	June 2003
9.	The superintendent eliminates at least one central substitute clerk position.	June 2003

FISCAL IMPACT

The automated substitute-calling system software price will fluctuate based on the requirements of the district, but the basic module to support 700 full-time teachers is approximately $11,995. Once the system is implemented, the district will be able to eliminate at least one central substitute clerk position. Based on the salary of the lowest paid substitute clerk, eliminating this position will result in a savings of $28,631 annually ([$23,499 x 1.09 for variable benefits] + $3,017 for health insurance). No savings will be realized in 2002-03 since the position will not be eliminated until the end of the school year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Purchase an automated substitute-caller system.	($11,995)	$0	$0	$0	$0
Eliminate one central substitute clerk position.	$0	$28,631	$28,631	$28,631	$28,631
Net Savings/(Costs)	**($11,995)**	**$28,631**	**$28,631**	**$28,631**	**$28,631**

C. RECRUITMENT AND HIRING ACTIVITIES

According to the National Center for Education Statistics, the country will need as many as 3.6 million teachers by 2007. K-12 enrollments are expected to continue to grow and much of the current teaching pool is retiring or leaving the profession. Districts are already struggling to ensure a steady supply of high-quality teachers and in many urban areas, the shortage has already arrived. The shortages are intensified in selected fields, such as bilingual education and special education, and in subjects such as mathematics and science. The availability of minority teachers is also decreasing.

As a result of competition for qualified teachers, recruitment and retention of teachers has become a critical area for school district human resources departments.

Exhibit 4-11 displays the teacher turnover rates for NFISD, its peer districts as well as regional and state averages. NFISD's turnover rate has been lower than the region and state averages for each year for 1997-98 through 2000-01, with the exception of 1998-99.

Exhibit 4-11
NFISD, Peer Districts and Region and State Teacher Turnover Rates
1997-98 through 2000-01

District	1997-98	1998-99	1999-2000	2000-01
North Forest	**10.9%**	**17.1%**	**11.0%**	**13.3%**
Eagle Pass	9.9%	12.6%	11.6%	10.8%
Edgewood	14.9%	19.7%	16.5%	22.6%
Port Arthur	14.2%	15.8%	14.1%	19.4%
South San Antonio	11.5%	9.3%	8.4%	11.0%
Region 4	**13.9%**	**15.9%**	**15.4%**	**17.4%**
State	**13.3%**	**15.5%**	**15.0%**	**16.0%**

Source: TEA, AEIS, 1997-98 through 2000-01.

FINDING

NFISD's salaries, especially teacher salaries, are significantly lower than neighboring districts. None of the selected peer districts are located in the same geographic region or labor market as North Forest, and as a result, are not the most appropriate for comparison. The neighboring districts, all located in the Houston Metropolitan area, more closely represent the district's competition for employees. **Exhibit 4-12** presents average actual teacher salaries for NFISD and neighboring districts

for 2000-01. NFISD salaries are lower than the state average in all categories, and significantly below the average of neighboring districts. Average actual salaries are determined using actual payroll data and may not equal salary schedules due to extra-duty pay and partial-year amounts.

Exhibit 4-12
NFISD and Neighboring Districts
Average Actual Teacher Salaries by Years of Experience
2000-01

District	Beginning	1-5 Years	6-10 Years	11-20 Years	Over 20 Years
North Forest	**$25,160**	**$27,944**	**$33,417**	**$39,598**	**$47,821**
Aldine	$31,270	$35,295	$40,057	$48,559	$53,686
Galena Park	$31,942	$34,466	$36,756	$44,001	$51,691
Houston	$32,097	$34,996	$37,266	$43,984	$52,498
Humble	$33,363	$34,114	$36,259	$41,550	$48,546
Sheldon	$32,293	$33,854	$35,921	$40,357	$49,737
Average (excluding North Forest)	**$32,193**	**$34,545**	**$37,252**	**$43,690**	**$51,232**
State	**$29,824**	**$31,987**	**$35,304**	**$41,755**	**$48,183**

Source: TEA, AEIS, 2000-01.

Exhibit 4-13 presents a comparison of NFISD and neighboring districts' beginning teacher salaries for 2001-02, based on the districts' salary schedules. These base salaries are exclusive of any bonuses or stipends. North Forest's starting salary is $1,750 less than Aldine, its closest neighboring district salary and $2,158 less than the group's average starting teacher salary of $34,158.

Exhibit 4-13
NFISD and Neighboring Districts
Starting Teacher Salaries
2001-02

	Beginning Teacher Salary
North Forest	**$32,000**
Aldine	$33,750
Houston	$34,588
Humble	$33,350
Galena Park	$34,550
Sheldon	$34,550
Average (excluding North Forest)	**$34,158**

Source: 2001-02 Teacher Salary Schedules for listed districts.

Exhibit 4-14 shows the expenditures and appraised property value per student of NFISD and neighboring districts. NFISD has the lowest per-student expenditures and per-student appraised property value. NFISD does not have the tax base necessary to raise significant local revenue. In fact, only 16.3 percent of NFISD revenue is from local tax funds, while the neighboring districts average 50.3 percent of revenue from local tax dollars.

Exhibit 4-14
NFISD and Neighboring Districts
Expenditures and Appraised Property Value per Student
2000-01

District	Expenditures per Student (All Funds)	Appraised Property Value per Student
North Forest	**$5,969**	**$61,585**
Galena Park	$6,542	$157,569
Humble	$6,551	$198,328
Aldine	$6,822	$138,253
Houston	$7,096	$289,682
Sheldon	$7,700	$361,266

Source: TEA, AEIS, 2000-01.

NFISD's demographic profile as an urban, minority district with a large percentage of economically disadvantaged students is a recruiting barrier. A lack of competitive salaries raises this barrier even higher, especially when two neighboring districts, Aldine ISD and Houston ISD, have similar demographic challenges yet offer higher starting salaries and other recruitment incentives, such as hiring bonuses and moving expenses for qualified candidates.

According to a study conducted for the district, several salary categories are below market rates. Recommendations were also made on how NFISD could adjust salaries to more closely match the market. The study evaluated NFISD's current salary schedules, analyzed market and regional pay averages for all categories of employees, including stipends and signing bonuses for teachers, offered adjustment recommendations and calculated the estimated cost to the district of implementing these changes. The general findings concluded that teacher, administrator and professional salaries are low compared with the market and that some auxiliary pay is over market, while others are below market.

Of particular concern in the auxiliary category were police officer salaries. The study found that NFISD's average salary for police officers is 71 percent of market value for the position. The average actual salary for NFISD police officers is $24,208. The average salary for a patrol officer in the Houston Metropolitan area ranges from $35,890 to $50,825. The average salary for a security guard, which does not require the same level of training or education as a patrol officer, in Houston ranges from $23,715 to $32,022. The study recommends placing police officers in a pay grade with a midpoint salary of $35,032.

Overall, the study recommends pay increases, equity adjustments and pay range changes that, if adopted, would cost the district an additional $2,188,043 in salary costs for 2002-03.

Members of Human Resource Department staff said lack of competitive pay was a major reason teachers left the district and that the teachers did not need to relocate to earn more money, but could simply work for a neighboring district. Employers who lag behind market rates will have more difficulty attracting and retaining highly qualified individuals. Many districts pay employees salaries appropriate to their market, experience, skills and workload to reduce employee turnover and increase productivity.

Recommendation 52:

Raise salaries to compete with neighboring school districts.

While the district does face funding challenges not encountered by neighboring districts, the district still needs to be able to recruit and retain qualified teachers and support staff. The district will need to pay market rates for teachers and other staff to effectively meet the needs of its students by attracting highly qualified personnel.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent presents the salary increases recommended by TASB to the board for approval along with the necessary budget adjustments.	March 2003
2. The board approves the increases and corresponding budget adjustments.	June 2003
3. The superintendent implements the salary increases.	August 2003
4. The executive director of Human Resources monitors market salaries and recommends increases as necessary.	Annually

FISCAL IMPACT

The study estimates the cost of the salary increases but does not include increases in variable benefits that will need to be paid. Variable benefits rates change based on an employee's job classification. Variable benefits for maintenance and custodial workers are 18 percent of salary. Bus drivers' benefits are 16 percent of salary. Variable benefits for teachers and other professional and clerical staff are 9 percent of salary. The total estimated salary cost of the increases is $2,188,043, of which $474,061 is for manual trades employees and $1,713,982 is for teachers and other employees. Manual trades employees would include all custodial and maintenance personnel as well as bus drivers. Since the study did not separate bus drivers from other manual trades, variable benefits for all manual trade increases will be calculated using the higher rate of 18 percent.

Amount of salary increases for manual trades personnel	$474,061
Variable benefits ($474,061 x 18 percent)	+ $85,331
Total cost of salary increases for manual trades personnel	$559,392
Amount of salary increases for teachers and other personnel	$1,713,982
Variable benefits ($1,713,982 x 9 percent)	+ $154,258
Total cost of salary increases for other personnel	$1,868,240

The total cost of the increases would be $2,427,632 annually ($559,392 cost for manual trades + $1,868,240 cost for teachers and other personnel), beginning in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Raise salaries to compete with neighboring school districts.	$0	($2,427,632)	($2,427,632)	($2,427,632)	($2,427,632)

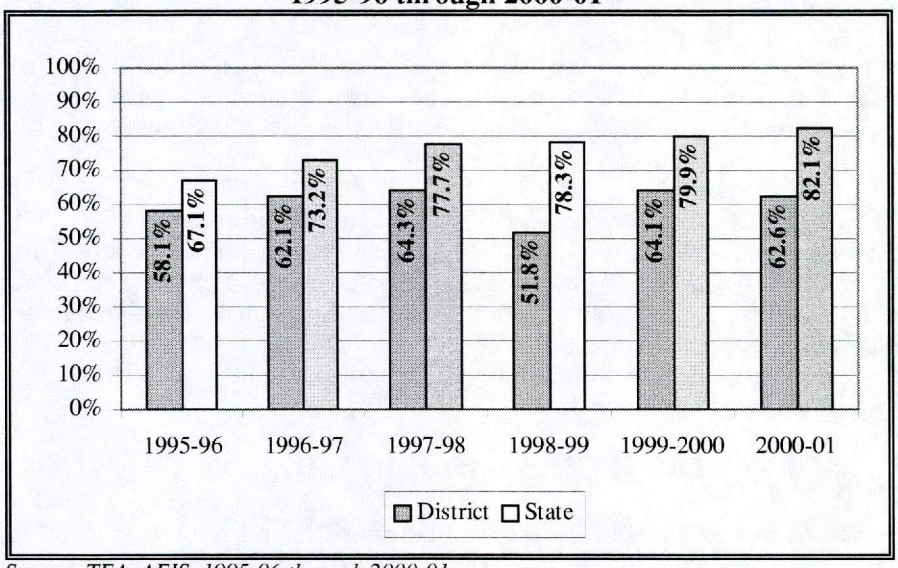
FINDING

NFISD is not recruiting and retaining an adequate number of qualified teachers. In 2001-02, the district had 86 positions filled by long-term substitutes, an indication that an insufficient number of certified teachers were recruited to fill vacant positions. Human Resources staff said low teacher salaries hinder recruiting efforts. According to 2000-01 AEIS data, NFISD also had 42 non-certified teachers on emergency permit, 18 certified teachers on emergency permit and 10 teachers on non-renewable permits, or 9.2 percent of the total teaching staff for that year.

While teacher turnover is low compared to peer districts, the region and the state (**Exhibit 4-11**), the district does not compile the results of its exit interviews, and as a result, does not know why teachers are leaving or if they are losing a disproportionate number of new teachers versus experienced teachers. The district provided copies of only three exit interview forms, all completed by teachers voluntarily resigning. Although its turnover rates are lower than region and state averages, NFISD still lost more than 100 teachers in 2000-01, and the cost of teacher turnover can be extremely high. The US Department of Labor estimates that costs to replace an employee averages 33 percent of the new hire's salary. The beginning teacher salary in 2001-02 for NFISD was $32,000. Each teacher that leaves costs the district an estimated $10,560 to replace. These are financial costs only. The loss of experienced teachers also contributes to decreased student performance.

Exhibit 4-15 presents NFISD's performance on the Texas Assessment of Academic Skills (TAAS) from 1995-96 through 2000-01 as compared with the state average performance. The percentage of NFISD students passing all tests taken is well below the state average in each year.

Exhibit 4-15
NFISD and State Percentages of Students Passing TAAS All Tests Taken
1995-96 through 2000-01



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

The large number of uncertified teachers in NFISD classrooms could be a factor contributing to NFISD's low student performance.

TASB's *Going, Going, Gone: A Handbook of Practical Responses to the Texas Teacher Recruitment and Retention Problem,* lists several recruitment strategies that have been successful in other districts including: hiring bonuses, employee referral incentives, relocation or moving fees, tuition reimbursement or student loan assistance and reduced rate mortgages and low-interest loans.

According to the U.S. Department of Education Office of Student Financial Aid Programs, NFISD schools are designated low-income schools and teachers meeting certain requirements may be eligible for student loan forgiveness or deferments for working in the district for a specified time period. The district does not use this tool as a recruitment incentive, does not assist teachers in determining if they are qualified for forgiveness or deferment of student loans or help them complete the necessary paperwork if they do qualify.

Going, Going, Gone also identifies the loss of first-year teachers as one of the few attrition factors that districts can control. The handbook states, "The primary reason a new teacher leaves the classroom is lack of a support system. The research supports that providing such support substantially increases new teacher retention."

In Hillsborough County, Fla., the district has a comprehensive teacher induction program that includes intensive new teacher training and the assignment of a support team to each new teacher. The support team includes a campus administrator, a peer and a subject matter expert. The support team is available to the teacher throughout the year to provide information, support and feedback.

United ISD developed and funded a mentoring program for new and alternative certification program (ACP) teachers. Experienced teachers are chosen as mentors for new and ACP teachers and all are required to attend orientation and training sessions. The mentor observes the new teacher in the classroom and the mentor and new or ACP teacher meet periodically, at least every six weeks, to discuss issues. United ISD pays the mentoring teachers a stipend of $300 per year.

Recommendation 53:

Create and implement a recruiting and retention plan to decrease the number of long-term substitutes and teachers on non-standard permit.

Teacher recruitment problems present the district with a major challenge. Not only does the district need to recruit teachers to fill vacancies normally created by resignations, retirements and terminations, but the district also needs to fill an additional 86 positions filled by long-term substitutes.

The district should compile information available from exit interviews to identify trends among those teachers leaving and adopt strategies that best address those reasons. The district should consider each of the recruitment incentives listed in the TASB handbook. Retaining existing certified teachers is also going to be necessary. Publicizing the district's status as designated low-income for student loan forgiveness and repayment should be part of the strategies adopted for recruitment. The district should also implement a mentoring program to reduce new teacher attrition. These efforts will help NFISD improve its teacher recruitment efforts.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The executive director of Human Resources and the superintendent review exit interview notes and other districts' recruiting and retention strategies to determine which strategies are most appropriate for NFISD.	December 2002
2. The executive director of Human Resources creates a recruitment and retention plan based on the strategies identified that includes a calendar of recruiting events, personnel to attend each event and the estimated costs per strategy.	January 2003
3. The executive director of Human Resources submits the plan to the superintendent for approval.	February 2003

4. The superintendent approves the plan. February 2003

5. The superintendent submits the plan and associated funding requests to the board for approval. February 2003

6. The board approves the plan and funding for the plan. February 2003

7. The district implements the plan. March 2003 and Ongoing

FISCAL IMPACT

A mentoring program for new teachers will cost the district $300 per mentor teacher per year. The district should provide the mentoring program for a minimum of 50 new hires each year until all new teachers have been through the mentoring program. The annual cost of implementing this recommendation is $15,000 ($300 x 50 teachers).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Create and implement a recruiting and retention plan to decrease the number of long-term substitutes and teachers on non-standard permit.	($15,000)	($15,000)	($15,000)	($15,000)	($15,000)

FINDING

NFISD does not track the results of recruiting events. Recruiting schedules provided by the district listed 24 recruiting events for 2000-01 and 29 events are on the calendar for the 2001-02. **Exhibit 4-16** lists the events and dates for 2001-02.

Exhibit 4-16
NFISD Recruitment Schedule 2001-02

Date (MM/YY)	Event	Date (MM/YY)	Event
11/01	Region 4 Job Fair	04/02	**Northwestern University, Louisiana**
02/02	TABSE	04/02	Texas Tech University
03/02	**Sam Houston State University**	04/02	Univ. of Louisiana at Monroe
03/02	University of Texas at San Antonio	04/02	Louisiana Tech University
03/02	**Jarvis Christian College**	04/02	**Grambling State University**
03/02	**Lamar University**	04/02	Texas A&M University at Kingsville
04/02	University of Texas at Austin	04/02	Texas A&M at Corpus Christi
04/02	University of Texas at Arlington	05/02	**Alcorn State**
04/02	**University of New Orleans**	06/02	Gulf Coast Job Fair
04/02	Stephen F. Austin University	No Date	**Alcorn State**
04/02	Texas A&M University College Station	No Date	**Paul Quinn College**
04/02	**Southern University Louisiana**	No Date	**Southern University, Louisiana**
04/02	**Prairie View A&M University**	No Date	**Huston Tillotson College**
04/02	University of Houston—Clear Lake	No Date	Texas College
04/02	**McNeese State University**		

Source: NFISD Teacher Recruitment Schedule, 2001-02.
Note: Items in bold denote historically black colleges and universities.

As shown in the chart, the district attends many recruiting events and makes a concentrated effort to recruit at historically black colleges and universities. The Human Resources Department was only allocated $9,500 for recruiting efforts including travel costs in 2001-02. The district's recruiting team consists of the executive director of Human Resources, the recruiter, the Athletic director, the director of Special Education, three principals and a counselor. Not all members attend all events, but the size of the team does allow the district to be represented at simultaneous events. The recruiter said that alumni of targeted colleges and universities attend the recruiting events when possible.

The Human Resources Department provided copies of log sheets used at recent recruiting events. The sheets include the applicant's name, address, telephone number and teaching area. While this basic information provides the recruiter with the means to follow-up with promising candidates, it does not allow for critical analysis of the event to determine if it was worth the time, effort and money and if it should be repeated. As a result, the district cannot quantifiably conclude which recruiting trips are yielding the largest number of the best-qualified applicants.

A recruitment-tracking system that collects not only contact information, but also the number of candidates and interviews, the ethnicity of the interviewees, whether an alma mater recruiter attended, the cost, how many letters of intent were given, the number of individuals hired from each event, and the cost allows the recruiter or team to evaluate each event using the data gathered and determine which types of events and locations are resulting in the most hires for the least amount of cost. This evaluative data helps recruiters plan for following years. Tracking an area of specialty also helps districts identify good sources of teachers for subject areas where it anticipates greater needs, such as bilingual/English as a Second Language or math.

Recommendation 54:

Track the effectiveness of individual recruiting initiatives.

The recruiter should create a system designed to track the effectiveness of recruiting trips. The system might include the current sign-in sheets, a log for each recruiter to record additional information, including cost information, and an evaluation and planning component.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The recruiter and executive director of Human Resources meet to determine what information they need to track for each recruiting trip and develop a log to be completed for each trip.	January 2003
2. The recruiter trains the members of the recruiting team in the use and importance of the log.	February 2003
3. The recruiter evaluates the results of the recruiting trips and determines their effectiveness.	May 2003
4. The recruiter uses the results of the evaluation to plan the following years recruiting activities and make budget requests.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD's job descriptions are not adequate in their current form and are not updated on a regular basis. The job descriptions provided to the review team included the following items:

- position title;
- job goal;
- reports to;
- major responsibilities;
- terms of employment;
- evaluation;
- approved by; and
- date.

The job descriptions provided were not dated, although a placeholder for a date was provided. In addition, the job descriptions did not include job requirements such as education, experience, skills or working conditions. TASB's sample job descriptions include Fair Labor Standards Act (FLSA) status, department, pay grade, qualifications—which includes experience, special knowledge and skills—supervisory responsibilities, working conditions, revision date, approval date and a place for an employee signature.

The job descriptions provided for Human Resources Department staff do not accurately reflect the current positions in the department. The executive director of Human Resources is working under an assistant superintendent of Human Resources and Staff Development job description, yet the position has been downgraded. Further, Staff Development was moved to the Curriculum and Instruction Department a year before the position downgrade.

In April 2002, the superintendent was accepting applications and resumes and interviewing candidates for newly created and reorganized positions. When the review team requested copies of the job descriptions for these positions, the executive director of Human Resources said that these would be created in July 2002—long after candidates had been chosen. Searching for and finding qualified candidates can be challenging in the best of circumstances; doing so without having formulated the job requirements increases the difficulty, and decreases the likelihood, of finding the right candidate to meet the district's needs.

Employees cannot perform effectively and efficiently if they are unaware of their specific job responsibilities. Unclear assignments involving duties and responsibilities such as updating curriculum guides, finding and applying for grants and developing educational programs result in these tasks not being accomplished. The district is also at increased risk for employee grievances and lawsuits by not providing clear expectations of duties to staff. The internal customers served by district employees cannot use the resources available to them if they are not aware the resources exist. Teachers cannot ask for help in lesson planning, obtaining grants or addressing unique student needs if they are not aware help is available. The ambiguity in job functions could lead to duplication of efforts, no efforts or haphazard efforts.

United ISD maintains all job descriptions in a consistent format and regularly reviews job descriptions to ensure they are up to date. There are three sections of positions: administrative and professional; clerical; and technical and manual trades. A table of contents is found at the beginning of each section of the descriptions. All of the positions listed have job descriptions consistent in format and covering pertinent position information. Each job description includes the title, administrator to whom the employee reports, qualifications, job goals, performance responsibilities, terms of employment, evaluation process and equipment used if applicable.

Recommendation 55:

Change the format and update all employee job descriptions.

The format of the job descriptions should be modified to also include FLSA status, department, pay grade, qualifications, supervisory responsibilities, working conditions, revision date, approval date and a place for an employee signature. Updated job descriptions would allow the district to maximize its use of human resources and more efficiently handle the administration of the district. Creating and updating job descriptions can be a time-consuming task. The district can receive sample job descriptions for a variety of positions from the TASB, which the district can then modify to reflect its specific needs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	Department heads update organization charts for their departments to ensure all positions within the department are identified.	January 2003
2.	The executive director of Human Resources obtains copies of sample job descriptions from TASB for positions on the charts.	January 2003
3.	The executive director of Human Resources, with input from the superintendent and other department heads, modifies the job descriptions format to meet district requirements, but retains all the TASB categories.	February 2003
4.	Supervisors meet with employees to review job descriptions and expectations.	March 2003
5.	The executive director of Human Resources requires job descriptions for new positions.	April 2003 and Ongoing
6.	The executive director of Human Resources develops a schedule for updating job descriptions.	May 2003
7.	Supervisors updates job descriptions according to the schedule and submit to the executive director of Human Resources for approval.	June 2003 – August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. PERFORMANCE APPRAISALS AND STAFF DEVELOPMENT

Performance appraisals serve several purposes in any organization. They provide a tool for acknowledging good performance, identifying areas in need of improvement and provide documentation to justify termination decisions. Performance appraisals are designed to accomplish three purposes: provide feedback and counseling, help in allocating rewards and opportunities and help in planning developmental needs. They are also a useful means of communicating expectations and fostering commitment and mutual understanding.

Staff development is important for all facets of the district. Staff development and training expose employees to new or better ways to complete tasks or tackle problems. Creating a more efficient work force has obvious benefits to the employer including increased productivity. Recognizing new ideas

and encouraging development are also great ways to build loyalty among staff and retain the employees already on the payroll.

FINDING

Annual performance appraisals are not completed for all NFISD employees. Human Resource staff said they had not received performance appraisals in the last three years. Reviews of personnel files indicated this situation was not isolated to the Human Resource Department, but occurred in other departments as well, and the completion of appraisals varied by department. Teachers and campus administration did receive annual performance appraisals, as required by TEC, using the Professional Development and Appraisal System (PDAS). PDAS are requirements and guidelines for evaluating teacher and administrator performance.

The superintendent non-renewed 30 contracts in spring 2002, only two of which cited performance deficiencies—one for a teacher and one for a speech pathologist. The other 28 non-renewals, all of which were for central administrators, cited a reduction in force and program change as the reason(s) for the non-renewal when necessary. In addition, a review of completed appraisals indicated that most appraisals were not performed in an objective manner with most employees receiving exceeds expectations or proficient for every area evaluated and included few reviewer comments. This common appraisal error of giving consistently good evaluations is known as leniency.

Not performing appraisals or not giving objective evaluations deprives the district of a valuable tool in employee management. District administration is unable to accurately determine performance levels when making decisions regarding promotion and termination. Performance appraisals are often used as evidence in grievance and employee litigation proceedings to refute employment decisions. If the district does not have performance appraisals, or only has good appraisals, supporting their position that employment actions were based on performance is difficult at best. In addition, employees rely on honest annual evaluations to evaluate their progress on the job. Not providing employees with formal feedback on what areas need improvement denies the employee the opportunity to improve skills.

Many employers perform written evaluations on every employee at least annually, and human resource departments provide training on the proper way to evaluate candidates in order to avoid the most common appraisal errors.

Recommendation 56:

Ensure annual written performance appraisals are completed for all employees.

The district should ensure that written performance evaluations are completed on each employee at least annually and should offer training to supervisory employees in the completion of evaluations and techniques to avoid common appraisal errors.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive director of Human Resources creates a schedule for completion of performance appraisals for different classes of employees and submits it to the superintendent for approval.	October 2002
2.	The superintendent approves the schedule and instructs supervisory employees to complete evaluations in accordance with the schedule.	November 2002
3.	The executive director of Human Resources offers training to supervisory employees on how to complete performance evaluations.	December 2002

4. Supervisory employees complete appraisals according to the schedule. January 2003

5. The Human Resources Department tracks evaluations to ensure that the schedule is being followed and monitors evaluations to ensure each employee is evaluated annually. Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD's staff development is not coordinated. The district has no formal staff development plan for all personnel. In April 2002, the director of Staff Development reported to the assistant superintendent of Curriculum and Instruction and was responsible for instructional staff development only. This position was eliminated in the reorganization approved by the board in February 2002. The district provided a schedule of staff development held in 2001-02 for instructional and administrative personnel. The schedule also included an orientation session for all new employees, whether instructional or not. The district was unable to provide written information on training for other departments; however, Human Resources Department staff said they attend the Regional Education Service Center IV (Region 4) training on human resource topics as often as possible.

There is no central coordination or guideline for what types of training and development would best meet the district's goals. No evaluation tools are used to determine the training's effectiveness and there is no oversight to ensure that employees are receiving the training they need. Without a plan, it is more difficult for department heads to focus training and development on specific areas of deficiency and to identify what types of training are available and how each type of training supports the district's mission and goals.

Waco ISD (WISD) has a comprehensive staff development plan that focuses on new teacher induction, school-based needs and districtwide staff development opportunities. Staff development activities follow a three-year district staff development plan that is updated annually based on a yearly needs assessment. WISD's staff development programs serve all employees of the district.

Recommendation 57:

Create and implement a coordinated staff development plan that includes instructional and non-instructional staff.

The plan would serve as a resource for department heads in identifying what types of training are available and how each type of training supports the district's mission and goals. Staff development goals and strategies for instructional employees should be aligned with curriculum guides and coordinated with the Curriculum and Instruction Department. By requesting input from department heads, the district could also focus training and development on specific areas of deficiency. A comprehensive plan for training and development could also be used as a tool in the budgeting process.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The executive director of Human Resources conducts a needs assessment to determine the type of training needed by instructional and non-instructional staff. November 2002

2. The executive director of Human Resources creates a staff development plan that identifies training and staff development needs that support the district's mission and goals and includes estimated costs of training.	December 2002
3. The executive director of Human Resources, the executive director of Finance and the superintendent review and revise the plan.	January 2003
4. The superintendent approves the plan.	January 2003
5. The executive director of Human Resources distributes the approved plan to supervisors.	February 2003
6. The Human Resources secretary and supervisors collaborate to identify external-training and development programs that meet the objectives and budget of the plan.	March 2003 and Ongoing
7. The executive director of Human Resources develops training programs to meet staff development needs when external resources are unavailable or inadequate.	April 2003 and Ongoing
8. The executive director of Human Resources develops assessment instruments to evaluate training and development programs.	May 2003 and Ongoing
9. The executive director of Human Resources updates the plan annually.	July 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FACILITIES USE AND MANAGEMENT

Chapter 5

FACILITIES USE AND MANAGEMENT

This chapter reviews the facilities use and management functions within the North Forest Independent School District (NFISD) in the following sections:

A. Facilities Planning and Construction Management
B. Maintenance Operations
C. Custodial Operations
D. Energy Management

An effective facilities program coordinates all the building resources in the district, including facility planning, construction management, maintenance, housekeeping and energy management. The goal of this program is to provide a safe and clean environment where students can learn and to integrate facility planning with other aspects of school planning.

BACKGROUND

NFISD is an urban school district located in the city of Houston and covers 33 square miles. Student enrollment has declined steadily over the years. In 1993-94 the district had an enrollment of 13,132 students as compared to 11,699 students in 2001-02, a decline of almost 11 percent over nine years.

On June 8, 2001, flooding caused by Tropical Storm Allison damaged a number of the district's buildings. The administration building, Forest Brook High School and Lakewood Elementary School were closed due to damage from the flood waters. Smiley High School, Smiley Technical Center, East Houston Elementary School and Elmore Middle School also suffered some damage from the flood. Northwood Middle School, a school that had been closed due to declining enrollment had minor damage due to a roof leak and a portable building at Rogers Elementary School suffered minor damage.

District administration, working with the Federal Emergency Management Agency (FEMA), determined that the administration building was a total loss. The administrative offices have been relocated to a former primary school facility. As of April 30, 2002, the board had not made a decision regarding any future plans for the administrative offices. Forest Brook High School and Lakewood Elementary School were closed this school year for flood-related repairs and are scheduled to open again in August 2002. The other flood-damaged schools were repaired in time for the delayed opening of school in September 2001, the day after Labor Day.

The district had private insurance for certain equipment and inventory lost in the flood and approximately $6 million will be received from equipment claims damages. FEMA is reimbursing the district for 75 percent of the remaining damage, less certain deductibles such as $500,000 for lack of flood insurance on the administration building and Smiley High School. The district did not have flood insurance on its buildings, even though some buildings were located in the100-year flood plain. The total amount of damage is still being determined as the district continues to repair damaged schools. The amount of flood damage identified by FEMA and the district to date is $21.2 million. The district makes repairs using general funds and bond funds and then seeks reimbursement from FEMA. As of April 30, 2002, the district had received a total of $4.4 million from FEMA. The district may not seek reimbursement on all damages due to the 25 percent matching requirement. For example, Northwood Middle School had been closed due to declining enrollment and suffered minor damage due to a roof leak. That school is now used for storage. The district has no plans to repair this facility.

The district has 16 school facilities including nine elementary schools, four middle schools, two high schools and a career and technology center. The district has three support facilities including the closed administration building, central administrative offices currently housed in a former elementary school and a service center that houses the district's support functions such as transportation, maintenance, security and food services. Due to the flood damage the district has a number of portable classrooms supplied by FEMA to house students displaced by the flood, as well as a number of existing district portables. All district facilities, including classroom space, administrative offices and support functions total 1,949,940 square feet and are described in **Exhibits 5-1** and **5-2.**

Exhibit 5-1
NFISD Facilities
2001-02

Facility	Current Status	Year Built	Instructional Arrangement
Smiley High School	Open	1953	9-12
Forest Brook High School	Closed due to flooding	1972	9-12
W. G. Smiley Career & Technology Center	Open	1956	9-12
Kirby Middle School	Open	1964	7-8
Northwood Middle School	Closed due to declining enrollment /used for storage	1960	None
Oak Village Middle School	Open	1967	7-8
Elmore Middle School	Open/ used as high school	2000	7-8
East Houston Intermediate School	Open	2000	5-6
Keahey Intermediate School	Open	2000	5-6
Fonwood Elementary School	Open	1964	K-4
Hilliard Elementary School	Open	1963	K-4
Lakewood Elementary School	Closed due to flooding	1962	K-4
Thurgood Marshall Primary School	Open	1956	PK-2
Rogers Elementary School	Open	1964	K-4
Shadydale Elementary School	Open	2000	K-4
Tidwell Elementary School	Open	1962	K-4
Langstead Central Office	Open	1968	None
Administration Building	Closed due to flooding	1964	None
Service Center	Open	1956	None

Source: NFISD interim director of Maintenance, April 2002.
**W.G. Smiley Career & Technology Center is located at the Smiley high school campus.*

Exhibit 5-2
NFISD Facilities Square Footage
2001-02

Facility	Permanent Structures	FEMA Portables	District Portables	Total
Smiley High School	307,050	0	0	307,050
Forest Brook High School	226,773	0	15,360	242,133
W. G. Smiley Career & Technology Center	93,494	0	4,608	98,102
Kirby Middle School	116,676	0	0	116,676
Northwood Middle School*	*	0	0	116,676
Oak Village Middle School	107,124	0	0	107,124
Elmore Middle School	124,808	27,648	0	152,456
East Houston Intermediate School	107,100	10,732	0	117,832

Exhibit 5-2 (continued)
NFISD Facilities Square Footage
2001-02

Facility	Permanent Structures	FEMA Portables	District Portables	Total
Keahey Intermediate School	107,100	0	0	107,100
Fonwood Elementary	75,870	0	9,408	85,278
Hilliard Elementary	45,496	10,732	9,408	65,636
Lakewood Elementary	72,918	0	12,096	85,014
Thurgood Marshall Primary	46,400	7,680	4,032	58,112
Rogers Elementary	46,273	0	4,416	50,689
Shadydale Elementary	102,400	6,144	0	108,544
Tidwell Elementary	48,900	0	15,168	64,068
Langstead Central Office	18,906	0	0	18,906
Administration Building	*	0	0	12,000
Service Center	36,544	0	0	36,544
Total	**1,683,832**	**62,936**	**74,496**	**1,949,940**

Source: NFISD interim director of Maintenance, April 2002.
**Northwood Middle School (116,676 sq. ft.) and the Administration Building (12,000 sq. ft.) are closed.*

Exhibit 5-3 describes the flood damage to each facility, actions taken by the district to address the damage, current status and estimated costs. Through April 30, 2002 the district had received $4,358,118 in reimbursement from FEMA.

Exhibit 5-3
2001 Flood Damage by Facility

Facility	Description of Damage	Action Taken by District	Date Repairs Completed or Will Be Completed	Estimated Cost of Damages
Administration Building	Total loss	Moved offices to Langstead Primary School	No decision has been made as of April 30, 2002	$1,379,255
Forest Brook High School	Major damage to classrooms, activity center, books, student records and computers.	Moved students to Elmore Middle School	Repairs anticipated to be completed by August 2002	$8,353,968
Lakewood Elementary School	Major damage to classrooms books, student records and computers	Moved students to several elementary schools	Repairs anticipated to be completed by August 2002	$3,058,590
East Houston Intermediate School	Major damage to books, student records and computers	School was repaired in time to open school in September 2001	Repairs completed in August 2001	$3,692,892
Elmore Middle School	Major damage to books, student records and computers	School was repaired in time to open school in September 2001	Repairs completed in August 2001	$2,391,737
Smiley High School	Significant damage to first floor offices, classrooms and auditorium	School was repaired in time to open school in September 2001	Repairs completed in August 2001	$1,305,098

Exhibit 5-3 (continued)
2001 Flood Damage by Facility

Facility	Description of Damage	Action Taken by District	Date Repairs Completed or Will Be Completed	Estimated Cost of Damages
W.G. Smiley Career and Technology Center	Significant damage to classrooms, furniture and equipment	School was repaired in time to open school in September 2001	Repairs completed in August 2001	$1,059,257
Rogers Elementary School	Minor damage to a portable building	None	No repairs	
Northwood Middle School	Minor damage due to roof leak	None	No repairs	
Total				**$21,240,797**

Source: NFISD special assistant to the Superintendent, April 2002.

Exhibit 5-4 lists each school in the district, its current capacity and estimated classroom use rate. For the purpose of analysis, the classroom capacity includes the two closed schools that are scheduled to reopen in fall 2002, Forest Brook High School and Lakewood Elementary School. The analysis did not include the FEMA portables that will either be purchased by the district to replace existing older district portables or will be removed from the district by FEMA. The total classroom use rate for some schools appears above 100 percent because the schools are currently housing students in the FEMA portables that will be reassigned to the schools rescheduled for reopening in fall 2002.

Exhibit 5-4
NFISD Schools - Capacity and Use Rates
2001-02 Enrollment

Schools	Permanent Classrooms	Portable Classrooms	Special Purpose Rooms	Total Classrooms	Total Student Capacity	Current Student Enrollment	Total Classroom Use Rate
Smiley HS	125	0	0	125	3,125	1,631	52.2%
Forest Brook HS	90	20	0	110	2,750	1,206	44.0%
HS Capacity				**235**	**5,875**	**2,837**	**48.3%**
Kirby MS	51	0	2	49	1,225	938	76.6%
Oak Village MS	39	0	0	39	975	695	71.3%
B.C. Elmore MS	28	0	0	28	700	0	0.0%
MS Capacity				**116**	**2,900**	**1,633**	**56.3%**
East Houston Int.	45	0	5	40	880	1,069	121.5%
Keahey Int.	45	0	5	40	880	838	95.2%
Fonwood Elem.	51	13	5	59	1,298	912	70.3%
Hilliard Elem.	26	13	0	39	858	823	95.9%
Lakewood Elem.	50	0	0	50	1,100	0	0.0%
Marshall Pri.	33	5	5	33	726	1,161	159.9%
Rogers Elem.	31	5	0	36	792	585	73.9%
Shadydale Elem.	36	0	0	36	792	1,037	130.9%
Tidwell Elem.	30	22	0	52	1,144	767	67.0%
Elem. Capacity				**385**	**8,470**	**7,192**	**84.9%**
Total				**736**	**17,245**	**11,662**	**67.6%**

Source: NFISD floor plans and Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2001-02.

Note: NFISD has 37 students in alternative settings that are not included in school enrollments. A formula of 25 students per classroom is used to calculate middle and high school classroom capacity and a formula of 22 students per classroom is used to calculate elementary school classroom capacity.

NFISD selected four Texas school districts to serve as "peer districts" for comparative purposes: Eagle Pass, Edgewood, Port Arthur and South San Antonio. **Exhibit 5-5** compares NFISD 2001-02 budgeted maintenance expenditures to the same budgeted expenditures in peer districts. NFISD spends more than any of the other districts on a per student basis except for Port Arthur.

Exhibit 5-5
Comparison of Budgeted Maintenance Expenditures
NFISD and Peers
2001-02

Expenditure Type	North Forest	Eagle Pass	Edgewood	Port Arthur	South San Antonio
Payroll	**$4,398,393**	$3,585,231	$4,771,789	$4,948,968	$3,588,937
Other Services	**$4,111,016**	$2,776,180	$3,660,265	$2,945,669	$1,853,456
Supplies	**$377,609**	$520,726	$1,254,762	$739,078	$208,897
Other Expenses	**$562,955**	$270,489	$327,009	$677,528	$231,326
Capital Outlay	**$77,600**	$47,100	$15,400	$65,500	$0
Total	**$9,527,573**	$7,199,726	$10,029,225	$9,376,743	$5,882,616
Enrollment	**11,699**	12,778	13,435	10,823	9,970
Total Cost Per Student	**$814**	**$563**	**$747**	**$866**	**$590**

Source: TEA, PEIMS, 2001-02.

Exhibit 5-6 compares 2001-02 budgeted Maintenance Department expenditures for NFISD to regional averages for public schools. These averages are the results of an annual American School and University (ASU) survey of public school districts with 600 or more students. NFISD spends more per student and more per square foot than the average in the five-state region that includes Louisiana, Texas, New Mexico, Arkansas and Oklahoma. The comparison shows that for maintenance department expenditures, NFISD spends 56 percent more per square foot, or $5.41 per square foot as compared to the average of $3.46 per square foot for the region. The comparison also shows that the district spends 35 percent more per student than the average in the region, $814 in NFISD as compared to $602 for the regional average.

Exhibit 5-6
NFISD Maintenance Department
Budgeted Expenditures 2001-02

Maintenance and Operations Expenditures	
NFISD cost per square foot*	$5.42
ASU average cost per square foot	$3.46
Difference	**$1.96**
NFISD cost per student	$814
ASU average cost per student	$602
Difference	**$212**

Source: American School and University (ASU) 30th annual Maintenance and Operations Cost Study, 2001; and TEA, PEIMS, 2001-02.
**1,758,328 square feet used for comparison purposes, which excludes buildings scheduled to be closed in 2002-03 and the FEMA portables that should be moved or sold by June 30, 2002.*

A. FACILITIES PLANNING AND CONSTRUCTION MANAGEMENT

On March 1, 1998, NFISD issued $46.9 million in bonds. A portion of the bond funds, $5 million, was used to refund older outstanding bonds at an interest rate favorable to the district. The balance of the funds was used to build four new schools, Elmore Middle School, East Houston Intermediate School, Keahey Intermediate School and Shadydale Elementary School. NFISD participated in the Instructional Facilities Allotment (IFA) program. The IFA program was established by the Texas Legislature in 1997 to assist property-poor schools districts in building new facilities and renovating older facilities. IFA funds are administered through the TEA and provide assistance to school districts in making debt service payments on qualifying bonds and lease-purchase agreements. To qualify for the allotment, a district has to meet certain wealth per student requirements and pass a local bond issue to provide matching funds. Under the program, NFISD receives a payment each September over the life of the bonds for the IFA portion of the annual costs. In 1998, the district received $33.4 million in IFA funding.

On December 11, 2000, the district issued $42.4 million in bonds to renovate and improve existing schools and to refund $1.4 million of the 1998 bonds as part of a district debt restructuring initiative. An additional facilities allotment from the state will pay for $34 million of the bonds funded in the second program. The district spent $8.4 million through August 31, 2001 for flood repairs. Approximately 75 percent of these expenditures will be reimbursed by FEMA, less deductibles for such items as private insurance payments.

FINDING

Although NFISD has begun its second major bond program in four years and has a $21 million program to repair flood damaged facilities, the district has no organized facility planning function. Instead, the responsibility is shared by the special assistant to the superintendent, the interim director of Maintenance and outside temporary specialists such as architects and project managers. The special assistant to the superintendent directs the flood repair program, along with his other duties. The interim director of Maintenance informally visits the work sites, but has no authority over the projects. In 1996, the district hired a construction project manager on a contract basis to oversee the 1998 bond program, but the manager left the district in 2000. The district has not hired another construction project manager. The board appointed a citizen's committee to recommend solutions for district facility issues, but did not adopt their recommendations that were made in February 2002.

NFISD lost all of its construction project records when the administration building was flooded and the turnover of staff in Finance and Maintenance positions has eliminated most institutional knowledge of the 1998 bond program. The district has been unable to furnish the review team with construction records such as contracts and change orders from the 1998 bond program or plans or contracts for the 2000 bond program.

Because of the lack of construction experience and the fragmented approach to district oversight of building projects, the construction of four schools using 1998 bond funds resulted in buildings that were poorly located on their sites, which created ongoing drainage problems. These new schools also had roof problems and exterior walls that were not finished properly. The construction project manager for these projects left after completion of the buildings, without ensuring that all final building issues had been addressed and no successor has been charged with resolving these concerns. The district is attempting to address these issues with the contractors responsible for the construction, but has not reached an agreement that sufficiently addresses the remaining problems.

This lack of experience, accountability and responsibility for facility planning, monitoring and control has resulted in increased costs to the district and poor performance by some contractors.

Effective school districts often rely on outside construction specialists for supervision of major construction projects including owner agents, architects, engineering firms, construction project managers and others. This is particularly true when the district does not have in-house expertise.

Effective districts maintain district control of planning and construction so that the proper safeguards are created.

Effective school facility planning departments use a variety of processes to improve the quality and cost effectiveness of construction. These include daily or weekly observations of work-in-process, monthly reporting to the board, frequent inspection reports and material testing and water and air balance reviews.

Recommendation 58:

Create and staff a facility planning and construction monitoring function in the district.

The district should create a facility planning and construction monitoring function based upon the level of construction planned during the next five years. This function should include a planning element, a monitoring element and an evaluation element. The function can be staffed by a mix of professionals who work full-time for the district as well as contracted staff. The key criteria is to identify sufficient in-house staff to maintain district control of the function. The district should fill all positions with experienced professionals possessing strong construction credentials. The interim director of Maintenance should not be part of this planning function as the role of that position is separate and distinct. The district should use a team approach to developing the function that includes users such as principals in the development process. This team should consider alternative staffing levels and skill sets to identify the best solution for NFISD.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent instructs the assistant superintendent for Finance and Operations to create a district planning function.	October 2002
2.	The assistant superintendent for Finance and Operations creates a working group of six to eight members to assist in the development of the function.	November 2002
3.	The team develops the purpose, responsibilities, performance measures, staffing levels and budgets required to effectively implement the function.	December 2002
4.	The proposed function is reviewed and approved by the superintendent and submitted to the board for approval.	January 2003
5.	The board approves the proposed function including staffing needs.	January 2003
6.	The assistant superintendent for Finance and Operations, working with the Human Resources Department, posts and advertises these positions.	January 2003
7.	The assistant superintendent for Finance and Operations interviews and recommends selection of new staff.	February 2003
8.	The superintendent and the board approve the hiring recommendations.	February 2003
9.	The assistant superintendent for Finance and Operations includes any additional cost items including new positions in the draft 2003-04 budget for consideration.	June 2003

FISCAL IMPACT

The total fiscal impact for this recommendation includes an annual cost of $138,968 with a one-time investment for equipment of $9,000. This estimate is based upon adding two professional positions

and one paraprofessional position. The recommendation assumes that supplies and other expenses would be 5 percent of the annual salaries.

Professional positions:		
Annual salary based upon midpoint of the professional salary schedule (PG10B-1)	$43,603	
Variable benefits rate	x 1.09	
	$47,527	
Fixed benefits	$3,017	
Total annual salary and benefits		$50,544
		x 2
Fiscal impact for adding two positions		$101,088
Paraprofessional position:		
Annual salary based upon midpoint of the paraprofessional salary schedule (PG3B)	$25,913	
Variable benefits rate	x 1.09	
	$28,245	
Fixed benefits	$3,017	
Fiscal impact for adding one paraprofessional position		$31,262
Supplies and other expenses based upon 5 percent of salaries and benefits		$6,618
Total fiscal impact of adding three positions		$138,968

An estimated one-time investment of $9,000 for office furniture, equipment and computers is assumed with the addition of three positions. This recommendation also assumes that the recommendation would be implemented at mid-year in 2002-03 so that the cost for the first year would be one half of the annual cost plus the one-time expense.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Create and staff a facility planning and construction monitoring function in the district.	($69,484)	($138,968)	($138,968)	($138,968)	($138,968)
One-time investment for office furniture, equipment and computers.	($9,000)	$0	$0	$0	$0
Net Savings/(Cost)	**($78,484)**	**($138,968)**	**($138,968)**	**($138,968)**	**($138,968)**

FINDING

NFISD does not have any elements of a facilities master plan, which severely limits the ability of the district to control, monitor or evaluate facilities or to plan effectively for the future. The facilities plan provided by the district consisted of a single table listing some, but not all, of the district's facilities, total square footage, staffing recommendations for custodians, utility costs, vandalism costs and general conditions. The plan was undated and was incorrect in many respects. For example, the plan did not include the last four schools built by the district. The review team could not determine when the plan was developed or by whom. The team was also unable to identify any current position in the district that was even partially responsible for facilities planning.

The district does not have needs assessment instruments such as five-year enrollment projections or evaluations of building conditions or facility capacity analysis. The district's declining enrollment has not been considered or analyzed as to cause or duration. There is no capital improvement plan, or identification of deferred maintenance issues. Alternative building programs were distributed to the public prior to the 1999 bond election, but all documentation is lacking. The facility inventory and

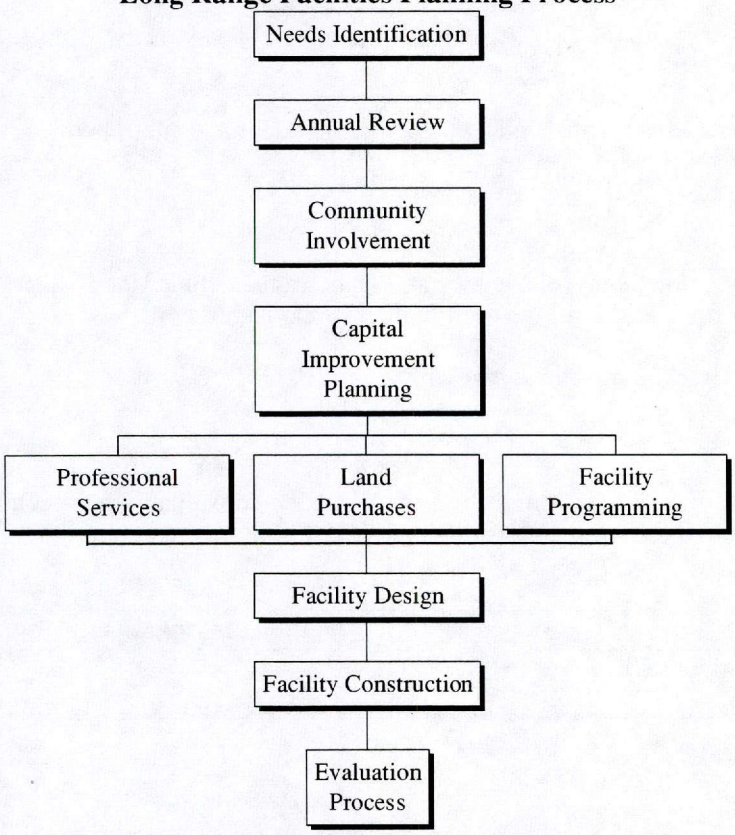
classroom capacities used in this report were developed by the review team working with the interim director of Maintenance and included reviews of actual floor plans and blue prints.

The willingness of NFISD to begin a $83 million bond program without basic planning information exposes the district to many risks. Following the more than $20 million in damage that occurred after the June 2001 flood, there has been no effort to develop a coordinated approach to facilities based upon the needs of a district with declining enrollments. Without effective planning, the district could easily repeat the past mistakes of poor quality construction, such as were found in the schools built using the funds from the 1998 bond program. A lack of planning also continues to leave the district exposed to risks such as the lack of insurance on buildings. The special assistant to the superintendent estimates that this lack of planning has resulting in losses of $2.7 million to the district due to the lack of adequate insurance. While this issue has been addressed in that the district now has adequate flood insurance, there are other issues that have not. For example, the district's facilities are not in compliance with the Americans with Disabilities Act (ADA) accessibility requirements.

A master facilities plan is an essential step in the process of defining district facility needs and addressing them in a manner that provides the best results for the best possible price. An effective master plan builds on a school district's strategic plan. Districts use these plans to project enrollment needs by demographic area, educational and space requirements and facility repair and renovation needs. The plans also document the consideration of alternative programs with related costs and educational effects. Plans are updated frequently to evaluate the district's progress in achieving its facilities goals.

Fort Bend ISD uses a long range planning process that includes annual reviews of needs and an evaluation component. The flow chart in **Exhibit 5-7** describes this district's process.

Exhibit 5-7
Long Range Facilities Planning Process



Source: Fort Bend ISD Long Range Facilities Plan, August 2000.

Recommendation 59:

Develop a long-range facilities master plan.

The plan should be used to direct remaining flood repairs, the use of bond funds and to determine the appropriate approaches to address the lingering construction problems remaining at the four new schools. NFISD's master facilities plan should include an evaluation of the condition of each facility, specific recommendations regarding each facility, identification of deferred maintenance, documented cost estimates and a timeline to address these recommendations. The plan should include strategies for consolidating facilities, where appropriate, due to declining student enrollment. The district should use a team of six to eight members including board members and community representatives as well as district staff to develop the actual draft plan. The district should use an outside expert to assist in the technical aspects of the plan such as identification and costing of deferred maintenance. Given the declining enrollment in the district, the team should carefully consider closing facilities and the impact on district operating costs. The district should include community representatives on the team. The plan should be updated on an annual basis to evaluate performance.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent instructs the assistant superintendent for Finance and Operations to develop a master facilities plan.	November 2002
2.	The assistant superintendent for Finance and Operations selects a school construction specialist to assist NFISD in the development of the plan.	December 2002
3.	The assistant superintendent for Finance and Operations creates a team of six to eight members to assist with developing the plan.	December 2002
4.	The team, working with the facility planning specialist, develops the updated plan.	April 2003
5.	The plan is reviewed and approved by the superintendent and submitted to the board for approval.	May 2003
6.	The board approves the plan.	May 2003
7.	The assistant superintendent for Finance and Operations includes the items identified for 2003-04 in the draft budget for consideration.	June 2003
8.	The superintendent initiates the annual update process.	October 2003 and Ongoing

FISCAL IMPACT

Development of this plan will require the use of an outside consultant who specializes in facility planning. The estimated cost of the consultant is $50,000 based upon the cost for similar projects in a similar sized district.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop a long-range facilities master plan.	($50,000)	$0	$0	$0	$0

FINDING

NFISD's two high school facilities are underutilized based on current enrollment, resulting in duplication of services and unnecessary costs for administrative, maintenance and custodial staff and utilities. **Exhibit 5-8** below outlines the planned use of space in NFISD's secondary schools for fall 2002 using 2001-02 student enrollment information. As this exhibit shows, only 48 percent of the combined high school capacity is used.

Exhibit 5-8
NFISD Classroom Capacity
Analysis of Usage

School	Total Student Capacity	Current Student Enrollment	Total Classroom Use Rate
Smiley High School	3,125	1,631	52%
Forest Brook High School	2,750	1,206	44%
Total	**5,875**	**2,837**	**48%**

Source: NFISD floor plans and TEA, PEIMS, 2001-02.

In addition since 1996-97 NFISD has had a 13.8 percent decline in enrollment, an average of 3 percent per year. **Exhibit 5-9** shows NFISD enrollment by grade over the past six years. The district has not conducted a formal demographic study nor does it project enrollments on a multiyear basis.

Exhibit 5-9
NFISD Enrollment by Grade
1996-97 through 2001-02

Grade	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	Percent Change 1996-97 to 2001-02
EE	36	31	26	18	29	24	(33%)
PK	1,293	843	1,197	1,198	1,047	966	(25%)
K	975	1,593	989	873	869	755	(23%)
1	1,132	1,021	1,169	994	965	903	(20%)
2	1,088	1,057	1,100	1,040	1,013	878	(19%)
3	1,007	1,064	1,012	947	1,039	967	(4%)
4	994	981	1,040	866	969	942	(5%)
5	907	1,007	961	900	925	936	3%
6	931	934	938	879	872	821	(12%)
7	969	961	861	899	881	784	(19%)
8	943	933	861	822	912	851	(10%)
9	1,374	1,144	1,279	1,209	1,077	1,121	(18%)
10	817	689	710	712	715	642	(21%)
11	681	731	655	619	604	555	(19%)
12	611	590	618	627	570	554	(9%)
Total	**13,758**	**13,579**	**13,416**	**12,603**	**12,487**	**11,699**	**(15%)**

Source: TEA, Academic Excellence Indicator System (AEIS), 1996-97 to 2000-01 and PEIMS, 2001-02.

By not effectively using its current space, NFISD incurs unnecessary costs. By failing to project future student enrollment, the district will not be able to gauge facilities need, potentially incurring further unnecessary costs in the future.

Maintaining two high schools at less than 50 percent capacity is costing the district more than $748,000 per year that might be avoided if the Forest Brook and Smiley High Schools were combined (**Exhibit 5-10**).

Exhibit 5-10
Estimated Annual Fixed Costs for Operating
Forest Brook High School

Cost Center	Amount
Principal	$68,674
Assistant Principals (3)	$156,259
Utilities	$322,797
Custodial Staffing	$200,783
Total	**$748,513**

Source: NFISD, April 2002.

Understanding the serious financial strain that operating two high schools has put on the district and the fact that Forest Brook High School was temporarily relocated as a result of the flood, the board and administration began discussions about closing one of the high schools. The community outcry against such action, however, resulted in the topic being dropped.

Should enrollment in the district continue to decline, the district will receive fewer state dollars since the state's funding formulas are based upon attendance figures. Yet, costs to maintain those facilities will continue at the same level they are today or could increase as utility bills rise over time. This is a formula for financial difficulty. For the two schools to remain viable, costs will have to be reduced to match revenues.

Some districts faced with a similar dilemma have brought together individuals with strong feeling both for and against the issues and have asked them to help to hammer out solutions that are acceptable to all sides.

Recommendation 60:

Establish a task force made up of a diverse group of school and community leaders to determine the best approach for controlling the cost of secondary education in the district.

It will not be enough for the task force to decide to keep both schools open. If that is the decision of the group, the group must examine five year enrollment trends and then explore ways to contain costs so that costs match revenues generated by the number of students in attendance. Some considerations might be to consolidate low enrollment classes, operate with some shared administrative staff, close off sections of the building to save on utility and custodial expenses, and the like. A full report should be brought from the taskforce to the board in time for these recommendations to be considered for implementation during the 2003-04 budget cycle.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent and the board meet to identify and appoint members of the task force.	September 2002
2. The board provides the members of the task force with a charge and assists them to develop a timeline for the review and presentation of a full report to the board no later than March 2003.	October 2002
3. The task force meets regularly to discuss the issues, analyze data and to talk with the administration and campus staff about the various options that might be pursued.	November 2002 through February 2003

4. The superintendent and staff provide the task force data necessary for a full analysis of the costs and benefits of various options being explored by the task force.	November 2002 through February 2003
5. The task force presents a final report with recommendations to the board that include cost saving opportunities.	March 2003
6. The board acts upon the recommendations of the task force and incorporates these plans into the budget for 2003-04	April through August 2003

FISCAL IMPACT

Should the taskforce recommend the closing of a high school, the annual estimated savings would be $748,513, as shown in **Exhibit 5-10**. Should the decision be to keep the two schools open, the task force should, at a minimum, seek to reduce overhead costs for the operation of the two high schools by $200,000 annually beginning in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Establish a task force made up of a diverse group of school and community leaders to determine the best approach for controlling the cost of secondary education in the district.	$0	$200,000	$200,000	$200,000	$200,000

FINDING

Vacant land and closed facilities, no longer needed by the district, represent ongoing maintenance costs to the district. The district holds 25 miscellaneous properties that are not intended for immediate school use, as well as a closed middle school and a damaged administration building. These properties are listed in **Exhibit 5-11**. The district is responsible for the maintenance of the properties including mowing of vacant land and minimal maintenance of the closed buildings.

Exhibit 5-11
NFISD Vacant Property
April 2002

Location	Size	Valuation	Remarks
Northwood Middle School	18.59 acres	$7,637,830	Building currently used for storage
Administration Building	12,000 sq. ft.	Unknown	Destroyed by the flood
Mesa Drive	31.67 acres	Unknown	South of administration building
Mesa Drive	51.12 acres	Unknown	Currently used as a soccer field
Mesa Drive	210.09 acres	Unknown	Adjacent to soccer field
Tidwell Road	10 acres	Unknown	Vacant land located between Verde Forest II and Greens Bayou
21 vacant lots	Various	$244,070	Purchased at Sheriff's sale for delinquent taxes

Source: NFISD interim director of Maintenance, April 2002.

Other districts such as Austin ISD have sold properties not designated for future district use. Since 1993, AISD has sold six properties with a total value of more than $2.8 million.

Recommendation 61:

Identify surplus properties and develop a formal strategy to liquidate these properties.

NFISD should determine which properties it no longer needs and develop a plan to sell or donate the properties if necessary. Liquidation of unneeded properties will reduce operating costs in the district and may result in additional one-time revenues. The plan should include consideration of donation of properties, to community groups or the city of Houston if they are found to have little or no economic value.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the assistant superintendent for Finance and Operations to identify properties not needed for future renovations or expansion.	March 2003
2.	The assistant superintendent for Finance and Operations identifies the property and develops a plan to sell these properties.	April 2003
3.	The superintendent submits the plan to the board for approval.	June 2003
4.	The board approves the plan and directs its implementation.	July 2003
5.	The assistant superintendent for Finance and Operations begins selling the properties.	August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Maintenance Department has no formal "make or buy" process to determine whether and what projects should be completed by the maintenance staff or by outside contractors. The carpentry foreman uses an informal threshold of limiting his carpenters or employees to projects that require less than one work week by the entire carpentry staff.

The review team saw numerous examples of the NFISD carpenters' skills. Many of the desks, bookcases, file cabinets and credenzas in the district were built by the maintenance staff. The pieces were well-built and substantial. However, the foreman estimated a total cost of $700 per desk for labor and materials. A similar desk can be purchased from office suppliers for approximately half the cost. There is an additional cost to the district, in that time spent on special projects reduces the time available for normal projects.

Without a formal process to identify projects to be completed in-house and those to be performed by outside contractors, the district reduces the effectiveness and accountability of the Maintenance Department. The lack of formal definitions and standards for construction projects can result in increased costs to the district and may focus maintenance staff away from routine but necessary repairs.

Midland ISD conducted an analysis of the quality of its personnel, its ability to control services in-house and the cost effectiveness of operations to identify tasks to be performed by staff and those performed by outside contractors. The analysis significantly improved the efficiency and effectiveness of Midland ISD plan services.

Recommendation 62:

Develop definitions and standards for construction projects.

The district should define the scope of projects to be performed by in-house staff and those that require outside assistance or purchasing. Consideration should be given to the skills of the present staff and the ability of the Maintenance Department to respond in a timely manner to the district work orders.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Maintenance develops definitions and standards for projects to be performed by Maintenance staff and submits the draft to the assistant superintendent for Finance and Operations for approval.	November 2002
2. The assistant superintendent for Finance and Operations approves the definitions and standards.	December 2002
3. The director of Maintenance implements the definitions and standards and uses them to schedule Maintenance work.	January 2003

FISCAL IMPACT

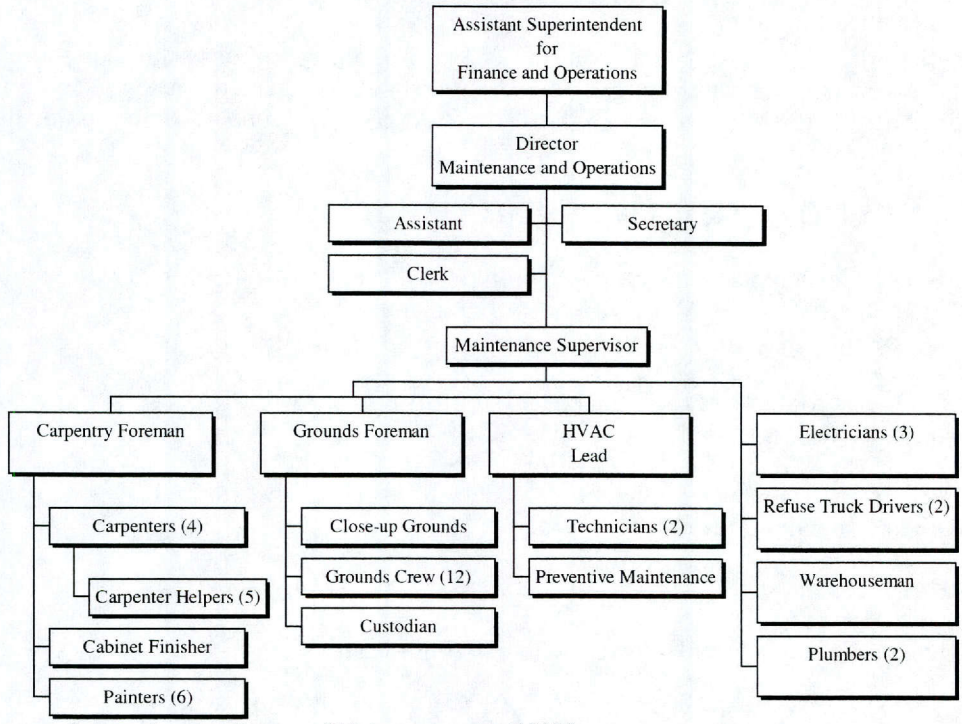
This recommendation can be implemented with existing resources.

B. MAINTENANCE OPERATIONS

Effective school maintenance requires several structured processes including: timely and accurate information to plan and manage daily operations, a comprehensive work order system that insures quick response to school needs and also collects information regarding equipment and related cost of repairs, a preventive maintenance process that minimizes down time, reduces costs and extends equipment life and a method to monitor service levels and obtain feedback for improvement.

The Maintenance Department is responsible for maintaining all district facilities. The Maintenance Department is staffed as shown in **Exhibit 5-12.** The Maintenance Department includes a director of Maintenance, a supervisor, two foremen, a lead custodian, 27 craft positions including carpenters, painters, HVAC technician, electricians and plumbers, 14 grounds positions, a warehouseman and three clerical positions that include a secretary, a clerk and an assistant. The director, two foremen and the lead custodial positions are officially vacant, but temporarily filled by interim staff. The energy manager position is vacant and the district is not planning to fill it. One of the clerical positions is using leave in anticipation of retirement and NFISD does not plan to fill that position. There are also two maintenance workers assigned to the Food Services Department and five grounds positions in the Athletics Department. Custodial staff is assigned to individual schools and responsibility for supervision is shared between the lead custodian and principals on each campus.

Exhibit 5-12
NFISD Maintenance Department Organization and Staffing
2001-02



Source: Interim director of Maintenance, April 2002.

FINDING

NFISD lacks enough sufficiently skilled crafts staff to perform needed repairs and maintain facilities appropriately. **Exhibit 5-13** lists the craft positions in NFISD and compares them to standards established by the Association of Higher Education Facilities Officers, formerly known as Association of Physical Plant Administrators (APPA). The name change occurred in 1991 but the organization still retains its earlier-known acronym. Using these standards which are measured by gross square foot (GSF) NFISD has 2.6 Full-Time Employees (FTEs) less than the standard.

Exhibit 5-13
NFISD Staffing Comparison
Craft Positions

Craft	Standards (per GSF)	Recommended Staffing	NFISD Staffing	Difference
Heating, Ventilation and Air-Conditioning (HVAC)	1:450,000 GSF	3.9	4.0	0.1
Electricians	1:380,000 GSF	4.6	3.0	(1.6)
Carpenters (locksmith)	1:200,000 GSF	8.8	12.0	3.2
Plumbers	1:390,000 GSF	4.5	3.0	(1.5)
Painters	1:200,000 GSF	8.8	6.0	(2.8)
Refrigeration	*	1.0	1.0	0.0
Refuge Driver	*	2.0	2.0	0.0
Total		**33.6**	**31.0**	**(2.6)**

Source: Association of Higher Education Facilities Officers (APPA) and NFISD Maintenance Department, April 2002.
**One plumber and the refrigeration position are currently assigned to the Food Services Department.*

In addition, craft positions do not have the necessary licenses and certifications to perform necessary jobs. NFISD Maintenance workers also lack the necessary licenses to provide services that meet City of Houston code requirements. Instead, the district relies on informal arrangements to meet city requirements. For example, the lead Heating, Ventilating and Air-Conditioning (HVAC) technician relies on his father's license to meet city requirements. In other cases the district simply does not perform needed activities. The grounds crews do not use fertilizers due to a lapse in their applicators' licenses. The district does not provide financial help to workers in obtaining their licenses or any training support. Without appropriate craft positions with proper training and licensing, the NFISD Maintenance Department is unable to properly perform their duties.

No one in the Maintenance Department has experience managing a complex operation with an annual budget of over $9.5 million. The retiring director of Maintenance was a former principal. The current interim director of Maintenance is a former vocational teacher. The supervisor and foremen came up through the ranks of the department and do not have recent outside experience. These positions rely upon their own judgment to supervise the daily operations of the department but do not appropriately plan, monitor or evaluate the work of the department. Staffing standards and performance accountability do not exist for employees.

This lack of experience is demonstrated in a number of ways. Budget oversight by the interim director is limited to the supply budget and does not include monitoring of salary costs. Custodial staff are supported by the department but supervised and evaluated by principals. Department managers evaluate staff but told the review team that no one has ever been counseled for poor performance. Equipment is not properly maintained, resulting in down-time for workers. When the review team visited the district in April 2002, the grounds crew had only one mower that was operational. Four others were in an outside shop being repaired or waiting to go in for repairs.

Without experienced management staff or properly trained and evaluated staff, the Maintenance Department is unable to perform its work effectively.

Other districts, such as Duncanville ISD and Pflugerville ISD, have contracted with outside maintenance companies to manage their maintenance departments, while employees remain as district staff. These districts outsource their maintenance management to provide better training for staff, higher service levels and to control costs such as workers' compensation. Costs have remained the same or slightly higher but quality of service has increased significantly. A disadvantage of the process is the point loss of management expertise if the contract is terminated.

Recommendation 63:

Reorganize the Maintenance Department to make it effective and efficient or consider outsourcing maintenance management if it cannot improve departmental efficiency.

The district should reorganize the department to increase efficiency and make it more effective. A cost-benefit analysis could reveal whether the district is capable of making the needed improvements, or whether it would need to obtain the expertise necessary outside the district to sufficiently improve the department's efficiency.

If analysis reveals that outsourcing would be more cost effective, the district should consider outsourcing its maintenance management function for at least a three-year period to implement needed management tasks, so that the department can function appropriately.

If a maintenance management company is selected to do the work, it should reorganize the department including organization structure and staffing. The district should combine all maintenance positions and staff, including custodial staff under the Maintenance Department. The district should develop staffing formulas for its maintenance workers based upon objective industry standards using master, journeyman and helper position qualifications for appropriate positions. Employees assigned to these positions who do not meet the qualifications should have growth plans that will enable them

to meet the qualifications within eight to 12 months. Outside staff should be added as needed to provide necessary skills. The district will need to competitively bid the process to obtain the best services at the most reasonable cost.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent, working with the assistant superintendent for Finance and Operations, initiates a cost benefit analysis to compare internal strategies to improve the Maintenance Department compared to the costs and benefits of outsourcing maintenance services.	October through November 2002
2.	The superintendent submits the results of the cost benefit analysis to the board for its approval.	November 2002
3.	The board authorizes either internal reorganization or outsourcing maintenance services.	December 2002
4.	If the board selects reorganization, the assistant superintendent for Finance and Operations and the superintendent review the organization structure and operating plan and approve its implementation.	January 2003
5.	If outsourcing is selected, the board authorizes outsourcing, bids are let for maintenance service contracts.	February 2003
6.	The superintendent selects an appropriate maintenance management company and negotiates a contract.	May 2003
7.	The maintenance management company develops a new organization structure for the department that consolidates all maintenance functions in the district and is based upon staffing formulas by craft.	May 2003
8.	The maintenance management company submits the new organization structure and an operating plan to the assistant superintendent for Finance and Operations and the superintendent for approval.	April 2003
9.	The maintenance management company implements the structure and plan.	May 2003
10.	The maintenance management company inventories the skills, licensing experience and specific craft experience of each current maintenance worker.	June 2003
11.	The maintenance management company assigns staff to appropriate craft positions.	June 2003
12.	The maintenance management company creates growth plans for individuals who need specific licenses or certificates to be fully proficient in their positions.	June 2003
13.	The maintenance management company fills vacancies as the positions become vacant recruiting outside staff as needed to maintain the appropriate skill levels.	June 2003 and Ongoing

FISCAL IMPACT

The cost or savings achieved by the implementation of this recommendation will depend upon the plan developed by the management company. The district's current maintenance costs are significantly higher than regional averages and higher than all but one of its peers. It is possible that the district can implement this recommendation using existing resources.

FINDING

Vandalism in NFISD secondary schools and especially at Forest Brook High School, accounts for 25 to 27 percent of the Maintenance budget, or up to $1.48 million. In the fall 2001, approximately 1,200 Forest Brook High School students were relocated to the Elmore Middle School after flood damage closed their school. This school was designed to handle 700 students. FEMA moved 36 portables to the facility to handle the additional students, but libraries, cafeterias and other core areas are overcrowded. The middle school was two years old and in good condition at the time of the reassignment. After the relocation of high school students, vandalism soared at the Elmore Middle School. Damage includes numerous holes in walls, tile stripped off hallways, broken clocks, bent door hinges and stolen video cameras and sink temperature regulators. The Maintenance Department has made repeated repairs due to vandalism; repairs are often destroyed as soon as they are made. For example, the boys' restroom near the cafeteria has been repaired three times after the wall separating it from the girls' restroom next door was destroyed. School administrators have not identified students responsible for vandalism and therefore cannot hold them or their parents responsible for the cost of repairs. The district also does not maintain records of vandalism by school or in the aggregate. The district has a student code of conduct that covers vandalism but a review of the reports from January 2001 through April 22, 2002 showed less than 100 reports of vandalism for the entire district and a total cost of less than $3,000. School administrators are not addressing vandalism in their schools or reporting it to central administrators.

The review team visited the school during the morning on a regular school day and then revisited the same school the next morning. On both occasions, there were large groups of students in the halls 15 minutes after classes had started and teachers made no attempts to get students into class. The team observed numerous examples of walls that had been damaged, repaired and then damaged again. There were also no working fire extinguishers. The interim director of Maintenance stated that the other high school's vandalism is much lower. Records have not been kept to verify this judgment, but an on-site visit by the review team revealed far better conditions at Smiley high school, with noticeably less vandalism and far emptier halls after the school bells rang. Video cameras designed to record events on the premises at Forest Brook have never worked since the school was built and school officials do not know how to operate the cameras.

Unchecked student vandalism results in higher costs to the district and impacts student learning. Failure to document vandalism and to identify responsible and hold them accountable limits NFISD in its ability to provide a safe and appropriate learning environment for all students.

Other school districts such as Fort Bend ISD and Spring ISD are aggressive in identifying the causes of vandalism and holding students responsible for their actions and identify how these schools are combating vandalism. Incidents are promptly investigated, school practices such as allowing students to roam the halls during class are addressed and students and their parents are held responsible for the costs of repairs.

Recommendation 64:

Document vandalism incidents and establish a disciplinary system that deters vandalism by holding students and their parents accountable.

The Maintenance Department should immediately begin to document all incidents of vandalism and request prompt action by school principals and the district police force to hold students and parents responsible for vandalism. With an estimated $1.48 million in vandalism at NFISD each year, a strong disciplinary system is needed to deter vandalism.

A disciplinary system could include requiring vandals to provide Saturday labor to repair damage for which they are responsible. For example, students could be used to clean or paint over graffiti-covered walls; and reimbursement could be sought from parents for materials and labor if students cannot be used to accomplish the repairs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Maintenance, working with his staff and school principals, documents all vandalism incidences. — October 2002
2. The assistant superintendent for Finance and Operations, working with the assistant superintendent of Curriculum and Instruction, develops a plan to identify and hold students and their parents responsible for vandalism acts. — November 2002
3. The assistant superintendent for Finance and Operations submits the plan to the superintendent and the board for review and approval. — December 2002
4. The superintendent and board approve the plan and direct its implementation. — January 2003
5. The school principals, the director of the NFISD Police Department and the director of Maintenance implement the plan. — January 2003

FISCAL IMPACT

The recommendation assumes that in the first year, vandalism-repair cost would decline by 10 percent, with and additional 10 percent savings realized in each subsequent year.

Based upon a progressive scale, the recommendation assumes reducing the present annual $1.48 million vandalism costs by 10 percent the first year ($148,000), 20 percent the second year ($296,000), 30 percent the third year ($444,000), 40 percent the fourth year ($592,000) and 50 percent the fifth year ($740,000).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Document vandalism incidents and establish a disciplinary system that deters vandalism by holding students and their parents accountable.	$148,000	$296,000	$444,000	$592,000	$740,000

FINDING

NFISD's Maintenance Department does not perform routine maintenance on any of the facilities or equipment under its control with the exception of HVAC equipment. Some preventive maintenance work is scheduled during the summer as funds are available. The district's lack of a formal preventative maintenance system results in increased facilities costs.

Spring ISD uses a formal preventive maintenance program to extend the life of the facilities and ensure that they operate at optimum efficiency. Costly repairs are identified early and repaired at a lesser cost. While this district is larger than NFISD, the preventive maintenance program is appropriate for a district such as NFISD that has discrete craft positions. **Exhibit 5-14** lists the schedule.

Exhibit 5-14
Spring ISD
Preventive Maintenance Program Schedule

Preventive Maintenance Activity	Activity Frequency
Clean A/C unit filters	Bi-monthly
Change A/C unite filters	3 to 12 week intervals
Clean chiller condenser coils	Bi-annually
Clean fan coil and air handler evaporator coils	Annually
Clean ice machine condenser coils	Every 4 months
Inspect and capacity test chillers	Annually
Change chiller compressor oil and cores	Every 2 years
Check chemical levels in closed loop chilled and hot water piping	Monthly
Clean grease traps	Every 3 months
Inspect and test boilers	Annually
Check roofs, downspouts and gutters	Monthly, repair as needed - 20 year roof replacement
Inspect exterior lighting	Semi-annually
Inspect elementary play gym lighting	Annually
Inspect and clean gym gas heaters	Annually
Inspect playground equipment	Monthly, repair as needed
Clean fire alarm system smoke detectors	Semi-annually
Inspect all interior and exterior bleachers	Annually, repair as needed
Clean, tighten and lubricate roll out bleachers	Annually
Check exterior building and concrete caulking	Annually - 8 year replacement
Stripe exterior parking lots	Annually
Check condition of asphalt parking lots	Annually - 12 year replacement
Check carpet	15 year replacement
Check vinyl composition tile floors	20 year replacement
Spray wash exterior soffits and building	Every 2 years or as needed
Replace glass and Plexiglas	As needed
Paint interior of facilities	Every 5 years
Paint exterior of facilities	Every 8 years
Perform general facility inspections	Annually
Clean ice machine condenser coils	Every 4 months

Source: Spring ISD Preventive Maintenance Program, 1997.

Recommendation 65:

Reduce district maintenance costs by using a proactive preventive maintenance plan.

The director of Maintenance should develop a preventive maintenance program that identifies all preventive management projects needed in the district, provides a detailed schedule by facility and prioritizes by need. Costs to implement based upon labor hours to complete and supplies should be included in the department budget as a separate project budget similar to that of a construction project.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Maintenance, working with his staff and school principals identifies preventive maintenance activities for the district. October 2002

2. The director of Maintenance develops a draft preventive maintenance plan and submits it to the assistant superintendent for Finance and Operations for approval. November 2002

3. The director of Maintenance implements the preventive maintenance plan. December 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources and could achieve significant savings over time. As preventive maintenance is conducted, costs for major repairs should decline.

FINDING

NFISD's work order processing system is extremely inefficient and labor intensive, providing limited benefits to the Maintenance Department. Schools needing repairs complete a request form in triplicate that is sent to the Maintenance Department through district mail. One copy of the form can be retained by the requestor but is usually sent with the two other parts. The maintenance clerk manually prepares a work order containing similar information as that presented in the original work order request, attaches the request to the order and assigns it to a craft area. The craft foreman or lead takes the work order and performs the work. The maintenance worker assigned to the work order checks in with the principal's office to notify them that the work has been completed and if not, provides the status of the work. This is the requestor's only notification on the progress of their request. The work order is not returned to anyone. At the end of the day, the maintenance worker prepares a status report of work performed that day by work order number. The status report provides work order numbers, starting times and completion times, but not the time spent on the task, location, a description of work performed, the completion status of the work order, or work still needing to be done, if applicable.

To be effective, maintenance departments need accurate and timely information regarding service levels, workload assignments and labor and cost information. Without this information, the director must rely upon personal judgment in evaluating the performance of staff and the responsiveness of the department. Historical information on repairs at a given facility should form the basis for replacement decisions and evaluation of preventive maintenance. The lack of this information limits the ability of the director to develop documented support for increasing preventive maintenance or addressing deferred maintenance.

Recommendation 66:

Track maintenance work orders by facility, frequency and cost using an automated work order system.

The director of Maintenance should identify and select an appropriate work order system and implement. Successful implementation will require that staff is trained in use of the new system.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Maintenance develops specifications for new system. November 2002

2. The director of Maintenance evaluates systems in the market place and selects an appropriate product. January 2003

3. The assistant superintendent for Finance and Operations approves the purchase of the system. February 2003

4. The director of Maintenance purchases the system and develops an implementation plan, including training. April 2003

5. The director of Maintenance implements the system. May 2003

FISCAL IMPACT

The cost to implement this recommendation is based upon the cost of an automated work order system currently available in the market place that provides the system based upon the number of technicians using the system or $90 per technician. NFISD has 31 craft positions that would be using the system so the one-time license fee would be $2,790 (31 X $90).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Track maintenance work orders by facility, frequency and cost using an automated work order system.	($2,790)	$0	$0	$0	$0

C. CUSTODIAL OPERATIONS

NFISD employs 123 custodians including one lead custodian. One hundred twenty-two custodians are assigned to schools including a head and assistant head custodian at most schools, 10- and 12-month employees and long term substitutes who work on a full-time basis. There are an additional 86 substitute custodians who work when needed.

FINDING

The interim director of Maintenance has standardized the cleaning products the schools use and arranges for vendor training in their use. The interim director of Maintenance identified the varied and often inefficient cleaning practices used by custodians in the schools. For example, waxed floors were often cleaned with solutions containing bleach. This process softened the wax and required frequent rewaxing. The interim director of Maintenance identified standard cleaning systems that used compatible chemicals in standardized amounts. Vendors also supplied training at no additional costs in the use of their systems. Beginning in January 2002, the interim director of Maintenance began to replace cleaning systems in schools as current supplies are exhausted.

COMMENDATION

The standardization of cleaning products in all the schools improves the quality of the cleaning and the efficiency of the custodians.

FINDING

The district is overstaffed with custodial positions. By comparing NFISD's custodial staffing to regional data developed by the ASU, the Custodial Staffing Guidelines for Educational Facilities developed by APPA for other facilities, and considering the age and condition of the facilities, the review team has determined that the each custodian should be capable of cleaning 18,000 square feet. When this staffing formula is applied, the district has 24.3 more custodians than necessary. **Exhibit 5-15** presents the results of this comparison. This level of overstaffing increases custodial cleaning costs significantly.

Exhibit 5-15
NFISD Custodial Staffing Comparison

School/Facility	Square Feet*	Type of Facility	Recommended Staffing at 18,000 sq. ft. per custodian.	NFISD staffing	Difference
Smiley HS	307,050	school	17.1	20	2.9
Forest Brook HS	242,133	school	13.5	0	-13.5
Smiley Career and Technology Center	98,102	school	5.5	4	-1.5
Kirby MS	116,676	school	6.5	10	3.5
Northwood MS**	0	school	0.0	0	0.0
Oak Village MS	107,124	school	6.0	4	-2.0
Elmore MS	124,808	school	6.9	17	10.1
East Houston Int.	107,100	school	6.0	10	4.1
Keahey Int.	107,100	school	6.0	10	4.1
Fonwood Elem.	85,278	school	4.7	5	0.3
Hilliard Elem.	54,904	school	3.1	6	2.9
Lakewood Elem.	85,014	school	4.7	0	-4.7
Marshall Primary	50,432	school	2.8	7	4.2
Rogers Elem.	50,689	school	2.8	5	2.2
Shadydale Elem.	102,400	school	5.7	11	5.3
Tidwell Elem.	64,068	school	3.6	7	3.4
Langstead Central Office	18,906	office	1.1	4	2.9
Service Center	36,544	office	2.0	2	0.0
Total	**1,758,328**		**97.7**	**122**	**24.3**

Source: NFISD interim director of Maintenance, APPA Staffing Guidelines, American School and University 30th annual Maintenance and Operations Cost Study, 2001 and TSPR.
**Includes 74,496 square feet of NFISD portable classrooms.*
***Northwood MS is closed.*

Comal ISD (CISD) developed and implemented a demand-driven formula to determine the number of full-time custodial employees needed for each school or district facility. This formula incorporates demand factors such as the square footage, number of teachers, number of students and number of classrooms. CISD began this program in the fall of 1999 based upon a five-year goal to reduce custodial staff by not replacing custodial employees who retire or resign.

Corpus Christi ISD implemented staffing standards and purchased new equipment to improve productivity per custodian. The district eliminated 28 custodian positions through attrition and reassignments. The district anticipates continuing savings of over $700,000 per year for the next five years by continuing to eliminate positions.

Recommendation 67:

Develop custodial staffing formulas to staff schools and other facilities.

By developing staffing formulas to staff its schools, NFISD could eliminate 24.3 custodial positions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Maintenance freezes all hiring of additional custodians. September 2002

2. The director of Maintenance, working with the executive director of Human Resources, develops custodial staffing formulas for NFISD schools and other facilities. October 2002

3. The executive director of Human Resources develops a reduction in force plan to address the overstaffing. November 2002

4. The executive director of Human Resources, working with the director of Maintenance, submits the plan to the superintendent for approval. December 2002

5. The superintendent approves the plan and submits the plan to the board for approval. December 2002

6. The board approves the plan and instructs the executive director of Human Resources to implement the plan. January 2003

7. The executive director of Human Resources implements the plan. January 2003

FISCAL IMPACT

Use of staffing formulas to assign custodians to schools will save significant costs. This savings is based upon 24.3 positions and average actual salaries in 2001-02 for a 200-day year. The recommendation assumes that 50 percent of the savings would be realized the first year.

Custodial position:		
Annual Salary $8.07 average hourly rate x 8 hours x 200 days	$12,912	
Variable benefits rate	x 1.18	
	$15,236	
Fixed benefits	$3,017	
Total annual salary and benefits		$18,253
		x 24.3
Total fiscal impact for eliminating the 24.3 positions:		$443,548

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop custodial staffing formulas to staff schools and other facilities.	$221,774	$443,548	$443,548	$443,548	$443,548

FINDING

The district does not have established cleaning standards. Individual cleaning assignments and split shifts affect quality of cleaning in schools. NFISD uses a site-based custodial services program that gives principals primary responsibility for the proper cleaning of their schools with training support provided by the custodial supervisor in the Maintenance Department. This separation of supervisory responsibilities is a key factor responsible for the disparity in the quality of custodial services.

Exhibit 5-16 provides the survey results regarding the cleanliness of NFISD schools. While most principals and parents agree that schools are clean, the majority of teachers, students and district staff disagree with the survey statement.

Exhibit 5-16
Survey Respondents View of School Cleanliness

Teachers						
Survey Statement	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Schools are clean.	2.7%	40.5%	5.4%	27.0%	24.3%	0.0%
Administrators and Support Staff						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Schools are clean.	7.7%	15.4%	15.4%	23.1%	30.8%	7.7%
Principals						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Schools are clean.	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Parents						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Schools are clean.	6.7%	60.0%	20.0%	13.3%	0.0%	0.0%
Students						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Schools are clean.	0.0%	31.7%	9.8%	39.0%	19.5%	0.0%

Source: TSPR surveys, March 2002.
Note: Percentages may not equal 100% due to rounding errors.

Recommendation 68:

Develop cleaning standards and enforce them.

The Custodial supervisor should inspect each facility at least twice a week to determine compliance with NFISD cleaning guidelines and meet with principals on a monthly basis to discuss training needs and cleaning problems. Custodians who do not meet the standards should receive additional training. If that is unsuccessful, this should be noted in the employee's evaluation and disciplinary action taken as needed.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The custodial supervisor develops an inspection schedule that includes an inspection of each facility at least twice a week.	October 2002
2.	The custodial supervisor inspects each facility noting cleaning problems.	November 2002
3.	The custodial supervisor begins meeting with each principal on a monthly basis to address training and supervisory needs.	December 2002
4.	The custodial supervisor provides additional training as needed and/or takes further action to address performance needs.	December 2002 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. ENERGY MANAGEMENT

No one in the district is assigned responsibility for NFISD's energy management function. The interim director of Maintenance has overall responsibility for HVAC maintenance in the district. **Exhibit 5-17** lists the 2000-01 annual costs per square feet by facility.

Exhibit 5-17
NFISD Annual Utility Costs per 1000 Square Feet
2000-01

Facility	Average Annual Cost Per Sq Ft.
Smiley	$2.10
Forest Brook	$1.33
Kirby	$1.32
Oak Village	$1.35
Elmore	$1.23
East Houston	$1.96
Fonwood	$1.66
Hilliard	$1.29
Lakewood	$1.45
Marshall	$1.23
Rogers	$1.86
Shadydale	$2.30
Tidwell	$1.43
Keahy	$2.10
Service Center	*

Source: NFISD interim director of Maintenance, April 2002.
**Utility costs are included in Smiley High School.*

FINDING

NFISD's lack of a formal energy program limits the ability of the district to effectively control its utility costs. In 1999-2000, the district's energy manager left but was not replaced and no one has been re-assigned his duties. The review team was unable to document any energy conservation activities that may have been in place earlier. The team observed indications of some district staff addressing energy use by asking staff to turn off lights when leaving rooms, but this was not seen to be a districtwide process. The lead HVAC technician remotely monitors and controls the HVAC systems on the four new schools. Other schools are controlled on site. Usually, the head custodian turns the systems on in the morning and off after cleaning is finished in the late afternoon. The Maintenance Department has a HVAC Preventive Maintenance worker who changes filters and inspects chillers as time permits, although most of his time is spent responding to repair calls.

NFISD is unable to control energy costs through better technology and better equipment maintenance and it is unable to educate consumers to use energy more conservatively because it lacks an energy management plan.

School districts often use energy audits to identify potential utility costs savings. These audits evaluate utility costs, type and age of HVAC equipment in place and conservation practices used by the organization to reduce costs. The district has not had a energy management audit such as those conducted by the State Energy Conservation Office (SECO), which is part of the Texas Comptroller's Office.

Many school districts such as Spring ISD in the Houston area, use rebate programs that reward schools for being energy efficient. A school that reduces its usage below the amount budgeted for that

school receives a check for 50 percent of the savings. The remaining 50 percent is used by the district to fund energy-related building and equipment improvements, such as replacement of equipment. Spring ISD monitors usage on a monthly basis and although this district is larger than NFISD, the goals and processes can still be applied on a smaller scale.

By contracting with an energy management firm to design and establish an energy management and accountability program, Corpus Christi ISD (CCISD) has been able to conserve energy and save millions of dollars in energy use. CCISD contracted with an energy management firm for a four year program. As part of the contract, the firm installed an energy management system throughout the district, upgraded all lighting, and replaced outdated and non-functioning equipment. CCISD also contracted with another firm for an audit of electric, gas, and water/wastewater billings. The firm identifies overcharges and secures applicable refunds. The district has realized more than $475,000 annually from its use of performance contractors.

Recommendation 69:

Assign energy management to the director of Maintenance and conduct an energy management audit of all NFISD facilities.

The district should use this audit to develop a formal energy management plan. SECO performs these audits free to public sector organizations, including school districts. The audits provide detailed recommendations regarding equipment and procedures to implement that provide energy savings. The audits also estimate the time it will take to recoup money spent on implementation of recommendations through lowered energy costs.

Given the financial situation in the district, it may be necessary to implement the plan in stages over several years. The plan should include an analysis of cost benefits, consideration of alternatives, a schedule to implement and the sources of funding for implementation.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent for Finance and Operations assigns the energy management function to the director of Maintenance.	October 2002
2.	The director of Maintenance requests an energy management audit from SECO.	November 2002
3.	SECO completes the audit and provides NFISD with recommendations.	March 2003
4.	The director of Maintenance develops a detailed cost budget to implement the recommendations.	April 2003
5.	The director of Maintenance, working with the assistant superintendent for Finance and Operations, reviews the report and develops a recommended implementation plan.	April 2003
6.	The superintendent approves the plan and submits it to the board.	May 2003
7.	The board approves the plan and directs implementation.	June 2003
8.	The assistant superintendent for Finance and Operations includes the approved costs in the 2003-04 budget.	June 2003
9.	The director of Maintenance evaluates the results of the plan at the end of the first year of implementation and annually there after.	October 2004 and Ongoing

FISCAL IMPACT

Implementation of this recommendation should result in significant savings to NFISD. However, the immediate costs associated with the purchase and installation of energy efficient equipment will offset the savings achieved during the first five years of implementation.

ASSET AND RISK MANAGEMENT

Chapter 6

ASSET AND RISK MANAGEMENT

This chapter reviews the asset and risk management functions of North Forest Independent School District (NFISD) in the following sections:

A. Cash Management
B. Risk Management/Insurance Programs
C. Fixed-Asset Management
D. Bond Issuance and Indebtedness

An effective asset and risk management program provides the district with investments that earn the maximum interest rate available while safeguarding funds and ensuring liquidity to meet fluctuating cash flow requirements; controls costs by ensuring that the district is adequately protected against significant losses with the lowest possible insurance premiums; provides sound and cost-effective health insurance for district employees; accounts for district property accurately and safeguards it against theft and obsolescence; and ensures that the district complies with bond covenants and that outstanding bonds pay the lowest possible interest rates.

BACKGROUND

NFISD uses Capital Bank, Houston as its depository bank and has investments in three different public funds investment pools. The district self-insured its workers' compensation coverage in 2000-01. The district has a comprehensive asset list of fixed assets and other equipment it owns. The district has bonded debt, loans and capital leases outstanding for buildings, improvements and equipment purchased.

The executive director of Finance is responsible for cash and investments, fixed assets and bond issuance and indebtedness. The risk manager oversees the workers' compensation self-insurance program and reports to the executive director of Human Resources. Both officials report to the assistant superintendent for Finance and Operations.

A. CASH MANAGEMENT

Effective cash management practices ensure that district funds are collected in a timely manner and that they are invested in secure instruments with maximum earning potential. Cash and investments must be safeguarded against the risk of loss by holding cash in accounts guaranteed by the Federal Deposit Insurance Corporation (FDIC). For amounts more than the FDIC coverage, the institution should provide a depository bond or pledge securities to the district in an amount equal to or more than the amount that exceeds FDIC coverage.

The maturity of the investments should match the fluctuating cash flow demands of the district. Effective cash management provides the district with additional revenue to fund essential programs and operations by providing market rates of return on the maximum amount of cash not needed to fund immediate needs.

Texas school districts must comply with the Texas Education Code (TEC), Chapter 45 and Subchapter G in the selection of a depository bank. NFISD bid the depository contract for a two-year period that runs from September 2001 through August 2003 and received only one bid from Capital Bank. Capital Bank has been the depository bank for NFISD since 1985. NFISD maintains five bank

accounts at Capital Bank for the day-to-day operations of the district to meet accounting and fund reporting requirements. **Exhibit 6-1** presents these accounts.

Exhibit 6-1
NFISD Bank Accounts and Related Balances
March 29, 2002

Account Description	Interest Bearing?	Account Balance
Interest and Sinking Fund	No	$328,312
Facilities Allotment	No	$31,818
Food Service Account	No	$133,352
General Operating Fund	No	$6,148,454
Payroll Account	No	$539,639
Total Bank Balance		**$7,181,575**

Source: NFISD Finance Department, April 2002.

The highest balance on deposit in Capital Bank during 2000-01 was $8,296,027; the balance was $7,181,575 as of March 29, 2002. The amount of securities pledged as of July 25, 2001—the date of the highest balance in the depository bank—was $9,280,783. The amount of securities pledged as of March 29, 2002 was $11,834,925.

NFISD also maintains a North Forest Scholarship Fund account at its depository bank. The balance in this account was $2,016 as of March 29, 2002. NFISD also maintains an activity fund account for each of its schools at Capital Bank. The schools do not maintain petty cash funds and instead deposit funds daily into these bank accounts. The district did not provide information on the balance in the activity funds as of March 29, 2002, despite TSPR's request for this information.

FINDING

NFISD maintains funds in its depository bank in excess of the bank's required "compensating balances."

The district's bank requires the district to maintain a certain balance in its accounts to avoid bank fees. These balances necessary to cover the bank charges are called compensating balances. If the balance in the accounts is sufficient to generate enough credit, bank charges are not deducted from the accounts for maintaining the accounts described in the depository agreement. If the balances exceed the compensating balance, the district does not receive the earnings credit in excess of the bank charges. If the district's balances fall below the compensating balance threshold, bank charges for maintaining the accounts are deducted from district accounts. **Exhibit 6-2** presents the compensating balance requirements and deposits for NFISD's depository bank accounts.

Exhibit 6-2
Bank Account and Compensating Balances
November 2001 through March 2002

Month	Bank Balance	Compensating Balance Requirement	Excess Over Required Balance
November 2001	$1,081,623	$290,382	$791,241
December 2001	$1,277,737	$457,373	$820,364
January 2002	$1,681,336	$484,604	$1,196,732
February 2002	$3,984,157	$573,297	$3,410,860
March 2002	$3,385,664	$290,729	$3,094,935
Five-month average	**$2,282,103**	**$419,277**	**$1,862,826**

Source: NFISD Finance Department, Capital Bank Combined Account Analyses, April 2002.

The compensating balances are based on daily average ledger balances in the bank. Simply stated, the daily average ledger balance is the amount on deposit at the end of each day divided by the number of days in the period. This is different than the balance in the accounts at the end of the month.

The district invests funds not needed for current obligations with Cooperative Liquid Assets Securities System (CLASS), LoneStar Investment Pool and TexPool. **Exhibit 6-3** presents the interest rates the district earned on its investments for the period of November 2001 through March 2002.

Exhibit 6-3
Investment Interest Rates
November 2001 through March 2002

Month	Cooperative Liquid Assets Securities System	LoneStar	TexPool
November 2001	2.56%	2.33%	2.63%
December 2001	2.34%	2.20%	2.36%
January 2002	1.93%	1.99%	2.05%
February 2002	1.80%	1.91%	1.86%
March 2002	1.73%	1.85%	1.78%
Five-month average	**2.07%**	**2.06%**	**2.14%**

Source: NFISD Finance Department and Cooperative Liquid Assets Securities System, LoneStar and TexPool Web sites.

The district monitors its cash balances and investment accounts on a daily basis through the online systems provided by each institution. The district also can also transfer funds through these systems.

As shown in **Exhibit 6-2**, the district kept an average of more than $1.8 million over its compensating balance requirement in its bank accounts over the November 2001-March 2002 period. These excess funds do not earn interest. If the district continues to keep funds in the depository bank in excess of the compensating balance requirement, the district will continue to lose revenue by not investing these funds.

San Angelo ISD (SAISD) optimizes its interest earnings on cash by investing excess cash primarily in two local government investment pools. Each morning, SAISD's Cash and Investment manager reviews the district's bank balances online and the checks scheduled to settle in that banking day. If there are insufficient funds to meet the anticipated obligations, money can be transferred while on line. By ensuring that all idle cash is invested daily, SAISD is maximizing its interest income.

Recommendation 70:

Invest all funds in excess of the compensating balances in interest-earning investment accounts.

The district should develop and document a process to ensure that excess funds are deposited in interest-bearing accounts. The process should be reduced to writing to ensure that other individuals in the district are able to determine the amount of funds necessary to meet the compensating balance agreement and the amount of cash available to invest. This will allow the district to ensure that all excess funds are invested to maximize interest earnings.

The district should consider the effect of revising the compensating balance agreement, interest earnings on account balances and bank charges when developing the next bank depository bid.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The executive director of Finance calculates the compensating balance needed to avoid service charges. — September 2002
2. The executive director of Finance develops procedures for monitoring bank balances and transferring amounts in excess of compensating balance requirements to interest-bearing accounts. — October 2002
3. The executive director of Finance trains staff on the new procedures and monitors the process to ensure that the procedures are followed. — November 2002 and Ongoing

FISCAL IMPACT

The fiscal impact of this recommendation was calculated by multiplying the average cash balance in excess of the compensating balance agreement $1,862,826 by 2.06 percent, the lowest average interest rate provided by the investment pools for the five-month period of November 2001 through March 2002. Annual savings to the district total $38,374 ($1,862,826 x 2.06 percent). Savings for 2002-03 are based on nine months of additional interest earnings ($38,374 x 9/12).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Invest all funds in excess of the compensating balances in interest-earning investment accounts.	$28,780	$38,374	$38,374	$38,374	$38,374

FINDING

NFISD is not complying with all provisions of the Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Government Code (TGC) which governs the investment of governmental funds. The district's annual external audit for the fiscal 2001 cited four areas of noncompliance. The district did not provide quarterly investment reports to the board for review and approval; did not submit annual investment reports to the board; did not conduct annual reviews of its investment policy; and invested funds in unauthorized instruments. The district has taken steps to comply with these requirements, but still lacks procedures and accountability mechanisms to ensure future compliance. The district also cannot present written evidence that its investment policy has been reviewed by the entities with which it invests funds.

NFISD's investment policies allow district funds to be invested in:

- obligations of, or guaranteed by governmental entities, as permitted by Texas Government Code (TGC) 2256.009;
- certificates of deposit and share certificates, as permitted by TGC 2256.010;
- fully collateralized repurchase agreements, as permitted by TGC 2256.011;
- banker's acceptances as permitted by TGC 2256.012;
- commercial paper, as permitted by TGC 2256.013;
- money-market mutual funds and no-load mutual funds, two types of mutual funds as permitted by TGC 2256.014: money market mutual funds and no-load mutual funds;
- guaranteed investment contract as an investment vehicle for bond proceeds, provided they meet the criteria and eligibility requirements of TGC 2256.015; and
- public funds investment pools, as permitted by TGC 2256.016.

NFISD invests funds in three public funds investment pools. Public funds investment pools allow governmental entities to pool their funds to purchase investment instruments. The individual entities

do not own specific investment instruments, but rather a share of the investments based on the amount of funds pooled. NFISD does not use investment instruments other than investment pools. **Exhibit 6-4** presents the district's investment accounts maintained in investment pools.

Exhibit 6-4
Investment Accounts and Related Balances
March 31, 2002

Pool Name	Account Description	Account Balance
CLASS	Construction FD 2000	$11,492,560
CLASS	Debt Service	$2,299,941
CLASS	Food Service	$37,630
CLASS	General Operating	$3,653
LoneStar Investment Pool	Construction Fund 2000	$9,761,718
LoneStar Investment Pool	Food Service	$7,517
LoneStar Investment Pool	General Operating Fund	$16,787,455
LoneStar Investment Pool	Interest & Sinking Fund	$554,041
TexPool	Construction Fund 2000	$5,838,314
TexPool	Food Service	$1,965
TexPool	General Operating	$543,250
TexPool	Interest and Sinking	$876,561
Total Investments		**$48,204,605**

Source: NFISD Finance Department, April 2002.

The district also has $274,005 held in trust invested with Bank One Trust Company, N.A. These funds represent the unexpended portion of a capital lease agreement with Banc One Leasing Corporation.

The district's investment policies mirror the PFIA, but there are numerous compliance issues. The major areas of compliance outlined in board policy CDA (Legal) are:

- investment policy requirements;
- investment strategy approval;
- annual review of policy and strategy;
- designated investment officer;
- investment policy presented to companies;
- annual compliance audit;
- training requirements; and
- investment reports.

Many districts assign the cash management function to a specific employee, who is responsible for ensuring compliance with all provisions of the PFIA, including the requirements for quarterly and annual reports, annual investment policy reviews, investments limited to authorized instruments and reviews of the district's investment policy entities with which the district invests funds. Some cash managers use a reporting calendar to help them ensure that reports are submitted in a timely manner. Districts that assign responsibility and hold the position accountable through the evaluation process ensure continual compliance with the PFIA.

Recommendation 71:

Develop procedures to ensure compliance with the Public Funds Investment Act.

The board should designate the executive director of Finance as the investment officer of the district. The executive director of Finance's job description should include ensuring compliance with the PFIA.

The executive director of Finance should develop these procedures, which may include a calendar for all required reports and policy reviews; a checklist calling for acknowledgement from investment companies of the district's investment policy for new investment firms and each time the policy is updated; and attendance at required investment seminars.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent designates the executive director for Finance as the district's investment officer and obtains board approval.	September 2002
2. The assistant superintendent for Finance and Operations revises and submits to the superintendent for approval the executive director of Finance's revised job description to include responsibilities as the district's investment officer.	October 2002
3. The executive director of Finance develops procedures including schedules for required reports and a checklist of other PFIA requirements for the assistant superintendent for Finance and Operations' approval.	November 2002
4. The assistant superintendent for Finance and Operations includes cash management responsibilities in the executive director of Finance's performance evaluation.	Annually

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. RISK MANAGEMENT/INSURANCE PROGRAMS

An effective risk management program provides a safe environment for students and employees, minimizes workers' compensation claims and costs, controls costs by ensuring that the district is adequately protected against significant losses with the lowest possible insurance premiums and provides sound and cost-effective health insurance for district employees. To ensure it is protected against significant losses, the district must have accurate, insurable values for district property and be able to document all the property it owns. Annual appraisals of property values and inventories of fixed assets provide for accurate insurable values and documentation. Districts should assess hazards and implement programs to reduce them, to minimize claims and reduce premiums for workers' compensation.

NFISD's risk manager started with the district less than one month before the TSPR began the review.

NFISD insures itself against loss of real and personal property, liability, school professional legal liability, vehicle loss or damage and employee crime through insurance polices provided by the Coregis Insurance Company. Coregis was selected as the district's insurance provider based on bids received in 2000-01. **Exhibit 6-5** presents a summary of these coverages.

Exhibit 6-5
Insurance Coverages
Effective September 1, 2001 through August 31, 2002

Coverage Type	Coverage Limit	Deductible	Cost
Property – Blanket Replacement Cost Wind, Hurricane and Hail Deductible	$167,377,439	$50,000 2%	$338,974
Employee Crime: Theft/Disappearance Forgery Public Dishonesty	 $25,000 $25,000 $50,000	 $500 $500 $500	$5,740
General Liability and Law Enforcement Liability Employee Benefits Liability	$1,000,000 $1,000,000	$5,000 $5,000	$103,937
Vehicle Coverage - Fleet Liability Physical Damage	$1,000,000 Actual Cash Value	$2,500 $500	$157,578
Educators Legal Liability and Employment Practices Liability	$1,000,000	$50,000	$30,554
Storage Tank Liability	$1,000,000	$10,000	$2,284
Flood Insurance	$17,000,000	$5,000	$42,126
Total Premium			**$681,193**

Source: NFISD Insurance Proposal, 2001-02.

The district purchased an extended reporting period for its prior liability policy for a cost of $3,168 in order to protect itself from claims asserted after policy expiration. The district suffered significant uninsured losses as a result of flooding associated with tropical storm Allison in June 2001. The district did not have flood insurance on its buildings at that time, but since has purchased such through Texas Farmers Insurance Company, a member of the National Flood Insurance Plan.

NFISD provides health insurance to its employees through Aetna U.S. Healthcare. The district pays the cost of the employee-only coverage through an HMO plan and provides a $10,000 life insurance policy for all employees (**Exhibit 6-6**).

Exhibit 6-6
NFISD Employee Benefits
2001-02

Plan Type	Monthly District Contribution for Employee Only	Employee Contribution	Additional Coverage for Dependents
HMO Plan	$251	$0	Available
PPO Plan	$251	$24	Available
Dental Plan	$0	$12	Available
Vision Care	$0	$7	Available
Life Insurance	$2	$0	Available

Source: NFISD Benefits Office, April 2002.

The HMO plan provides benefits for hospitalization, doctor visits, lab/x-ray visits and emergency room visits. The plan also provides for wellness exams and mental health benefits. The employee is responsible for a co-payment at the time of the service and the co-payments vary depending on the service received. The employee may add a child or children to the health care plan at a monthly cost to the employee of $209; a spouse for $251 monthly' or the entire family for $518 a month. For the PPO plan, employees may add a child or children for $247, a spouse for $287 or their entire family for $569 a month.

House Bill 3343, passed by the 77th Legislature in 2001 established a statewide health care program for employees of school districts. School districts with 500 or fewer employees will participate in the

program effective September 1, 2002 unless they meet certain exceptions. Districts with more than 500 employees will have an opportunity to join the plan in 2005-06 unless an earlier option date is provided. NFISD cannot participate in the plan until 2005-06, as it has more than 1,000 employees.

The legislation provides participating districts with $75 a month per employee for use toward employee health insurance. The new law also requires districts to maintain their current efforts toward funding health insurance in addition to the $75 per employee in new funding. For NFISD, this means the district must spend about $326 a month per employee for health insurance and related benefits in 2002-03. The bill also provides $1,000 a year for each employee eligible for membership in the Teacher Retirement System (TRS); employees may use this amount for health insurance contributions, health care expenses or as additional compensation. Eligible employees must designate how they want these funds to be used. The bill also requires districts to furnish information to TEA and TRS to facilitate the administration of the new law.

FINDING

NFISD has not aggressively followed-up on workers' compensation claims. The district did not investigate the claims of employees who have been out on workers' compensation leave for more than one year or who file claims exceeding $10,000. The district had not contacted the employee and the physicians to determine when the employees would be able to return to work and under what circumstances.

The district has 49 individuals out on workers' compensation as of April 26, 2002. Of these, 21 have been off for more than a year. The risk manager hired in March 2002 is investigating these claims. The district is self-insured for workers' compensation claims. **Exhibit 6-7** presents the injury and date of injury for these 21 employees. Based on the average claim, the cost of these 21 claims is $479,451.

Exhibit 6-7
Employees Out on Workers' Compensation for More Than One Year
April 26, 2002

Injury Date	Cause of Injury
9/1/2000	Trip and fall
9/17/2000	Pushing/pulling
9/22/2000	Slip
9/29/2000	Slip and fall
10/11/2000	Strain
11/9/2000	Slip
12/1/2000	Motor vehicle accident
12/1/2000	Twist/fall
1/3/2001	Not reported
1/5/2001	Slip
1/8/2001	Strain
1/19/2001	Cut
1/24/2001	Assault by student
2/5/2001	Struck hand w/object
2/8/2001	Fall
2/19/2001	Motor vehicle accident
2/21/2001	Strain
2/23/2001	Fall
3/5/2001	Fall
4/5/2001	Strain
4/18/2001	Strain by lifting

Source: NFISD Risk Manager, April 2002.

The lack of a follow-up program has caused an increase in the cost of workers' compensation claims to the district by allowing employees to stay out of work for long periods of time. The total cost of the workers' compensation program for the 2000-01 year was $3,173,553. Based on a 230-day work year, the district spent $13,798 a day on workers' compensation claims in 2000-01. Based on the 139 claims filed, the average claim paid by the district amounted to $22,831.

Based on the peer districts' average percent of claims paid to payroll expenditures, NFISD should have had just $496,019 ($50,614,193 in annual payroll expenditures x 0.98 percent = $496,019) in workers' compensation claims in 2000-01. **Exhibit 6-8** presents information for NFISD and peer districts workers' compensation claims compared to payroll costs.

Exhibit 6-8
NFISD and Peer District Workers' Compensation Claims as a Percent of Payroll
2000-01

District	Payroll Costs	Claims Paid	Percent of Claims to Payroll Costs
Port Arthur	$50,015,536	$64,210	0.13%
Eagle Pass	$54,031,651	$280,141	0.52%
South San Antonio	$50,075,426	$681,638	1.36%
Edgewood	$64,401,788	$1,113,652	1.73%
North Forest	**$50,614,193**	**$2,437,590**	**6.27%**
Average for Peer Districts	**$54,631,100**	**$534,190**	**0.98%**

Source: TEA, PEIMS 2001-02, Payroll; Peer Districts Workers' Compensation Claims, June 2002.

Many districts have been able to control and contain increases in workers' compensation claims by aggressively following up on claims. Corpus Christi ISD (CCISD), for example, reviews all claims for fraud and hires a private investigator to investigate claimants suspected of filing fraudulent claims. CCISD also contracts with clinics, hospitals and physicians to provide treatments at costs that often are below the workers' compensation fee schedule.

Recommendation 72:

Develop an aggressive workers' compensation claims review process.

NFISD should investigate all current claims for employees that have been out on workers' compensation for more than one year as well as claims that exceed $10,000 and develop a process to review all future claims. In order to reduce the cost of workers' compensation claims, follow-up on all claims and investigate any claims where fraud is suspected. Follow-ups should include contacts with the employee and his or her physician to determine when the employee will be able to return to work and under what circumstances. If the district suspects an employee has filed a fraudulent claim, the district should review the claim and refer it to a private investigator as appropriate.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The risk manager investigates and follows up on all current workers' compensation claims and determines if any of them appear to be fraudulent.	September 2002
2.	The risk manager uses the appropriate procurement method to contract with a private investigator and refers any suspected fraudulent claims to the private investigator for investigation.	September 2002
3.	The risk manager develops a procedure to ensure that all new claims are reviewed immediately and new claims are followed up on a weekly basis.	October 2002

4. The risk manager implements the procedures for all workers' compensation claims. October 2002

FISCAL IMPACT

The savings for implementation of this recommendation are based on reducing future claims. The district should be able to achieve these savings in addition to savings from other efforts to reduce workers' compensation claims. Aggressive case review should allow the district to reduce claims paid by at least 10 percent. A 10 percent reduction in 2000-01 claims will result in annual savings of $317,355 ($3,173,553 x 10 percent). The savings for 2002-03 are estimated at 50 percent of the annual savings ($317,355 x 50 percent = $158,678).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop an aggressive workers' compensation claims review process.	$158,678	$317,355	$317,355	$317,355	$317,355

FINDING

In March 2000, the Texas Workers' Compensation Commission (TWCC) declared NFISD to be a "hazardous employer" and outlined a plan for the district to use in improving its safety program.

The declaration was due to the number of employee injuries reported to TWCC. TWCC's Accident Prevention Plan (APP) for NFISD includes seven components: management, analysis, record-keeping, education and training, audit/inspection, accident investigation and review of program and procedures. The major goals of the APP are to involve every employee in employee safety; eliminate hazards; reduce work-related accidents; and increase safety awareness. Safety training and management support are needed to achieve these goals.

In August 2001, TWCC conducted a follow-up inspection to determine the district's compliance with the required APP. The follow-up visit determined NFISD had not yet complied with the APP. Another follow-up inspection in March 2002 once again concluded that the district was out of compliance. In fact, the inspection found that the district had not implemented *any* of the components of the APP. As a result, NFISD must submit a progress report to TWCC every 60 days until the district is removed from hazardous employer status. TWCC will complete another compliance visit in September 2002 to assess the district's progress.

The Human Resources Department oversees the risk management function. Before March 2002, when the risk manager was hired, no one individual was responsible for workers' compensation. The risk manager is developing strategies for implementing the APP and intends to complete this work by August 2002.

NFISD incurred 139 workers' compensation claims during 2000-01. In that year, the total cost of the workers' compensation program was $3,173,553. Without a safety training effort, the district continues to accept substantial financial risk. According to TWCC, NFISD has conducted only one employee safety training session since January 2001. The risk manager is developing a comprehensive safety-training program.

Continued noncompliance with the APP will subject the district to penalties that TWCC can assess under section 411.046 of the Texas Labor Code. Failure to implement the APP is a Class B administrative violation and each day of noncompliance constitutes a separate violation.

Fort Bend Independent School District lowered its workers' compensation costs through a task force of department heads and supervisory personnel that reviewed and revised workers' compensation guidelines and procedures; shifted responsibility for safety to supervisors supported them with

training programs; and involved employees in various safety initiatives. The district's safety training covers hazardous chemicals, communicable diseases, hot/cold weather tips, slips/falls, back injuries, accident reporting and equipment and tool safety. The district forms accident investigation committees made up of employees who report findings to management and central administration. These accident investigation committees help raise safety awareness among employees, reducing the number of accidents and lowering costs.

Recommendation 73:

Implement all recommendations in the Accident Prevention Plan, including a safety-training program.

The district should form a safety committee to implement TWCC's APP, with the commitment and involvement of upper management.

A coordinated safety-training program will help the district reduce its costs for workers' compensation claims. It should be overseen by the risk manager and should include a calendar of employee training courses.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the risk manager to form a safety committee composed of the assistant superintendents, executive directors and department heads from Transportation, Police, Maintenance and Food Services.	September 2002
2. The risk manager and the safety committee review and develop plans to complete all recommendations contained in the APP.	October 2002
3. The risk manager and the safety committee monitor and ensure that all recommendations contained in the APP are implemented, including a worker safety-training program.	November 2002 – December 2002
4. The risk manager and safety committee meet to monitor the safety program and workers' compensation claims reports.	December and Quarterly Thereafter
5. The risk manager requests a new inspection by TWCC.	January 2003

FISCAL IMPACT

Safety training has been proven to reduce job-related injuries by increasing employee awareness of possible hazards and demonstrating how to work safely. The reduction in job-related injuries should reduce the number and cost of workers' compensation claims.

Savings for this recommendation are estimated based on a 25 percent reduction in the cost of the district's 2000-01 workers' compensation claims. Annual savings would total $793,388 ($3,173,553 x 25 percent = $793,388). The cost of safety training for district employees is estimated at $6,720 a year, based on TWCC providing training programs for the district. TWCC charges $25 an hour for training plus travel-related costs and materials. The following calculation estimates the cost for eight hours of training:

Type of charge	Cost	Estimated Units	Cost for Training Session
Course preparation, on-site training and travel time	$25 an hour	14	$350

Mileage	35 cents a mile	320	$112
Hotel accommodations	$80 a night	1	$80
Cost of meals	$30 a day	1	$30
Cost of program materials (20 pages for 100 employees)	5 cents a page	2,000	$100
Total estimated cost for eight hours of training			**$672**

The estimate assumes that TWCC would provide 10 days of training for $6,720 ($672 x 10 days). The net savings to the district from this recommendation is $786,668 ($793,388 - $6,720 = $786,668). The savings for 2002-03 reflect six months' savings ($793,388 x 6/12 – $6,720 = $389,974).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement all recommendations in the Accident Prevention Plan, including a safety-training program.	$389,974	$786,668	$786,668	$786,668	$786,668

FINDING

NFISD has a deficit fund balance of nearly $1.9 million in its workers' compensation fund and does not yet have a formal plan to eliminate it. According to the Texas Education Agency (TEA), "funds of a current year may not be used to pay the debts of a preceding year, thus making end-of-year deficits unlawful."

The district switched to a self-insurance program for workers' compensation in 2000-01 and accounts for its activities through an internal service fund. Internal service funds are used to record the financial activity for services provided by one fund to other funds on a cost reimbursement basis. The district decided to start self-insuring due to the high premiums charged by its previous workers' compensation insurance provider, the Texas Association of School Boards (TASB). Although the review team requested it, NFISD did not provide information on the premiums it paid for this coverage and related claims for 1997-98 through 1999-2000.

The district has individual stop-loss coverage of $200,000 for workers' compensation claims through Safety National Casualty Corporation.

Exhibit 6-9 summarizes activities in the workers' compensation fund for 2000-01.

Exhibit 6-9
Workers' Compensation Self-insurance Fund
2000-01

Description	Amount
Beginning fund balance	$0
Revenues	$1,780,549
Cost Paid by the General Fund	($474,921)
Claims paid, claims reported and other costs	($2,437,590)
Claims incurred but not reported	($735,963)
Operating income (loss)	($1,867,925)
Ending fund balance (deficit)	**($1,867,925)**

Source: NFISD Annual Audit Report, 2000-01.

NFISD's annual audit report states that the general fund is contingently liable for the liabilities of the internal service fund. TEA's *Financial Accountability System Resource Guide* (FASRG) states, "If the school district uses an Internal Service Fund to account for its risk financing, it may create a separate self insurance Internal Service Fund to pay claims and judgments of all funds. Because the full faith and credit remains with the school district, risk is not transferred to the separate insurer

fund." The deficit in the workers' compensation fund is due to the district not collecting enough revenue from the other funds to cover the expenses of its workers' compensation self-insurance program. Based on previous years' claims, it appears that the district failed to realistically predict the amount it would need from the other funds.

Although the district anticipates the deficit fund balance will be eliminated over a period of years, it has not established a formal plan to do so. The FASRG states, "deficits, if any, in the Internal Service Fund resulting from these charges need not be charged back to the other funds in any one year, as long as adjustments are made over a reasonable period of time." The deficit in the workers' compensation fund places a strain on the financial resources of the district and, as a result, the district effectively has a general fund balance of $183,512 ($2,051,437 – $1,867,925). Of this amount, $128,017 is reserved for inventory, leaving the district with an undesignated and unreserved fund balance in its general fund of only $55,495.

Recommendation 74:

Develop a plan to eliminate the deficit in the workers' compensation fund.

To preserve NFISD's financial integrity, the deficit in the workers' compensation fund should be eliminated as quickly as possible. The district should develop a plan with specific timeframes to do so. The district must not only recover amounts from other district funds to cover current-year workers' compensation claims but must also recover amounts to reduce the deficit. The district should analyze the impact of these costs on all district funds and determine the appropriate amount of time needed to recover them.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent and assistant superintendent for Finance and Operations determine an appropriate period over which to eliminate the deficit fund balance.	September 2002
2. The superintendent and assistant superintendent for Finance and Operations determine the amount to be provided to the fund in excess of the expected claims annually.	October 2002
3. The superintendent presents the plan to the board for review and approval.	November 2002
4. The superintendent directs the assistant superintendent for Finance and Operations to include the necessary funds to eliminate the deficit in the budgets of participating funds.	December 2002
5. The board supports the plan by approving budgets with the resources needed to eliminate the deficit.	August 2003 and Annually

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD does not have a light-duty program, which allows employees who sustain work-related injuries to return to work with a reduced schedule or a temporary modification of their job duties. The risk manager said that NFISD does not allow workers to return to work from a job-related injury until they receive certification from a physician that they are able to perform 100 percent of their work assignment.

Returning injured employees to their jobs as quickly as possible benefits districts and employees both socially and economically. The APP lists the following as benefits of a light-duty policy:

- reduced injury severity;
- maintenance of an experienced work force;
- reduced medical care expenses;
- reduced lost time compensation costs;
- quicker recovery from injuries;
- improved employee morale and security;
- reduced indirect costs of injuries;
- avoidance of costly litigation; and
- a reduced chance of permanent disability and a consequent need for vocational rehabilitation.

Examples of light-duty situations are the temporary modification of a job; allowing the employee to return to work on a part-time basis; or another job for the employee that does not make the same physical demands. Such situations allow the employee to return to work and gradually build up strength and endurance.

Many districts, such as Corpus Christi ISD, use light-duty policies to lower the cost of workers' compensation claims. TASB policy services can provide districts with standard policies that can be modified to meet individual districts' needs. Corpus Christi ISD initiated an alternative duty program that encourages temporarily injured workers to return to work early. Accommodations are made so workers can return to work as soon as possible.

Recommendation 75:

Implement a light-duty policy for employees returning from workers' compensation leave.

The district should encourage these employees to return to work as soon a possible. A light-duty policy will enable employees who have been injured on the job to return to work and perform less than 100 percent of their work assignment. This policy will be beneficial to both the employees and the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The risk manager contacts TWCC, TASB and other school districts for assistance in developing a light-duty policy for district employees injured on the job.	September 2002
2.	The risk manager develops and presents a light-duty policy to the superintendent for review and approval.	October 2002
3.	The superintendent presents the light-duty policy to the board for review and approval.	December 2002

4. The risk manager implements the light-duty policy and provides quarterly reports on its use to the superintendent. December 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district has an insurance agent of record and pays commissions or policy fees on insurance purchased. The district's agent of record assists the district with preparing bid specifications and analyzing the responses. The agent of record also assists the district in filing claims for insurable losses. The commercial lines agent at the district's insurance agency said that the agent of record receives a commission of between 5 and 15 percent or a policy fee on all insurance policies sold to the district.

The district pays $681,193 for property, casualty, liability, employee crime, vehicle coverage and flood insurance. The district also pays for health insurance for 1,205 employees at a monthly cost of $251.38, for a total of $3,634,955 annually. In all, the district pays $4,316,148 annually for insurance purchased through the agent of record. These costs include the commission or policy fee. If the agent of record receives a 5 percent commission for all policies sold to the district, the agent is receiving $215,807 a year. While the district disagreed with this finding, it did not provide any documentation to prove otherwise.

Many districts use insurance consultants to assist them in obtaining health and other forms of insurance. These districts pay the consultant a fee ranging from $50 to $100 an hour. The insurance consultant assists the district in preparing insurance bid specifications and determining appropriate coverage and deductibles. The bid specifications include a statement that the district will not pay commissions or policy fees to agents who bid and that the bids submitted must be net of any commissions or fees. The insurance consultant also assists the district with the analysis and review of the bids received to determine the best value for the district. Insurance consultants help these districts obtain adequate coverage at the best possible price.

Recommendation 76:

Contract with an insurance consultant to assist in the procurement of insurance coverage.

The district should discontinue its use of the agent of record to reduce costs associated with the procurement of insurance. Instead, it should contract with an insurance consultant for assistance in determining the appropriate amount of coverage and deductibles. The consultant also should assist the district in preparing bid specifications and analyzing the bids received.

Other than the hourly fee the consultant is paid by the district, the consultant has nothing to gain or lose by the decision the district makes in awarding the bid. This provides an independent third party to assist the district in obtaining appropriate coverage at the lowest possible costs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent for Finance and Operations and the risk manager work with the Purchasing manager to develop a request for proposals (RFP) for an insurance consultant. January 2003

2. The Purchasing manager issues the RFP. February 2003

3.	The assistant superintendent for Finance and Operations and the risk manager evaluate the responses and obtain approvals from the superintendent and the board to enter into a contract with the consultant best meeting the needs of the district.	March 2003
4.	The insurance consultant evaluates the district's needs for insurance, including appropriate coverage and deductibles.	April – May 2003
5.	The consultant, risk manager and Purchasing manager prepare bid specifications for the district's insurance needs and the Purchasing manager issues the bid.	June 2003
6.	The assistant superintendent for Finance and Operations, the risk manager and the consultant evaluate the bids received.	July 2003
7.	The assistant superintendent for Finance and Operations and the risk manager recommend the successful bidder to the board and obtain the board's approval.	August 2003

FISCAL IMPACT

The estimate for this recommendation is based on the difference between the commissions the agent of record receives and the amount the district would pay an insurance consultant. The estimated time for the consultant's work is 150 hours in the first year and 100 hours for each subsequent year. Cost for the first year would be $15,000 ($100 hourly fee x 150 hours = $15,000). Savings are calculated by subtracting the cost of the consultant from the commission the agent of record is receiving ($215,807 - $10,000 [$100 hourly fee x 100 hours = $10,000] = $205,807 for subsequent years).

Additional savings should result from the agent's comprehensive review of the district's insurance needs.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Contract with an insurance consultant to assist in the procurement of insurance coverage.	($15,000)	$205,807	$205,807	$205,807	$205,807

C. FIXED ASSET MANAGEMENT

An effective fixed asset management system accounts for district property accurately and safeguards it against theft and obsolescence. TEA defines fixed assets as purchased or donated items that are tangible with a unit cost of more than $5,000 and a useful life of more than one year. Governmental Accounting Standards Board (GASB) Statement 34 requires districts to depreciate fixed assets, making effective fixed-asset management even more important.

Replacement schedules for fixed assets, based on their estimated useful lives, provide districts with information they need to budget for replacements in order to avoid obsolescence. This type of planning is critical to avoid sudden "spikes" in the budget related to the emergency replacement of fixed assets. Fixed asset management also includes safeguards that protect the district from theft of its assets.

NFISD maintains a comprehensive fixed asset listing of all land, buildings and equipment owned by the district. The district uses TEA's $5,000 capitalization limit in determining which fixed assets to add to the general fixed-assets account group in its financial statements. Assets with a value of less

than $5,000 were removed from this account group last year in preparation for meeting GASB 34 requirements. Assets disposed of are removed from the general fixed-asset account group at the historical cost or value recorded. **Exhibit 6-10** presents activity in NFISD's fixed-assets account group for the year ended August 31, 2001.

Exhibit 6-10
NFISD General Fixed Assets Account Group
August 31, 2001

Asset Type	Balance September 1, 2000	Additions	Deletions	Balance August 31, 2001
Land	$4,690,107	$0	$0	$4,690,107
Buildings	$82,181,772	$4,008,115	($9,929,161)	$76,260,726
Furniture and Equipment	$26,036,052	$710,995	($4,045,165)	$22,701,882
Construction in Progress	$9,959,828	$8,230,480	($9,959,828)	$8,230,480
Total	**$122,867,759**	**$12,949,590**	**($23,934,154)**	**$111,883,195**

Source: NFISD, External Audit, 2001.

The assets recorded in the general fixed-asset account group are mainly buildings, vehicles and large pieces of equipment—assets that do not lend themselves, due to their nature and size of the asset, to misappropriation or theft.

FINDING

NFISD has not conducted a physical inventory of its fixed assets since 2000, when it completed an inventory of fixed assets valued at $5,000 or more. The district completed its last physical inventory of all fixed assets in 1993.

The fixed asset listing maintained by the district is comprehensive and includes not only fixed assets but also includes certain assets valued less than $5,000 that are subject to misappropriation or theft, such as computers, printers, audio-visual equipment, furniture and fixtures. This detailed inventory is beneficial to the district for filing insurance claims in case of a natural disaster or fire.

The district does not have a central receiving function, so assets must be tagged at the location where they are received. The fixed-asset clerk receives a detailed printout from accounts payable of all assets paid for each month. The clerk then goes to the location of each asset and tags it for identification purposes. The clerk records the cost, location, description, serial number and other appropriate information on each item in the asset inventory. The clerk also reconciles the inventory each month with the general ledger. The determination of whether the item is a fixed asset and added to the general fixed asset account group is made based on the cost of the item. Items valued at $500 but less than $5,000 are added to the control listing and those valued at $5,000 or more are added to the fixed asset account group.

The district does not verify its fixed assets through annual physical inventories. Such inventories help districts determine whether problems exist and determine whether additional procedures are necessary to protect their assets. The FASRG states, "Certain fixed assets, such as furniture and equipment, should be inventoried on a periodic basis. Annual inventories taken usually at the end of the school term before the staff members leave are recommended. Discrepancies between the fixed asset inventory list and what is on hand should be settled." An annual inventory of assets allows the district to hold schools and departments responsible for assets under their control.

At present, NFISD simply cannot be sure that the value of its inventory as recorded in its records and reports is correct. Items may be missing; others may be unrecorded. Thefts may go unreported and the persons responsible for safekeeping the items not held accountable.

Many school districts contract with a private firm to conduct physical inventories of their assets. Once the districts are assured they have a good inventory, they can maintain it through annual inventories conducted with their own personnel. Annual physical inventories protect districts from theft and misappropriation and allow them to hold employees accountable for assets under their control.

Recommendation 77:

Contract for a complete physical inventory of the district's fixed assets and conduct annual inventories thereafter.

Without an annual physical inventory the district does not know what assets actually exist in the district. An annual inventory will enable the district to hold employees accountable for assets under their control.

The district should contract with a firm to conduct the initial inventory. This would provide the district with a starting point for future asset inventories conducted by its own employees.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent for Finance and Operations, the executive director of Finance develop an RFP to solicit bids from qualified firms for a physical inventory of the district's fixed assets.	March 2003
2.	The Purchasing manager advertises the proposal and sends it to all interested firms.	March – April 2003
3.	The assistant superintendent for Finance and Operations and the executive director of Finance evaluate the responses and recommend a firm to the superintendent.	May 2003
4.	The superintendent presents the recommendation to the board for approval.	June 2003
5.	The firm conducts the physical inventory of fixed assets.	July 2003
6.	The executive director of Finance and appropriate staff members reconcile the physical inventory to the district's asset list, making any necessary additions and deletions.	August 2003
7.	Department and school administrators receive a new inventory of assets and assume responsibility for the assets under their control.	August 2003
8.	The assistant superintendent for Finance and Operations and the executive director of Finance develop procedures for future annual fixed-asset inventories.	August 2003
9.	The assistant superintendent for Finance and Operations ensures that department and school administrators conduct annual inventories.	Annually

FISCAL IMPACT

This recommendation would cost an estimated $22,000 for an outside consultant to perform the initial inventory. (This figure was obtained from the assistant superintendent for Finance and Operations, who said that the district had priced this service in the past.) District employees with existing resources could conduct later inventories.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Contract for a complete physical inventory of the district's fixed assets and conduct annual inventories thereafter.	($22,000)	$0	$0	$0	$0

FINDING

NFISD does not have a board policy defining fixed assets or establishing responsibility for safeguarding of assets. Although the district uses a $5,000 threshold for determining whether assets are recorded in the fixed-asset group of accounts, no written board policy sets that threshold. The district said the board adopted the $5,000 threshold, but it could not provide any documentation to support this statement. The district uses the straight-line method to depreciate its fixed assets but has no policy addressing this issue. Straight-line depreciation means the asset is expensed equally over its estimated useful life. The fixed-asset clerk said that the schools do inventory their assets, but the district has no policy assigning responsibility for assets that are lost, stolen or misplaced.

Although GASB 34 does not prescribe a minimum level for asset capitalization, it does require districts to disclose the dollar value above which asset acquisitions are added to capital accounts. Again, TEA suggests a $5,000 per unit cost. GASB 34 also does not prescribe the method of depreciation to be used to depreciate capital assets, but does require disclosure of the method in the annual financial statements; TEA recommends the straight-line method.

The FASRG states that adequate procedures are essential to the protective custody of school property. Appropriate systems designate responsibility for custody and proper use of assets. Management must impose discipline throughout the organization so that an appropriate level of internal control will be maintained to assure that adequate custody of assets is maintained.

Recommendation 78:

Adopt a policy that defines the value of fixed assets that should be capitalized, the depreciation method that should be used and assigns responsibility for safeguarding fixed assets.

GASB 34 requires districts to disclose policies defining fixed assets and the depreciation method used; these should reflect board policy.

This policy also should assign responsibility for district assets. The policy should make school principals and department heads responsible for all assets in their custody. The policy also should outline consequences for failure to safeguard assets. The annual fixed asset inventory should be used to hold individuals accountable.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent meets with the assistant superintendent for Finance and Operations and the executive director of Finance to determine the appropriate threshold for capitalizing fixed assets and the method for depreciating them. — September 2002

2.	The superintendent meets with the assistant superintendents, executive directors and principals to discuss and determine appropriate assignments for fixed-assets accountability.	October 2002
3.	The superintendent contacts TASB and other school districts for assistance in developing a fixed-asset policy.	November 2002
4.	The superintendent develops a policy that defines fixed assets, establishes a depreciation method and assigns responsibility for safeguarding district assets.	December 2002
5.	The superintendent presents the policy to the board for review and consideration and revises the policy as needed.	January 2003
6.	The superintendent circulates the policy to district management staff and directs its implementation.	February 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. BOND ISSUANCE AND INDEBTEDNESS

An effective bond management program ensures that the district complies with bond covenants and that interest rates for outstanding bonds are kept as low as possible.

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

NFISD has issued bonded debt to construct facilities and acquire furnishings for them. NFISD also has refunded several of its outstanding bond issues to reduce their interest cost. The district has two outstanding bond issues (**Exhibit 6-11**). The district has $27.1 million of the Series 2000 bonds proceeds invested.

Exhibit 6-11
Bonded Indebtedness
August 31, 2001

Description	Interest Rate	Original Issue Amount	Bonds Payable August 31, 2001
Unlimited Tax Schoolhouse and Refunding Bonds, Series 1998	4.0% to 6.0%	$46,910,000	$42,240,000
Unlimited Tax Schoolhouse and Refunding Bonds, Series 2000	4.9% to 6.5%	$42,353,755	$41,003,755

Source: NFISD, External Audit, 2001.

The district uses a financial advisor to ensure compliance with federal arbitrage regulations. Arbitrage occurs when the district sells bonds and invests the funds from the bonds at a higher rate of interest and makes a profit. The federal government regulates the profits a district can make from this practice. The financial advisor also assists the district with issuing new debt and determining the appropriate instruments to use to fund various needs.

The district has acquired personal property by using capital leases. A capital lease is an agreement to finance the purchase of personal property over a period of time and at the end of the lease the title to the property passes to the district. The principal outstanding on the district's capital leases was $2,390,935 as of August 31, 2001. **Exhibit 6-12** presents summary information on these capital leases.

Exhibit 6-12
Capital Leases
August 31, 2001

Purpose	Interest Rate	Maturity	Amounts Outstanding	Fund Payable From
School Buses	5.04%	2005	$637,101	General Fund
Copiers	5.75%	2003	$189,775	General Fund
Maintenance Vehicles	*	2003	$144,441	General Fund
Buses, Chillers and Band Instruments	5.2%**	2005	$1,419,618	General Fund
Total			**$2,390,935**	

Source: NFISD Finance Department.
** The district did not provide an interest rate for this capital lease.*
*** Rate calculated by consultant based on amortization schedule.*

The district also has several interest-free loans outstanding to the Environmental Protection Agency. These loans were used for asbestos abatement in the mid-1980s; they mature in 2005 and 2006. The principal outstanding on these loans as of August 31, 2001 was $287,299.

FINDING

NFISD refunded $1,355,000 of its Series 1998 bonds with part of the proceeds from the sale of its 2000 Series bonds. This refunding was part of a debt restructuring initiative and the refunding did not produce any savings. The district also refunded $5.9 million in existing bonds in the 1998 Series bonds and realized interest savings by taking advantage of declining interest rates. NFISD saved interest costs by refunding these bonds.

COMMENDATION

NFISD refunded bonds to restructure its debt and reduce interest costs.

FINANCIAL MANAGEMENT

Chapter 7

FINANCIAL MANAGEMENT

This chapter reviews the financial management of North Forest Independent School District (NFISD) in the following sections:

A. Organization, Management and Staffing
B. Fund Balance
C. Budgeting
D. Accounting and Internal Control
E. Internal and External Auditing
F. Tax Collections

School districts must effectively use limited resources to fund the instructional programs and support services needed to help children learn. To do so, they must make the most out of the limited local, state and federal funds they receive. They must also be held accountable by taxpayers for their use of these funds.

A district must plan and budget resources carefully to support its strategies for achieving goals for student achievement. The accounting process must provide safeguards to reduce the risk of loss of assets and ensure their appropriate use. These safeguards are internal controls and should be appropriate to the district's size and organizational structure. Timely, accurate and useful reports concerning the financial condition of the district for the board and administration are a key to effective financial management.

BACKGROUND

School districts' financial operations must comply with federal, state and local laws and regulations. The Texas Education Agency (TEA) requires districts' financial operations to comply with the requirements of the *Financial Accountability System Resource Guide* (FASRG). The FASRG combines requirements for financial management from a variety of sources into one guide for Texas school districts.

Texas school districts receive revenue from local sources, state funding and federal programs. Property taxes are the primary source of local funds. NFISD levies property taxes including a maintenance and operations (M&O) component and an interest and sinking (I&S) component that is used for debt service payments.

NFISD receives funding from the state based on a formula approved by the Texas Legislature. In general, the funding is based on a district's average daily attendance (ADA). The funding formula also contains additional funding for programs designed to benefit students with special needs. NFISD receives state funding from the Instructional Facilities Allotment (IFA) to pay a portion of the debt service payments on bonded debt. The IFA program is a state program for assisting property-poor school districts with facility upgrades and facility acquisition. About 73 percent of NFISD's 2001-02 budget came from state funding.

The district receives federal funding for a variety of programs, with about 6.2 percent of NFISD's budget from federal sources. **Exhibit 7-1** presents the source of all NFISD revenues from 1999-2000 through 2001-02.

Exhibit 7-1
NFISD Revenues as a Percentage of Total Revenues
1999-2000 through 2001-02

Source of Funds	1999-2000 Actual	Percent of Total	2000-01 Actual	Percent of Total	2001-02 Budget	Percent of Total
Local	$15,710,263	19.4%	$23,397,954	24.6%	$16,206,733	20.8%
State	55,659,872	68.6%	60,534,487	63.5%	56,909,717	73.0%
Federal	9,817,586	12.1%	11,347,607	11.9%	4,851,141	6.2%
Total	**$81,187,721**	**100.0%**	**$95,280,048**	**100.0%**	**$77,967,591**	**100.0%**

Source: TEA, Public Education Information Management System (PEIMS), 1999-2000 through 2001-02
Note: Totals may not add to 100 percent due to rounding.

As **Exhibit 7-1** shows, the district relies on the state for the majority of its revenue. The significant increase in the local revenues in 2000-01 was due to a $6.4 million insurance recovery from property damage from Tropical Storm Allison.

One way to ascertain the effectiveness of financial management is to compare the district with peer districts. NFISD selected Eagle Pass, Edgewood, Port Arthur and South San Antonio ISDs as peer districts for comparison purposes. **Exhibit 7-2** compares the budgets of NFISD and its peer districts.

Exhibit 7-2
NFISD and Peer Districts Revenue Sources
2001-02

District	Local	Percent of Total	State	Percent of Total	Federal	Percent of Total
Port Arthur	$39,294,461	57.5%	$25,410,500	37.2%	$3,649,500	5.3%
North Forest	**$16,206,733**	**20.8%**	**$56,909,717**	**73.0%**	**$4,851,141**	**6.2%**
Eagle Pass	$13,142,175	17.6%	$56,213,917	75.5%	$5,109,218	6.9%
South San Antonio	$12,290,131	17.6%	$53,301,055	76.3%	$4,262,601	6.1%
Edgewood	$10,112,752	11.2%	$74,089,015	82.0%	$6,200,527	6.9%

Source: TEA, PEIMS, 2001-02.
Note: Totals may not add to 100 percent due to rounding.

Exhibit 7-3 presents student enrollment, the percentage of students categorized as economically disadvantaged, property value per student and total budgeted expenditures for NFISD and its peer districts.

Exhibit 7-3
NFISD and Peer Districts Number of Enrolled Students, Percentage Economically Disadvantaged, Property Value per Student and Total Budgeted Expenditures
2001-02

District	Student Enrollment	Percentage Economically Disadvantaged	Property Value per Student	Total Budgeted Expenditures
Edgewood	13,435	96.3%	$43,909	$90,878,877
Eagle Pass	12,778	91.1%	$67,455	$74,811,952
North Forest	**11,699**	**80.1%**	**$75,058**	**$78,734,056**
Port Arthur	10,823	73.8%	$227,709	$74,129,793
South San Antonio	9,970	89.5%	$65,084	$72,630,595

Source: TEA, PEIMS, 2001-02; Comptroller's office, Preliminary Property Values, 2002.

Exhibit 7-4 presents budgeted expenditure information as a percentage of the total budget for NFISD and the peer districts by object code description for 2001-02. Object codes are accounting categories

used to accumulate and organize financial data to aid in analysis. NFISD budgets less for payroll than any of the peer districts. NFISD budgets more for capital outlay, debt service and other operating costs than any of the peer districts and is second-highest in expenditures for contracted services.

Exhibit 7-4
NFISD and Peer Districts' Percentage of Budgeted Expenditures for All Budgeted Funds by Object Code Description
2001-02

District	Payroll	Contracted Services	Supplies	Other Operating	Debt Service	Capital Outlay	Total
Port Arthur	79.7%	8.2%	6.8%	3.2%	1.4%	0.7%	100.0%
South San Antonio	79.0%	6.3%	5.2%	1.2%	7.4%	0.9%	100.0%
Eagle Pass	78.9%	6.3%	7.2%	1.5%	5.6%	0.4%	100.0%
Edgewood	74.0%	8.6%	7.3%	1.7%	7.9%	0.5%	100.0%
North Forest	**72.5%**	**8.5%**	**5.4%**	**3.7%**	**9.0%**	**1.0%**	**100.0%**

Source: TEA, PEIMS, 2001-02.
Note: Totals may not add due to rounding.

Chapter 1 of the FASRG mandates the use of functional codes by school districts for tracking expenditures for different school district operations. **Exhibit 7-5** presents budgeted expenditures for all budgeted funds by function for NFISD and the peer districts as a percentage of total budgeted expenditures. Of all the peers, NFISD budgets the lowest percentage of funds for instruction. NFISD budgets a larger percentage of expenditures for debt service, facilities acquisition, general administration and student transportation than any of the peer districts.

Exhibit 7-5
NFISD and Peer Districts
All Budgeted Funds
Functional Expenditures as a Percentage of Total Expenditures
2001-02

Description	Edgewood	Eagle Pass	North Forest	Port Arthur	South San Antonio
Students	13,435	12,778	**11,699**	10,823	9,970
Instruction	48.1%	53.0%	**45.0%**	52.5%	51.8%
Instructional Resources	2.1%	1.2%	**1.3%**	1.6%	1.7%
Curriculum and Staff Development	1.4%	0.8%	**0.7%**	0.3%	0.6%
Instructional Leadership	1.2%	1.1%	**1.4%**	2.4%	2.2%
School Leadership	5.0%	5.7%	**4.3%**	5.2%	5.2%
Guidance and Counseling	3.6%	2.9%	**2.8%**	3.0%	3.0%
Social Work Services	0.7%	0.3%	**0.1%**	0.3%	0.4%
Health Services	1.3%	1.1%	**0.6%**	1.2%	1.1%
Student Transportation	0.9%	2.5%	**5.2%**	3.8%	1.2%
Food Services	7.3%	7.6%	**7.2%**	6.6%	7.5%
Co-/Extracurricular Activities	1.8%	2.4%	**1.6%**	3.0%	2.4%
General Administration	3.9%	3.6%	**4.9%**	3.6%	3.2%
Plant Maintenance/Operations	11.0%	9.6%	**12.1%**	12.6%	8.1%
Security and Monitoring Services	1.5%	1.5%	**1.4%**	0.8%	1.0%
Data Processing Services	2.1%	0.6%	**0.7%**	1.0%	1.0%
Community Services	0.2%	0.2%	**0.0%**	0.3%	2.0%
Debt Service	7.9%	5.6%	**9.0%**	1.4%	7.4%
Facilities Acquisition	0.1%	0.2%	**1.8%**	0.2%	0.0%

Exhibit 7-5 (continued)
NFISD and Peer Districts
All Budgeted Funds
Functional Expenditures as a Percentage of Total Expenditures
2001-02

Description	Edgewood	Eagle Pass	North Forest	Port Arthur	South San Antonio
Payments to Fiscal Agent	0.0%	0.0%	**0.0%**	0.0%	0.0%
Payments to Juvenile Justice Alternative Education Placement (JJAEP)	0.0%	0.0%	**0.1%**	0.1%	0.1%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: TEA, PEIMS, 2001-02.

Exhibit 7-6 presents budget data comparing the budgeted expenditures for NFISD and the state and the percentage of the total budgeted for each function. NFISD budgeted 6.3 percentage points less than the state average on instruction. NFISD budgeted 2.6 percentage points more on student transportation, 2.3 percentage points more on food services, 1.3 percentage points more on central administration and 1.9 percentage points more on plant maintenance and operations than the state average.

Exhibit 7-6
NFISD and State
All Budgeted Funds
Functional Expenditures as a Percentage of Total Expenditures
2001-02

Function Category and Function Codes	NFISD		State		Percentage Points Difference From State
	2001-02 Budget	Percent of Total	2001-02 Budget	Percent of Total	
Instruction (11,95)	$35,172,536	44.7%	$14,631,391,287	51.0%	(6.3)
Instructional-Related Services (12,13)	$1,548,557	2.0%	$772,796,991	2.7%	(0.7)
Instructional Leadership (21)	$1,119,818	1.4%	$341,727,512	1.2%	0.2
School Leadership (23)	$3,342,953	4.2%	$1,503,316,728	5.2%	(1.0)
Support Services-Student (31,32,33)	$2,714,035	3.4%	$1,152,017,531	4.0%	(0.6)
Student Transportation (34)	$4,061,049	5.2%	$745,071,107	2.6%	2.6
Food Services (35)	$5,596,664	7.1%	$1,379,203,124	4.8%	2.3
Cocurricular/ Extracurricular Activities (36)	$1,255,145	1.6%	$642,534,523	2.2%	(0.6)
Central Administration (41)	$3,804,697	4.8%	$1,006,076,850	3.5%	1.3
Plant Maintenance and Operations (51)	$9,449,973	12.0%	$2,899,134,508	10.1%	1.9
Security and Monitoring Services (52)	$981,194	1.2%	$171,833,951	0.6%	0.6
Data Processing Services (53)	$490,696	0.6%	$314,553,149	1.1%	(0.5)
Other*	$9,196,739	11.7%	$3,108,461,039	10.8%	0.9
Total Budgeted Expenditures	**$78,734,056**	**100.0%**	**$28,668,118,300**	**100.0%**	**0.0**

Source: TEA, PEIMS, 2001-02.
**Other includes any operating expenditures not listed above and all non-operational expenditures such as debt service, capital outlay and community and parental involvement services.*
Note: Totals may not add to 100 percent due to rounding.

Exhibit 7-7 presents the general fund functional expenditures per student for 1997-98 through 2001-02. The student population decreased by 13.8 percent from 1997-98 to 2001-02. During this same period, total functional expenditures increased 21.8 percent. Instruction expenditures increased 9.2 percent. The largest increase in functional expenditures occurred in debt service as a result of a 2000 bond issue for building new facilities. Other significant increases occurred in facilities acquisition, security and monitoring services and social work services.

Exhibit 7-7
NFISD Functional Expenditures per Student
General Fund
1997-98 through 2001-02

Description	1997-98 (Actual)	1998-99 (Actual)	1999-2000 (Actual)	2000-01 (Actual)	2001-02 (Budget)	Percentage Change 1997-98 through 2001-02
Number of Students	13,579	13,416	12,603	12,487	11,699	(13.8%)
Instruction	$2,771	$2,884	$3,202	$2,817	$3,027	9.2%
Instructional Resources	$73	$89	$82	$80	$88	20.5%
Curriculum and Staff Development	$35	$38	$32	$36	$49	40.0%
Instructional Leadership	$57	$66	$86	$79	$96	68.4%
School Leadership	$286	$307	$290	$262	$287	0.3%
Guidance and Counseling	$146	$166	$177	$157	$188	28.8%
Social Work Services	$2	$3	$2	$2	$5	150.0%
Health Services	$33	$35	$38	$38	$39	18.2%
Student Transportation	$289	$405	$502	$366	$352	21.8%
Co-/Extracurricular Activities	$72	$89	$94	$101	$108	50.0%
General Administration	$240	$253	$284	$250	$328	36.7%
Plant Maintenance/Operations	$550	$587	$641	$688	$814	48.0%
Security and Monitoring Services	$38	$63	$93	$76	$94	147.4%
Data Processing Services	$27	$54	$46	$48	$47	74.1%
Community Services	$0	$2	$0	$0	$0	0%
Debt Service	$19	$37	$61	$68	$74	289.5%
Facilities Acquisition	$46	$0	$2	$0	$118	156.5%
Payments to JJAEP	$12	$10	$13	$7	$5	(58.3%)
Total	**$4,696**	**$5,086**	**$5,644**	**$5,074**	**$5,719**	**21.8%**

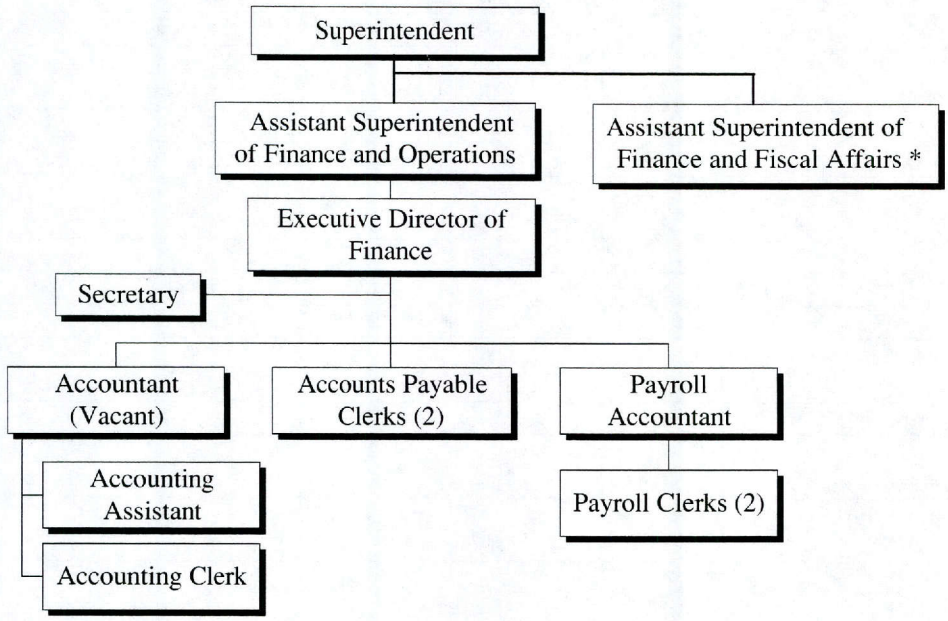
Source: TEA, PEIMS, 1997-98 through 2001-02.
Note: Totals may not add due to rounding.

A. ORGANIZATION, MANAGEMENT AND STAFFING

Financial management is most effective when it has strong systems of internal control. There must be a system of checks and balances to ensure all business transactions are made in the best interest of the district.

The NFISD Finance Department includes the executive director of Finance and nine employees. The Finance Department is responsible for accounting, accounts payable, budgeting, cash receipts, financial reporting, investments and payroll. An accountant, an accounting assistant and one clerk perform the accounting and financial reporting. Two clerks perform the accounts payable and a payroll accountant and two clerks prepare the payroll. **Exhibit 7-8** presents the organization of the Finance Department. This organizational structure was approved by the board in February 2002 and implemented in June 2002.

Exhibit 7-8
Finance Department Organization Chart
June 2002



Source: NFISD Finance Department, June 2002.
** This position was eliminated on June 30, 2002. However, this position was the primary contact for the information obtained during the onsite review.*

The executive director of Finance is also responsible for the Purchasing manager, tax collector and fixed assets.

FINDING

The district does not have sufficient staff in the Finance Department to ensure the day-to-day accounting operations are carried out in a timely and accurate manner. The assistant superintendent of Finance and Operations recently resigned and the chief accountant position has been vacant since 1999-2000. An employee who was transferred from the Benefits Office in November 2001 filled the chief accountant position briefly, but that employee resigned from the position in April 2002. The other two individuals in other accounting positions have been in the Finance Department for less than a year.

The chief accountant is responsible for monitoring cash and investments on a daily basis, maintaining the general ledger, preparing related journal entries, reviewing bank reconciliations, printing and issuing accounts payable and payroll checks, and overseeing the work of the accounting assistant and clerk. The accounting assistant is responsible for balancing the bank reconciliations, reviewing student activity fund reconciliations, preparing the Medicaid Administrative Claims Reimbursement requests, assisting schools with activity funds and assisting other staff in the Finance Department as needed. The accounting clerk is responsible for data entry for the department and assists the executive director of Finance on an as-needed basis. This organization does not provide appropriate segregation of duties for ensuring internal control.

At the time of this writing, the executive director of Finance and two paraprofessionals were performing all of the accounting duties. Many duties normally seen in an accounting office are not performed and the Finance Department is falling behind on many routine duties. For example, the district does not produce cash flow projections to determine cash needs; variance analyses to determine how the district's operations compare with the budget and the prior year at the same time period; or cash status reports to determine the amount of cash and investments the district has on a daily basis. The district does not have a long-range financial plan or multiple-year budgets. The general ledger is not reviewed on a monthly basis. Deposits are not recorded in a timely manner and are entered into the accounting records after the bank accounts are balanced with the accounting records. The bank reconciliations for the general fund are at least three months behind.

The district is attempting to fill the accountant position and has placed job vacancy announcements with a midpoint salary of $32,104 and a maximum salary of $51,475. The district has been unable to fill the vacancies in accounting since 1999-2000.

The external auditor's management letter has reported the lack of adequate staffing since 1999-2000. The 2000-01 management letter from the external auditors states, "During the course of the audit, we noted an ongoing problem appears to be understaffing in the Finance Department. This challenge continues to have the potential to negatively impact the district's ability to process transactions, and could ultimately have an impact on the ability of the department to continue to maintain the integrity of the district's financial records." As a result of the review of the district's financial statements for 2000-01, TEA's School Financial Audits Division directed the attention of the superintendent and board to this finding and the auditor's recommendation to take corrective action. The 1999-2000 management letter stated the vacancies "caused significant problems in the district's ability to meet its year-end reporting responsibilities, including maintaining the integrity of the district's financial records."

Edgewood ISD has a chief accountant and three other accountants in its Finance Department. Due to the complexities of school district accounting, an appropriately staffed finance department is essential for maintaining the financial integrity of a school district. Many districts contract for accounting services when they are not able to fill vacancies. For example, the Regional Education Service Center XI (Region 11) provides accounting services to districts through retired school business officials and the Regional Education Service Center IV (Region 4) provides accounting services on a contract basis for school districts.

Recommendation 79:

Obtain temporary assistance and add an additional accountant position to provide sufficient staffing.

In addition to the chief accountant position, implementing this recommendation increases the number of accountant positions in the Finance Department to two. One employee should be primarily responsible for the general ledger maintenance and the other should be primarily responsible for cash management. The district needs to redefine the chief accountant position. This structure would provide proper segregation of duties with oversight from the executive director of Finance. If the

district is unable to fill the vacant chief accountant and new accountant positions, NFISD should contract for temporary accounting services assistance with providers outside the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the executive director of Finance to develop a job description for the accountant position.	September 2002
2.	The superintendent directs the executive director of Finance to obtain and provide information from outside providers about temporary assistance for accounting services.	September 2002
3.	The superintendent requests and receives approval from the board to obtain temporary assistance for accounting services based on the information provided by the executive director of Finance.	September 2002
4.	The superintendent obtains temporary assistance for the Finance Department.	October 2002
5.	The superintendent presents the new position request to the board for discussion and approval.	October 2002
6.	The board approves the position.	October 2002
7.	The executive director of Finance advertises the job opening.	October 2002
8.	The executive director of Finance interviews and recommends an appropriate candidate for the position.	November 2002 – January 2003
9.	The superintendent recommends the candidate to the board for approval.	February 2003
10.	The new accountant begins working in the district.	March 2003

FISCAL IMPACT

The fiscal impact of this recommendation is based on the midpoint of the salary range for the accountant position and the associated benefits. The midpoint of the accountant position is $32,104 and the benefits associated with this position are $5,906 for a total annual cost of $38,010 ($32,104 x 9 percent of salary for variable benefits, or $2,889 + $3,017 for health insurance). The first-year costs are prorated six months based on the implementation date, for a 2002-03 cost of $19,008 ($38,010/12 = $3,168 x 6 months).

If the district obtains temporary assistance for the Finance Department in October, the district may incur additional costs. The review team requested budget information to determine the impact of this recommendation, but the district did not provide the information.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Obtain temporary assistance and add an additional accountant position to provide sufficient staffing.	($19,008)	($38,010)	($38,010)	($38,010)	($38,010)

FINDING

NFISD does not have enough employees coordinating grants. NFISD has had a full-time grant coordinator since 1999. The grant coordinator is responsible for identifying potential grant

opportunities, writing and submitting grant applications, monitoring grant awards, approving grant expenditures and submitting required reports to grantors. **Exhibit 7-9** shows grants in place at NFISD.

Exhibit 7-9
NFISD Grants 2001-02
April 2002

Grant	Description	Funding Awarded
21st Century Community Learning Centers Program	After school activities at: East Houston Intermediate School Rogers Elementary School Marshall Elementary School	 $103,000 (year two) $122,259 (year one) $103,109 (year one)
Texas After School Initiative for Middle Schools	After school program at Kirby Middle School, Keahey Intermediate School and Oak Village Middle School to increase academic achievement, reduce juvenile justice system referrals and increase parental and mentor involvement with students	$229,120
City of Houston After School Achievement Program	After school program at Kirby Middle School, Keahey Intermediate School and Oak Village Middle School to provide a safe, structured environment for students	$60,000
Texas Reading Academies	A six-week summer program for up to 150 students in grades 6-10 that are two or more years below grade level in reading	$95,000
READ for Texas Local Reading Improvement Grant	Program to provide students at Tidwell and Fonwood Elementary Schools with additional reading support in early childhood and early grade levels	$455,637
Comprehensive School Reform Demonstration Grant	Program for schools to implement reform models selected to fit school needs, awarded to Shadydale Elementary School, Forest Brook High School, Tidwell Elementary and Elmore Middle School	$150,000 per year per school for three years
Ninth Grade Student Success Initiative	Targets ninth graders at risk of dropping out of high school	$200,000
Department of Justice Community Coalition Grant	The district did not provide information concerning this grant.	$97,500 per year for four years

Source: NFISD Grant coordinator, April 2002.

NFISD plans to develop more grant writers among district teachers and administrators, but the grant coordinator has not had time to implement these plans. The grant coordinator does not have any paraprofessional assistance. Without a secretary, the amount of time the grant coordinator can spend researching grant availability, conducting staff development and monitoring grant expenditures and requirements is limited.

NFISD received $2.4 million in E-rate grant funds in 2000-01, but has not pursued the funds since that time. E-rate funds provide discounts of 20 percent to 90 percent to help districts pay for telecommunications services, Internet access and internal connections. Because of the district's high economically disadvantaged population, NFISD is eligible for an E-rate funding level to cover 83 percent of its E-rate-eligible costs. Other grant opportunities for technology-related grants are available through the Texas Center for Educational Technology (TCET). TEA's Technology Division

also provides information to school districts about grant opportunities. NFISD is not taking advantage of these opportunities.

By providing staff with extensive information and assistance in preparing and submitting grant applications, Fort Bend Independent School District has secured more than $4 million in external funding through their grants office. Responsibility for grant development was based on the size of the grant sought. Grant requests of $100,000 or more were developed and submitted by the grants office. For requests of less than $100,000, the grants office disseminated relevant information to the appropriate office or department and provided assistance developing the grant application.

Recommendation 80:

Hire a full-time secretary for the grant coordinator and hire an additional grant writer.

Having a full-time secretary would allow the coordinator to identify more grant opportunities, train other district personnel to write grant proposals and appropriately monitor grant expenditures. An additional grant writer would allow NFISD to pursue more external grant funds to improve services provided to students.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The grant coordinator prepares and recommends a job description for a full-time secretarial position and an additional grant writer.	October 2002
2.	The superintendent requests and receives approval from the board to add the positions and related budgets.	November 2002
3.	The executive director of Human Resources advertises the positions.	December 2002–January 2003
4.	The grant coordinator, with consultation from the Human Resources Department, conducts interviews.	February 2003
5.	The full-time secretary position to the grant coordinator and the additional grant writer position are filled.	March 2003
6.	The grant writer researches and applies for additional grants, including E-rate and other grant funding.	March 2003

FISCAL IMPACT

Assuming that the district hires a secretary with five years experience to assist the grant coordinator, the cost would be $21,313 ($16,785 2001-02 actual salary + 9 percent benefits or $1,511 + $3,017 health insurance). Hiring a coordinator with 10 years experience as an additional grant writer would cost the district $40,338 ($34,239 2001-02 actual salary + 9 percent benefits or $3,082 + $3,017 health insurance). The total cost would be $61,651 per year ($21,313 + $40,338). The cost for the first year of implementation would be $30,826 for March through August ([$61,651/12 months] x 6 months).

Fully staffing grant coordination will allow NFISD to apply for and receive additional grant funds that will offset the additional personnel costs. By applying for and receiving E-rate grant funds, the district could earn additional revenue assuming that approximately 20 percent of the $545,696 2001-02 district technology budget, or $109,139 ($545,696 x .20) is for E-rate-eligible costs, including telecommunications services, Internet access and internal connections, and assuming that an 83 percent E-rate eligibility rate, would be received as additional annual revenue, for a total annual savings of $90,585 ($109,139 x .83).

The net fiscal impact in 2002-03 would be a $59,759 savings ($90,585 savings - $30,826 cost). For 2003-04 and future years, the net fiscal impact would be $28,934 savings ($90,585 savings - $61,651 cost).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hire a full-time secretary for the grant coordinator and hire an additional grant writer.	$59,759	$28,934	$28,934	$28,934	$28,934

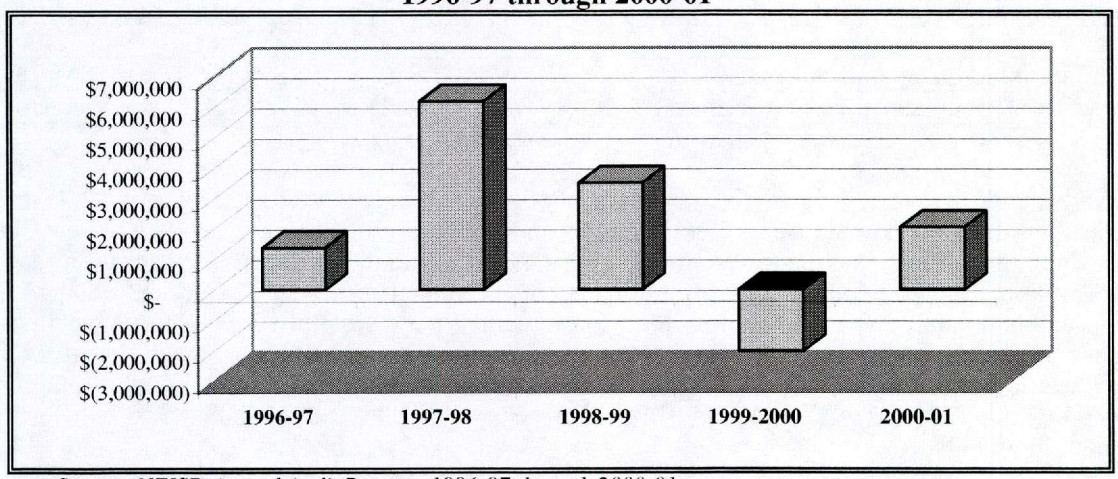
B. FUND BALANCE

A district's fund balance is a key indicator of a district's financial condition. School districts establish fund balances, also called reserve balances, to work similarly to a savings account. They can be a source of funds in case of an emergency, supply cash to pay bills when there are cash flow problems, or serve as a place to build up savings for large purchases not affordable in a single year, such as a new computer system.

Prudent financial management requires accumulating a balance in the general fund that is large enough to cover cash outflows that often occur during a school year. TEA sets optimum fund balances for the general fund. The formula for optimum fund balances calls for the general fund balance to equal the estimated amount needed to cover cash flow deficits in the general fund for the fall period of the following fiscal year plus estimated average monthly cash disbursements from the general fund for the nine months of the following fiscal year.

NFISD's general fund balance has fluctuated over the past five years. In 1998, NFISD's fund balance increased $4.8 million and then declined $3.1 million and $5.5 million in 1999 and 2000, respectively. **Exhibit 7-10** charts the general fund balance of the district from 1996 through 2001.

Exhibit 7-10
General Fund Balance
1996-97 through 2000-01



Source: NFISD Annual Audit Reports, 1996-97 through 2000-01.

Exhibit 7-11 presents the summary financial information underlying the changes in fund balance. Significant variances in expenditures for the general fund have occurred over this period of time, while revenues have varied to a lesser degree.

Exhibit 7-11
NFISD General Fund Revenue, Expenditure and Fund Balance
1996-97 through 2000-01

Description	1996-97	1997-98	1998-99	1999-2000	2000-01
Beginning Fund Balance	$2,176,870	$1,379,523	$6,196,304	$3,510,518	($2,030,004)
Revenues	$65,932,440	$67,692,867	$65,099,468	$63,562,503	$66,956,715
Expenditures	$66,729,787	$63,773,495	$68,235,115	$71,132,905	$63,360,671
Other Sources	$0	$1,607,409	$449,861	$2,029,880	$0
Other uses	$0	$710,000	$0	$0	$0
Prior Period Adjustment	$0	$0	$0	$0	$485,397
Ending Fund Balance	**$1,379,523**	**$6,196,304**	**$3,510,518**	**($2,030,004)**	**$2,051,437**

Source: NFISD Annual Audit Reports, 1996-97 through 2000-01.

FINDING

NFISD's general fund balance has fluctuated widely over the past few years. NFISD's general fund's fund balance is significantly less than TEA's calculated optimum fund balance. The optimum fund balance is a calculation required by TEA to determine if the district's general fund balance is at the appropriate level. **Exhibit 7-12** presents the optimum fund balance calculation for NFISD for the last three years.

Exhibit 7-12
Optimum Fund Balance Calculation
As of August 31, 1999 through 2001

Description	1999	2000	2001
General fund balance as of 8/31 (1)	$3,510,518	($2,030,004)	$2,051,437
Total reserved fund balance (2)	**$110,380**	**$265,439**	**$128,017**
Fall cash flow deficits (3)	$3,298,087	$0	$0
One month's disbursements (4)	$5,684,473	$4,958,857	$6,500,000
Optimum fund balance (5 = 2 + 3 + 4)	$9,092,940	$5,224,296	$6,628,017
Excess (deficit) general fund balance (1 – 5)	**($5,582,422)**	**($7,254,300)**	**($4,576,580)**

Source: NFISD Audited Financial Statements, 1998-99 through 2000-01.

NFISD's increase in fund balance from a deficit of $2.03 million in 2000 to a surplus of $2.05 million in 2001 was due to certain accounting adjustments and reductions in expenditures. The increase in the general fund balance is overshadowed, however, by the deficit in the workers' compensation fund of $1.87 million. The workers' compensation fund accounts for self-insurance of workers' compensation claims and is separate from the general fund. Consequently, the district effectively has a general fund balance of $183,512 ($2,051,437 – $1,867,925). Of this amount, $128,017 is reserved for inventory, which leaves the district with an undesignated and unreserved fund balance in the general fund of $55,495 ($183,512 - $128,017). This puts the district $6,444,505 ($6,628,017 - $183,512) below the optimum fund balance.

Many districts adopt a fund balance goal. Establishing a goal and creating a long-range financial plan to achieve it is the first step in regaining a district's financial strength. These districts closely monitor the effect of every decision on their fund balance. Often, the agenda items contain an impact statement on fund balance so the board is aware of the financial consequences of the decision. The monthly financial reports highlight the current fund balance and contain a projection for the ending fund balance based on revenue and expenditure patterns. Districts must have the financial strength to ensure continued operations to support the education of their students.

Recommendation 81:

Adopt a policy for establishing and maintaining target general fund balances.

The policy should establish a goal for fund balance as either a percentage of the general fund expenditures or as a number of months of general fund expenditures. This goal should be supported by a long-range financial plan to achieve the goal.

The district should monitor the impact of every decision on fund balance and should include projections of ending fund balance in all financial presentations.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent, assistant superintendent of Finance and Operations and executive director of Finance determine a reasonable goal for the general fund balance and a timeline to achieve the goal.	November 2002
2. The superintendent drafts a policy for fund balance that establishes the goal.	December 2002
3. The superintendent presents the fund balance policy and the timeline to the board for review and discussion.	December 2002
4. The superintendent presents the policy, with revisions as necessary, to the board and the board adopts the fund balance policy.	January 2003
5. The executive the director of Finance prepares the budget to include a provision for increasing the fund balance in accordance with the established timeline.	April 2003
6. The board supports the fund balance policy by adopting budgets that increase the fund balance.	August 2003
7. The executive director of Finance includes the current fund balance and the projected fund balance in the monthly financial reports.	Monthly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. BUDGETING

A school district's annual budget represents planned expenditures for the year and provides the basis for determining the tax rate. The budget process should be methodical and include phases for development, presentation and adoption.

First, the district must estimate its revenues to determine the amount of funds available for the budget year. Next, the district must estimate the expenditures for the budget year. The presentation phase should include opportunities for the administration and board to review and discuss the revenue and expenditure estimates and the underlying assumptions and needs on which these are based. The final step in the budget process is the adoption of the budget, which must occur before districts can spend funds. Once adopted, the budget becomes the legal authority for the district's expenditures. The budget controls expenditures and expenditures cannot exceed the budget. If an expenditure is going to exceed the budget, the administration must prepare, present and have a budget amendment adopted by the Board of Trustees before the expenditure is made.

In NFISD, state revenue estimates for the district are based on projected student enrollment and estimated property values. Other revenue estimates are based on historical trends considering any known changes that would affect those trends.

The schools are provided with a printout of last year's budget, actual expenditures, the current year's budget allocation and a column for the next year's budget. The schools, in conjunction with their site-based decision-making committee (SBDMC), prepare the budget for the next year and are responsible for ensuring their budget supports the campus improvement plan (CIP) and that appropriate funds are included in the plan to support school initiatives.

Departmental budgets are initially based on prior year budgets and funds necessary to support the services they provide. The instructional program budgets are based on the estimated revenues for each of those programs. The departments return their budgets to the Finance Department to be put into the finance software.

Once all budgets have been developed and put into the system, a preliminary budget is produced to begin the administrative budget discussions. The goal of the administrative discussions is to present a balanced budget to the board in order to preserve fund balance. The board has workshops to discuss the budget and holds a public hearing to give the community an opportunity to voice their concerns about the budget before it is adopted.

FINDING

The district does not use a formal method for projecting student enrollment to determine state funding for the next budget year. The assistant superintendent of Finance and Fiscal Affairs said the projected enrollment numbers are developed with the schools, the Curriculum and Instruction Department and the special program managers. The process used does not accurately capture the required information. In 2000-01, actual enrollment was 12,487, while the annual enrollment estimate was 11,390. The review team requested information for 1998-99 and 1999-2000 to further evaluate the enrollment projections, but the district did not provide the information to TSPR.

Projected enrollment is multiplied by the expected attendance rate to determine a projected average daily attendance (ADA). ADA is the most significant factor in determining the funding the district will receive from the state. Projected enrollment numbers are based on estimates provided by schools and program managers for how many students will be in the schools and programs. The projected enrollment not only affects the revenues the district will receive from the state, but also the amount of funds allocated to each school. The number of students expected to enroll at the school drives the non-personnel budgets at the school as funds are allocated at a set rate for each grade level. These allocations are not adjusted for actual enrollment until later in the year. The district has historical student enrollment information by grade level, but does not use this information in projecting student enrollment for budget purposes.

Many school districts use formal methods to estimate future enrollment. Wichita Falls ISD uses the cohort survival method to estimate enrollment for future years and this is the method used by most school districts. This method uses historical information for the number of students enrolled in each grade level. The methodology projects future enrollment based upon the transition rates from one grade to the next. The cohort survival method uses complicated calculations to project future enrollment. However, many districts use pre-established software or automated spreadsheets to help them make these projections. School districts that use this method accurately project their state funding and expenditures based on enrollment and remove the tendency to inflate enrollment projections.

Several formal methods for projecting enrollment are available from the Texas Association of School Business Officials (TASBO). The spreadsheets developed to apply these methods to the district's student enrollment and attendance numbers are available on the TASBO Web site, <www.tasbo.org>,

at no cost. TASBO does provide training sessions that explain the methods in detail and how to use them properly.

Recommendation 82:

Use a formal method to project student enrollment for budget purposes.

The assistant superintendent of Finance and Operations and the executive director of Finance should attend a workshop on using formal methods to project enrollment. This will allow them to determine which method is best suited for NFISD and how to properly use the method selected.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the assistant superintendent of Finance and Operations and the executive director of Finance to use a formal method to project student enrollment.	November 2002
2. The assistant superintendent of Finance and Operations and the executive director of Finance attend training to gain an understanding of the methods available.	December 2002
3. The assistant superintendent of Finance and Operations and the executive director of Finance determine which method is best suited for the district.	December 2002
4. The executive director of Finance gathers the historical student enrollment information necessary to use the method selected.	January 2003
5. The executive director of Finance inputs the necessary information and prepares the student enrollment projections.	January 2003
6. The executive director of Finance reviews the enrollment projections with the superintendent and assistant superintendent of Finance and Operations to determine if any factors might influence the projections.	February 2003
7. The executive director of Finance uses the enrollment projections to calculate a projected ADA to use in the state funding formula and to allocate funds to the schools.	March 2003 and Annually

FISCAL IMPACT

The fiscal impact of this recommendation is based on the cost of training two staff in the first year of implementation and training one person annually thereafter. The average cost of TASBO training courses is $125 and the cost of travel and related expenses to Austin is estimated to be $200 per person for a total cost per person of $325. For 2002-03, the cost is estimated to be $650 ($325 x 2 staff) and for future years, the cost is estimated to be $325.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Use a formal method to project student enrollment for budget purposes.	($650)	($325)	($325)	($325)	($325)

FINDING

The district does not use multiple-year budgets to determine the impact of current budget decisions on future years. The district is not able to determine whether resources will be available to meet the

needs of the district in the future. After taking into account the $1,867,925 deficit fund balance in the workers' compensation fund, the unreserved, undesignated fund balance for the general fund of $55,495 does not provide any assurance that the district can meet its future financial needs.

The board is not involved in the formal budget process until the administration has developed a balanced budget. The board is presented a balanced budget that is compared to the prior year's budget. Actual expenditure information is not used for comparison purposes in board presentations. Without comparing the prior year expenditures or current year expenditures to the proposed budget for the next fiscal year, the board does not have any insight into how the funds are actually spent or the district's future needs.

Some districts use multiple-year budgets to provide the administration and the board with a forecast of the district's ability to continue to support the educational program. For example, Eanes ISD (EISD) presents multiple-year forecasts for the general fund and debt service fund as part of the budget process. EISD bases its multiple-year budgets on historical trends of the district for enrollment, property values, state funding and expenditures. EISD uses growth factors for expenditures based on increases in prior years and student enrollment projections. Based on the trends for these resources and uses, EISD is able to project future resources and requirements to determine the probable financial condition of the district in the future. Districts often prepare the multiple year budgets for a three- to five-year period which helps districts to determine the impact of budget decisions beyond the current year.

Recommendation 83:

Develop a multiple-year budget to determine the impact of current budget decisions on future years.

The district should use multiple-year budgets to help the board determine the impact of current budget decisions on the future budgets. These budgets should be developed using historical trends, such as the declining student population.

The budget process should also compare prior budgets to actual revenues and expenditures so the board can determine how closely the budget reflects district operations. This will help the board use the multiple-year budgets for decision-making purposes.

The superintendent should involve the board in the budget process as soon as practical to give the board opportunities to contribute to the process. This will also give the board ample time to understand the impact of the budget decisions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the executive director of Finance to develop multiple-year budgets that demonstrate the impact of budgetary decisions on future years.	November 2002
2.	The superintendent schedules workshops with the board for early spring to compare current and prior budgets to the actual expenditures.	November 2002
3.	The executive director of Finance contacts other school districts for samples of multiple year budgets and prepares budgets for a five-year period based on current demographic trends of the district.	December 2002
4.	The executive director of Finance presents the multiple-year budgets to the superintendent and assistant superintendent of Finance and Operations for discussion and review.	January 2003

5. The executive director of Finance makes any needed changes in the multiple-year budgets and prepares them for presentation to the board.	January 2003
6. The superintendent and executive director of Finance present the multiple-year budgets to the board for review.	February 2003
7. The executive director of Finance prepares the proposed budget with comparisons of prior year budgets to actual expenditures and updates the multiple-year budgets to include changes resulting from current budget decisions.	March through August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

D. ACCOUNTING AND INTERNAL CONTROL

Accurate, timely financial reports are critical tools for a district's administration and board. Payroll is the largest expenditure in a district's budget, so it must be accurate. Internal controls must be present to safeguard a district's assets from misappropriation.

NFISD uses Pentamation software to maintain its financial records. This software is comprehensive and provides all the information necessary to manage the district's finances, including the general ledger, subsidiary ledgers and comparative financial reports for both the current period and year-to-date. The Pentamation software produces the information necessary to fulfill the requirements for reporting financial information to PEIMS, which is required by the Texas Education Code. The system also accounts for revenues and expenditures based on the fund, function, object, cost center and program intent codes described in the FASRG.

The Finance Department prepares and presents monthly financial reports to the board. The financial statements provide information on the amended budget, year-to-date revenues, year-to-date expenditures, the amount of the budget remaining and the percentage of revenue received or funds expended. The financial statements are presented for the general fund, special revenue funds, debt service fund and the capital projects fund.

The district is preparing for the implementation of Governmental Accounting Standards Board (GASB) Statement 34 about the financial reporting of governmental entities. GASB issues accounting and financial reporting rules for state and local governments throughout the U.S. GASB Statement 34, issued in June 1999, requires accountants to report capital assets in financial statements after depreciation. TEA requires all school districts to implement GASB 34 for fiscal 2002. The district has taken several steps to prepare for the implementation. During 2000-01, the assistant superintendent of Finance and Fiscal Affairs attended GASB 34 training sessions, had discussions and planning sessions with the external auditor and removed fixed assets worth less than $5,000 from the accounting records in the general fixed asset account group.

FINDING

NFISD does not have an accounting policies and procedures manual. An accounting procedures manual serves as documentation of a district's accounting policies and procedures and describes the controls in place and processes used to create and complete financial transactions. An accounting manual describes how procedures are performed and explains the purpose of procedures and how they relate to the internal control structure.

The organizational structure of the Finance Department has changed and while employees in other areas of the Finance Department have significant experience at their jobs, accounting is comprised of employees with less than one year of experience in the department. Without an accounting manual, the accounting employees do not have documentation to guide them in the performance of their duties. With the current vacancy in accounting, duties normally performed by that position might not be done since a procedures manual does not exist.

Many districts have accounting manuals that include the policies and procedures for accounting and other finance-related responsibilities such as accounts payable, payroll, budgeting, investments, cash receipts and financial reporting. These districts often have the superintendent adopt the accounting manual as a regulation or written directive from the superintendent to emphasize the importance of the accounting policies and procedures and to provide authority to them. Districts use these manuals to define the authority and responsibility of all employees in the Finance Department. Districts not only use the documentation of the accounting procedures to indicate which employee is responsible for specific tasks, but to indicate who can authorize transactions and who is responsible for the security of records and assets. These districts not only update the accounting manual annually, but they update them when a change occurs in the policies or procedures. Districts say the accounting manual is a valuable resource for training new employees and providing accountability.

Recommendation 84:

Develop an accounting manual for documenting financial policies and procedures.

An accounting manual would provide the district with a valuable training tool for new employees and a guide for existing employees on how the Finance Department operates. The manual would also improve accountability by defining the responsibilities of each employee.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the executive director of Finance to develop an accounting manual.	November 2002
2.	The executive director of Finance and the assistant superintendent of Finance and Operations meet to discuss the content of the accounting manual.	December 2002
3.	The executive director of Finance prepares the accounting manual to include all procedures as they are actually performed and defines the responsibility of each employee.	January 2003
4.	The executive director of Finance includes all policies related to the Finance Department in the accounting manual.	January 2003
5.	The executive director of Finance submits the completed manual with the superintendent and assistant superintendent of Finance and Operations for their review and approval.	February 2003
6.	The executive director of Finance distributes the manual to all budget managers.	March 2003
7.	The executive director of Finance updates the manual.	Annually and As Needed

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district's bank accounts are not reconciled in a timely manner and therefore the amount of cash recorded in the financial records of the district does not reflect the actual cash balance of the district. Bank account reconciliation is a process whereby bank transactions are methodically compared to district transactions for a given period. Timely reconciliation of bank accounts is important to ensure that errors or irregularities are identified and corrected.

As of May 2002, the general fund bank account had not been reconciled since December 2001. The reconciliation process is manual. Outstanding checks are entered by hand and the district does not receive a computer file listing checks that have cleared the bank. This lack of automation slows the process.

The 2001 management letter from the external auditors addressed the issue of late bank reconciliations. TEA concurred with the recommendation made by the external auditor that the district should reconcile the bank statements on a monthly basis.

In order to make the bank balance for cash match the ledger balance for cash, the district had to take into account more than $22 million of outstanding and unrecorded items. These outstanding and unrecorded items dated back to September 2001, but as of May 2002 had not yet been booked to the district's accounting records. Some of the reconciling items include revenues received from TEA and fund transfers between accounts and unrecorded deposits. The outstanding adjustments on the bank reconciliations indicate the general ledger does not reflect the actual cash position of the district.

The activity fund bank accounts are also not reconciled in a timely manner. **Exhibit 7-13** presents the last bank reconciliation received by the Finance Department for the various activity fund accounts and the balance in the bank for the month they were received. Fewer than one-third of the accounts were reconciled in a timely manner.

Exhibit 7-13
Activity Fund Account Balances and Last Bank Reconciliation
Received by the Finance Department
May 23, 2002

Location	Balance From Last Bank Reconciliation Received	Month Last Bank Reconciliation Received
M. B. Smiley High	$48,832	April 2002
Forest Brook High	$64,503	April 2002
Thurgood Marshall Elementary	$3,292	April 2002
Tidwell Elementary	$2,213	April 2002
W. G. Smiley Vocational	$13,733	March 2002
Kirby Middle	$1,372	March 2002
Oak Village Middle	$26,075	March 2002
East Houston Elementary	$11,302	March 2002
Hilliard Elementary	$8,237	March 2002
Rogers Elementary	$9,752	March 2002
Shadydale Elementary	$8,142	March 2002
Keahey Elementary	$8,142	February 2002
Lakewood Elementary	$42	January 2002
Guidance Center	$34	January 2002
Fonwood Elementary	$15,784	October 2001
Total	**$221,455**	

Source: NFISD Finance Department, May 2002.

Effective internal controls dictate that the bank accounts be reconciled monthly and that the adjustments resulting from the reconciliation be posted immediately. Many school districts require the bank reconciliations be completed within 10 business days of receiving the bank statement. Many school districts also receive a list of checks that were paid each month from the bank in a format that can be loaded into the financial system to assist with the bank reconciliation process. For example, Wilmer-Hutchins ISD (WHISD) reconciles all 13 of its bank accounts within 10 business days of the receipt of the bank statements. By ensuring the bank accounts are reconciled on a timely basis, errors are discovered and corrected in a timely manner, the integrity of the general ledger is protected and excess cash can be invested safely.

Recommendation 85:

Reconcile the bank accounts on a monthly basis.

The district should contact the depository bank to determine if they can furnish electronic bank transaction listings that would allow a more automated reconciliation process. Any adjustments related to the reconciliations should be posted after the reconciliation is completed.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the executive director of Finance to reconcile the bank statements monthly.	September 2002
2.	The executive director of Finance contacts the bank to determine if the bank is able to provide an electronic listing of the checks paid during the month the district can load into the financial system to assist in the bank reconciliation process.	September 2002
3.	The executive director of Finance ensures the bank statements are reconciled monthly.	Monthly
4.	The executive director of Finance reviews and approves the bank reconciliations and related adjusting entries.	Monthly
5.	The executive director of Finance reviews the bank reconciliations with the assistant superintendent of Finance and Operations.	Monthly
6.	The assistant superintendent of Finance and Operations reports to the superintendent concerning the completion of the bank reconciliations.	Monthly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The review team noted that the payroll check stock was left unsecured, sitting in boxes on the floor beside a cabinet in the Payroll office. The only security for the check stock is the vigilance of the Payroll Department employees and the outside door that locks.

Payroll checks can be cashed at a variety of locations and, if stolen and forged, could be cashed by almost anyone with an identification card. If the check stock was stolen, the district would have to stop payment on all the checks missing to prevent loss of funds. This would make it difficult for employees to cash or deposit legitimate payroll checks.

Many districts require check stock to be secured in locked cabinets or safes. For example, Wichita Falls ISD secures all check stock in the Finance Department vault and delivers the check stock to data processing each time checks are issued.

Recommendation 86:

Secure the payroll check stock in a locking file cabinet and control access to cabinet keys.

The district should purchase a locking two-door file cabinet so all check stock can be stored in a secure location. Access to the cabinet should be restricted to the payroll accountant and executive director of Finance in order to further safeguard the check stock. This safety measure should be added to the policies and procedures manual for the Finance Department.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the executive director of Finance to secure the payroll check stock. — September 2002
2. The executive director of Finance secures the check stock in a locked, fireproof cabinet or safe. — September 2002
3. The executive director of Finance includes procedures on securing check stock in the Finance policies and procedures manual. — November 2002

FISCAL IMPACT

The district can expect to spend approximately $1,500 for a durable two-door locking upright cabinet.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Secure the payroll check stock in a locking file cabinet and control access to the cabinet keys.	($1,500)	$0	$0	$0	$0

FINDING

The district has paid an employee both workers' compensation payments for injuries sustained while on the job and the employees' regular pay. This practice does not provide an incentive for the employee to return to work. NFISD paid a bus driver injured in October 2001 both workers' compensation benefits and regular pay until January 2002. The Payroll accountant said that Payroll was not informed when employees went on workers' compensation.

The district's policy says an employee cannot receive both workers' compensation benefits and be paid for sick leave. Policy DEC (Local) Leaves and Absences states:

> "An employee eligible for workers' compensation wage benefits, and not on assault leave, shall indicate whether he or she chooses to:
> 1. Receive workers' compensation wage benefits; or
> 2. Use available paid leave. Workers' compensation wage benefits shall begin when:
>   a. Paid leave is exhausted; or
>   b. The employee elects to discontinue use of paid leave; or
>   c. Leave payments are less than the employee's pre-injury average weekly wage."

Board policy CRE (Legal) states, "The board may provide that while an employee is receiving weekly workers' compensation benefits, the employee may elect to receive previously accrued sick leave benefits in an amount equal to the difference in the weekly workers' compensation benefits and the weekly compensation the employee was receiving before the injury that resulted in the claim, with a proportionate deduction in the employee's sick leave balance. Labor Code 504.052, 29 CFR 825.207(d) (2); Atty. Gen. Op. JC-0040 (1999)." The district's "Local" version of this "Legal" policy does not address this.

The district does not have procedures in place to ensure that Payroll was informed when employees received workers' compensation benefits. The third-party administrator for workers' compensation generates the checks for workers' compensation payments. The lack of a procedure to notify Payroll of employees receiving workers' compensation benefits can allow employees to receive both their full pay and workers' compensation benefits.

Some districts allow employees to collect the portion of their pay that when combined with the workers' compensation benefits equals their normal wage. This effective practice allows the employee to maintain their standard of living while out of work due to a job-related injury.

Recommendation 87:

Implement procedures to ensure that employees cannot receive full workers' compensation benefits while also collecting the full amount of their paycheck.

The district should not pay employees their regular wage while they are drawing workers compensation benefits. This practice does not provide an incentive for the employee to return to work. The district should change their policy to allow payments under CRE (Legal) and should change DEC (Local) accordingly.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the executive director of Finance to stop making payments of full wages to employees absent due to an injury sustained on the job unless they have elected to use their sick leave instead of accepting workers' compensation payments.	September 2002
2.	The executive director of Finance stops payments of full wages to employees on workers' compensation.	September 2002
3.	The superintendent takes the related policies to the board for review, revision and approval.	October 2002
4.	The executive director of Finance and the risk manager develop procedures to ensure that payroll is notified when employees receive workers' compensation payments.	October 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not maintain central timesheets for all employees. The timesheets are maintained by the individual schools and departments and there are few controls in place to ensure employee timesheets accurately represent the time worked on the job.

For example, the NFISD Police Department (NFPD) uses a single sign-in sheet to document hours at work instead of individual timesheets. NFPD allows all officers access to the official timesheet, which has resulted in tampering with the timesheets by employees. The sign-in sheet is turned in weekly for payroll calculation. In at least one instance, an employee took white correction fluid and covered a supervisor's sign-in for a week. While the correction fluid was easily noticeable and the problem was fixed by the supervisor, the sign-in log is an official record of the district used to calculate pay and should not be modified.

Maintaining accurate government records is important enough for the Texas Legislature to make tampering a criminal offense in some circumstances. Texas districts, both large and small, often have procedures for securing the accuracy of their documents.

Recommendation 88:

Develop procedures to ensure timesheets are maintained and accurately reflect the time employees work.

The district should review all timesheet procedures to ensure they are properly maintained. If the timesheets have changes or corrections on them, the employee and supervisor should initial corrections to the timesheet to ensure the accuracy of the changes.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Finance and Operations directs the executive director of Finance to develop procedures to ensure timesheets are appropriately maintained.	September 2002
2. The executive director of Finance meets with the payroll accountant, department managers and principals to discuss how timesheets are maintained in the district.	September 2002
3. The executive director of Finance develops procedures to ensure timesheets are apporpriately maintained and accurately reflect the time employees work.	October 2002
4. The executive director of Finance presents the procedures to the assistant superintendent of Finance and Operations for review and approval.	October 2002
5. The executive director of Finance implements the procedures.	November 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD does not track compensatory time earned by employees on a districtwide basis. Compensatory time is instead kept by individual departments and schools. For example, compensatory time accrued by district police officers is kept manually by the Police Department secretary. The secretary has been in the department for a number of years and said that the district Payroll Department did not want the compensatory time reported to them. The secretary has a good grasp of federal Fair Labor Standards Act (FLSA) requirements and is applying the rules correctly.

NFISD board policy DEA (Local) states, "Compensatory time earned by nonexempt employees may not accumulate beyond a maximum of 60 hours. Compensatory time shall be used within the duty

year in which it is earned. Use of compensatory time may be at the employee's request or as determined by the employee's supervisor to protect the district's schedules and activities." Since the district does not record compensatory time centrally, no individual or department can ensure overall compliance with the district's policy.

Keeping compensatory time balances in the payroll system allows balances to be automatically calculated so time reports are updated as timesheets are turned in to payroll. Reporting compensatory time to payroll like other types of leave allows the district to manage its uncompensated absences balance. True compensatory time is considered time earned under federal law and must be paid upon termination if it is not used.

Many governments track compensatory time through payroll or other automated systems. For example, Donna ISD tracks compensatory time through the financial software's payroll module for financial management. The software helps ensure compliance with the regulations affecting the accrual and use of compensatory time.

Recommendation 89:

Develop a procedure and form for reporting compensatory time through the payroll system.

The district should develop procedures for ensuring compensatory time is recorded through the payroll system in order to manage its accrual and use. The absence from duty report should be modified to include compensatory time or another form should be developed.

The district should review payroll activities in all departments to determine if there are any other manual compensatory time logs. Employees should confirm the amount of leave before the time is entered into the payroll system to correctly reflect all outstanding leave balances.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the assistant superintendent of Finance and Operations to develop procedures for tracking and reporting compensatory time.	October 2002
2. The assistant superintendent of Finance and Operations meets with the executive directors of Finance and Human Resources and the Payroll accountant to determine the best way to report and record compensatory time earned and used.	October 2002
3. The assistant superintendent of Finance and Operations and the executive directors of Finance and Human Resources develop procedures and a form for reporting compensatory time through the payroll system.	November 2002
4. The assistant superintendent of Finance and Operations presents the procedures to the superintendent for review and approval.	November 2002
5. The assistant superintendent of Finance and Operations implements the procedures and ensures they are followed.	December 2002

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Schools and departments do not have access to the financial software and are unable to get current budget and expenditure information. The lack of current and reliable financial information makes it difficult for the schools to properly manage their budgets. The district's Pentamation financial system is capable of providing online information that meets these criteria. Several principals said they do not have access to the software because of the lack of an infrastructure for supporting Pentamation on the campuses. The assistant superintendent of Finance and Fiscal Affairs stated that the infrastructure was not available to support the financial software. The director of Technology and Information Services said the infrastructure could support the budget module at the schools, but that they do not have access to the software. The infrastructure was put in place over the last two years in most schools. Some schools still do not have the appropriate infrastructure in place to be able to use the financial software.

The schools rely on historical monthly reports generated by the Finance Department and do not have current financial information available to them. The principals view the reports as timely and useful when they are received each month. One principal said that school officials keep their own set of books to keep up to date on the amount of funds available. Budget managers keep a second set of books to determine whether or not they have funds available, which is an ineffective use of the limited human resources.

Many school districts have financial information available online for all budget managers and have trained the budget managers to use the system. These school districts' budget managers make better decisions when they have current financial information available at their school or department. The central office business office staff do not produce monthly reports centrally and distribute to the campuses because the schools have on line access to the information and are able to print reports if they need them.

Recommendation 90:

Provide schools with access to the current financial information available in the financial system.

Timely, accurate and useful financial information is critical for schools to properly manage their budgets. Providing the information online would also eliminate the need for schools to maintain a second set of books to determine if they have funds available.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent directs the director of Technology and Information Services to work with individual schools and the Finance Department to develop a plan to provide Pentamation to the schools.	November 2002
2.	The director of Technology and Information Services, the executive director of Finance and the individual schools determine the level of access to be given to the schools.	December 2002
3.	The director of Technology and Information Services and the executive director of Finance review any possible security issues associated with opening the Pentamation system to additional users.	December 2002
4.	The executive director of Finance, along with the director of Technology and Information Services prepares training materials for the schools for using the Pentamation system.	January 2003

5. The Technology and Information Services Department installs the Pentamation software at the schools and ensures the infrastructure will support its use.	January 2003 – March 2003
6. The director of Technology and Information Services and executive director of Finance train the necessary district employees to use the system.	March 2003
7. The schools use the financial information on the Pentamation software to make informed decisions.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources because the district already uses the Pentamation software.

E. INTERNAL AND EXTERNAL AUDITING

Internal auditing is an independent appraisal responsibility performed within the district to evaluate the efficiency and effectiveness of district operations and make recommendations based on the evaluations to improve district processes, policies and procedures. Internal audits are used to monitor compliance with laws, regulations and policies and to provide special reports and analyses to the board and administration.

TEC section 44.008 requires school districts to undergo an annual external audit performed by a certified public accountant. The scope of the external audit is financial in nature and is designed to provide reasonable assurance that the financial statements present the financial condition of the district fairly. The external audit also reviews internal controls for material weaknesses and checks for compliance with laws, rules and regulations.

Sanderson Knox & Belt, L.L.P. performed NFISD's annual financial and compliance audit for fiscal 2001. R.E. Bassie & Co., P.C. performed the external audit for fiscal 1999 and 2000. All of the audit reports stated that the financial statements of the district taken as a whole fairly presented the financial condition of the district and that no material weaknesses in internal controls were found by the auditors.

FINDING

NFISD's internal auditor position has been vacant since April 2001. The district has not posted the vacancy. No independent organization exists in the district to monitor compliance with board policies, regulations or laws. The only review of internal control and compliance by an independent entity is the external audit. The superintendent said the position is on the organization chart and in the budget and there are plans to fill the position, but the district has not demonstrated that intent because the vacancy is not posted.

The board approved an internal audit charter in 1996. The internal audit charter mandates compliance with the Institute of Internal Auditors' (IIA) standards and ethics in performance of internal audit activities. The charter further states the internal auditor reports administratively to the superintendent and functionally to the board, meaning for example, that the superintendent supervises the internal auditor from the personnel management view, while the internal audit reports are distributed to the board for review and comment. The job description for the internal auditor mirrors the responsibilities outlined in the charter. According to the internal audit charter, the internal auditor is responsible for:

- appraising the effectiveness and application of administrative and financial controls and reliability of data that are developed in the district;

- evaluating the sufficiency of and the adherence to district policies and procedures, plans and compliance with governmental laws and regulations;
- ascertaining the adequacy of controls for safeguarding district assets and periodically verifying the existence of those assets;
- performing operational audits of district activities to ensure efficiency in the use of district resources;
- conducting special reviews requested by management and the Board of Trustees; and
- coordinating audit planning and scheduling activities with management of the NFISD audit committee and the independent auditors.

The internal auditor had procedures that described internal audit in general, stated the objective and scope of an internal audit, listed the professional standards applicable to internal audits and listed the operating practices and procedures for internal auditing. The internal audit practices and procedures listed the steps of the audit process as sending the engagement notice, holding a pre-audit meeting to discuss the scope and objectives of the audit, holding a closing conference to discuss the findings and recommendations, issuing the internal audit report and receiving the response and corrective action plan. The procedures did not specify any follow-up that would occur to determine if the corrective action plan was implemented or the effectiveness of the corrective action plan.

The internal auditor had an annual audit plan listing the areas scheduled for audit that included the estimated time necessary to complete each audit. The audit plan included audits of activity funds, fixed assets, transportation reports, student attendance and various departments in the district. The audit plan also included time for special reports requested by management and the board. Progress reports were prepared periodically to inform management of the status of and progress of the audit plan. The internal auditor issued reports that required responses from the area audited within 30 days stating the area's response regarding how they would address the internal audit's findings. In 1999-2000 and 2000-01, the internal auditor reviewed and reported on areas including transportation route services and cost reports, student and school activity funds and the accuracy of PEIMS data submitted to TEA.

The Texas State Auditor's Office (SAO) conducted a management audit of public schools and recommended that districts with annual expenditures more than $20 million or enrollment of 5,000 students or more have an internal auditor. The SAO views internal auditors as a tool for districts to use to improve operations. Often school districts with internal auditors save money by increasing efficiency and reducing fraud and theft.

Recommendation 91:

Hire an internal auditor.

The internal auditor should review the internal audit plans for 1999-2000 and 2000-01 to determine areas previously scheduled for audit. The internal auditor should review the issued audit reports. The internal auditor should develop an audit plan based on an assessment of the areas of highest risk in the district, including those contained in the audit plans and audit reports that indicated a follow-up requirement.

The internal auditor should review the procedures for the internal audit operation with the superintendent and board to determine if any changes are necessary. The procedures should include a follow-up provision to determine if the corrective action plan from the areas that internal audit reviewed was implemented and if the corrective actions taken by the area that was reviewed were effective.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent reviews the job description for the internal auditor and makes any appropriate changes and directs the executive director of Human Resources to post the job description and vacancy notice.	September 2002 – December 2002
2.	The superintendent selects and recommends a candidate to the board for approval.	December 2002
3.	The internal auditor reviews the internal audit plans for 1999-2000 and 2000-01 and the issued audit reports from prior years.	January 2003
4.	The internal auditor develops an audit plan based on an assessment of the areas of highest risk in the district and those deemed appropriate from the review of prior audit plans and reports.	January 2003
5.	The internal auditor reviews the procedures for the internal audit function after including a provision for follow-up on audits with the superintendent and board to determine if any changes are necessary.	February 2003
6.	The internal auditor implements the audit plan and procedures.	March 2003

FISCAL IMPACT

Since there is an existing budget for the internal auditor position, this recommendation can be implemented with existing resources.

FINDING

The district does not have a policy for the periodic competitive procurement of external audit services. Without such a policy, NFISD cannot ensure continuity in the process and ensure competitive fees. Although the district monitors audit fees and requests proposals every two or three years, the process is not found in policy. The last request for proposals was in June 2001 for the annual audit of 2000-01. The district changed external auditors based on the proposals received. The district requested a two-year proposal in order to have continuity during the implementation of GASB 34. **Exhibit 7-14** presents the expenditures for the annual external audit for 1996-97 through 2000-01.

Exhibit 7-14
NFISD External Audit Fees
1996-97 through 2000-01

Description	1996-97	1997-98	1998-99	1999-2000	2000-01
Audit Fees	$112,937	$44,134	$33,450	$33,750	$48,975

Source: TEA, PEIMS, 1996-97 through 2000-01; NFISD General Ledger, May 2, 2002.
Note: The audit fees for the audits of the preceding year are found in the following year's financial information as the audit work occurs after the end of the year.

From 1996-97 through 2000-01, the district used the services of three different firms for the annual external audit. While the fees decreased from 1996-97, the fee for the 2000-01 audit was $15,225 more than the fee for the 1999-2000 audit. The Government Finance Officers Association (GFOA) states in their recommended practice for audit procurement that "governmental entities should enter into multiyear agreements when obtaining the services of independent auditors. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "start-up" costs over several years, rather than over a single year."

The frequent change of external auditors can result in increased fees and a lack of continuity in the audit process.

The GFOA also recommends that governmental entities use a competitive process for the selection of independent auditors on a periodic basis and that the process actively seek all qualified firms available to perform the annual audit. Many school districts have established policies for the periodic use of a competitive process for the procurement of external audit services. San Benito Consolidated ISD (SBCISD) has a policy of seeking proposals every five years. Their policy does not exclude the possibility of the audit firm being re-engaged by the district when the proposals are received. The external audit firm for SBCISD has performed the annual audit for six years. SBCISD has continuity in the audit process and is assured the fees are competitive.

Recommendation 92:

Adopt a policy for the periodic competitive procurement of external audit services to provide continuity in the audit process and to ensure competitive fees.

The board should adopt a policy that requires the external audit services be competitively procured every five years. This will provide continuity of audit services and allow the audit firms to spread the start-up costs associated with audits over the five-year period. This policy will also provide the district with assurance that the fees charged are competitive.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent, assistant superintendent of Finance and Operations and the executive director of Finance meet and determine how often the district should seek proposals for audit services.	January 2003
2.	The superintendent contacts TASB policy services and other school districts for assistance in developing a policy for the competitive procurement of external audit services.	February 2003
3.	The superintendent presents the policy to the board for review and consideration and revises the policy, if necessary.	March 2003
4.	The superintendent presents the policy to the board for approval.	April 2003
5.	The superintendent distributes the policy and directs its implementation.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

F. TAX COLLECTIONS

Local school districts levy property taxes that provide a source of funding. The tax generally is composed of a maintenance and operations (M&O) component and an interest and sinking (I&S) component. The I&S tax rate may vary from year to year based on collections in prior years. If the district has sufficient funds in the debt service fund, it may lower the tax rate and use some of the fund balance to make the principal and interest payments on the bonds.

The M&O component of the tax cannot exceed $1.50 per $100 of assessed property value in most Texas school districts; however, NFISD is allowed a limit of $1.845. The voters authorized the limit in an election in 1959 before the state imposed the $1.50 cap on the M&O rate. The voters authorize the I&S component of the tax when they pass a bond issue and this component is limited to 50 cents per $100 of assessed property value. In 2001-02, NFISD's M&O rate was $1.62, while the I&S rate was $0.1244. NFISD budgeted 20.8 percent of its revenue in all budgeted funds for 2001-02 from local sources.

The county appraisal district appraises all school districts' property. All school districts adopt a tax rate that is applied to the assessed value, minus tax exemptions, to determine the amount of taxes to be levied. The district collects its own taxes. The tax office is comprised of the tax assessor-collector and four employees. The tax assessor-collector reports to the assistant superintendent of Finance and Operations. The tax assessor-collector presents a monthly report to the board on current and delinquent tax collections, refunds and fees collected. As of March 31, 2002, the district had collected 81.1 percent of the current year's levy. The district uses a law firm to collect delinquent taxes. The firm collects a 15 percent fee from the delinquent taxpayer.

Due to the inverse relationship between property wealth and state funding earned, poorer districts rely more heavily on state revenues and wealthy districts rely almost completely on local revenues. **Exhibit 7-15** presents the amount and percentage of local taxes, including penalty and interest, to total revenue NFISD received for 1997-98 through 2001-02. NFISD has relied on the local property tax for as much as 18.6 percent of its funding in 2001-02 to as little as 13.5 percent in 2000-01. The district receives the majority of its revenue from the state.

Exhibit 7-15
NFISD Comparison of Tax Collections to Total Revenue
1997-98 through 2001-02

Description	1997-98 (Actual)	1998-99 (Actual)	1999-2000 (Actual)	2000-01 (Actual)	2001-02 (Budget)
Tax Collections	$12,029,492	$12,384,034	$12,467,704	$12,848,726	$14,519,165
Total Revenue	$80,932,284	$82,749,736	$81,187,721	$95,280,048	$77,967,591
Percentage	**14.9%**	**15.0%**	**15.4%**	**13.5%**	**18.6%**

Source: TEA, PEIMS, 1997-98 through 2001-02.

Exhibit 7-16 presents the change in assessed property value and tax rate for the period of 1997-98 through 2001-02. The tax rates are broken down by each component and the total levy for each year is presented. The tax collections presented do not include penalty and interest.

Exhibit 7-16
NFISD Change in Property Value and Tax Rate and the Percentage of Taxes Collected to the Total Levy
1997-98 through 2001-02

Description	1997-98	1998-99	1999-2000	2000-01	2001-02*
Assessed Property Value	$617,037,240	$676,084,000	$723,817,053	$774,721,373	$895,667,373
M&O Tax Rate	$1.4500	$1.5000	$1.5000	$1.5600	$1.6200
I&S Tax Rate	$0.3423	$0.2923	$0.1423	$0.1844	$0.1244
Total Tax Rate	$1.7923	$1.7923	$1.6423	$1.7444	$1.7444
Tax Levy	$11,568,583	$11,988,699	$11,806,405	$13,288,900	$15,271,982
Total Tax Collections	**$11,170,241**	**$11,543,627**	**$11,317,119**	**$12,186,984**	**$12,392,064**
Percentage Collected to Levy	**96.6%**	**96.3%**	**95.9%**	**91.7%**	**81.1%**

Source: NFISD External Audit Reports, 1997-98 through 2000-01; NFISD Tax Office, 2001-02.
** Taxes collected through March 31, 2002.*

The district has a large number of delinquent taxpayers. As of August 31, 2001, delinquent taxes were 99.8 percent of that year's levy. **Exhibit 7-17** presents the tax levy and delinquent taxes for the 1997-98 through 2000-01 years.

Exhibit 7-17
Percentage of Delinquent Taxes to Tax Levy
1997-98 through 2000-01

Description	1997-98	1998-99	1999-2000	2000-01
Tax Levy	$11,568,583	$11,988,699	$11,806,405	$13,288,900
Delinquent Taxes Receivable	$11,578,559	$11,952,721	$12,090,019	$13,263,011
Percentage Delinquent to Levy	**100.1%**	**99.7%**	**102.4%**	**99.8%**

Source: NFISD Annual Audit Reports, 1997-98 through 2000-01.

Of the delinquent taxes due August 31, 2001, the district considers 59.6 percent uncollectible. The tax assessor collector said that the appraisal district is unable to locate the taxpayers and that the district receives a large number of returned tax statements. These taxpayers are considered unknown taxpayers since they cannot be located. While unknown property owners make up less than 0.4 percent of the assessed property value, in aggregate they are number 32 on the list of top taxpayers, or those who pay the most tax. The list ranks the district's taxpayers from largest to smallest, with the largest taxpayer at number one.

The tax assessor collector also stated that the district had stopped foreclosing on taxpayers since the property could not be sold at a tax sale. The district has an agreement with Harris County for them to hold the property in trust that is removed from the tax rolls. The district uses constable sales to sell property held in trust by Harris County. The district resumed foreclosing on property in 2001 and the tax assessor collector believes this will help in the collection process.

FINDING

NFISD began accepting credit card payments for both current and delinquent taxes on March 30, 2002, which simplifies and automates the process for taxpayers. The district entered into an agreement with Official Payments Corporation (OPC) that allows taxpayers to use a credit card to pay their property taxes to the school district. The taxpayers can either pay their taxes over the telephone or online over the Internet. Section 31.06 of the Texas Property Tax Code allows taxing entities to accept credit card payments for taxes.

The agreement with OPC states that the taxpayers will be charged a fee for using the service. The fee paid by the taxpayer can be a minimum of $3 up to less than 2.5 percent of the taxes paid; the amount paid by each taxpayer depends on the amount of their taxes. The agreement also states that OPC will not charge the school district any fees for providing the service to the district. When a taxpayer uses the service, the taxpayer is informed of the amount charged to their credit card and the amount of the fee. OPC obtains authorization from the taxpayer for the total amount of the transaction. OPC will send the taxpayer an electronic confirmation of the transaction. Two charges will show up on the taxpayer's credit card statement, one for the tax amount and another for the OPC convenience fee.

OPC provides the district with promotional materials to notify taxpayers of the service. The district anticipates this service will help them increase their tax collections. Due to the timing of the approval of the agreement and the time necessary to establish the service, the district did not collect any taxes through OPC as of April 24, 2002.

COMMENDATION

NFISD has simplified its tax payment process for taxpayers by accepting credit card payments.

PURCHASING

Chapter 8

PURCHASING

This chapter reviews the North Forest Independent School District's (NFISD) purchasing functions in the following sections:

A. Purchasing and Warehouse Services
B. Contract Management
C. Textbooks

Efficient purchasing requires that management processes ensure supplies, equipment and services vital to the school's educational mission are purchased from a competitive source, in the right quantity, delivered timely to the correct location and stored in a secure location. Each purchase must meet these criteria without sacrificing quality.

A. PURCHASING AND WAREHOUSE SERVICES

In 1995, the Texas Education Code (TEC) was revised to expand school district purchasing options by adding three new methods of competitive procurement: design-build contracts, competitive sealed proposals, and request for proposals for personal property and construction contracts. In 1997, the legislature included two additional methods: job order contracts and contracts using construction managers. In 2001, the legislature added yet another method of competitive procurement: the reverse auction procedure. With these additions, school districts have nine possible methods for competitively purchasing goods valued at $25,000 or more, or for multiple like items with a cumulative value of more than $25,000 in a twelve-month period (**Exhibit 8-1**).

Exhibit 8-1
Competitive Procurement Methods

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

Exhibit 8-1 (continued)
Competitive Procurement Methods

Purchasing Methods	Method Description
Design/build contract	Outlines a method of project delivery in which the school district contracts with a single entity for both the design and construction of a project. (The single entity is usually a team of firms including a general contractor, architect and sometimes an engineer. One firm rarely does both the design and the construction.)
Job order contracts	Provides for the use of a particular type of contract for jobs (manual labor work) for minor repairs and alterations.
Construction management contracts	Outlines the use of a contract to construct, rehabilitate, alter or repair facilities using a professional construction manager.
Reverse auction procedure	Outlines a bidding process that involves submission of bids by multiple suppliers, unknown to each other, in a manner that allows the suppliers to bid against each other.

Source: Texas Education Agency's (TEA) Financial Accountability System Resource Guide, 2000 and Legislative Briefing Book, 2001.

For purchases valued between $5,000 and $25,000, school districts are required to obtain quotations from at least three suppliers including a formal written and sealed bid if the purchase is between $10,000 and $24,999. Purchases less than $5,000 can be made if quotations are acquired from one to three vendors.

In 1999, the Office of the Attorney General issued an opinion (Op. JC-37) stating that school district procurement through an interlocal agreement or a cooperative purchasing arrangement satisfies competitive bidding requirements. Under an interlocal agreement, a district can contract or agree with another local government, including a nonprofit corporation that is created and operated to provide one or more governmental services, to purchase goods and services reasonably required for the installation, operation or maintenance of the goods.

School districts must advertise bids for purchases worth $25,000 or more at least once a week for two weeks in any newspaper published in the county in which the district is located.

Exceptions to competitive bidding requirements include contracts for professional services, including architect fees, attorney fees and fees for fiscal agents. The TEC also allows a district to purchase items that are available from only one source, sole-source purchases, if certain criteria are met, including:

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

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

Exhibit 8-2 presents a summary of state-mandated purchase and bid approval processes based on purchasing guidelines included in the TEC.

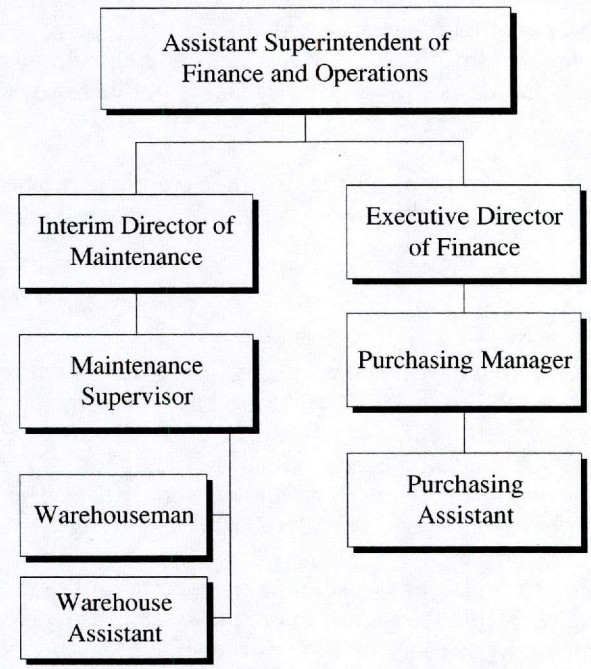
Exhibit 8-2
Bid and Purchasing
State-Mandated Approval Process

Purchase Levels	Bid Requirements (if no bid or contract exists)	Approval Requirements
$25,000 and greater	Formal sealed bid	• User department/school approvals; • Purchasing director; • Superintendent or designee; • Board of Trustees.
$10,000 to $24,999	Formal quotations from three vendors (written and sealed)	• User department/school approvals; • Purchasing director; • Superintendent or designee.
$5,000 to $9,999	Quotations from three vendors (telephone, fax or written)	• User department/school approvals; • Purchasing agent.
$0 to $4,999	Quotations from one to three vendors (telephone, fax or written)	• User department/school approvals; • Purchasing clerk.

Source: Texas Education Code 44.031(a); (b).

The NFISD Purchasing Department falls under the direction of the assistant superintendent of Finance and Operations. The Purchasing manager handles the day-to-day purchasing functions for the district. **Exhibit 8-3** shows the organizational structure of the purchasing and warehousing functions in NFISD.

Exhibit 8-3
NFISD Purchasing and Warehouse Department
Organization Chart*



Source: NFISD Purchasing and Warehouse Departments, April 2002.
**This organizational chart presents the positions involved in the warehouse functions.*

The central administration building at 7201 Langley Road houses the Purchasing Department. The district's warehouse stocks a range of supplies including paper, binders, file folders, educational and art supplies and custodial supplies for district distribution. The district's Food Services Department also maintains a supply of food items. Inventory values as of August 31, 2001 for the central supply

warehouse and the food service warehouse were $128,017 and $40,882, respectively. The Maintenance and Transportation Departments also stock parts inventories, but these items are expensed upon acquisition and no inventory values are carried on the district's balance sheet.

The district uses a financial accounting system developed by SUNGUARD Pentamation, Inc. The system contains modules to handle general-ledger accounting, fixed-asset accounting, budgeting, purchasing and human resources management. The district uses a system called Delta for its student accounting.

All schools and departments are required to complete and submit paper requisition forms to the Purchasing Department. After the Purchasing Department reviews and approves the paper requisition, the Purchasing Department staff enters all transactions into the Pentamation system to encumber the required funds and issues a paper purchase order. The Purchasing Department then distributes purchase orders in the following manner:

- Original purchase order is sent back to originator or to vendor;
- Gold copy of purchase order is sent back to originator for permanent records;
- Pink copy of purchase order is sent to originator to be used as a receiving copy;
- Yellow copy of purchase order is sent to Accounts Payable Department; and
- Green copy of purchase order is kept in the Purchasing Department as encumbrance documentation.

The Purchasing Department is responsible for determining when items must be bid or quotes obtained. The Purchasing Department obtains all quotes for items estimated to cost between $10,000 and $24,999. When the anticipated value of an item is $25,000 or more, the department is responsible for developing bid specifications, advertising the bids according to TEC requirements, receiving bids as they are submitted by vendors, conducting public bid openings and tabulating bid results. NFISD's purchasing policies require that all purchases valued at $25,000 or more in the aggregate for each 12-month period, except purchases of produce or vehicle fuel, be made by competitive bidding, competitive sealed proposals, requests for proposals, catalog purchases or through interlocal agreements.

The interim director of Maintenance manages the district's warehouse. The warehouse staff is responsible for receiving orders from schools and departments, processing those orders and delivering the goods to the requester.

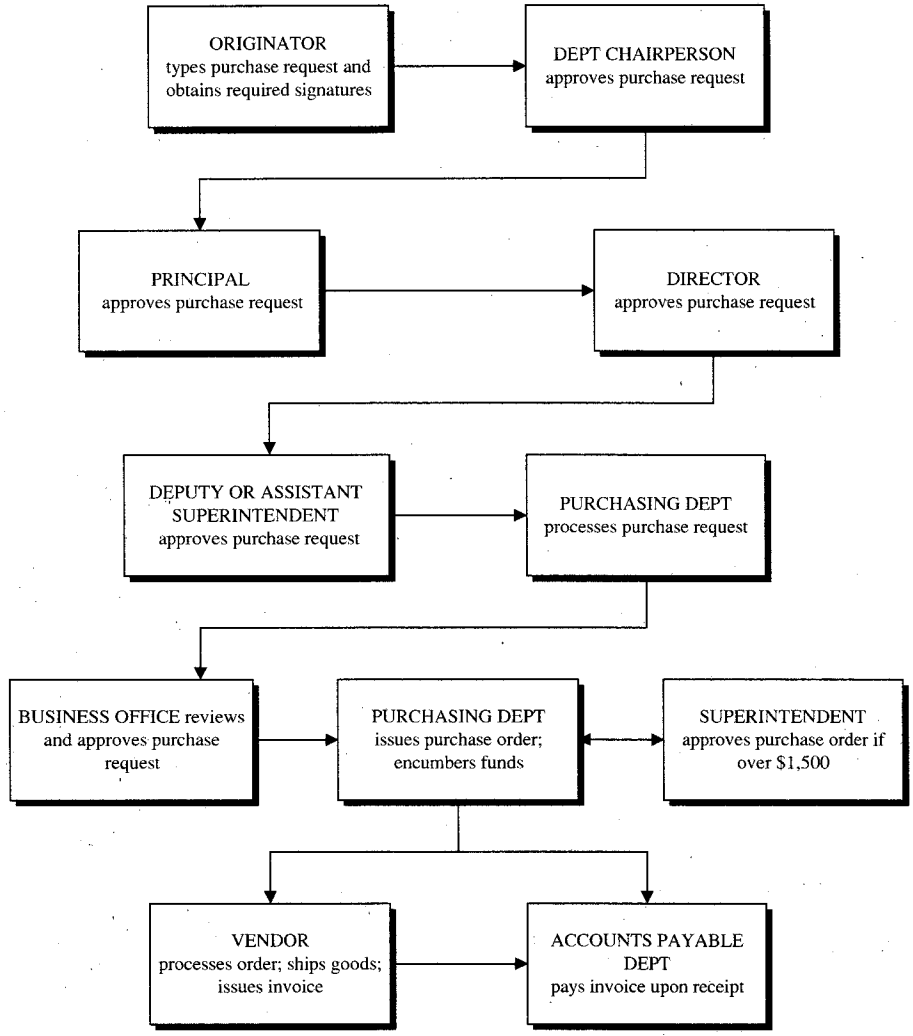
FINDING

NFISD's purchasing process is manual and cumbersome and results in delays in the procurement of goods and services in the district. The district's software has an automated purchasing feature that is not fully being used. The feature allows for decentralized entry of purchase requisitions and electronic approval routing. Schools and departments have the option of entering their purchase requests directly into the system rather than typing a paper requisition. The system can then electronically route the purchase request to a pre-established approver for authorization.

Initially, the automated purchasing feature was not being used because schools and departments lacked the necessary wiring to enable remote access to the system. However, all departments and schools now have the connectivity in place to allow for on-line access to the purchasing system. According to the district's director of Technology and Information Services, the only barrier to implementing the automated purchasing feature is that staff members have not been trained.

According to the district's Purchasing Procedures Manual, all purchase requests must be typed and approved prior to being submitted to the Purchasing Department. The diagram in **Exhibit 8-4** details the approval process for purchase orders in the district.

Exhibit 8-4
NFISD's Purchase Order Approval Process



Source: NFISD's Purchasing Procedures Manual, April, 2002.

As the exhibit shows, a purchase request must go through four levels of approval before being submitted to the Purchasing department. These four approvals include the department chairperson, principal, director and deputy or assistant superintendent. After being received by the Purchasing Department, a purchase request must receive two additional approvals from the assistant superintendent of Finance and Operations and the Purchasing manager; if the total amount of a purchase request is $1,500 or greater, an additional approval from the superintendent is also required.

The Purchasing manager estimates that normal turn-around time to process a purchase request is one to three weeks from the time it is received by the Purchasing Department; the amount of time required to process depends upon whether bids or quotes are necessary. The actual elapsed time from the item being requested to when it has been received, however, is often much longer due to the number of approvals required prior to submitting requests to the Purchasing Department.

Schools and departments cannot enter their purchase request directly into the automated financial system. Instead, every purchase request must be typed on a requisition form. If items are to be purchased from different budget sources, a separate typed purchase request is required for each budget source. After the typed purchase request has received all approvals and is processed by the

Purchasing Department, Purchasing staff enters the information into the automated financial system. This is a duplicative process since school or departmental staff has already keyed in the information.

Lengthy delays associated with this manual purchasing process trouble both administration and staff. A survey, administered by the TSPR team, asked a series of questions to NFISD staff including teachers, principals and others concerning their opinions on district operations. When presented with the statement "Purchasing gets me what I need when I need it," only 30.8 percent of administrators either agreed or strongly agreed, 50 percent of principals agreed or strongly agreed and only 21.6 percent of teachers agreed or strongly agreed.

Automated purchasing systems allow users to streamline the procurement process. Data entered for a purchase requisition can result in purchase orders without having to be re-keyed. In addition, recurring standard purchases can be "saved" in an electronic system, reducing data entry even further. Electronic approval features of automated purchasing systems allow users to establish pre-defined approval paths that electronically route the purchase request to the appropriate individuals for approval.

Other school districts have developed processes to automate the procurement of goods and services and to streamline the amount of approvals required for purchase requisitions. For example, Kingsville ISD (KISD) provided all schools and departments with on-line access to the purchasing requisition system. KISD's system allows users to enter purchase requisitions directly into the system and electronically transfers requests to the necessary individuals for approval.

Port Arthur ISD (PAISD) also implemented an automated purchasing requisition system that allows users to initiate orders from their school or department. The requisition is then electronically transmitted to the appropriate individual for approval. After approval, the requisition is transmitted to the Purchasing Department for processing. In PAISD, a requisition only requires the approval of the principal or department head and the appropriate assistant superintendent. PAISD's streamlined process takes one day to issue, approve and process a purchase request.

Recommendation 93:

Automate the requisition process and reduce the number of signatures required for purchase order approval.

By implementing an automated purchasing process and streamlining the approval process, NFISD could reduce the amount of time and effort required to process purchasing requisitions. The district's financial system has the capability to implement online access, so there would be no additional costs to the district.

The director of Technology and Information Services stated that the district has already made the expenditures to put the system into use.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Finance and Operations directs the Purchasing manager to prepare an implementation plan for the electronic procurement system.	October 2002
2. The Purchasing manager meets with the director of Technology and Information Services to discuss the implementation and develop a timeline.	November 2002

3. The Purchasing manager develops an implementation plan that includes detailed implementation steps, training schedules and overall timelines.	January 2003
4. The assistant superintendent of Finance and Operations reviews and approves the implementation plan.	February 2003
5. Technology Department staff provides Purchasing Department employees with the necessary training for the implementation of the automated purchasing system.	May 2003
6. All other purchasing system users in the district receive training on the automated purchasing system.	June 2003
7. The Purchasing manager implements the system.	August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD is not conducting its purchasing practices in accordance with state law or board policy. Problems discovered during the TSPR review include:

- Failure to obtain bids and quotes as required by state law and board policy;
- Improperly allowing late bids to be considered;
- Failure to maintain adequate bid and quote documentation in an organized filing system; and
- School board intervention into the procurement process.

The district is not obtaining bids and quotes for items as required by TEC §44.031 and §44.033. Board purchasing policy CH (Legal) states the following in respect to obtaining bids and quotes for goods and services:

> All District contracts, except contracts for the purchase of produce or vehicle fuel, valued at $25,000 or more in the aggregate for each 12-month period, shall be made by the method that provides the best value for the District:
>
> 1. Competitive bidding.
> 2. Competitive sealed proposals.
> 3. A request for proposals for services other than construction services.
> 4. A catalog purchase as provided by Government Code Chapter 2157, Subchapter B.
> 5. An interlocal contract.

Board policy CH (Legal) goes on to say that for personal property purchases valued between $10,000 and $25,000, the district may choose to bid the items as described above, or obtain written or telephone quotes from at least three approved vendors.

TSPR discovered several instances in which the district did not properly obtain bids or quotes.

- In April 2002, the Purchasing manager told TSPR that the district recently purchased approximately $30,000 worth of computer equipment. When TSPR requested the bid documentation for this purchase, the Purchasing manager said that bids were not obtained. Subsequently, the Purchasing manager said that these computer purchases were purchased off

the state contract. However, the district never produced documentation showing that the computers were purchased off the state contract.

- In January 2002, the district installed almost $137,000 worth of new computer systems. When the review team requested bid information on these purchases, the Purchasing agent stated that these items were not bid but that the district obtained quotes.
- When the review team requested to see bid documentation for medical and property/casualty insurance, the district was unable to locate any paperwork. District staff stated that the insurance had been bid, but after repeated requests, no documentation was provided. In addition, the district's insurance agent of record stated that they were not sure whether they had actually submitted a bid for their services.

The district has accepted bids after bid deadlines have passed. Board policy CH (Local) states the following in regard to publishing bid notices and accepting submitted bids:

> "If competitive bidding is chosen as the purchasing method, the Superintendent or designee shall prepare bid specifications. All bids shall be submitted in sealed envelopes, plainly marked with the name of the bidder and the time of opening. All bidders shall be invited to attend the bid opening. Any bid may be withdrawn prior to the scheduled time for opening. Bids received after the specified time shall not be considered."

In February 2001, two insurance agents submitted bids to the district in response to a bid request for services of an agent to provide employees and teachers local assistance with changes in the health care plan. At the public opening of the bids, only two companies had properly responded to the solicitation for bids. At a subsequent regularly-scheduled board meeting, the bid was awarded to a third agent who had not submitted a proposal. One of the agents who submitted a bid for the services filed a complaint against the district.

In June 2001, the district awarded a contract to an audit firm for external audit services. The district was forced to re-bid the audit services when the board discovered that some of the audit proposals were accepted after the cut-off date. The district explained that, because of the flooding connected with Hurricane Allison, they were having problems with phone lines, and outside callers were not able to get through to the district offices. Because of these difficulties, two audit firms appeared at the June board meeting to present their proposals. The district allowed the proposals to be considered, even though the submission date had passed.

An inspection of the district's Purchasing Department showed that bid files and documentation are in a state of disarray. Board policy CH (Legal) states that "...bidding records shall be retained with the District's competitive bid records and are subject to audit." Documentation for many bids could not be located, while other files contained only partial bid information. When TSPR requested to inspect specific bid files, they often could not be located promptly. In fact, the Purchasing manager assembled bid files for the review team to review.

School board intervention also introduces delays in the procurement process. In December 2001, the district awarded a contract to a vendor to supply instructional software. The district sought and evaluated bids for the software products and presented the bid tabulations to the board. The vendor provided the products and submitted an invoice to the district, but the board secretary refused to sign the check for payment of the software products, delaying payment to the vendor for several months.

Organizations that have strong internal controls in place have fewer problems complying with purchasing laws and regulations. Internal controls define an organization's policies and procedures to protect its assets and the integrity of financial records from error, disaster or fraud. Internal controls ensure that transactions are authorized by those with the proper authority to do so; that records of the assets accurately reflect actual assets in place; that financial transactions are accurately and properly recorded; and that assets are properly safeguarded.

Applied to a purchasing environment, internal controls take several forms. For example, purchasing controls should specify which hierarchical levels might approve purchase orders and contracts, with a specific dollar limitation for each level. Good internal controls also specify requirements that must be met before a payment can take place, such as having a properly and timely approved purchase order in place and having properly approved receiving documents.

Additionally, good purchasing procedures require a system of monitoring the actual purchasing practices and taking corrective action when necessary.

Training is an integral component of a system with strong internal controls. It is imperative that district Purchasing staff be informed of changes in the Texas Education Code regarding school district purchasing. Many districts require that Purchasing staff attend annual training on purchasing laws. In addition, the Texas Association of School Business Officials (TASBO) provides certification to school district employees who complete required course offerings. In Kerrville ISD, for example, the district has ensured that Purchasing Department staff members are well-informed and have supported the Purchasing supervisor in obtaining two different TASBO certifications.

Planning and budgeting are also important to the purchasing process. Linking the procurement process to the budget and planning cycles helps to ensure that Purchasing staff is well informed of district needs and can plan procurements accordingly. This link helps Purchasing staff determine what items need to be purchased, in what quantities and whether bids or quotes need to be obtained in order to comply with the requirements of the Texas Education Code.

Killeen ISD made its bid process more efficient by establishing an annual calendar that identifies when specific items should be bid during the year. The district based the calendar on historical experience, allowing it to spread the bid process out over the full year, rather than trying to bid multiple items at the same time. Items may also be purchased on an as-needed basis. Based on prior experience, the Purchasing Department worked with other departments to develop the calendar.

Recommendation 94:

Develop purchasing procedures to ensure that all district staff and board members follow procedures.

Implementing administrative procedures that spell out proper handling of bids, quotes and proposals in the district will help NFISD to be in compliance with state law and board policy.

The district should first develop an annual calendar of items needing to be put out for bid, based on historical purchases and the district's budget. The Purchasing Department can reasonably anticipate those items that will exceed the dollar value thresholds during the upcoming fiscal year. Using the bid calendar, the district should schedule out those items needing to be bid for the upcoming year.

The district should develop bid acceptance procedures and train all staff in the implementation of those procedures. The district should inform all vendors of the procedures in writing, and all solicitations and advertisements for bids should include the procedures. The procedures should have a single location for submission of bids to the district, a system of verifying the date and time bids and proposals are received and an "official" clock to determine late bids and proposals.

The Purchasing Department should develop a filing system to ensure all bid documentation is organized and kept on file. The system should include a set of files for each bid or proposal solicitation. Each file should contain a copy of the bid advertisement, bid specifications, all bids and proposals received, bid tabulations or summary sheets and any other pertinent documentation. All bidders should receive an official letter stating which vendor is the successful bidder. These letters should also be maintained in the bid files.

The board should develop self-regulating practices to prevent individual members from circumventing the purchasing policies of the board. Once a vendor has been selected and approved by the board in compliance with state laws, applicable payments should be made in accordance with the terms provided by the vendor contract.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Finance and Operations develops procedures for ensuring adequate control over the purchasing functions of the district.	December 2002
2.	The board develops self-regulating practices to prevent individual members from circumventing board-purchasing policies.	December 2002
3.	The Purchasing manager conducts training for all district staff on the purchasing procedures.	January 2003
4.	The Purchasing manager develops a process for accepting bids which includes a system documenting date and time of arrival.	January 2003
5.	The Purchasing manager notifies all appropriate staff and prospective vendors of the bid-acceptance process.	February 2003
6.	The Purchasing manager develops a filing system for maintaining all bid and proposal documentation.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not make use of electronic bidding opportunities. When the district requests bids or proposals, they advertise in the local newspaper or send bid and proposal requests directly to vendors. Advertising bids in the local newspaper is sufficient notice to meet the requirement in the Texas Education Code, but this limits the district's ability to obtain bids from vendors outside the local area. Electronic bidding allows school districts to advertise their bids to a broader market, thus increasing competition in the procurement process that leads to better prices.

Several companies provide electronic bidding services at no cost to buyers. Vendors typically pay a nominal annual fee to participate in the service. The bidding services provide automated vendor lists categorized by specific commodity or service offered. Businesses subscribing to the service are automatically notified by e-mail or fax when a bid has been issued. Vendors can then respond electronically to the buyer. School districts can also advertise on the Texas Marketplace, an electronic Web site maintained by the Texas Building and Procurement Commission.

Most bid services provide options that allow sellers to customize the way that they use the system. For instance, a school district using an electronic bidding service can capture information on vendors and provide electronic forms and quote sheets for suppliers to use. Many bidding services also provide access to bid libraries, making it easier for school districts to develop bid specifications.

Fort Worth ISD (FWISD) uses an electronic bidding system. This system allows the district to reach a broader market, therefore obtaining supplies at lower prices. The electronic bidding system has also streamlined the purchasing and bidding operations for FWISD, which has helped the district to provide quality services to internal customers while keeping the number of Purchasing staff employees to a minimum.

Recommendation 95:

Implement an electronic bidding system.

Implementing an electronic bidding system would help the NFISD streamline their bidding processes and allow for greater efficiency at no additional cost.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The assistant superintendent of Finance and Operations contacts electronic bidding services and schedules demonstrations.	October 2002
2. The assistant superintendent of Finance and Operations and the Purchasing manager view the bidding system demonstrations and evaluate each system.	December 2002
3. The assistant superintendent of Finance and Operations and the Purchasing manager select a bidding system.	January 2003
4. The Purchasing manager submits the required information to initiate electronic bidding services.	January 2003
5. The Purchasing manager notifies all current NFISD vendors of the electronic bidding features.	February 2003
6. The Purchasing manager begins using the electronic bidding system.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district is not making use of purchasing cooperatives (coops) and other mechanisms that would allow the district to procure goods and services at competitive prices without having to go through the bidding process. The assistant superintendent of Finance and Operations said the district maintains interlocal agreements with three cooperatives; however, documentation was only provided for two. The district provided evidence of agreements with the Harris County Department of Education Purchasing Cooperative and the Texas Cooperative Purchasing Network sponsored by the Regional Education Service Center Region IV (Region 4). The district joined both coops in 1999.

The Purchasing staff told the review team that the district made no use of these purchasing cooperatives. The assistant superintendent of Finance and Operations said that the district maintains membership in the coops but could not verify the extent to which the district uses them.

TEC § 44.031(a)(5) allows Texas school districts to use an interlocal contract with purchasing cooperatives and other entities in lieu of obtaining competitive bids and quotes. Cooperative purchasing arrangements allow school districts to "partner" with other entities in the procurement of goods and services. The cooperative entity performs the complete bidding process, so that school districts do not have to put items out for bid. Regional Education Service Centers, multi-regional cooperatives, the Texas Building and Procurement Commission (TBPC) and the Texas Association of School Boards (TASB) are several of the purchasing cooperatives available to Texas school districts.

Advantages of using cooperatives include:

- Greater efficiency and economy in acquiring goods and services;
- Innovative purchasing procedures to ensure the most competitive contracts;
- Competitive price solicitation and bulk purchasing for multiple government entities that yields economic benefits that cannot be obtained by individual entities;
- Quick and efficient delivery of goods and services by contracting with "high performance" vendors;
- Equitable purchasing power for smaller entities that cannot command the best contract for themselves;
- Credibility and confidence in business procedures by maintaining open competition for purchases and by complying with purchasing laws and ethical business practices; and
- Assistance in maintaining the essential controls for budget and accounting purposes.

Districts using cooperative purchasing arrangements have more efficient procurement practices by eliminating or reducing the need for obtaining competitive bids and quotes. Many districts in Texas participate in cooperative purchasing programs, including Del Valle ISD, United ISD, Midland ISD, Spring ISD, Kingsville ISD and Tyler ISD. The savings achieved through the use of purchasing cooperatives can be substantial. Del Valle ISD, for example, estimates that it saved about $250,000 over the period from June 1998 to October 2000 through its participation in purchasing cooperatives. Spring ISD's estimated savings on tire purchases ranged from 6 to 23 percent.

Recommendation 96:

Reduce district administrative purchasing costs by actively participating in cooperative purchasing programs.

Participation in purchasing cooperatives should not altogether eliminate the need for or the use of the competitive bidding process in the district, but doing so would help to cut down on the administrative cost of processing bids.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Finance and Operations directs the Purchasing manager to investigate cooperative purchasing arrangements.	October 2002
2.	The Purchasing manager gathers information on existing coop membership and investigates the procedures for using the coops.	November 2002
3.	The Purchasing manager looks into other purchasing cooperatives including the TASB BuyBoard and the TBPC.	November 2002
4.	The Purchasing manager develops a list of purchasing cooperative options, including the services/goods offered by each cooperative and the annual membership price.	December 2002
5.	The assistant superintendent of Finance and Operations determines the purchasing cooperatives that would best serve NFISD.	December 2002
6.	The Purchasing manager completes necessary applications for participation in the purchasing cooperatives.	January 2003
7.	The assistant superintendent of Finance and Operations requests that the board review and approve participation in the purchasing cooperatives.	January 2003

8. The board approves participation. February 2003

9. The Purchasing manager distributes instructions to all district staff responsible for purchasing detailing how to use each cooperative. February 2003

10. The district begins using cooperative purchasing. February 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district operates a central supply warehouse that is expensive to maintain and provides questionable benefit to the district. A review of the district warehouse catalog shows that the warehouse is frequently out of many of the items that should be routinely stocked, resulting in delays in the procurement process. For example, a price list dated April 2002 showed several items as being out-of-stock: three-ring binders, index cards, white chalk, chalkboard erasers, expansion file folders, hanging file folders, glue, paper clips, scissors, thumb tacks, cellophane tape, masking tape, Post-It notes, white bond paper and several colors of colored paper. The TSPR survey showed a high degree of dissatisfaction with the warehouse and procurement process in NFISD.

The cost of operating the warehouse includes maintenance of the physical space, staffing required to maintain and deliver goods and any equipment, including vehicles and forklifts, necessary. The warehouse employs a staff of two full-time workers – a warehouseman and a warehouse assistant. The value of inventory stocked in the warehouse as of August 31, 2001 was $128,017.

Many entities, including school districts, are eliminating central supply warehouses and relying on just-in-time (JIT) delivery systems. Organizations order goods and supplies from vendors who agree to deliver the goods quickly, usually by the next business day. Although the actual per unit cost of goods may be slightly higher, school districts actually save money because they can eliminate the warehouse and the staff to operate it. Theft and spoilage issues are also eliminated with JIT systems.

Robstown ISD was able to avoid the cost of warehouse personnel, maintenance and utilities by ordering their goods and supplies from JIT vendors. Items are ordered when the need arises and are delivered directly to the department or school ordering the items. Tyler ISD also eliminated its central warehouse and implemented a JIT procurement system to save on costs.

Recommendation 97:

Phase out central warehouse stock and implement a just-in-time ordering system for goods and supplies.

Implementing a centralized receiving process and expanding the central warehouse are expensive options for school districts. By closing NFISD's central supply warehouse, the district could save personnel, maintenance and utility costs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent of Finance and Operations meets with the Purchasing manager and the interim director of Maintenance to determine the feasibility of the district moving to a just-in-time (JIT) system for the delivery of goods and supplies.	October 2002
2.	The assistant superintendent of Finance and Operations, the Purchasing manager and the interim director of Maintenance gather the JIT information necessary and present it to the superintendent for approval.	December 2002
3.	The superintendent submits a JIT proposal to the board for approval.	January 2003
4.	The board reviews and approves the proposal.	January 2003
5.	The assistant superintendent of Finance and Operations, the Purchasing manager and the interim director of Maintenance develop a JIT implementation plan.	February 2003
6.	The assistant superintendent of Finance and Operations and the Purchasing manager work together to develop policies and procedures for the operation of the new delivery process.	May 2003
7.	All district staff is trained in the new JIT procurement procedures.	May 2003 and June 2003
8.	The Maintenance supervisor works to close down operation of the central warehouse including depleting supply stock, eliminating personnel and selling off equipment, if necessary.	August 2003

FISCAL IMPACT

Eliminating the district's central warehouse would result in annual savings to the district of $70,884. The district would eliminate two warehouse positions in 2003-04.

Salary for warehouseman	$29,832
Salary for warehouse assistant	+ $25,126
Total salaries	$54,958
Variable benefits rate	x 1.18
Total salaries and variable benefits	$64,850
Fixed benefits ($3,017 annually x 2)	+ $6,034
Total salaries and benefits	$70,884

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Phase out central warehouse stock and implement a just-in-time ordering system for goods and supplies.	$0	$70,884	$70,884	$70,884	$70,884

B. CONTRACT MANAGEMENT

A contract is a legally enforceable agreement between two or more competent parties; it is mutually binding and obligates one party to furnish something of value and the other party to provide consideration. School districts need a contract management process that covers the areas of contract negotiation and contract compliance. The contract negotiation process ensures that contracts awarded to bidders are for the best available goods and services at the best prices with terms that are favorable to the district. The negotiation process should also ensure the proper evaluation of terms and conditions by district finance or purchasing staff and that the school board members receive adequate information before voting to accept a contract.

After a contract is awarded, school districts need a process to evaluate the services rendered or products provided under the contract to ensure the execution of contract terms. The monitoring process ensures that the district has someone to represent it as a final authority for disputes that may arise. In addition, the monitoring process has a mechanism to evaluate a vendor's performance and provide feedback or initiate corrective action when warranted.

FINDING

NFISD does not have a formal contracting process to ensure that all contracts receive a thorough legal review. In addition, no centralized depository exists for district contracts, making it difficult to determine exactly which contracts the district maintains.

The district has no policy requiring that the Finance staff review all contracts, nor does it have a policy that requires legal review of contracts prior to execution. This leaves the district at risk of entering into unfavorable contracting arrangements.

For the review, all significant contracts were requested from the district. District staff had a difficult time providing copies of its contracts. The contract for legal services, for example, had to be obtained directly from the outside attorney because the district could not locate the document.

Contracts for interlocal agreements with purchasing coops were not maintained by the Purchasing manager, but rather by the superintendent's office. In fact, the Purchasing manager was not aware of the fact that the district maintained these interlocal agreements and, as a result, was not using them.

Not all contracts receive a review by the district's attorney to ensure that terms are favorable for the district. The assistant superintendent of Finance and Operations told the review team that most significant contracts do receive a legal review, but the smaller ones do not. Departments are authorized to enter into contracts that are below certain dollar amounts without the Purchasing or Finance departments being informed of the contracts.

Existing contracts are also not well managed. For instance, the district maintains a contract with the Harris County Department of Education (HCDE) to provide alternative educational services to district students. The contract, amounting to $132,000 annually, provides services to only seven students.

When questioned about its arrangement with the HCDE, the director of Special Programs stated that the district negotiated the contract several years earlier to provide alternative education services to a specified number of students. The district has not renegotiated the contract to revise it for the low number of students being served. The director also stated that the HCDE reimburses the district at year-end for excess charges. The district did not provide annual reimbursement records of the reimbursement amount received from the HCDE. A review of contract terms shows that HCDE bills the district twice annually for services at $66,000 per billing period. The contract states, however, that NFISD may sell its unused services to other districts upon receiving HCDE approval to do so, but HCDE does not provide for a refund of the unused services.

School districts and other governmental entities have comprehensive contract management and compliance procedures in place to ensure that contracting processes are efficient and effective and to avoid legal, ethical and conflict of interest problems. A sound set of procedures and practices for contract management include ensuring that:

- the district obtains value from its contracts;
- all requirements of law and regulations are met prior to executing a contract;
- all contractor and vendor references, licensures or professional affiliations are verified;
- sufficient funds are available for contracted obligations;
- contractors receive impartial, fair and equitable treatment; and
- all parties comply with the terms of contracts.

Recommendation 98:

Establish a contracting process and assign a staff member in the Finance and Operations Department the responsibility of monitoring vendor compliance.

Establishing and enforcing contracting procedures and processes will help the district improve the services it receives from contractors and vendors.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs the assistant superintendent of Finance and Operations to develop a contracting process.	October – December 2002
2. The assistant superintendent of Finance and Operations develops a contract negotiation and monitoring process that includes input from all applicable department managers and the district's legal counsel.	January – March 2003
3. The assistant superintendent of Finance and Operations works with department managers to develop specific performance measures to include in contract requirements based on best practices of other school districts and NFISD's needs.	March – May 2003
4. The assistant superintendent of Finance and Operations and the appropriate department manager monitor the process to ensure its implementation.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. TEXTBOOKS

Chapter 31 of the TEC spells out the rules and regulations concerning state textbooks. Section 31.001 of the code states "textbooks selected for use in public schools shall be furnished without cost to the students attending those schools."

TEA's Textbook Administration Division coordinates the review, adoption, purchase and distribution of textbooks and other instructional materials for all Texas public schools and open-enrollment charter schools. After adopting suggested textbooks each year, TEA produces a recommended textbook list that is distributed to all Texas school districts. TEA then loans books, upon request, to school districts. The TEA calculates the number of books allowed to each school district based on enrollment data by subject and grade. Districts submit enrollment data to the TEA through the Public

Education Information Management System (PEIMS) reporting system. TEA spends about $200 million on textbooks and instructional materials annually. School districts must purchase additional textbooks over established enrollment figures with district funds.

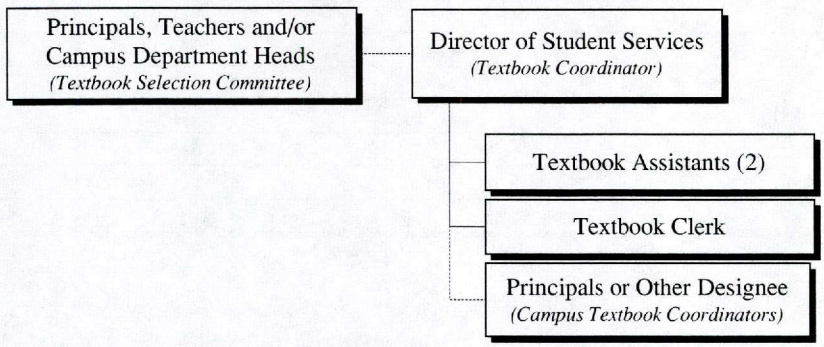
NFISD maintains a textbook selection committee that is responsible for considering the textbook list recommended by TEA annually and for developing an adopted textbook list for the district. Textbook selection committee membership varies depending upon which grade levels and subjects have books up for adoption. The executive director of Secondary Curriculum, executive director of Elementary Curriculum and principals assign district staff to the selection committee. Members of the selection committee include principals, teachers and instructional department heads.

The director of Student Services serves as the district's textbook coordinator. The coordinator oversees the adoption process and presents a proposed adoption list for approval by the school board, ensuring the accuracy of inventory counts and monitoring inventory discrepancies. The textbook coordinator has a staff of three individuals to assist in the textbook functions for the district. In addition, the assistant principal at each school serves as campus textbook coordinator.

In the event that a student loses or damages a textbook, district procedures require that schools collect funds from the student for the value of the book. Each school maintains a Textbook Activity Account where all student reimbursements are deposited. At the end of each year, schools turn over the accumulated funds in their textbook accounts to the director of Student Services who submits the funds to the TEA.

Exhibit 8-5 shows the organizational structure of the textbook function in NFISD. The positions shown in the organizational chart are not full-time textbook positions, but rather positions that absorb textbook responsibilities along with their other assigned job duties.

Exhibit 8-5
NFISD Textbook Coordinating Functions



Source: NFISD director of Student Services, May 2002.

The district does not have a central storage facility to receive or store textbooks. Each school designates a storage room to warehouse all surplus textbooks and other books for the summer months. Prior to the June 2001 flooding, the district used a middle school cafeteria as a receiving and staging area to receive and process new textbooks. Since the 2001 flood, a music room in a closed school is used for this purpose.

FINDING

NFISD is not holding schools accountable for textbook losses. **Exhibit 8-6** provides a summary of textbook losses by year from 1997-98 through 2000-01. As the exhibit shows, the amount of textbook funds reimbursed to the TEA has decreased by 88 percent from 1997-98 to 2000-01. The district posts funds collected for lost textbooks on a one-year lag basis, so 2000-01 represents the previous year and 2001-02 final numbers are not yet available.

Exhibit 8-6
Payments to TEA for Lost Textbooks
1997-98 through 2000-01

Year	Amount
1997-98	$59,070
1998-99	$63,864
1999-2000	$9,559
2000-01	$7,134
Total	**$139,627**

Source: NFISD Department of School Administration and Student Services, 1997 98 through 2000-01.

This apparent improvement is offset by the number of lost textbooks for which schools simply have not collected funds. **Exhibit 8-7** shows the value of lost textbooks by school for the 2000-01 school year, which would be accounted for in 2001-02. As of 2000-01, NFISD has $123,943 worth of lost textbooks that have not yet been reimbursed to the TEA.

Exhibit 8-7
Amounts Due for Lost Textbooks by School
2000-01

School	Value of Lost Textbooks	Reimbursements from Students	Balance Outstanding
Fonwood Elementary	$92	$92	$0
Lakewood Elementary	$757	$381	$376
W.E. Rogers Elementary	$805	$0	$805
Shadydale Elementary	$19,646	$27	$19,619
Tidwell Elementary	$6,027	$0	$6,027
East Houston Intermediate	$576	$576	$0
Keahey Intermediate	$6,771	$0	$6,771
Northwood Middle	$764	$0	$764
Kirby Middle	$15,486	$0	$15,486
Oak Village Middle	$2,967	$0	$2,967
Forest Brook High	$14,428	$0	$14,428
Smiley High	$56,700	$0	$56,700
Total	**$125,019**	**$1,076**	**$123,943**

Source: NFISD Department of School Administration and Student Services, 2000-01.

An analysis of the information in **Exhibit 8-7** shows large differences between individual schools in the amount outstanding for lost textbooks. While Fonwood Elementary and East Houston Intermediate, for example, have relatively low losses and have collected for 100 percent of their losses, other schools such as Shadydale Elementary and Smiley High have excessive losses, $19,646 and $56,700 respectively, and little or no lost textbook reimbursements.

The district sends letters to all principals notifying them of the amount due for lost textbooks, but it is not clear what mechanisms are in place to hold principals responsible for actually submitting funds for lost books.

6. The director of Student Services documents all outstanding reimbursements by school.	February 2003 and Annually Thereafter
7. The director of Student Services notifies each principal of reimbursements due.	March 2003 and Annually Thereafter
8. The director of Student Services develops a list of schools that fail to pay for missing textbooks.	April 2003 and Annually Thereafter
9. The superintendent reviews the list of schools that have failed to pay for missing textbooks and meets individually with each assistant principal and assesses a penalty.	May 2003 and Annually Thereafter
10. The director of Student Services monitors textbook reimbursements and makes a report to the superintendent annually.	Annually every May

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD is not taking advantage of mechanisms that would help to reduce the amount it spends for replacement textbooks. According to TEA, a school district can either reimburse the agency directly for lost textbooks, or they may replace them by purchasing used textbooks. In addition, schools only have to replace lost or stolen textbooks if they are needed for students. Since the TEA allows districts to order books in amounts equal to their enrollment plus 10 percent, many districts do not have to replace lost books because of the allowed surplus.

NFISD's director of Student Services develops a listing of missing books and calculates the amount due to TEA. The district then transfers funds to TEA for the lost or missing books.

Some schools districts have been able to reduce the cost for replacing lost or missing textbooks by purchasing the books from used book vendors rather than by reimbursing TEA. El Paso ISD, for instance, was able to save almost 25 percent ($76,000) by replacing lost textbooks with used ones. El Paso ISD contacted several discount textbook vendors to determine which vendors provided the best prices for used books.

Recommendation 100:

Purchase used textbooks from discount textbook vendors to replace lost, damaged or stolen textbooks.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Student Services determines the cost of purchasing new textbooks from the TEA.	October 2002
2. The director of Student Services contacts several discount vendors to obtain prices for used textbooks.	November 2002
3. The director of Student Services requests that the district establish a purchase agreement with vendors to purchase used textbooks as replacements for lost textbooks.	December 2002

Texas Education Code § 31.104 (d) states the following in regard to holding parents and students responsible for lost textbooks:

> Each student, or the student's parent or guardian, is responsible for each textbook not returned by the student. A student who fails to return all textbooks forfeits the right to free textbooks until each textbook previously issued but not returned is paid for by the student, parent, or guardian. As provided by policy of the board of trustees or governing body, a school district or open-enrollment charter school may waive or reduce the payment requirement if the student is from a low-income family. The district or school shall allow the student to use textbooks at school during each school day. If a textbook is not returned or paid for, the district or school may withhold the student's records. A district or school may not, under this subsection, prevent a student from graduating, participating in a graduation ceremony, or receiving a diploma.

The director of Student Services told the review team that it is difficult to hold parents and students accountable for reimbursement for lost textbooks because the Texas Education Code does not allow schools any leverage to require that lost books be reimbursed. However, it is evident from the data in **Exhibit 8-7** that schools such as Fonwood Elementary, Lakewood Elementary, WE Rogers Elementary, East Houston Elementary and Northwood Middle have more successfully kept textbook losses low.

School districts that hold principals responsible for accounting for textbooks have fewer annual losses. Some districts require principals to pay for missing textbooks from the principal's activity funds, which are funds held at the school level and outside of general funds. The incentive places accountability at the appropriate level.

Recommendation 99:

Establish and enforce a policy requiring that individual schools are held accountable for lost textbooks.

Establishing and enforcing a district policy requiring schools to reimburse the district for missing textbooks out of parent reimbursements or principal activity funds will provide incentive to assistant principals, as campus textbook coordinators, to attempt to collect from students for missing books. In addition, such policies provide an incentive to both principals and teachers to conduct routine textbook counts so that losses can be identified in a timely manner.

Principals should consider strict enforcement of textbook policy and procedures in teacher evaluations to improve the student collection rate for lost textbooks.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent drafts a policy requiring that individual schools will be required to reimburse the district for lost textbooks.	October 2002
2.	The superintendent presents the policy to the board.	December 2002
3.	The board reviews and approves the policy.	January 2003
4.	The superintendent issues a memo to all schools stating what the new textbook reimbursement policies require.	February 2003
5.	Principals inform teachers of the new textbook reimbursement policy and its inclusion in teacher evaluations.	February 2003

4. The superintendent presents the purchase agreement(s) to the board for approval. January 2003

5. The director of Student Services begins replacing lost textbooks by purchasing through contracts with textbook vendors. January 2003

FISCAL IMPACT

Assuming that the district could save 25 percent on replacement books by purchasing from used book dealers, the fiscal impact for this recommendation would be $2,390 in annual savings. This amount is derived by taking 25 percent of the lowest amount submitted to TEA from 1997-98 through 1999-2000 ($9,559 x .25 savings = $2,390). Textbook losses for 2000-01 are excluded from this calculation because these numbers are not yet final.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Purchase used textbooks from discount textbook vendors to replace lost, damaged or stolen textbooks.	$0	$2,390	$2,390	$2,390	$2,390

COMPUTERS AND TECHNOLOGY

Chapter 9

COMPUTERS AND TECHNOLOGY

This chapter reviews the North Forest Independent School District's (NFISD's) computers and technology in the following sections:

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

Technology departments are charged with meeting the complete scope of technology needs in Texas school districts. The range of services required of technology departments includes installation and maintenance of technology hardware, management of district owned software, network infrastructure management and technology training. In addition to being technology advocates, department staff members must be able to explain the importance of technology to the diverse interest groups including the school board, the community and teachers.

A. ORGANIZATION, STAFFING AND BUDGETING

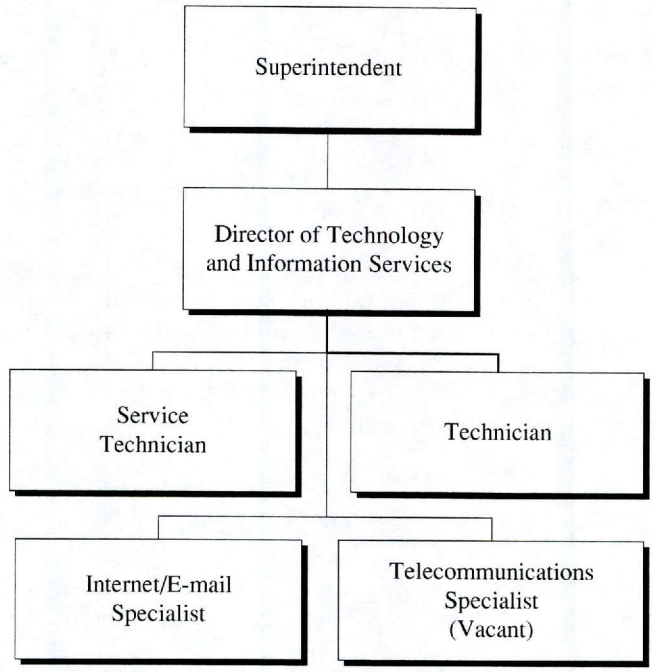
To provide a school district with the necessary support, a technology department must have sufficient staff to meet demand and have strong leadership to guide the efforts of the department.

The NFISD Technology Department supports technology and the technology users in the district. The department employs a director of Technology and Information Services, two service technicians, an Internet/E-mail specialist and a telecommunications specialist. The telecommunications specialist position is vacant. The director of Technology and Information Services is the leader of the Technology Department but, due to the size of the department, spends much of his time either performing duties of a technician or a computer system programmer. The director of Technology and Information Services said he spends between 50 and 60 percent of his time as a technician, 20 percent as a programmer and the remaining 20 to 30 percent as an administrator.

The two service technicians fill almost every technology role in the district, including serving as repair technicians, purchasing consultants, training specialists, network administrators, hardware installation technicians, software specialists and help desk support. The Internet/E-mail specialist manages the district's Web site and email user accounts. The four-member Technology Department staff supports district technology in 14 schools and five administrative buildings.

Exhibit 9-1 shows a view of the organizational structure of the Technology Department.

Exhibit 9-1
Organizational Structure of the NFISD Technology Department
2001-02



Source: NFISD, May 2002.

A technology director must be able to adapt existing resources to meet technology needs of an organization. Additional technology support needs may be met by training school-based technicians (SBTs) and reduced through user training. A technology director should provide the vision for technology and the guidance to achieve the vision.

NFISD selected four Texas school districts to serve as "peer" districts for comparison purposes: Eagle Pass, Edgewood, Port Arthur and South San Antonio. **Exhibit 9-2** compares the size and structure of the NFISD Technology Department to the peer districts.

Exhibit 9-2
Technology Department Size and Structure
Peer District Comparison

District	Administrative	Technology Support	School-Based Technology Assistants
Eagle Pass	1 Technology Coordinator	1 Technology Clerk 4 Technicians	None
Edgewood	1 Director of Technology 1 Secretary/Help Desk Administrator	1 Network Administrator 1 LAN Technician 1 QC/QA Inspector – LAN Technician 2 Senior Technician – Trainer 2 Technicians	None
North Forest	**1 Director of Technology and Information Services**	**2 Technicians** **1 Internet/E-mail Specialist**	**None**

Exhibit 9-2 (continued)
Technology Department Size and Structure
Peer District Comparison

District	Administrative	Technology Support	School-Based Technology Assistants
Port Arthur	1 MIS Coordinator	1 Network Administrator 2 Technicians 1 Curriculum Specialist 1 Systems Specialist	None
South San Antonio	1 Technology Director	1 Helpdesk Specialist 1 Systems Specialist 1 Network Administrator 1 Hardware Specialist 1 Software Specialist	Up to 3 in each of the 18 schools: 1 Network Assistant, 1 Hardware Assistant and 1 Curriculum Assistant

Source: NFISD and peer district surveys, May 2002.

The size of the NFISD Technology Department creates a 732:1 technician-to-computer ratio, compared with the 573:1 average ratio of the peer districts. One of the peer districts uses SBTs to increase the service level of the Technology Department. SBTs are usually full-time teachers who receive specific technology training to serve as the first line of technology support in the district. Users contact their school's SBT to report technology problems. SBTs are able to solve many minor problems and are capable of addressing more serious issues as their skills grow. Several school districts have reported that their SBTs are able to solve approximately 50 percent of the reported technology problems.

NFISD peer districts have student-to-computer ratios ranging from 3.3:1 to 4.8:1. **Exhibit 9-3** compares NFISD student-to-computer ratios to those of the peer districts.

Exhibit 9-3
NFISD and Peer District Student-To-Computer Ratios

District	Students	Instructional Computers	Student-to-computer Ratio
Edgewood	13,435	4,023	3.3:1
Eagle Pass	12,778	3,200	4.0:1
South San Antonio	9,970	2,700	3.7:1
Port Arthur	10,823	2,250	4.8:1
North Forest	**11,699**	**1,464**	**8.0:1**

Source: NFISD and peer district surveys, May 2002.

Several factors influence the level of technology in schools, with budget being the largest. NFISD budgeted $545,696 for technology for 2001-02, ranking next to lowest among the peer districts that budgeted between $481,000 and $1.8 million for 2001-02.

Exhibit 9-4 lists the 2001-02 technology budgets for NFISD and peer districts.

Exhibit 9-4
2001-02 Technology Budgets
NFISD and Peer Districts

District	2001-02 Technology Budget
Edgewood	$1,886,966
Port Arthur	$720,319
South San Antonio	$699,368
North Forest	**$545,696**
Eagle Pass	$481,000

Source: Texas Education Agency (TEA), Public Education Information Management System (PEIMS), 2001-02.

During 2000-01, NFISD spent almost $600,000 on technology-related expenditures. Ranking second among the peer districts, NFISD spent 21 percent more than the peer district average. NFISD ranks near the middle of the peer districts when technology expenditures are examined on a per student basis.

Exhibit 9-5 lists the 2000-01 technology expenditures for NFISD and peer districts.

Exhibit 9-5
2000-01 Technology Expenditures
NFISD and Peer Districts

	Port Arthur	North Forest	South San Antonio	Edgewood	Eagle Pass
Total Expenditures	$652,576	**$596,736**	$456,255	$487,636	$376,320
Enrollment	10,945	**12,487**	9,984	12,983	12,515
Per Student	$59.62	**$47.79**	$45.70	$37.56	$30.07

Source: TEA, PEIMS, 2000-01.

Many Texas school districts pursue technology grants to increase the level of technology in their districts. Several state and federal programs provide significant amounts of funding to school districts. A few examples include:

- E-rate: federal grant funds available for nonprofit, K-12 schools through the Telecommunications Act of 1996, offers from 20 to 90 percent discounts on telecommunications services, Internet access and internal connections.
- Technology Integration in Education (TIE): a federally-funded program developed to promote the four goals of the National Educational Technology plan. The four goals are increasing teacher technology training, putting modern computers in each classroom, providing Internet connectivity and procuring educational software.
- Telecommunications Infrastructure Fund (TIF): a state program that provides funds used to pay for an advanced telecommunications infrastructure and technology training.

Exhibit 9-6 lists the type and amount of technology-related grants NFISD received between 1997-98 and 2001-02.

Exhibit 9-6
Technology Related Grant Funds Received by NFISD
1997-98 through 2001-02

Year	Source	Amount
1997-98	E-Rate	$23,527
1998-99	TIF Grants	$199,090
1999-2000	TIF Grants	$239,768
2000-01	E-Rate	$2,431,475
2000-01	TIF Grant	$450,000
2001-02	TIE Grant	$51,771
2001-02	Comprehensive School Reform Grant	$159,004

Source: NFISD, May 2002.

NFISD received more than $3.5 million in grants between 1997-98 and 2001-02.

However, NFISD does not receive as much grant funding as many of its peer districts. **Exhibit 9-7** details the E-Rate grant funds received by NFISD and its peer districts.

Exhibit 9-7
E-Rate Grant Funds
NFISD and Peers
1998 through 2002

	Port Arthur	North Forest	Eagle Pass	South San Antonio	Edgewood
1998	$209,213	**$23,527**	$91,802	$145,045	$5,899,253
1999	$84,660	**$0**	$0	$1,195,145	$0
2000	$0	**$2,431,475**	$2,429,192	$2,206,402	$12,781,842
2001	$330,643	**$0**	$1,404,711	$2,907,592	$0
2002	$0	**$0**	$0	$324,051	$0
Total	**$624,516**	**$2,455,002**	**$3,943,583**	**$6,778,235**	**$18,681,095**

Source: Universal Service Administrative Company, June 2002.

NFISD ranks next to last in order of total E-Rate funding between 1998 and 2002, receiving 33 percent of the average amount. The lack of grant funding is a contributing factor in the state of technology in the district.

The Technology Department and the rest of the district faced adversity in the summer of 2001. Tropical storm Allison flooded the NFISD area causing $21.2 million in damage. Flood damage resulted in the loss of approximately 200 student and staff computers.

FINDING

Individual schools have developed programs to increase the technology skills of their staff, despite the lack of technology training and equipment in the district. For example, a principal applied for and received grant funding for training teachers and other staff members. Using part of a Comprehensive School Reform grant, the principal contracted with a training specialist to develop and provide technology training tailored to meet the needs of school staff members. The training specialist, using Houston Community College facilities, trains an average of 25 teachers one Saturday per month. The training covers computer basics like word processing, using menus and organizing information as well as more advanced topics, such as creating electronic slide shows and developing personal web pages.

Teachers at Smiley High School also receive training through workshops presented by the partnership of the Smiley High School Technology Committee and Regional Education Service Center IV (Region 4). These workshops introduce technology to the teachers and teach them how to incorporate technology into the classroom.

The manual entitled *Preparing for College: A Guide to College Admissions and Financial Aid* demonstrates the success of this training. The 50-page manual, produced by a high school teacher who was a novice before attending the training series, combines artwork and charts with informative text.

Teachers also receive training during staff development days. The focus on technology training at the local level is an important step to increasing teacher confidence with technology and provides the foundation for incorporating technology into the classroom.

COMMENDATION

Individual schools have developed technology training programs for teachers using available resources and partnerships.

FINDING

The NFISD Technology Department is understaffed and does not use technology to enhance the technology-support service level in the district. The department employs two full-time service technicians to meet the needs of the district's 14 schools and five administrative buildings. The computer-to-technician ratio is 732:1, which limits the department's ability to effectively support technology in the district. The small staff is unable to efficiently resolve the reported problems of the existing technology. The technicians estimate an average turnaround time for a reported problem is approximately one to two weeks, with a two-day turnaround for high priority problems. Equally important is the staff's inability to perform preventive maintenance, monitor and support the network and attend or provide training.

Understaffing has a direct effect on the leadership and effectiveness of the Technology Department. The director of Technology and Information Services is able to devote only around 20 to 30 percent of his time to managing the Technology Department because the majority of his time is spent performing technician and programming duties. The lack of time available for leading the department resulted in the neglect of several important areas. The director of Technology and Information Services has not been able to address the following:

- inadequate technology staff development opportunities;
- lack of coordinated technology training for district staff;
- absence of policies and procedures for the Technology Department;
- no short-term implementation goals for the long-range technology plan;
- erratic e-mail service; and
- lack of communication addressing technology in the district.

The limited availability of Technology Department staff magnifies the lack of technology in the district. For example, the technicians are unable to dedicate sufficient time researching the e-mail problems in the district. The Internet/E-mail specialist's role is more of a user account administrator than a technical advisor. The technicians have been unable to solve the e-mail problem and maintain the level of support to district users. The technicians are also unable to support the district's Web site due to the lack of time and knowledge.

Compounding the lack of technology support is the Technology Department's lack of support tools designed to increase the efficiency of a support department. Software that allows technicians to address user problems from a remote location is invaluable to supporting a large user base with minimum resources. The two support technicians must physically travel to each location to assess and resolve reported issues.

Technology departments responsible for supporting large user communities, like those at America-On-Line and J.C. Penney, employ remote-control software to provide timely support with fewer resources. Dell Computer Corporation's support department not only uses remote control software to support their employees' computers, but also offers a similar support option to their customers. The ability to solve technical problems from a remote location increases user satisfaction and reduces the burden on support technicians.

Both Elgin ISD and San Antonio ISD operate a help desk to support district users. Help desk personnel are trained to determine the nature of a problem and correctly categorize the problem or, in many instances, resolve the problem on the phone. The ability to resolve problems without a service call and the ability to provide technicians with complete and accurate information about more significant problems has increased the department's ability to meet the needs of its users.

Socorro ISD's Technology Department improved their support operations through the use of system-management software that enables remote management of district computers. This capability allows support personnel to install software, detect illegal software and track computer failures remotely. Remote management reduces the number of service calls and greatly increases technician efficiency.

Recommendation 101:

Hire additional technology staff and implement software to improve the Technology Department service.

In addition to filling the vacant telecommunication specialist position, the Technology Department should hire a help desk specialist, two more service technicians and a full-time network administrator. This will allow the Technology Department to better serve the needs of the district's users.

To improve efficiency and effectiveness, the Technology Department should also purchase and use software to enable remote control of district computers.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Technology and Information Services reviews and selects the best solution to enable remote management of district computers.	October 2002
2.	The director of Technology and Information Services develops a plan for a technology help desk.	October 2002
3.	The director of Technology and Information Services presents to the board for approval a plan to create a technology help desk, hire additional staff and purchase remote control software.	November 2002
4.	Technology Department technicians install and begin using remote control software.	December 2002
5.	The director of Technology and Information Services hires a capable help desk technician, two service technicians and a network administrator.	January 2003
6.	The director of Technology and Information Services, the superintendent and other Technology staff members review the improvements in technology support and create a plan to continue to make improvements.	June 2003

FISCAL IMPACT

The fiscal impact of hiring additional staff and purchasing support software is $184,829 for the first year and $232,244 annually thereafter. The annual fiscal impact is estimated by multiplying the average salary for the support personnel of $50,499 by four and adding annual benefits (4 x {[$50,499 x 1.09] + $3,017} = $232,244.

The fiscal impact for additional staff members the first year of implementation is $154,829 ([$232,244/12] x 8 = $154,829 for the months of January through August 2003. The first year fiscal impact also includes $30,000 for the one-time cost of purchasing the remote-control software application.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hire additional technology staff.	($154,829)	($232,244)	($232,244)	($232,244)	($232,244)
Implement software to improve Technology Department service level.	($30,000)	$0	$0	$0	$0
Total (Costs)/Savings	**($184,829)**	**($232,244)**	**($232,244)**	**($232,244)**	**($232,244)**

FINDING

The district does not use SBTs to provide a first line of technology support. The limited staff in the Technology Department has to support the entire district, with only informal help available at each school. Although helpful, the individuals at each school may not be well trained or readily available. In addition, these individuals are not a recognized part of the technology support structure in the district and are not always familiar with the goals, policies and procedures of the Technology Department.

The lack of coordinated and well-trained SBTs greatly reduces the ability of the Technology Department to meet the support needs of the district. SBTs offer peer-based assistance that is a good first line of support; district users may feel more comfortable reviewing their technology-related problems with one of their peers before getting help from a full-time technician. SBTs may be better able to explain the solution to the problem in a way that users can easily understand.

In addition to adding technology department staff, the SBT program will greatly increase the level of technology support in the district.

Several districts in the state, including Kerrville ISD (KISD) and Donna ISD (DISD), offer one staff member at each school an annual $1,000 stipend to serve as a SBT. The average SBT is capable of resolving approximately 30 to 50 percent of the reported problems. SBTs are available to address issues during their conference periods, lunch and after school. As the SBT program progresses, SBTs are able to resolve and prevent more technology problems and assist the Technology Department with inventory control, training and summer projects.

In addition to providing daily support, SBTs in DISD are required to assist the Technology Department for two weeks during the summer, when they assist the Technology Department with training, physical inventories, software upgrades and installation of new technology.

Spring ISD (SISD) implemented a similar program that eliminated additional-support expenses of more than $137,000 a year. SISD's school technician program reduced the need for additional full-time technicians and increased the availability of support at the same time. The school technicians serve as technology mentors for school staff and provide software support and training at each school. Entry-level school technicians receive an $860 annual stipend and each school technician can earn a maximum annual stipend of $1,600.

SBTs advance the role of technology and help technology departments meet the technology support needs of the district.

Recommendation 102:

Establish a school-based technician program.

The director of Technology and Information Services should work with the principal at each school to identify individuals interested in and capable of being a SBT. The requirements of the position should be clearly defined and understood before an individual agrees to serve as an SBT. The Technology Department should develop an intensive training program for SBTs and require a "continuing education" program that requires SBTs attend regular training sessions. Combined with the recommendation to hire additional staff, this will allow the department to better address technology needs throughout the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Technology and Information Services develops a plan for implementing a SBT program that includes an annual budget, a training program, job description and minimum requirements for the program.	October 2002
2. The director of Technology and Information Services presents the SBT program to the board for approval.	November 2002
3. The school board approves and funds the SBT program.	November 2002
4. The director of Technology and Information Services and school principals accept and review applications and select the best candidates for the positions.	December 2002
5. SBTs attend technology support training and begin service as the first line of technology support in the district.	January 2003
6. SBTs attend training sessions and assist the technology department with summer projects.	June 2003 and Annually

FISCAL IMPACT

The fiscal impact of using SBTs is $14,000 annually, based on a $1,000 stipend for SBTs at 14 locations ($1,000 x 14 = $14,000). The fiscal impact for the first year is $7,000 ($14,000/12 x 6) for the months of January through June 2003.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Establish a school-based technician program.	($7,000)	($14,000)	($14,000)	($14,000)	($14,000)

FINDING

There is no career development for the Technology Department staff. Technology Department personnel are not provided the opportunity to increase their skill levels because the department budget does not include any funds for training materials or tuition for continuing education.

Technology training is an important issue that should be addressed by the Technology Department. The support technicians at NFISD receive no career-development guidance from the director of Technology and Information Services, and there is no career-development budget identified in the technology budget. In addition to the lack of development opportunities within the department, the Technology Department does not provide coordinated technology training to district personnel. Individual schools have developed independent training programs for their staff, but the absence of a

comprehensive technology training program has hindered the integration of technology into the classroom.

The director of Technology and Information Services has not reviewed the skills or the proficiency of Technology Department staff members. In addition to not reviewing the abilities of the staff, the director of Technology and Information Services has not reviewed the technology support needs of the district. Without these two pieces of information, the director of Technology and Information Services is unable to create effective career development plans for Technology Department staff. This omission will become even more important as new technology is introduced in the district.

The district is at risk of employing technicians who are unable to support new technology due to a lack of knowledge, thus diminishing the Technology Department's ability to advocate technology. In addition to being inadequately trained, technology staff may lose their morale and look for career opportunities elsewhere.

Region 4 offers the TIFTech Training Institute, designed to provide an opportunity to learn how to maintain and use technology in a school district. The service center offers the courses during the summer and the topics include the following:

- Foundations of Technology;
- Curriculum and Instruction;
- Technical; and
- Policy and Leadership.

Courses offered by Region 4 range in price from $75 to $300.

To encourage staff development, Fort Bend ISD offers a $1,500 annual stipend for each approved technical certification earned by Technology Department technicians. This incentive helps to decrease staff turnover and increases staff morale.

Del Valle ISD's career development plans include peer-led training and workshops sponsored by both technology vendors and the regional education service center. The trainings improve district personnel performance by teaching staff the skills needed to progress in their profession.

Recommendation 103:

Develop a comprehensive career development plan for Technology Department staff.

The director of Technology and Information Services should develop a comprehensive career development plan for each position in the Technology Department. This plan should identify the skill deficiencies of existing staff and provide a personalized strategy to develop those skills to a level that meets the needs of the district.

Once the plans are developed, the director should identify available resources that staff members can use to follow their development plans. A career development budget should be established and funded to provide staff members with training materials and specialized training. The career development plan should detail regular cross-training goals to ensure that multiple personnel are trained to cover critical tasks.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Technology and Information Services assesses the proficiencies of each staff member.	October 2002

2. The director of Technology and Information Services assesses the current and future technological skill requirements of the district.	October 2002
3. The director of Technology and Information Services develops a career development plan for each staff member.	November 2002
4. The director of Technology and Information Services develops a career development budget for the Technology Department.	November 2002
5. The director of Technology and Information Services identifies and evaluates available resources for career development and communicates the findings to department staff members.	November 2002 and Ongoing
6. The director of Technology and Information Services re-evaluates the career development progress with each staff member.	Every 6 months

FISCAL IMPACT

The fiscal impact of developing a comprehensive career development program is $3,900 annually. This fiscal impact is estimated by multiplying the total cost for one technician to attend the TIFTech Training Institute by the number of technicians in the district ($975 x 4 = $3,900).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop a comprehensive career development plan for Technology Department staff.	($3,900)	($3,900)	($3,900)	($3,900)	($3,900)

FINDING

There is a lack of coordinated, districtwide technology training for district personnel. The training available to district personnel is distinguished by school and varies in both quality and quantity. Teachers and other district staff receive technology training through their schools or through self-study. Successful training programs that exist in certain schools are not replicated in others, and available resources are not systematically shared between schools.

For example, at Tidwell Elementary School the principal used grant money to fund training for the school's teachers delivered on the first Saturday of each month. The program has not been duplicated at other schools.

NFISD reassigned the staff member whose responsibilities included providing technology training for district staff. That staff member is now the Internet/E-mail specialist. In an interview with the review team, the staff member said she would be excited at the possibility of resuming her training duties if given the opportunity.

The district is in danger of falling further behind the technology curve due to the lack of comprehensive technology training. The greatest impact of the training deficit is realized in the classroom, as teachers are unable to effectively integrate technology into their lessons. The absence of training may also become a barrier to recruiting new teachers and other professionals to the district. Individuals interested in teaching in the district may consider other districts because they offer greater development opportunities to their employees.

Effective districts develop comprehensive training programs from determining the needs of the staff. At Fort Bend ISD (FBISD), employees complete a self-assessment form that a district task force uses to determine the training needs for the district. The employees are better able to select which training

to attend and the training sessions offered by the district better address the needs of the district. The assessment process is an integral part of FBISD's four-year plan for technology staff development.

Another requirement of an effective training program is incentive. Bastrop ISD encourages the integration of technology into the classroom by requiring staff members to attend beginning technology training sessions before being given access to certain district technology. To access the district network and e-mail, individuals must complete training in basic computer use. Other technologies require the completion of designated training sessions. The training is offered during conference periods, in-service days and after school.

Kerrville ISD developed a teacher technology incentive program. Designed to promote the use of technology in the district, attending training sessions earns participants credits that can be used for time off. The district is also considering using the credits to "purchase" additional technology for individual schools or classrooms.

Dallas ISD (DISD) is participating in the Intel Teach to the Future program sponsored by the Intel Corporation. The program is designed to help teachers integrate technology into the classroom. Through the DISD program, 20 teachers receive extensive technology training and each are required to train 20 other teachers each year. The program has a goal of teaching 1,200 teachers in the district. The original 20 teachers receive an additional benefit of a new Dell computer with business and educational software packages.

One goal of technology training is to develop the habit of using technology in practical every day use. Socorro ISD encourages this habit through its teacher computer purchase program. The district has set aside a portion of its budget to allow teachers to purchase computers and repay the district with a two-year installment plan. The cost to the teacher for the computer is discounted through the district's purchasing power and interest-free payroll deductions. As a requirement of participation, teachers must complete or teach 20 hours of computer training, which further enhances the role of technology in the district.

Recommendation 104:

Develop a comprehensive technology training program to educate district personnel and to integrate technology into the classroom.

A training task force led by the superintendent and composed of the director of Technology and Information Services and representatives from all staff levels should develop a comprehensive training program for NFISD. The program must be based on a review of self-assessments completed by district personnel. The program should also contain incentives and other tangible benefits for attendance. The district can use existing personnel to provide the training and the school computer labs as training facilities to avoid the cost of implementing a training program. The momentum created by required training on a districtwide scale will influence the integration of technology into the classroom.

The task force should also aggressively pursue training partnerships with businesses and universities.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent creates a task force to develop a technology comprehensive training program.	October 2002
2. The task force reviews and selects a self-assessment instrument.	October – November 2002

3.	All district personnel complete and return the self-assessment instrument.	December 2002
4.	The task force compiles and reviews the self-assessment results.	January – February 2003
5.	The task force publishes the results of the assessments.	March 2003
6.	The task force determines the training needs for the district.	March 2003
7.	The task force identifies resources needed for a comprehensive plan to address training needs for the district.	March 2003
8.	The board approves the use of district staff needed for the training program.	April 2003
9.	The task force develops and publishes a comprehensive training program for the district.	May 2003
10.	The task force aggressively pursues training partnerships with businesses and universities.	March 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. POLICIES, PROCEDURES AND PLANNING

Policies, procedures and planning are three cornerstones used to guide a technology department. Technology plans, both long-term and short-term, provide a roadmap for the future of technology in a district. Comprehensive plans should be developed using a defined process that includes representatives from all stakeholder groups and must be matched with available financial resources. The plans should address the administrative needs as well as the instructional needs of the district.

The best plans contain clear goals, objectives and action plans for technology projects, assign individual responsibility for implementation steps and identify milestone dates for completion. In 1999, an educational consulting firm helped NFISD create a long-term technology plan. The plan details the state of technology as it existed in 1999 and provides a map for improvements to be made by 2003.

NFISD schools have technology committees that meet on a regular basis to discuss technology in the classroom. The committees discuss and review technology needs, identify and develop training opportunities for teachers and help distribute information on technology in the schools. NFISD does not have a district technology committee to perform similar functions on a districtwide scale.

FINDING

Each NFISD student is required to take the Business Computer Information Systems (BCIS) class that offers students the opportunity to learn the fundamentals of personal computing. The class is designed to develop technology skills in word processing, spreadsheets, databases and multimedia applications. After completing the class, students should be more confident in their technology skills and better prepared to continue technology education.

The course teaches basic skills in computer technology, critical thinking, preparing and analyzing business records, technology equipment operation and software. Students are given the opportunity to learn broad, transferable concepts and competencies that allow them to enter the job market with the ability to function in new and emerging technological occupations. The course also teaches students to effectively function in more traditional occupations that are integrating technology into the workplace.

COMMENDATION

Requiring students to take the Business Computer Information Systems class ensures that every student has a basic understanding of computers.

FINDING

The district offers Media Technology and the Travel and Tourism programs that provide students with an opportunity to gain real-life skills in technology. These two Career and Technology Education (CATE) programs offer students hands-on learning using commercial software and hardware for specific industries.

Sixty students are enrolled in the Media Technology program. The students work on multimedia projects that include combining graphics, video, music and narration. Students are completely responsible for the entire project from concept to final editing using state of the art workstations, digital video recorders and professional editing software. The class is divided into smaller groups to form production teams that select a school-related event to cover as a class project. The production teams have full responsibility for the planning and successful implementation of their projects. The production team has a pre-production meeting to determine the resources needed to fill the roles of the project. Additional team members often perform tasks such as recording the event and conducting the interviews. The team also creates and presents the storyline to the program director for review. The production team then covers the event using district video cameras, sound equipment and other media technology. After the event, the production team reviews the material, produces drafts and edits the video for the project. The team writes and records narration for the final project that is aired on the local community cable access station, Channel 1. Through their participation in the Media Technology program, students serve as interns at area media outlets and have been employed as cast and crew in local video productions.

The 75 students in the Travel and Tourism program also learn job skills. The program teaches students the skills needed to work in the travel industry. The curriculum is divided into seven topics that provide students a thorough introduction to the travel and tourism industry. The topics are:

- industry and computer knowledge;
- domestic and international air travel;
- travel products, hotel, car rentals, railroads, tours and cruises;
- ticketing;
- destinations/geography;
- sales skills; and
- career planning.

Through a partnership with American Airlines, students learn how to make travel reservations on the airline's computer reservation system. The students also learn business etiquette, additional computer applications and job search skills. After completing the program, students qualify for entry-level employment with a travel agency or major airline. American Airlines' sponsorship includes providing training materials and funding for the computer lab.

COMMENDATION

Students gain real life technology skills in the Media Technology and Travel and Tourism programs.

FINDING

Tidwell Elementary school hosts "Family Technology Night" to introduce parents to the school's technology. Parents are invited to learn more about the integration of technology in the classroom to better understand what and how the students are learning.

On average, 50 parents attend the annual event. Teachers explain the equipment and software the students use in the classroom. Demonstrations offer parents the opportunity to gain a hands-on perspective of technology in the classroom, and parents are encouraged to ask questions. Teachers guide parents and students through the school, showing them technology in the classrooms, the computer labs and the library.

Similar to other open house events, Family Technology Night focuses on the role of technology in education. The event provides teachers the opportunity to explain how technology is used to teach subjects and what is expected of the students as they learn.

COMMENDATION

"Family Technology Night" introduces parents to the technology used in the classroom.

FINDING

NFISD does not have a district technology committee. Individual schools within NFISD have technology committees that advise the school on technology issues, but this function is not performed at the district level.

Without a district technology committee, individual schools and departments in the district are not well informed about technology in the district. The schools may not be aware of the technology plans, goals and objectives for the district or their schools. The flow of information is also inhibited in the absence of a common forum to discuss technology issues.

School districts use district technology committees to help guide the overall technology drive for the district. For example, Dallas ISD formed a Technology Steering Committee in 2000 to address the technology needs of the district. The committee is made up of high-level executives, managers and a community representative. The committee meets quarterly to help the district manage and execute comprehensive, large-scale technology initiatives and gets high marks from participants and observers.

El Paso ISD's technology planning council represents all areas of the school district and the community. The council gathered and organized the information for the district's technology plan. A subcommittee of the council wrote the plan for full-council and other administrators review. After the council completed the plan, it was presented to the board for approval.

Socorro ISD created a technology committee made up of one technical employee, one non-technical employee and one administrator from each school. The committee meets bimonthly with the technology director to discuss district technology issues.

Overall, Texas school districts receive a variety of benefits from district-level technology committees. The committees provide a line of communication between the schools and the technology department, help improve the technology planning process and ensure the progress of technology in the district.

Recommendation 105:

Establish a district technology committee.

The superintendent should establish a technology committee for the district. The committee should include one technical staff member, one non-technical staff member and an administrator from each school. The group of representatives from each school should include at least one teacher and all school representatives should serve on a rotating basis to ensure different viewpoints from each school are represented.

In addition to school representatives, the committee should include the director of Technology and Information Services and a representative from each of the assistant superintendent-level departments in the district. The superintendent should lead the committee and not allow the views of any one department to dominate the committee.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent creates an outline of the roles, responsibilities and membership of a district technology committee.	October 2002
2. The superintendent requests each school and assistant superintendent-level department select committee members.	November 2002
3. The superintendent organizes the first district technology committee meeting.	December 2002
4. The district technology committee meets on a bimonthly basis to review technology related issues and fulfill the role of the committee as outlined by the superintendent.	January 2003 and bimonthly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Technology Department does not develop short-term implementation goals for the long-range technology plan. The district has a five-year technology plan, but does not annually review the plan to set short-term goals for the Technology Department. A lack of short-term goal setting hinders the department's ability to effectively implement technology in the district.

The district contracted with Elert and Associates, an educational technology consulting firm, to develop a long-range technology plan published in January 1999. The technology plan provides a detailed picture of technology in NFISD at the time of the report and provides a description of what is needed. The superintendent said that the plan is not a vision of technology for the district, as it calls for too many costly improvements relative to available funding and competing priorities. The director of Technology and Information Services reviews the technology plan annually but does not communicate the goals or objectives to the staff. The technicians said they were aware of the existence of a technology plan, but are not aware of the implementation plans.

The plan includes two main goals for the district:

1. By 2003, a structured developmental program in technology will be provided that expands technological literacy in all areas for staff.

2. By 2003, all NFISD facilities will be equipped with modernized technology and personnel to train stakeholders in using this technology.

The plan lists objectives for each goal for each year of the plan. The Technology Department has not further developed the annual objectives into a plan of action detailing the tasks, responsibilities and measurements for success. Without an annual strategic vision, staff members charged with achieving the district's goals have difficultly understanding and executing the steps needed to achieve the desired outcome. This practice also leaves goals open to interpretation and at risk of being overlooked.

Although the plan details more improvements than the district can implement in the short-run, the district does not review the plan to develop strategies to implement the highest priority items to the best of their ability and available funding.

Veribest ISD (VISD) develops short-term strategies for achieving each goal in the long-term technology plan. This document includes the name or position responsible for the goal, a timeline, a cost estimate and an evaluation component. This process has helped VISD make significant progress on their technology plan.

Smithville ISD (SISD) technology plan also identifies specific objectives, timelines and budgets. The district conducts annual assessments to monitor the implementation of the strategic plan. SISD prepares a report documenting the progress made, status of plan activities and disseminates the report to all stakeholders.

Documenting short-term implementation goals will help ensure the Technology Department is following the long-term technology plan and provide a better understanding of what is to be accomplished, by whom and how success will be measured.

Recommendation 106:

Document and publish an annual technology plan designed to implement specific goals from the long-range technology plan.

The director of Technology and Information Services, with the Technology Department and other interested staff members, should document and publish an annual technology plan detailing the implementation of the long-range plan objectives for the school year. The annual plan will help the department communicate its goals to the district and the community. The plan will also help each member of the Technology Department know how their contribution to the department assists the district in achieving short and long-term goals.

The short-term implementation document should:

- clearly identify the items in the long-range plan the Technology Department will achieve for that school year;
- identify the financial and personnel resources needed to accomplish the goal;
- list the steps required to achieve success; and
- list a measurable outcome to determine success.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent creates a committee to work with the director of Technology and Information Services in developing an annual technology plan.	May 2003

2.	The director of Technology and Information Services and the committee review the district's success in achieving the goals of the long-range technology plan to date.	June 2003
3.	The director of Technology and Information Services and the committee develop an annual technology plan with the assistance of the superintendent, Technology Department staff and interested district personnel.	July 2003
4.	The director of Technology and Information Services develops tasks, assigns personnel and allocates budget resources for each objective in the annual plan.	July 2003
5.	The superintendent, director of Technology and Information Services, the committee and other annual plan contributors review the completed annual technology plan.	August 2003
6.	The director of Technology and Information Services presents the annual technology plan to the board for approval.	September 2003
7.	The director of Technology and Information Services publishes the strategic plan for the district and the community.	September 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The policies, procedures and standards for the Technology Department are not documented. The Technology Department staff operates using unwritten policies and uses their best judgment on department procedures. The department lacks documented policies concerning software management, disaster recovery procedures and defined technology standards. There are no documented policies for the management of e-mail accounts and user access to other district systems. The district is also operating without an acceptable use policy for computing resources for district personnel.

Without well-defined and documented policies and procedures, the district is at risk of misunderstandings concerning policy or job-related functions by staff members. If a situation develops where disciplinary action is required, the district would not have a written policy to justify their action.

The Technology Department is involved in the purchasing of technology for the district. In interviews, district personnel said that the Technology Department reviews technology purchases before the purchase request is approved. The purpose of the review by the Technology Department is to ensure the purchase meets with district standards and will work with existing technology in the district. The Technology Department does not have the technology standards documented and has not distributed any standards to the district.

San Antonio ISD (SAISD) provides written technology policies to ensure adherence by faculty, staff and students. The scope of the policy documents covers all aspects of technology in the district. The policies are considered clear, informative and user-friendly. The documents are available on the district's Web site, and district staff members are encouraged to contact the department for clarification on any part or the policy in whole.

SAISD also distributes the established technology standards to district personnel likely to be involved in technology purchases. SAISD uses the standards to help the district receive the best value for their

dollar while ensuring that all technology purchases are compatible with the district network. The standards include minimum system configurations, software recommendations and warranty suggestions.

Clearly defined and well-documented policies and procedures allow staff members the freedom to act responsibly and to perform within known guidelines.

Recommendation 107:

Document policies, procedures and standards for the Technology Department.

The Technology Department must make a concerted effort to document all of its policies, procedures and standards. An assessment should be performed to identify documentation deficiencies in technology throughout the district. As a result of the study, the Technology Department should establish a committee to create documentation for policies, procedures and technology standards. The committee's mandate should include the publishing and distribution of policies to the district.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Technology and Information Services assesses documentation of technology deficiencies throughout the district.	October 2002
2.	The director of Technology and Information Services creates a list of needed documentation.	November 2002
3.	The director of Technology and Information Services creates a plan, including a schedule, for updating department documentation.	December 2002
4.	The director of Technology and Information Services creates a technology documentation committee to update department documentation.	January 2003
5.	The technology documentation committee updates department documentation.	January 2003 – July 2003
6.	The Technology Department releases a complete set of policies, procedures and standards for the district.	August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Technology Department does not have a documented disaster recovery plan. The Technology Department performs tape backups of some district servers, but the tapes are kept on site. The department does not have written policies or procedures addressing server backups. The lack of a comprehensive disaster recovery plan compounds the risk of data loss for the district.

In the summer of 2001 the NFISD area experienced severe flooding. The Technology Department was able to restore data from February 2001, but lost approximately five months worth of data. Even after this disaster revealed poor disaster readiness, the Technology Department has not created a disaster recovery plan. The Technology Department is still recovering from the flood and has not made creating a disaster recovery plan a priority.

Exhibit 9-8 lists some of the key elements of an effective disaster recovery plan.

Exhibit 9-8
Key Elements of a Disaster Recovery Plan

Objective	Tasks
Build the disaster recovery team.	• Identify a disaster recovery team that includes key policy makers, building management, end-users, key outside contractors and technical staff.
Obtain and/or approximate key information.	• Develop an exhaustive list of critical activities performed within the district. • Develop an estimate of the minimum space and equipment necessary for restoring essential operations. • Develop a timeframe for starting initial operations after a security incident. • Develop a list of key personnel and their responsibilities.
Perform and/or delegate key duties.	• Develop an inventory of all computer technology assets, including data, software, hardware, documentation and supplies. • Set up a reciprocal agreement with comparable organizations to share equipment or lease backup equipment to allow the district to operate critical functions in the event of a disaster. • Make plans to procure hardware, software and other equipment as necessary to ensure that critical operations are resumed as soon as possible. • Establish procedures for obtaining off site backup records. • Locate support resources that might be needed, such as equipment repair, trucking and cleaning companies. • Arrange with vendors to provide priority delivery for emergency orders. • Identify data recovery specialists and establish emergency agreements.
Specify details within the plan.	• Identify individual roles and responsibilities by name and job title so that everyone knows exactly what needs to be done. • Define actions to be taken in advance of an occurrence or undesirable event. • Define actions to be taken at the onset of an undesirable event to limit damage, loss and compromised data integrity. • Identify actions to be taken to restore critical functions. • Define actions to be taken to re-establish normal operations.
Test the plan	• Test the plan frequently and completely. • Analyze the results to improve the plan and identify further needs.
Deal with damage appropriately.	• If a disaster actually occurs, document all costs and videotape the damage. • Be prepared to overcome downtime on your own; insurance settlements can take time to resolve.
Give consideration to other significant issues.	• Do not make a plan unnecessarily complicated. • Make one individual responsible for maintaining the plan, but have it structured so that others are authorized and prepared to implement if it is needed. • Update the plan regularly and whenever changes are made to your system.

Source: National Center for Education Statistics, "Safeguarding Your Technology." (Modified by TSPR).

Glen Rose ISD developed a comprehensive disaster recovery plan that includes emergency contacts, recovery protocols, alternate site designations, system redundancy, fault protection protocols and a tape backup plan. The plan was tested and proved to be an effective plan for the district.

Disaster recovery plans help minimize the loss of information, reduce downtime and help ensure needed resources are available in the event a network failure.

Recommendation 108:

Develop a comprehensive disaster recovery plan.

The Technology Department must develop a comprehensive disaster recovery plan, test the plan and regularly review the procedures. The superintendent should organize a disaster recovery team lead by the director of Technology and Information Services, who assigns the development of each part of the plan to team members, pairing Technology Department staff with other district personnel. The plan must be tested on a regular basis to ensure its viability, correct deficiencies and increase the effectiveness of both the plan and the disaster recovery team.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent establishes a Disaster Recovery Team, lead by the director of Technology and Information Services and composed of department representatives from finance, payroll, purchasing, student accounting and technology.	October 2002
2.	The director of Technology and Information Services assigns the development of each part of the disaster recovery plan to team members.	November 2002
3.	The Disaster Recovery Team develops the Disaster Recovery Plan.	November 2002
4.	The director of Technology and Information Services presents the plan to the superintendent and board for approval.	December 2002
5.	The director of Technology and Information Services communicates the plan to the appropriate personnel.	January 2003
6.	The director of Technology and Information Services runs a scheduled test of the plan.	February 2003
7.	The director of Technology and Information Services reports the results to the superintendent and board.	March 2003
8.	The Disaster Recovery Team tests the disaster recovery plan, reviews the results of the test and makes improvements to the plan.	Annually

FISCAL IMPACT

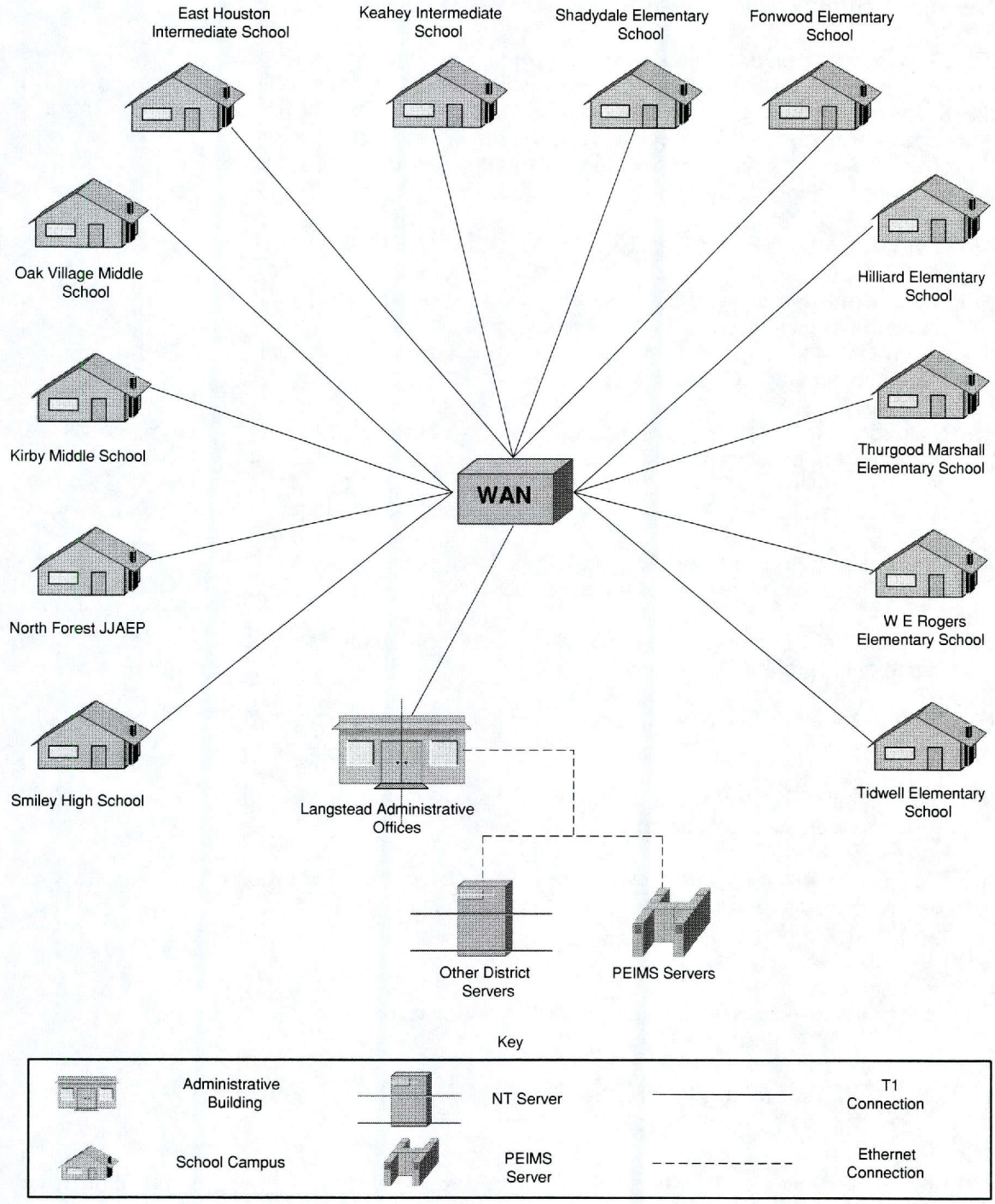
This recommendation can be implemented with existing resources.

C. INFRASTRUCTURE, SOFTWARE, HARDWARE AND OPERATIONS

Infrastructure, software and hardware are the main components of technology in school districts. A district's infrastructure is comprised of the wires, cables, routers, hubs and switches that provide users the connections needed to educate and communicate using technology. Software and hardware work together to facilitate the education and communication process.

Exhibit 9-9 shows the technology infrastructure for NFISD.

Exhibit 9-9
Technology Infrastructure for NFISD



Source: NFISD Technology Department, 2002.

A wide-area network (WAN) generally provides its users tools such as electronic mail and links to the Internet. WANs are usually "closed," meaning that security measures prevent persons outside the WAN from accessing information housed inside the WAN without a user identification assignment and password.

The NFISD school board approved a contract with Southwestern Bell for local-area networks (LANs), WAN and telecommunication services. Southwestern Bell completed the installation of the infrastructure in all schools except for Lakewood Elementary and Forest Brook High School.

A key function of a WAN is to connect LANs throughout an organization. A LAN typically connects all the users within a single building to one local network. This is typically accomplished by running wires in ceilings throughout a building. The wires connect individual computers to each other through central computers called file servers. The rooms containing the file servers and termination points for all of the wires are called telecommunication closets. By connecting the LAN to a WAN, all LAN users gain access to other LANs in the district. A district that has every user connected must have the infrastructure necessary to take full advantage of the present telecommunications capabilities and those available in the near future.

While the infrastructure provides the connections that permit communications and hardware provides the capability to retrieve, process and disseminate information, it is software that makes these tools powerful resources. Software is a critical technology resource that requires close attention if it is to serve the organization effectively. Productivity tools such as spreadsheets and databases make it possible for people with limited technical capabilities to perform sophisticated data manipulation on a personal computer that previously could only be performed on larger mainframes.

Any analysis of a school district's technology should include an analysis of the type of hardware available to staff, teachers and students. While computers are the predominant resource, other relevant technologies include televisions, scanners, digital cameras, color printers and calculators.

Computers used for instruction need sufficient memory and speed to support the use of recently developed multimedia courseware and provide effective access to the Internet. Computers used for administrative purposes should be networked and have sufficient memory and speed to use advanced software tools available for data storage, manipulation and analysis.

Technology support departments in both school districts and private industry have database-driven software applications to record, monitor and evaluate technology service problems. These applications manage the work order process from identification to resolution. The NFISD Technology Department uses paper-based trouble tickets to manage the work order process. Users fill out the forms with information about the problem experienced. The user sends the form through the chain of command until it gets to a support technician, who then begins the problem resolution process.

Departments also use remote control software to improve support levels. The software allows a technician to fix many software problems from a remote location. The ability to support users from a central location decreases the amount of time needed to address a software problem and increases the efficiency of a single technician.

The district has several administrative and instructional software packages. **Exhibit 9-10** lists the major instructional and administrative software applications in use at NFISD.

Exhibit 9-10
Major Instructional and Educational Software Packages

Application	Department
Accelerated Reader	Education
Compass	Education
Delta	Student Services (PEIMS)
Microcheck	Food Service
Pentamation	Finance
Plato	Education

Source: NFISD, May 2002.

FINDING

The student-to-computer ratio for the district is 8.0:1, which is considerably higher than the TEA's mid-term goal of a 3:1 student-to-computer ratio by 2002. Peer district student-to-computer ratios range from 3.3:1 to 4.8:1. NFISD lacks approximately 2,436 additional computers to attain a 3:1 ratio, almost twice as many needed as the nearest peer district.

Exhibit 9-11 lists the approximate number of additional computers necessary to attain a 3:1 student-to-computer ratio for NFISD and peer districts.

Exhibit 9-11
Computers Needed to Attain a
3:1 Student-to-computer Ratio

District	Current Student-to-computer Ratio	Enrollment 2001-02	Number of Computers for the 3:1 Ratio	Current Number of Computers	Number of Computers Needed to Attain 3:1 Ratio
Edgewood	3.3:1	13,435	4,478	4,023	455
South San Antonio	3.7:1	9,970	3,323	2,700	623
Eagle Pass	4.0:1	12,778	4,259	3,200	1,059
Port Arthur	4.8:1	10,823	3,608	2,250	1,358
North Forest	**8.0:1**	**11,699**	**3,900**	**1,464**	**2,436**

Source: NFISD and peer district surveys, May 2002 and TEA, PEIMS, 2001-02.

One effect of the high ratio is that there is not a computer in each classroom. Students at one middle school line up during lunch as well as before and after school to use library computers. The students use the library computers to access the Internet, complete assignments and increase their computer skills. With a high student-to-computer ratio, students do not have ready access to an important educational tool. Student time using specialized education programs, like Accelerated Reader, is limited.

Funding is often the largest obstacle to increasing the number of computers available to students. NFISD has not consistently received E-Rate funding during the last five years. Three of the four peer districts have received significantly more funding through the E-Rate program than NFISD. The funding provided through the E-Rate program has helped the peer districts achieve a lower student-to-computer ratio.

Exhibit 9-12 details the E-Rate grant funds received by NFISD and its peer districts.

Exhibit 9-12
E-Rate Grant Funds
NFISD and Peers
1997-98-2001-02

Year	Port Arthur	North Forest	Eagle Pass	South San Antonio	Edgewood
1997-98	$209,213	$23,527	$91,802	$145,045	$5,899,253
1998-99	$84,660	$0	$0	$1,195,145	$0
1999-2000	$0	$2,431,475	$2,429,192	$2,206,402	$12,781,842
2000-01	$330,643	$0	$1,404,711	$2,907,592	$0
2001-02	$0	$0	$0	$324,051	$0
Total	**$624,516**	**$2,455,002**	**$3,943,583**	**$6,778,235**	**$18,681,095**

Source: Universal Service Administrative Company, June 2002.

A study conducted by Apple in March 2002 confirmed an 8:1 student-to-computer ratio at NFISD and indicated a high failure rate of computer clones, or non-name brand computers, in the district. Although NFISD experiences problems integrating clones, other districts have had success in this area. Kerrville ISD has been able to purchase reliable computer clones for less than name brand computers. The reliability of the clones can be attributed to the industry standard components, like Intel and Western Digital, specified by the technology department. Purchasing standard components allows the district to buy more computers, extend the life of the existing equipment and reuse parts from broken units.

A good quality commercially available personal computer, designed to meet educational computing needs costs $817. The system includes:

- 1.2 GHz Celeron Processor;
- 128 MB RAM;
- 15 inch color monitor;
- 20 GB hard drive; and
- Keyboard, mouse, CD-ROM and floppy drive.

Texas school districts have employed various strategies for improving the student-to-computer ratios in their districts. With the help of the regional education service center, McDade ISD leased computers at a discounted rate and had the option to purchase the leased computers for $1 each at the end of the three-year lease term.

Tyler ISD (TISD), which is one of several districts that seeks funding from private foundations in addition to state and federal grants, allocates proceeds from vending machine contracts as well as community and alumni donations to help fund technology purchases.

School districts with successful grant funding processes are better able to pursue funding for technology purchases. Ysleta ISD created a plan that calls for grant-writing teams that include teachers, administrators and Technology Department staff to conduct research and apply for funding that matches the district's technology needs.

Recommendation 109:

Develop strategies to improve the student-to-computer ratio.

The district should develop a long-term purchasing plan to achieve the TEA goal of a 3:1 student-to-computer ratio by 2007. To attain a 3:1 student-to-computer ratio, NFISD needs to purchase 2,436 computers. Given the district's economic disadvantage, the best avenue for increasing the availability of instructional computers is a more aggressive and coordinated effort to obtain technology grants.

The superintendent should delegate the authority and responsibility for acquiring additional funding for technology purchases to the district grant writer, with the assistance of the director of Technology and Information Services. The grant writer should coordinate the grant writing efforts of the district and create grant-writing teams to respond to all available grants. The grant writing teams should include teachers, administrators and technology department staff and should be instructed to find and apply for all available grant funding. The director of Technology and Information Services should also be involved in creating and explaining technology plans and assisting the grant writing teams in matching the needs of the district with the availability of grants.

The total cost to purchase 2,436 new computers is $1,990,212 ($817 x 2,436). The district should adopt annual funding goals that gradually increase as the grant writing process improves. The district will be able to reach the funding goal by receiving the following annual percentage of the $1,990,212 cost:

- 5 percent for 2002-03

- 15 percent for 2003-94
- 20 percent for 2004-05
- 25 percent for 2005-06
- 35 percent for 2006-07

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent, the grant writer and the director of Technology and Information Services establish an outline for a technology funding strategy for the district.	October 2002
2.	The grant writer and the director of Technology and Information Services create a technology funding plan that enumerates the strategies, timelines and resources needed to increase technology funding levels.	November 2002
3.	The grant writer develops and implements grant writing workshops.	December 2002
4.	School principals establish grant writing teams at each school and require their participation in grant writing workshops.	December 2002
5.	Grant writing teams research and apply for technology related grants.	January 2003 and Ongoing
6.	The director of Technology and Information Services manages the purchasing and implementation of new technology in the district.	January 2003 and Ongoing

FISCAL IMPACT

The cost of improving the student-to-computer ratio is $1,990,212. This fiscal impact is estimated by multiplying the cost of an educational personal computer by the number of computers needed in the district ($817 x 2,436 = $1,990,212). The cost to purchase computers is spread over a five-year period.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop strategies to improve the student-to-computer ratio.	($99,511)	($298,532)	($398,042)	($497,553)	($696,574)

FINDING

The Technology Department uses a paper-based problem-tracking system, which limits the analysis of data and the ability to efficiently track problems. The Technology Department developed a form, in triplicate, that users must complete and have signed by a supervisor before problems can be reported to the Technology Department. After approval, the user delivers the completed form to the Technology Department.

When a technician investigates the reported problem, the technician writes comments and the solution on the form. The user and the technician then sign the form, each retaining a copy of the form, and one copy is stored in a Technology Department file cabinet.

This process severely limits the Technology Department's ability to manage its problem reporting and reduces the effectiveness and timeliness of technology support. The process users must follow to report a problem lengthens the resolution time and the paper-based form is susceptible to loss or damage. The process hinders a technician's ability to formulate a plan to address problems by location, resources needed or other factors that would help improve response times and support levels.

The lack of an electronic problem-tracking system reduces the department's ability to analyze problem trends. Other districts use an electronic problem-tracking system that enables the director of Technology and Information Services to identify failure patterns of defective equipment, pinpoint software deficiencies and hardware incompatibilities, detect the misuse of equipment and indicate training deficiencies in standard desktop software through the analysis of reports.

Fort Bend ISD's problem reporting software allows identified school staff to report problems directly into the system, which then sends an e-mail to the user experiencing the problem. A technician closes the trouble ticket on line once the problem is resolved, and the system sends a confirmation email to the user. This process helps reduce the time to resolution and the number of calls to the help desk to check on the status of a trouble ticket.

By taking advantage of problem reporting, Technology Department resources can be better used to resolve district issues faster and prevent the recurrence of known issues.

Recommendation 110:

Implement an electronic problem-tracking software solution for the Technology Department.

The director of Technology and Information Services should review existing problem-tracking packages and implement the solution that best meets the department's needs. All department personnel should be trained on the new software and required to enter all problem-tracking information into the system. The district should recruit and train two people at each school to serve as problem-reporting representatives.

Technology Department staff should investigate the complete set of capabilities of the software to assist in the planning of support efforts. The director of Technology and Information Services should frequently review and analyze the management reports available in the selected problem-tracking solution. This analysis will enable the director of Technology and Information Services to better allocate technology support resources and improve department efficiency.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Technology and Information Services reviews and selects the best problem-tracking software solution.	October 2002
2. The director of Technology and Information Services schedules training for all Technology Department personnel, including all school-based support staff.	November 2002
3. The director of Technology and Information Services implements the problem-tracking solution.	November 2002
4. The director of Technology and Information Services reviews and analyzes management problem-tracking reports.	December 2002 and Monthly

FISCAL IMPACT

The fiscal impact of implementing an electronic problem-tracking software solution is $3,965. This fiscal impact is estimated by multiplying the number of five-license bundles needed by the license bundle cost and adding the initial cost of the software ($995 + [3 X $990] = $3,965). The $3,965 cost will purchase an effective electronic problem-tracking software solution and 20 licenses for the district.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement an electronic problem-tracking software solution for the Technology Department.	($3,965)	$0	$0	$0	$0

FINDING

The district currently violates several software license agreements and lacks control processes to manage software licenses. Several district employees, including Technology Department personnel, mentioned the existence of illegal copies of district software installed on district computers. Although the district has not conducted a comprehensive study of the problem, technicians have removed unlicensed software from district computers on several occasions. NFISD does not employ a solution to restrict a user's ability to install software, which allows users to install unlicensed software.

The district is at risk of being sued by software manufacturers for violating software license agreements. In January 2002, four Texas companies paid a combined total of almost $440,000 to settle software license violations. The Business Software Alliance, an industry watchdog organization, estimates that Texas has an 18 percent software piracy rate, which means almost one-fifth of all business software in use in Texas is unlicensed. The organization continues to monitor organizations on behalf of the software industry, as software piracy becomes a more widespread problem in the technology industry.

Technology departments that consistently adhere to software license agreements often use software to control a user's ability to install software on a computer. The software restricts the ability to permanently alter the computer registry, where many software components are stored. Once the system has been restarted, the registry is returned to its original setting, thus preventing the installation of illegal software.

Recommendation 111:

Remove unlicensed software from district computers and install control mechanisms to prevent the installation of unlicensed software.

NFISD must make unlicensed software a priority issue. The superintendent should circulate a memo describing the risks to the district and require that all unlicensed software be removed from district computers. The memo should also define the penalties for future software license violations. Some users will require the assistance of the Technology Department to accomplish this task, so a phased approach is recommended. A phased approach will also enable the Technology Department to allow users to keep licensed software installed and confirm the existence of a software license.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent writes and circulates a software license violation policy memo for the district.	October 2002
2. The director of Technology and Information Services develops a phased plan to eliminate unlicensed software from district computers.	October 2002
3. The director of Technology and Information Services publishes the unlicensed software elimination plan and implements the first phase.	November 2002
4. The director of Technology and Information Services continues to implement the unlicensed software elimination plan.	December 2002 – April 2003

5. The director of Technology and Information Services reviews and selects a solution to restrict a user's ability to install software. May 2003

6. The Technology Department implements the solution to restrict a user's ability to install software. June – August 2003

FISCAL IMPACT

The fiscal impact of implementing a software application to control the installation of unlicensed software is $6,930. This fiscal impact is estimated by multiplying the number of computers (1,464) that need the software by the per computer cost of the software licenses ($4 per computer) and adding the initial cost of the software ([1,464 x $4] + $1,074 initial cost of software = $6,930).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Remove unlicensed software from district computers and install control mechanisms to prevent the installation of unlicensed software.	($6,930)	$0	$0	$0	$0

STUDENT TRANSPORTATION

Chapter 10

STUDENT TRANSPORTATION

This chapter reviews the North Forest Independent School District (NFISD) student transportation function in the following sections:

A. Privatization
B. Routing and Scheduling
C. Staffing
D. Fleet Maintenance

The primary goal of every school district transportation department is to transport students to and from school and approved extracurricular activities in a timely, safe and efficient manner.

BACKGROUND

The Texas Education Code authorizes, but does not require, Texas school districts to provide transportation for students in the general population between home and school, from school to career and technology training locations and for extracurricular activities. The federal Individuals with Disabilities Education Act (IDEA) requires a school district to provide transportation for students with disabilities if the district also provides transportation for students in the general population, or if students with disabilities require transportation to receive special education services.

Texas school districts are eligible for reimbursement from the state for transporting regular program, special program and career and technology education (CATE) program students. The Texas Legislature sets funding rules and the Texas Education Agency (TEA) administers the program. TEA requires that each eligible school district receive state reimbursement to provide two annual school transportation reports, the Route Services Report and the Operations Report. The Route Services Report documents reimbursable miles traveled and number of riders by program and subprogram. The Operations Report assigns all costs and miles to either regular or special programs.

State funding for regular program transportation is limited to transportation for students living two or more miles from the school they attend. The state does not reimburse districts for transporting students living within two miles of the school they attend unless they face hazardous walking conditions on the way to school, such as the need to cross a four-lane roadway without a traffic signal or crossing guard. The state will reimburse districts for transporting students on hazardous routes within two miles of school; however, the reimbursement for transporting students on hazardous routes may not exceed 10 percent of the total annual reimbursement for transporting only two-or-more-mile students. A school district must use local funds to pay for transportation costs the state reimbursement does not cover.

For the regular program, the state reimburses districts for qualifying transportation expenses based on linear density, which is the ratio of the average number of regular program students transported daily on standard routes to the number of route miles traveled daily for those standard routes. Standard miles and riders do not include miles or riders for alternative, bilingual, desegregation, magnet, parenting, pre-kindergarten regular transportation or hazardous area service. TEA uses this ratio to assign each school district to one of seven linear density groups. Each group is eligible to receive a maximum per mile allotment. Allotment rates are based on the previous year's linear density. **Exhibit 10-1** shows the linear density groups and the related allotment per mile.

Exhibit 10-1
Linear Density Groups

Linear Density Group	Allotment Per Mile
2.40 and above	$1.43
1.65 to 2.40	$1.25
1.15 to 1.65	$1.11
0.90 to 1.15	$0.97
0.65 to 0.90	$0.88
0.40 to 0.65	$0.79
Up to 0.40	$0.68

Source: TEA, Handbook on School Transportation Allotments, revised May 2001.

Exhibit 10-2 shows the linear density for NFISD for a five-year history from 1996-97 through 2000-01.

Exhibit 10-2
NFISD Linear Density for Regular Program Transportation
1996-97 through 2000-01

Year	Standard Regular Riders*	Standard Regular Miles	Linear Density	Eligible Allotment Per Mile for Following Year
1996-97	475,380	218,916	2.172	$1.25
1997-98	229,500	139,051	1.650	$1.25
1998-99	177,840	107,820	1.650	$1.25
1999-2000	141,300	85,608	1.650	$1.25
2000-01	288,540	211,680	1.363	$1.11

Source: TEA, School Transportation Route Services Reports, 1996-97 through 2000-01.
** Annual riders calculated by multiplying average daily riders by 180 school days as instructed by TEA procedures.*

In 2001, TEA conducted a transportation audit of NFISD to determine if the district was in compliance with TEA policies and procedures about student rider rosters and reporting requirements to the TEA, method used for calculating reported mileage for individual routes, board approved policy defining and identifying hazardous routes and bus driver records. The audit covered the 1998-99, 1999-2000 and 2000-01 school years. The audit found substantial non-compliance with policies and procedures as outlined in the Texas Education Agency Handbook on School Transportation Allotments. The TEA determined that NFISD route miles reported for some programs, including gifted/talented and parenting programs, were ineligible for reimbursement due to lack of supporting documentation. The district was not able to provide necessary supporting documentation for the student rider counts or route measurements reported to TEA. In light of the findings, TEA decided to set the linear density at 1.650 for 1997-98, 1998-99 and 1999-2000 based on information from the previous base year of 1995-1996 and audited information for the 2000-01 school year. This linear density resulted in reducing the regular program allotment rate from $1.43 to $1.25 for each subsequent school year (1998-99, 1999-2000 and 2000-01). The total overpayment adjustment imposed on the district for the three years is $864,727.

The NFISD linear density for 2000-01 as reported in the TEA Route Services Report was 1.363 students per mile. As a result, the district receives a lower allotment rate of $1.11, down from $1.25, per mile for reported eligible regular program route miles in 2001-02.

The NFISD Transportation Department director, appointed in 2001, brought in a consultant to train staff on required TEA procedures about student rider rosters and reporting requirements. During the TSPR review, the Transportation Department demonstrated knowledge of TEA procedures about student rider rosters and reporting requirements and the method used for calculating reported mileage for individual routes.

Exhibit 10-3 shows the linear densities for 2000-01 for NFISD and a peer group of Texas school districts.

Exhibit 10-3
NFISD and Peer Districts Linear Density
2000-01

District	Standard Regular Riders*	Standard Regular Miles	Linear Density	Allotment per Mile Based on 1999-2000**	Eligible Allotment per Mile for 2001-02**
North Forest	**288,540**	**211,680**	**1.363**	**$1.25**	**$1.11**
Eagle Pass	661,860	449,992	1.471	$1.11	$1.11
Port Arthur	420,840	188,004	2.238	$1.25	$1.25
Edgewood	38,880	16,560	2.348	$1.11	$1.25
South San Antonio	358,020	100,980	3.545	$1.43	$1.43
Peer Average	**369,900**	**188,884**	**2.401**	**$1.23**	**$1.26**

Source: TEA, School Transportation Route Services Reports, 2000-01.
** Annual riders calculated by multiplying average daily riders by 180 school days.*
*** Allotment rates are based on the previous year's linear density.*

In 2000-01, TEA reimbursed NFISD $1.25 each route mile for regular program miles based on the linear density for 1999-2000. The NFISD total annual operations cost was $4.09 each odometer mile in 2000-01. Odometer miles are all miles driven, including miles for extracurricular trips, maintenance and deadhead. Deadhead miles occur between the locations where the student transportation vehicle is parked during the day or night and the school where the eligible route miles begin and end.

NFISD receives state reimbursement based on eligible route miles. Regular program route miles and CATE route miles are eligible for state reimbursement. Route miles eligible for reimbursement are measured beginning and ending at the last school served for home-to-school route service or first school served for school-to-home route service. Eligible route miles do not include extracurricular miles, deadhead miles or other miles reported to TEA.

Reimbursement for special program transportation is not based on linear density. The Texas Legislature sets the per mile allotment rate for special programs. All transportation for special program students, except certain extracurricular trips, is eligible for state reimbursement at $1.08 each route mile. In 2000-01, NFISD actual cost for special program transportation was $5.33 per odometer mile.

The reimbursement per mile for the CATE program is based on the cost for regular program miles for the previous fiscal year as reported by the district in the TEA Operations Report. In 2000-01, TEA allocated to NFISD $2.31 for each reimbursable CATE mile.

In 2000-01, NFISD operated 451,440 reimbursable regular program miles, 233,784 reimbursable special program miles and 5,760 reimbursable CATE miles. **Exhibit 10-4** shows a comparison of reimbursable route miles for NFISD and the peer districts.

Exhibit 10-4
NFISD and Peer Districts Reimbursable Route Miles by Category
2000-01

	Regular Reimbursable Miles	Special Reimbursable Miles	CATE Reimbursable Miles
Eagle Pass	567,774	110,022	0
Edgewood	49,228	106,004	46,798
Port Arthur	352,380	235,478	67,356
South San Antonio	103,140	93,780	7,200
Peer Average	268,131	136,121	40,451
North Forest	**451,440**	**233,784**	**5,760**

Source: TEA, School Transportations Operation Report and School Transportation Route Services Reports, 2000-01.

TEA reimbursable miles for regular program students include transportation for programs such as alternative schools, bilingual programs and pre-kindergarten classes. Miles for routes that serve these programs are reimbursed at the regular program rate determined by the linear density group for standard miles. These programs and the reported miles for NFISD and peer districts are shown in **Exhibit 10-5**.

Exhibit 10-5
NFISD and Peer Districts Regular Program Reimbursable Miles by Program
2000-01

District	Standard	Alternative	Bilingual	Gifted	Parenting	Pre-K/K	Total Regular Reimbursable Miles
Eagle Pass	509,724	N/A	N/A	N/A	N/A	58,050	567,774
Edgewood	18,648	6,120	10,260	N/A	3,040	11,160	49,228
Port Arthur	217,951	14,320	21,480	50,836	8,234	39,559	352,380
South San Antonio	103,140	N/A	N/A	N/A	N/A	N/A	103,140
Peer Average	212,366	10,220	15,870	50,836	5,637	36,256	268,131
North Forest	**252,000**	**15,480**	**N/A**	**16,560**	**14,400**	**153,000**	**451,440**

Source: TEA, School Transportation Route Services Report, 2000-01.
Note: The "N/A" indicates the district does not provide student transportation for the program.

In 2000-01, NFISD reported 153,000 reimbursable miles for pre-kindergarten, 34 percent of 451,440 total reimbursable miles operated for student transportation. The pre-kindergarten transportation program at NFISD is several times larger than any peer school district.

In 2000-01, the state allocated to NFISD $564,300 in funding for regular program transportation, $252,487 for special program transportation and $13,306 for CATE transportation. **Exhibit 10-6** compares total annual operations cost and the state allotment for regular program and special program transportation in 2000-01 for NFISD and the peer districts. The operations cost and state allotment for the regular program includes regular program career and technology route miles. The operations cost and state allotment for the special program includes special program career and technology route miles.

Exhibit 10-6
NFISD and Peer Districts State Allotment Regular and Special Programs
2000-01

District	Regular Program*			Special Program*		
	Operations Cost**	State Allotment	Percent State	Operations Cost**	State Allotment	Percent State
Eagle Pass	$2,309,278	$620,319	27%	$375,929	$118,824	32%
Edgewood	$370,805	$89,728	34%	$300,561	$131,345	44%
Port Arthur	$1,586,738	$640,386	40%	$712,239	$254,316	36%
South San Antonio	$466,166	$180,250	39%	$246,692	$101,282	41%
Peer Average	$1,183,247	$382,671	32%	$408,855	$151,442	38%
North Forest	**$2,827,695**	**$574,280**	**20%**	**$1,270,194**	**$255,813**	**20%**

Source: TEA, School Transportation Operations Report and School Transportation Route Services Reports, 2000-01.
**Operations Cost and State Allotment include career and technology routes.*
***Operations cost excludes capital outlay and debt service.*

NFISD has the lowest percent of reimbursement for regular and special program transportation compared to its peer districts.

Exhibit 10-7 shows the annual riders, total annual odometer miles and total buses for NFISD compared to peer districts for 2000-01. Annual riders include career and technology riders.

Exhibit 10-7
NFISD and Peer Districts Operating Statistics
2000-01

District	Regular Program			Special Program		
	Annual Riders*	Total Odometer Miles	Total Buses	Annual Riders*	Total Odometer Miles	Total Buses
Eagle Pass	942,120	942,879	84	23,040	156,697	14
Edgewood	120,060	103,603	12	67,320	157,374	18
Port Arthur	702,540	561,924	47	54,180	267,155	16
South San Antonio	382,320	130,275	44	42,120	113,234	27
Peer Average	536,760	434,670	47	46,665	173,615	19
North Forest	**536,760**	**691,407**	**66**	**47,160**	**238,610**	**61**

Source: TEA, School Transportation Operations Report and School Transportation Route Services Report, 2000-01.
** Annual riders calculated by multiplying average daily riders by 180 school days.*

Exhibit 10-8 compares transportation cost-efficiency and cost-effectiveness indicators for 2000-01 for NFISD and the peer districts based on TEA data. Cost per odometer mile is determined by dividing total annual operations cost less debt service and capital outlay by total annual odometer miles. The TEA Operations Report provides the number of miles used to calculate the cost per odometer mile. These miles include deadhead and maintenance miles and other sources of added miles. Cost per rider is determined by dividing total annual operations cost less debt service and capital outlay by total annual riders. Total annual riders are determined by multiplying average daily riders by 180 school days.

Exhibit 10-8
NFISD and Peer Districts Cost Efficiency and Cost Effectiveness Indicators
2000-01

District	Regular Program		Special Program	
	Cost/ Odometer Mile	Cost/Rider	Cost/ Odometer Mile	Cost/Rider
Eagle Pass	$2.45	$2.45	$2.40	$16.32
Edgewood	$3.58	$3.09	$1.91	$4.46
Port Arthur	$2.82	$2.26	$2.67	$13.15
South San Antonio	$3.58	$1.22	$2.18	$5.86
Peer Average	$3.11	$2.26	$2.29	$9.95
North Forest	**$4.09**	**$5.27**	**$5.32**	**$26.93**

Source: TEA, School Transportation Operations Report and School Transportation Route Services Report, 2000-01.

The regular program cost per odometer mile is 32 percent higher than the peer average, and the regular program cost per rider is 134 percent higher than the peer average in 2000-01. The special program costs per odometer mile are 133 percent higher than peer average, and the special program cost per rider is 171 percent higher than the peer average in 2000-01.

Exhibit 10-9 compares service effectiveness, or productivity, indicators for NFISD and peer districts based on TEA data. The rider per reimbursable mile is determined by dividing total annual riders by total annual reimbursable miles. Total annual riders are determined by multiplying average daily riders by 180 school days. The riders per bus are determined by dividing average daily riders by the total number of buses.

Exhibit 10-9
NFISD and Peer Districts Service Effectiveness Indicators
2000-01

District	Regular Program		Special Program	
	Riders/ Reimbursable Mile	Riders/Bus	Riders/ Reimbursable Mile	Riders/Bus
Eagle Pass	1.66	62	0.21	9
Edgewood	1.49	56	0.63	21
Port Arthur	1.67	83	0.23	19
South San Antonio	3.46	48	0.45	9
Peer Average	2.07	62	0.38	15
North Forest	**1.18**	**45**	**0.20**	**4**

Source: TEA, School Transportation Operations Report and School Transportation Route Services Report, 2000-01.

The regular program productivity statistics were lower than the peer average in 2000-01. NFISD riders per reimbursable mile were 43 percent lower than the peer average, and riders per bus were 27 percent lower than the peer average. Special program productivity was also lower than the peer average in 2000-01. Riders per reimbursable mile measured 47 percent lower, and riders per bus measured 73 percent lower than peers.

Exhibit 10-10 documents a five-year history of the total miles of transportation service provided by NFISD by category of service.

Exhibit 10-10
NFISD Annual Miles of Service
1996-97 through 2000-01

	1996-97	1997-98	1998-99	1999-2000	2000-01	Percent Increase (Decrease) 1996-97 through 2000-01
Regular Program Transportation						
Route Miles with deadhead	571,423	460,564	476,564	554,703	524,128	(8%)
Extracurricular Miles	422,221	463,110	491,020	461,001	102,974	(76%)
Other Miles*	12,672	94,469	65,626	55,577	64,305	407%
Annual Regular Odometer Miles	**1,006,316**	**1,018,143**	**1,033,210**	**1,071,281**	**691,407**	**(31%)**
Special Program Transportation						
Route Miles with deadhead	381,603	305,972	272,341	265,936	237,248	(38%)
Extracurricular Miles	3,443	51,040	18,738	10,731	1,362	(60%)
Other Miles*	3,043	91,212	58,428	39,474	0	(100%)
Annual Special Odometer Miles	**388,089**	**448,224**	**349,507**	**316,141**	**238,610**	**(39%)**
Total Odometer Miles	**1,394,405**	**1,466,367**	**1,382,717**	**1,387,422**	**930,017**	**(33%)**

Source: TEA, School Transportation Operations Reports, 1996-97 through 2000-01.
** "Other" miles consist of all miles other than route miles, mileage to and from routes and extracurricular miles.*

Regular program transportation route miles decreased in 1997-98. In 1998-99 and 1999-2000, regular program transportation route miles increased, but decreased again in 2000-01. Regular program route miles decreased 8 percent from 1996-97 to 2000-01, and regular education extracurricular miles decreased 76 percent. Other miles increased from 12,672 annual miles in 1996-97 to 64,305 annual miles in 2000-01. Over all, regular education miles decreased 31 percent from 1996-97 to 2000-01.

Special program transportation route miles decreased each year during the five-year period. Special program extracurricular miles varied from year to year. Overall, special education miles decreased 39 percent from 1996-97 to 2000-01.

Exhibit 10-11 compares the total and extracurricular transportation miles of peer districts with NFISD. Extracurricular miles include student transportation for field trips and extracurricular activities such as athletics, band and University Interscholastic League (UIL) events. NFISD operates a lower level of extracurricular miles compared to peers.

Exhibit 10-11
NFISD and Peer Districts Extracurricular Miles
2000-01

District	Total Odometer Miles*	Extracurricular Miles*	Percent Extracurricular
Eagle Pass	1,099,576	208,232	19%
Edgewood	260,977	80,083	31%
Port Arthur	829,079	149,450	18%
South San Antonio	243,509	41,549	17%
Peer Average	608,285	119,829	20%
North Forest	**930,017**	**104,336**	**11%**

Source: TEA, School Transportation Operations Report, 2000-01.
**Includes both regular and special program transportation.*

Exhibit 10-12 compares the transportation cost of the peer districts with NFISD as a percent of total district expenditures. NFISD commits a high level of funding to the transportation function compared to the peer average. In general, most school districts commit 3 to 4 percent of their total expenditures to transportation.

Exhibit 10-12
NFISD and Peer Districts Cost as a Percent of Total Budgeted Operating Expenditures
2000-01

District	Total District Expenditures	Transportation Operations Cost*	Percent of Total Expenditures
Eagle Pass	$74,798,117	$2,685,207	4%
Edgewood	$86,714,351	$671,366	1%
Port Arthur	$69,702,027	$2,298,977	3%
South San Antonio	$71,030,790	$712,858	1%
Peer Average	$75,561,321	$1,592,102	2%
North Forest	**$74,537,651**	**$4,097,889**	**5%**

Source: TEA, AEIS, 2000-01; TEA, School Transportation Operations Report, 2000-01.
**Excludes debt service and capital outlay.*

A five-year history of transportation performance data for NFISD, provided by TEA, is shown in **Exhibit 10-13**.

Exhibit 10-13
NFISD Regular and Special Program Transportation Historical Data
1996-97 through 2000-01

	1996-97	1997-98	1998-99	1999-2000	2000-01	Percent Increase (Decrease) 1996-97 through 2000-01
Operations Cost*						
Regular Program	$2,383,698	$1,573,816	$2,080,370	$2,417,225	$2,827,695	19%
Special Program	$757,118	$955,929	$985,191	$990,916	$1,270,194	68%
Total	**$3,140,816**	**$2,529,745**	**$3,065,561**	**$3,408,141**	**$4,097,889**	**30%**
Annual Odometer Miles						
Regular Program	1,006,316	1,018,143	1,033,210	1,071,281	691,407	(31%)
Special Program	388,089	448,224	349,507	316,141	238,610	(39%)
Total	**1,394,405**	**1,466,367**	**1,382,717**	**1,387,422**	**930,017**	**(33%)**
Cost per Odometer Mile						
Regular Program	$2.37	$1.55	$2.01	$2.26	$4.09	73%
Special Program	$1.95	$2.13	$2.82	$3.13	$5.32	173%
Annual Riders						
Regular Program*	634,860	686,880	708,120	935,100	536,760	(15%)
Special Program	63,900	43,920	48,960	50,220	47,160	(26%)
Total	**698,760**	**731,880**	**757,080**	**985,320**	**583,920**	**(16%)**
Cost per Rider						
Regular Program	$3.75	$2.29	$2.94	$2.58	$5.27	40%
Special Program	$11.85	$21.24	$20.12	$19.73	$26.93	127%

Source: TEA, School Transportation Operations Report, 1996-97 through 2000-01; TEA, School Transportation Route Services Report, 1996-97 through 2000-01.
**Operations cost exclude capital outlay and debt service.*

For regular program transportation, operation cost increased 54 percent between 1997-98 and 1999-2000. During this same period, odometer miles remained fairly steady. Regular program transportation annual riders grew 47 percent from 1996-97 to 1999-2000 and then decreased 40 percent in 2000-01. Operation cost for special education transportation remained steady from 1997-98 to 1999-2000 while odometer miles decreased 29 percent during the same time period. Special education riders varied from year to year but averaged about 50,000 annual riders.

Exhibit 10-14 summarizes NFISD transportation operations cost for each of five years by object of expenditure as defined by TEA in the instructions for the annual TEA Route Services Report.

Exhibit 10-14
NFISD Transportation Operations Cost by Type of Expenditure
1996-97 through 2000-01

Object	1996-97	1997-98	1998-99	1999-2000	2000-01	Percent of Total 2000-01	Percent Increase (Decrease) 1996-97 through 2000-01
Salaries & Benefits	$2,260,925	$1,916,564	$2,430,092	$2,513,956	$3,338,991	81%	48%
Purchased Services	$164,441	$133,633	$161,465	$211,002	$201,356	5%	22%
Supplies and Material	$483,269	$237,886	$255,864	$393,998	$372,202	9%	(23%)
Other Expenses	$232,181	$241,662	$218,140	$289,185	$185,340	5%	(20%)
Total Cost	**$3,140,816**	**$2,529,745**	**$3,065,561**	**$3,408,141**	**$4,097,889**		**30%**

Source: TEA, School Transportation Route Services Reports, 1996-97 through 2000-01.

Total operation costs increased 30 percent from 1996-97 to 2000-01. The increase is attributed to a 48 percent increases in the salaries and benefits during the five-year period. The largest increase in salaries and benefits occurred in 2000-01 when full-time drivers were guaranteed eight hours per day as compared to five hours per day in 1999-2000. The number of hours guaranteed to full-time drivers was reduced again in 2001-02 to six hours.

A. PRIVATIZATION

Research shows that between 30 and 40 percent of school districts use private contractors to provide all or some of the district's transportation services. The National School Transportation Association reports that several districts have had success contracting and recommends all districts evaluate the option. The National School Transportation Association agrees that privatization will not benefit all school districts, but comparisons should be made to determine if a private contractor could provide better and/or cheaper service than the district. NFISD has not evaluated the feasibility of privatizing transportation services.

FINDING

The NFISD Transportation Department does not rate favorably against key success factors, as seen in **Exhibit 10-15**. Costs are high and productivity is low based on 2000-01 data reported to TEA. The school district does not manage student transportation to emphasize safety and reliability.

Exhibit 10-15
Comparison of NFISD Transportation Services to Key Success Factors

Success Factor	Status
Transportation Cost	• The Transportation Department costs are high when compared to peer districts and costs increased in 2000-01. • NFISD spends more on its transportation function than the average school district. • The Transportation Department is recovering a low percent of its operating costs through the state allotment.
Management Information Systems	• The Transportation Department does not use a vehicle maintenance information system. • The Transportation Department does not use a routing and scheduling system.
Human Resources	• Twenty-nine bus drivers are on leave for workers' compensation claims. • The Transportation Department does not have enough drivers to operate all daily routes and the district is doing little to fill the driver vacancies. • Driver vacancies have resulted in poor on-time performance and poor service quality. • Drivers are paid a guarantee of six hours a day although some routes take less time to operate. • The starting driver's wage rate is low compared to the local market.
Management of Staff	• The organizational structure does not clearly delegate supervisory responsibility, does not emphasize the importance of safety, training and driver supervision and does not include skilled routing and scheduling staff. • The department must use drivers in a part-time capacity to help with the administrative workload in the office. • Absenteeism is high, averaging about 14 percent for the 61 available drivers. Absences contribute further to the driver shortage problem.
Overtime	• Drivers work an average of 7 percent of overtime hours compared to scheduled hours. • Maintenance servicemen work an average of 18 percent overtime hours compared to scheduled hours.
Routing and Scheduling	• Riders per mile, costs per rider and linear density are lower than the peer average. • Bell times are not staggered enough to allow multiple runs on routes to run on time. Routes do not have schedules. • Routing and scheduling guidelines and policies are not in place.
Safety	• Drivers receive the state-mandated 20 hours of driver training when they begin work. There is no curriculum for training in the district. • Drivers are not adequately supervised in the field.
Maintenance	• The Transportation Department does not have a preventive maintenance program for school buses. • Maintenance staff does not have formal training or advanced certification. • The Transportation Department does not have records verifying fleet inventory, cost of new vehicles or vehicle purchases.

Source: LKC Consulting Services, Inc., May 2002.

The Transportation Department costs are high compared to peer districts and are increasing based on TEA data. For regular education, the cost per odometer mile is 32 percent higher than the peer average, and the cost per rider is 134 percent higher than the peer average in 2000-01. For special education, the cost per odometer mile is 133 percent higher than the peer average, and the cost per rider is 171 percent higher than the peer average. Total operating costs have increased every year since 1997-98 without a corresponding increase in miles. NFISD spends about 5 percent of its total expenditures on student transportation. Three or 4 percent is typical in most districts. The Transportation Department recovers the lowest percent of its operating costs through the state allotment compared to peers. The peers recover an average of 32 percent for regular and 38 percent of special program costs; NFISD recovered about 20 percent in 2000-01. The Transportation Department experienced a 48 percent increase in salaries and benefits from 1996-97 to 2000-01. The Transportation Department improved productivity in 2001-02 by combining routes into fewer driver assignments. However, the district did not provide the review team any documentation to show lower operating costs.

The Transportation Department has, but does not use, vehicle maintenance and routing and scheduling software. Many staff members have not had computer training, and software packages that would automate the department are not being used.

The Transportation Department has many staff issues. NFISD does not have enough drivers for all routes and all driver assignments. Twenty-nine drivers are on leave for workers' compensation claims. As a result of driver vacancies, driver assignments include two or three routes, resulting in poor on-time performance. Other Transportation Department staff must drive, which results in higher overtime especially for servicemen. The NFISD starting wage rate for drivers is lower than any other district in the surrounding area. The low wage rate makes recruiting new drivers difficult. Drivers are paid a guaranteed six hours a day even when their routes may require less time.

Routes are prepared manually, resulting in low riders per mile and high cost per rider. Linear density is lower than the peer average. Routing and scheduling guidelines and policies are not in place that would help create more productive routes. Bell times are not staggered to allow multiple runs on routes to operate on time. Routes do not have corresponding schedules.

The Transportation Department does not emphasize safety. Driver training is minimal and unstructured. The department does not have a driver-training curriculum. The Transportation Department does not provide field supervision of drives.

Fleet management and maintenance are poor. The department does not have a preventive maintenance program and maintenance staff does not receive training. No mechanic has certification for school bus inspection and maintenance. The Transportation director said the shop foreman is certified for bus inspection of diesel engines, but did not provide documentation of this certification. Records of the fleet are poor, and the district could not provide documentation to verify the fleet composition, the cost of new vehicles or recent vehicle purchases.

Many districts in Texas outsource their transportation activities. La Marque ISD and Waco ISD are examples of districts that contract with private providers. Industry standards usually estimate savings of 10 percent of operations cost for districts that privatize the transportation functions. Martin County School District in Florida awarded a contract to a private provider based on an expectation of 10 percent savings.

There are several reasons to consider external student transportation options:

- A private company may be able to provide student transportation at a lower cost.
- Contractors often have a broad range of experience dealing with the challenges of providing student transportation in numerous school districts. This experience may allow a contractor to solve district student transportation problems more quickly and effectively.

- Performance clauses can be included in the contract to ensure improved quality of services. For example, the contractor can be required to meet a standard for on-time performance.
- A district could incorporate incentive clauses in the contract to increase efficiency. For example, the district can include a clause that allows cost-savings resulting from route reductions proposed by the contractor to be shared with the district and the contractor.
- The contractor can be required to implement an appropriate cost accounting system to monitor cost-efficiency and cost-effectiveness and to better monitor and control cost by activity and service category.
- A contractor may be more flexible in implementing personnel management practices to recruit and retain drivers.
- The contractor can react quickly to market conditions to set competitive wage rates and conduct a more aggressive recruitment program to fill vacant driver positions.
- The contractor may provide better fleet management, driver safety training and automated routing and scheduling programs. A contractor may offer these services more cost-effectively due to economies of scale.
- By outsourcing the ancillary function of school transportation, district administrators can re-focus attention on core educational functions.
- If the contractor provides the district with school buses, the district no longer faces large capital outlays to replace the school bus fleet.

There are also possible disadvantages to outsourcing student transportation that must be considered by a district.

- The district may have less control of day-to-day operations and procedures with outsourced transportation services.
- If a private contractor provides the district with school buses, the school district will amortize the cost of the vehicles as operating costs during the term of the contract. The annual cost of vehicles will vary by the length of the contract and the required average age of the school bus fleet.
- If competition is inadequate, the contractor's price may not reflect the cost savings targeted by the district.
- If the contract terms are incomplete, the cost of additional services can result in higher than expected student transportation expenditures. For example, if contract terms do not address all the services the district will need during the length of the contract.
- Student transportation services could be in jeopardy if the contractor defaults or if there are contract disputes.
- Existing employees of the district will feel uneasy about the transition to a new employer.

To evaluate the feasibility of reducing student transportation costs and improving service quality by contracting a private company, the school will need to take each of the following steps:

- Determine the full cost of student transportation. To decide if outsourcing would save costs, the school will need to determine the full cost of in-house services, including the cost of buses and facilities, depreciation on these assets and administrative overhead costs. Administrative overhead will include costs that can be avoided if transportation services are contracted, costs that can be reallocated to another essential district function and costs that cannot be avoided and will remain a district expense in addition to the outsourced contract. This information is necessary when comparing the costs of in-house student transportation services to the costs of contracted services including contract administration costs. Decisions about transferring employees will materially affect this analysis.
- Prepare comprehensive contract specifications. The specifications must be carefully prepared to be comprehensive and specific, covering all of the services provided by the contractor during the length of the contract. The specifications should include standards to measure and monitor contractor performance.
- Include incentives for performance. The contract for services should contain incentive clauses that encourage the contractor to find ways to reduce costs while maintaining high quality

services in accordance with performance standards. The contract should also allow the district to levy penalties against the contractor if performance does not meet standards.

- Determine employee status. Transportation Department employees would be most affected by a decision by the district to contract student transportation to an outside contractor. The transition will create concerns about employment status, pay, benefits and working conditions. Employees who have been with the district several years will have additional concerns about loss of seniority and protection of retirement benefits. The district will need to develop an employee transition plan for implementation, involving the employees and their representatives as much as possible. The district should keep employees informed and listen to concerns. The communication process should start before the request for proposals is actually advertised.
- Evaluate options to own or contract for school buses. The district may elect to retain title for the school buses and then lease the vehicles to the contractor. If the contractor provides the district with school buses, the district is no longer faced with large capital outlays to replace school buses. On the other hand, the amortized cost of equipment will be reflected in higher contract operating costs. The school should incorporate provisions into the contract for buying back buses at market value if they wish to resume in-house service.
- Decide the contract term. The district should contemplate a contract with a relatively short term with the option for extension year by year. Decisions about the length of the contract term and the options of owning or contracting for school buses should be considered together.
- Require the contractor to provide a complete transition plan. Successful outsourcing requires sufficient time for transition to new management. The contractor should provide a detailed plan for the transfer of responsibilities from the district to the new management team. The transition period can be difficult if attempted in mid-year. The district should consider the value of starting the contractor with a new school year.
- Establish performance measures. The school will need to closely monitor services provided by a contractor and measure performance against agreed upon standards. Suggested performance measures are set forth in **Exhibit 10-16.**
- Plan to closely monitor contractor performance. A qualified district employee should be assigned duties to administer the contract and to monitor contractor performance.

Exhibit 10-16
Suggested Performance Measures for Outsourced Student Transportation

Category	Performance Measures
Productivity	Student riders per mile Student riders per bus Linear density
Cost	Cost per route Cost per mile Cost per student rider Percent state reimbursement
Safety	Accidents every 100,000 miles of service Student incidents every 1,000 students transported Training curriculum for new drivers Hours of in-service training for each driver
Service Quality	On-time performance Maximum length of student time on school bus Average bus occupancy each trip

Exhibit 10-16 (continued)
Suggested Performance Measures for Outsourced Student Transportation

Category	Performance Measures
Personnel	Number of driver positions vacant Absentee rate for drivers Number of available relief drivers Starting wage rate Percent overtime
Customer Satisfaction	Annual user survey of parents, school administrators Referrals per route Response time per referral
Vehicle Maintenance	Percent of preventive maintenance inspections completed on-time Miles between in-service breakdowns Cost per bus for maintenance labor, parts and fuel Number of certified mechanics

Source: Gibson Consulting Group, Inc., May 2002.

Recommendation 112:

Evaluate the cost-effectiveness of outsourcing the transportation function.

Exhibit 10-17 shows targets for the department. These targets are based on the recommendations in this chapter, peer experience or industry standards.

Exhibit 10-17
NFISD Performance Measures

Performance Indicator	NFISD Targets
Safety	
Accidents per 100,000 miles	1
Student incidents per month	20
Hours of driver training per year	42
Costs	
Operation cost per mile – Regular	$4.03
Operation cost per mile – Special	$5.63
Operation cost per rider – Regular	$4.33
Operation cost per rider – Special	$21.52
Productivity	
Riders per route mile – Regular	1.48
Riders per route mile – Special	0.25
Riders per bus – Regular	58
Riders per bus – Special	8
Linear density	1.650
Service Quality	
On-time performance	95%
Driver absentee rate	7%
Driver vacancies	3%

Exhibit 10-17 (continued)
NFISD Performance Measures

Performance Indicator	NFISD Targets
Maintenance	
Miles between preventive maintenance inspections	3,000
Miles between road calls	6,000
Number of certified mechanics/mechanics in training	2

Source: LKC Consulting Services, Inc. May 2002.
**Costs exclude capital outlay and debt.*

A two-year time frame is set to implement the recommendations and meet the targets before pursuing privatization. If after the first year significant improvements have not been made based on these targets, the district can begin the process of procuring a private contractor. This procurement will take some time and is planned to begin in the second year while improvements are still being made. The district can develop a request for proposals and solicit proposals, receive and evaluate proposals and decided the contractor with which they would like to contract. By the end of the second year, if the department still has not met the performance targets, the district can begin contract negotiations with the selected contractor.

To determine the success of the recommendations, the Transportation director and NFISD should monitor performance measures during the two-year period. If performance levels are achieved, privatization may not be necessary. If performance levels are not achieved, the transportation function should be privatized.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Transportation director begins implementing recommendations.	October 2003
2.	The special assistant to the superintendent and Transportation director evaluate the performance of the Transportation Department and determine if privatization should be pursued.	October 2003
3.	The special assistant to the superintendent prepares a request for proposals with the Transportation director's assistance.	January 2004
4.	The special assistant to the superintendent enters into discussions with Transportation Department employees about their concerns and the implications of outsourcing student transportation and begins developing an employee transition strategy.	January 2004
5.	The special assistant to the superintendent conducts an analysis of the advantages and disadvantages of purchasing or contracting for school buses.	February 2004
6.	The special assistant to the superintendent develops a fully allocated analysis of the costs of providing student transportation services.	February 2004
7.	The special assistant to the superintendent recommends a procurement methodology and scope of services, including policy recommendations for employees and capital purchases of school buses, to the superintendent and school board for approval.	February 2004
8.	The superintendent obtains approval from the board to issue the request for proposals. Selection criteria and evaluation methodology are defined.	March 2004

9. The superintendent presents the analysis of the various proposals submitted by school transportation companies and an employee transition plan and school bus procurement plan to the board.	April 2004
10. The board determines if outsourcing the NFISD student transportation program is in the best interest of the district.	April 2004
11. If the decision is to outsource student transportation, the school board awards a contract to the company with the best proposal for NFISD, all factors considered.	April 2004
12. The contractor begins the transition plan.	August 2004
13. The contractor assumes full responsibility for student transportation.	June 2005

FISCAL IMPACT

Industry standards usually estimate a savings of 10 percent of operations cost for districts that privatize their transportation functions. However, given the high operating costs at NFISD, additional savings are possible. The recommendations in this chapter estimate savings that exceed 18 percent; therefore, a conservative 20 percent reduction is targeted for NFISD through privatization. NFISD could save $614,683 which is 15 percent of the $4,097,889 annual operations cost in 2000-01, beginning in June 2004, assuming the district adheres to a two-year timetable to target improvements. These savings, however, are not included here since similar savings can be accomplished through other recommendations in this chapter. The district will realize savings either through making recommended improvements or privatizing, not both.

B. ROUTING AND SCHEDULING

In 2000-01 NFISD reported 3,244 students were transported daily on school buses. Student riders represent 26 percent of the student enrollment of 12,487.

In April 2002 the district assigned 27 regular and 22 special buses to serve six elementary schools, four middle schools, two high schools and two alternative education classes. Special program transportation is also provided to programs at two schools in the Houston Independent School District and four schools in the Aldine Independent School District. NFISD provides door-to-door transportation for 600 pre-kindergarten students. Pre-kindergarten classes are offered in the morning and afternoon. Nineteen bus routes operate for special and pre-kindergarten programs during the midday. In addition, four buses are assigned to CATE programs mid-day.

To be eligible to ride the bus, a student must live two or more miles from school or must walk through a hazardous walking area to go to school. Ten percent of regular route miles are required to transport 516 students due to hazardous conditions. Ten percent is the maximum percent of regular route miles that are eligible for state reimbursement for hazardous conditions.

FINDING

Bus drivers regularly do not pick up students on time, and many students arrive to school late. Routes are designed to operate a separate run each of four different age groups in pre-kindergarten, elementary, middle and high school. Bell times are staggered but not enough to allow multiple school bus runs to operate on time.

The Transportation Department provided the review team a list of bus assignments for 2001-02. NFISD operated approximately 27 buses on regular routes and 22 buses on special program routes to 13 schools each morning and afternoon. Each bus operated multiple runs in the morning and afternoon. Twenty-one of 27 regular buses made three runs to different schools, six buses made two runs. Three of 22 special buses make three runs and nine buses make two runs.

The NFISD bell schedule consists of three different start and end times. High schools start at 7:30 a.m. and end at 2:30 p.m. Middle schools start at 7:45 a.m. and end at 2:45 p.m. Elementary schools start at 8:00 a.m. and end at 3:00 p.m. Each regular and special program bus assignment includes two or three trips in the morning and afternoon, allowing students to be bused within their own age group. Twenty-three bus assignments also include a mid-day run for special and pre-kindergarten programs. Bell times are not staggered enough to accommodate multiple trips on regular routes. As a result, buses run late.

The Transportation Department does not have schedules for each route. Setting time points on a route helps bus drivers identify and report when buses are running late and lets parents know when they should expect the bus. Setting and monitoring schedules can help transportation staff identify when schedules are not reasonable and need to be modified. If a driver cannot possibly run a route within the planned schedule, the route and the schedule need to be reviewed. Most transit agencies, such as Houston METRO, have an ongoing program to monitor on-time performance.

Survey responses about school bus on-time performance are included in **Exhibit 10-18.**

Exhibit 10-18
Survey Comments Regarding
NFISD Transportation

Principals						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Buses arrive and leave on time.	0.0%	12.5%	0.0%	50.0%	37.5%	0.0%
Students						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Buses arrive and leave on time.	2.4%	9.8%	43.9%	12.2%	31.7%	0.0%
Buses arrive early enough for students to eat breakfast at school.	7.3%	17.1%	48.8%	12.2%	14.6%	0.0%

Source: TSPR Survey Responses, April 2002.

Comments about bus schedules and on-time performance received during public forums are included in **Exhibit 10-19**.

Exhibit 10-19
Public Input Comments Regarding
NFISD Transportation

Public Meeting Comments
Better bus scheduling.
Always late.
Buses need to have an accurate bus schedule, not at any time they want! Dogs at bus stop have bitten my sons after 8:10 a.m. Strangers have tried to pick up my sons while waiting for bus.
Sometimes it may be cold and the bus could come an hour to one and one half hour late and our hands and feet are frozen.
Late to class missing assignments and if the bus does not ever come we don't have a way to school cause our parents are at work.
Bus schedules should be adhered to and drivers should be more careful about how they operate buses.
Transportation Dept has problems they need to improve such as 1) late buses, 2) no buses, 3) no drivers, 4) break downs, 5) inconsistency in route schedules.

Source: TSPR Public Forum comments, March 26 and March 27, 2002.

The Transportation Department does not record or report on-time performance for school bus routes. The district did not provide statistics to report how many students arrive tardy for class due to school buses running late. During public forums, parents and school administrators reported that students are often picked up late from school. However, the Transportation Department did not provide data reporting how often or how long students must wait for a school bus after classes.

Recommendation 113:

Increase the time between staggered bells and revise route and schedule practices to ensure students are provided on-time transportation to and from school.

Delivering and picking up students on time should be a district priority, and NFISD and the Transportation Department should take steps to ensure that students are transported to and from school in a timely manner. Three specific steps can help NFISD and the Transportation Department in this goal.

NFISD should stagger bell times enough to allow Transportation to run at multiple trips per route. The Transportation Department should develop a schedule for each route, including time points during the route. Transportation supervisors and dispatches should monitor on-time performance to ensure routes are operated on schedule and students arrive and leave school on time.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent establishes a committee made up of the assistant superintendent for Finance and Operations, the Transportation director and school principals to determine a policy for delegating the authority to set bell times.	January 2003
2.	The Transportation director identifies optimal bell times for transportation of students.	January 2003
3.	The Transportation director reviews the suggested bell times with the committee.	February 2003

4.	The director of Transportation agrees to stagger bell times based on the committee recommendation and forwards the recommendation to the superintendent and the board.	March 2003
5.	The board adopts the recommendation.	March 2003
6.	School administrators send notices of the new bell times to parents.	May 2003
7.	The new bell times become effective.	August 2003
8.	The dispatcher develops schedules for each route, including time points during the route.	August 2003
9.	The director of Transportation instructs the supervisor and dispatchers to verify routes are operated on time by field checks, reports from principals and radio dispatch.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Transportation Department develops routes and schedules manually, resulting in low student riders per mile and high operating costs per student rider.

When compared to peer districts, NFISD service effectiveness indicators are lower than average. In 2000-01 NFISD regular program student riders per reimbursable mile was 43 percent lower than the peer average. NFISD reported 1.18 riders per mile as compared to the peer average of 2.07.

NFISD special program transportation productivity was also lower than the peer average in 2000-01. NFISD special program student riders per reimbursable mile were 47 percent lower than peers, 0.20 riders per mile as compared to the peer average of 0.38.

NFISD student transportation costs are high compared to peers. **Exhibit 10-20** shows the cost per odometer mile and cost per rider for NFISD from 1996-97 to 2000-01 as compared to the peer average for 2000-01.

Exhibit 10-20
NFISD Cost per Odometer Mile and Rider
1996-97 through 2000-01

Cost Indicator	1996-97	1997-98	1998-99	1999-2000	2000-01	2000-01 Peer Average	Percent Difference
Regular Program Cost per Odometer Mile	$2.37	$1.53	$2.01	$2.26	$4.09	$3.11	32%
Special Program Cost per Odometer Mile	$1,95	$2.13	$2.82	$3.13	$5.32	$2.29	132%
Regular Program Cost per Rider	$3.75	$2.29	$2.94	$2.58	$5.27	$2.26	133%
Special Program Cost per Rider	$11.85	$21.24	$20.12	$19.73	$26.93	$9.95	171%

Source: TEA, School Transportation Operations Report, 1996-97 through 2000-01; TEA, School Transportation Route Services Report, 1996-97 through 2000-01.

The NFISD average regular program cost per odometer mile for 2000-01 is 32 percent higher than the peer average. The special program cost per odometer mile is 132 percent higher than the peer average. The NFISD regular program cost per student rider is 133 percent higher than peers, and the special program cost per student rider is 171 percent higher.

A Transportation dispatcher prepares the NFISD route descriptions in handwriting on printed lined paper. A start time is designated for each route, but the dispatcher does not prepare a schedule for each route. The dispatcher records route miles for TEA reports by driving each route when time is available. The dispatcher also is responsible for dispatching drivers and monitoring bus operations by radio every day.

The dispatcher lives in the district and relies upon knowledge of the area to plan routes. The dispatcher does not use guidelines for designing routes and schedules. Guidelines help ensure and increase service quality and ensure consistency, logic and safety in route design. The Texas Association of School Business Officials (TASBO) Routing and Scheduling Professional Certification and Training manual lists guidelines for designing bus routes and schedules.

Many school districts use automated routing and scheduling programs to assist with designing routes. These programs design routes based on parameters or guidelines set by the user to determine the most effective routing and scheduling. The NFISD Transportation director told the review team that a recommendation to purchase routing and scheduling software is pending in procurement. The cost of the software is between $23,000 and $38,000.

Edulog sells automated routing and scheduling software. A representative of Edulog told the review team that NFISD issued a purchase order in November 1998 for $24,500 to buy the Edulog "NT Route with Run Log and Stop Optimization" software. The Edulog representative said the NFISD director for Management Information Systems (MIS) authorized the purchase. Edulog did not receive a signed license and maintenance agreement. The software was not installed. NFISD has not been invoiced for any cost because the license agreement with payment provisions was not signed.

Automated routing and scheduling software can improve the efficiency and effectiveness of the routing and scheduling function, but the benefits of the software cannot be fully realized if the staff is not qualified to operate the system and resolve problems. School districts that use automated routing and scheduling software assign a full-time coordinator who is trained to use the program.

Recommendation 114:

Implement automated routing and scheduling and hire a qualified router and scheduler.

The Transportation Department should purchase and implement routing and scheduling software to improve the design of routes and schedules to increase riders per mile and riders per bus and lower costs. The district should include in the specifications a requirement for the vendor to provide training and ongoing technical support for the Transportation staff.

Skilled professionals are required to plan and schedule effective and efficient school bus routes and to maximize the capabilities of the new automated routing and scheduling software. The Transportation Department should create a position for a routing/scheduling analyst to oversee implementation of the new routing and scheduling software. The job description for the routing/scheduling analyst should include qualifications and experience using geographic information systems (GIS) or similar computer programs.

Implementation of automated routing scheduling software should begin immediately to improve the efficiency and effectiveness of routes and schedules. A transition plan to move from manual to automated procedures should be developed to ensure a smooth implementation. The Transportation

Department should develop routing and scheduling guidelines to improve efficiency and productivity of both regular and special education routes. The routing/scheduling analyst should evaluate all routes using the routing, scheduling and bus stop guidelines outlined in the TASBO course.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Transportation director recommends purchase of automated routing and scheduling software.	October 2003
2.	The executive director for Human Resources prepares a job description and qualifications to recruit and hire a new route/scheduling analyst.	October 2003
3.	The director of MIS and the route/scheduling analyst work cooperatively to implement the new routing and scheduling software.	November 2003 through March 2003
4.	The route/scheduling analyst refines the routing and scheduling guidelines.	January 2003
5.	The route/scheduling analyst completes evaluation routes for improved efficiencies and productivity using the new software.	March 2003
6.	The Transportation director reviews the revised route and schedules and approves for implementation.	August 2003
7.	The route/scheduling analyst modifies the routes as needed.	Ongoing

FISCAL IMPACT

The cost of purchasing automated routing and scheduling software with training and technical support is reflected in 2002-03 at an estimated cost of $40,000.

The cost of a routing/scheduling analyst is estimated as an employee who joins the district at pay grade 4, level A for $35,960 annual salary based upon the NFISD 2001-02 salary schedule. The total annual salary cost with benefits is $42,213 ($35,960 per year + 9 percent benefits + $3,017 per year health insurance). Assuming the position will be filled in January 2003, one-half the annual salary and benefits ($21,106) is included in 2002-03 and the full salary and benefits in each following year.

Automated routing and scheduling software improves cost-effectiveness for student transportation by increasing the number of riders per mile with more efficient route design. NFISD regular program student riders per reimbursable mile were 43 percent lower than the peer average in 2000-01. NFISD reported 455,760 reimbursable regular program miles (including CATE miles). The cost per odometer mile was $4.09. Assuming the automated routing and scheduling system can improve regular program riders per mile by 10 percent, the number of miles required would decrease by 45,576 miles (10 percent of 455,760). The estimated savings for the regular program is $186,406 (45,576 miles at $4.09 per mile). Savings are estimated to begin in August 2003.

NFISD special program student riders per reimbursable mile were 47 percent lower than the peer average in 2000-01. NFISD reported 235,224 reimbursable special program miles. The cost per odometer mile was $5.32. Assuming the automated routing and scheduling system can improve special program riders per mile by 10 percent, the number of miles required would decrease by 23,522 miles (10 percent of 235,224). The estimated savings for the special program is $125,137 (23,522 miles at $5.32 per mile). Savings are estimated to begin in August 2003.

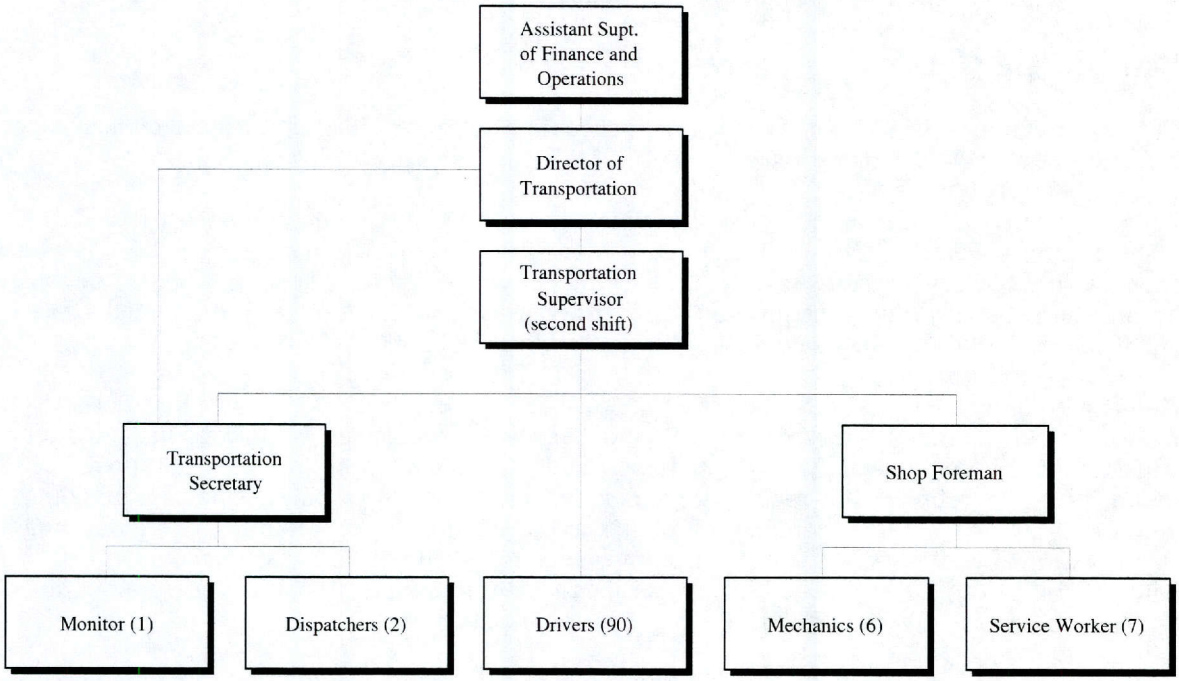
Overall, this recommendation will cost $61,106 the first year ($40,000 + $21,106) and save $269,330 per year when automated routing and scheduling is implemented [($186,406 + $125,137 = $311,543) - $42,213].

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hire a qualified router and scheduler.	($21,106)	($42,213)	($42,213)	($42,213)	($42,213)
Implement automated routing and scheduling.	$0	$311,543	$311,543	$311,543	$311,543
One-time cost for purchase of software.	($40,000)	$0	$0	$0	$0
Net Savings /(Cost)	**($61,106)**	**$269,330**	**$269,330**	**$269,330**	**$269,330**

C. *STAFFING*

The Transportation Department staff consists of a director, a supervisor, a secretary, two dispatchers, a monitor, a shop foreman, six mechanics, seven service workers, also called mechanic helpers, and 90 drivers. **Exhibit 10-21** shows the organization of the Transportation Department.

Exhibit 10-21
Transportation Department
2001-02



Source: NFISD Transportation Department.

The director manages the day-to-day operations of the department. The supervisor is responsible for all Transportation Department activities and personnel on the second shift in the afternoon and evening. The supervisor reports to the director.

The secretary supervises the dispatchers and clerks in the Transportation Department. Two dispatchers are responsible for driver report, assigning drivers to routes, radio dispatch and field supervision. One dispatcher is responsible for the morning routes and assists with payroll. A second

dispatcher is responsible for afternoon routes. The afternoon dispatcher is also responsible for routing and scheduling regular and special program routes and collecting and recording the data necessary to complete mileage and student rider forms for the TEA. The dispatchers drive a school bus route when necessary.

The monitor is responsible for observing school bus operations in the field. The monitor is also responsible for payroll, accounts payable, purchase requisitions and other departmental administrative functions. The Transportation director said the monitor does not monitor operations in the field due to the workload associated these other administrative duties. The monitor drives a school bus route when necessary.

The Transportation director said the Transportation department must use drivers in a part-time capacity to help with the administrative workload in the office.

FINDING

The Transportation Department does not have enough available drivers to operate all daily routes and the district is doing little to fill the driver vacancies. Many drivers are assigned to drive more than one route each day, causing buses to run behind schedule.

The Transportation director told the review team that a shortage of drivers forces the department to assign two or three routes to one driver. In total, 49 driver assignments are responsible for 69 bus routes. The Transportation Department provided the review team a list of bus assignments for 2001-02 and a set of bus route descriptions. The review team compared the bus assignment list and the route descriptions to determine that 27 driver assignments operate 42 regular routes and 22 driver assignments operate 27 special program routes. Four regular program driver assignments include three routes and 11 driver assignments include two routes. Five special program bus assignments include two routes. Each driver operates multiple runs in the morning and afternoon.

A second driver, or co-driver, is assigned to 10 special program and pre-kindergarten buses. The district does not use bus aides, who are employees without the training and certification required to drive a bus. The district practice is to ensure a second qualified driver is assigned to each of these 10 special needs assignments. When one driver is absent, a second driver who knows the routes and students is available to operate the route.

The list of NFISD bus assignments for 2001-02 shows there are 49 driver assignments and 10 co-driver assignments, for a total of 59 daily driver assignments. In addition, the Transportation Department needs drivers to fill in for absences.

In April 2002, the Transportation secretary and dispatchers told the review team an average of nine of the 61 available drivers are absent per day. The nine absences represent a driver absentee rate of 14.8 percent. Other Transportation personnel may be asked to drive including the dispatchers, monitor and servicemen. The director, supervisor, secretary, foreman and mechanics do not drive buses.

In total, 68 drivers are needed to fill 49 daily driver assignments, 10 daily co-driver assignments and provide for nine absences at the 14.8 percent absentee rate. The Transportation Department provided a document that listed 61 drivers who are available to work. Seven additional drivers are needed to provide enough personnel to operate all routes.

The Transportation director and secretary said the NFISD Human Resources Department has not been able to recruit enough drivers to fill the positions and filling driver vacancies has not been a top priority for Human Resources with all the other vacancies in the district. During 2001-02, the Transportation Department staff started their own efforts to recruit driver candidates by attending job fairs in Houston.

Other school districts have successfully recruited drivers by placing advertising decals on the back of school buses, with a phone number to call for further information. The school district in Dallas County filled vacancies by placing advertisements in local papers, obtaining referrals from drivers, placing flyers in grocery stores and recruiting at community colleges. Some school districts employ teachers as part-time bus drivers. The transportation director for the Austin Independent School District said the district successfully recruited drivers by advertising in local newspapers, publications targeted to senior citizens and church bulletins.

Recommendation 115:

Aggressively recruit bus drivers to fill all NFISD driver vacancies.

The Transportation Department cannot provide quality service if the staff is struggling to retain enough drivers to operate routes. The NFISD Human Resources Department should have a ready supply of driver candidates to cover unfilled assignments.

The recruitment staff should schedule several recruitment trips a month to the Texas Workforce Commission, job fairs and other opportunities. A bus can be used during recruiting activities to attract attention and post banners. Some retail stores may agree for NFISD to periodically conduct recruiting activities in the parking lot while customers are entering and leaving the store. Each month, the executive director of Human Resources and recruiting team should identify and schedule recruiting activities based on the need for drivers. As driver vacancies fill up, fewer recruiting activities will be necessary.

The executive director of Human Resources and the Transportation should also review the procedures for evaluating job applications to expedite the process and improve the time required to hire a new driver.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Transportation should identify driver requirements for the 2002-03 school year and estimate driver turnover to establish the ongoing need for new hourly drivers.	October 2003
2.	The executive director of Human Resources should post all unfilled hourly driver assignments and aggressively recruit driver candidates.	November 2003
3.	The executive director of Human Resources should fill all vacant driver assignments.	January 2004
4.	The executive director of Human Resources should maintain list of qualified driver candidates.	Ongoing

FISCAL IMPACT

Because the driver positions are already budgeted, this recommendation can be implemented with existing resources.

FINDING

The NFISD starting driver wage rate of $8.39 is below the starting wage rate of neighboring districts. **Exhibit 10-22** shows the starting wage rates for NFISD and school districts that border NFISD.

Exhibit 10-22
Starting Driver Salaries for NFISD and Transportation Peer Districts

District	Minimum	Midpoint	Maximum
Houston	$12.32	$14.31	$16.30
Sheldon	$12.11	$14.00	$16.89
Peer Average	**$11.21**	**$13.41**	**$15.84**
Humble	$10.69	$12.46	$13.81
Galena Park	$10.65	$12.58	$15.10
Aldine	$10.30	$13.71	$17.12
North Forest	**$8.39**	**$15.49**	**$22.58**
NFISD Percent Difference from Peer Average	**(25%)**	**16%**	**43%**

Source: Telephone surveys of listed districts, May 8, 2002.

Of the districts neighboring NFISD, NFISD has the lowest starting wage rate and is 25 percent lower than the average. Competition with neighboring districts to recruit and hire competent drivers is high, and the lower NFISD wage rate limits the ability to recruit new drivers.

The NFISD midpoint and maximum wage rates for drivers are higher than the peer averages. However, the majority of NFISD drivers listed in the Classified Budget 2002-2003 School Year for Transportation are below the midpoint. **Exhibit 10-23** shows the average wage rate per hour for NFISD bus drivers. The average hourly wage rate for the drivers listed as available for service is $13.56, approximately equal to the peer average midpoint of $13.41 (**Exhibit 10-22**).

Exhibit 10-23
NFISD Average Wage Rate per Hour for Bus Drivers
187 Work Days/Six Hours per Day*

Experience Step	Hourly Rate	Total Number of Drivers	Drivers Available for Assignment	Drivers on Leave
0-2	$8.39	12	10	2
3-5	$9.48	8	5	3
6	$11.30	3	3	0
7	$11.67	9	9	0
8	$12.45	7	2	5
9	$13.02	3	3	0
10	$13.87	4	2	2
11	$14.37	5	3	2
12	$14.99	5	3	2
13	$15.72	2	1	1
14	$16.24	5	2	3
15	$16.69	6	5	1
16	$17.19	1	1	0
17	$17.70	2	2	0
18	$18.21	4	3	1
19	$19.30	0	0	0
20	$20.40	1	1	0
21	$21.49	3	2	1
22+	$22.58	2	0	2
8-hour*	$18.69	8	4	4
Total Number of Drivers		**90**	**61**	**29**
Average Wage Rate		**$14.02**	**$13.56**	**$14.99**

Source: NFISD Salary Schedule 2001-02, NFISD Classified Budget, 2002-2003.
**Eight drivers are listed as 8-hour per day drivers.*

NFISD requires 68 active drivers to operate all driver assignments (49 driver assignments, 10 co-drivers and nine drivers to fill in for absences at 14.8 percent). The budget includes 90 driver positions. Twenty-nine drivers are on leave for workers' compensation claims but are listed on the Classified Budget 2002-2003 School Year, Transportation.

Recommendation 116:

Eliminate unnecessary bus driver positions through a reduction-in-force and increase hourly rates of bus driver starting salaries.

Drivers that are on long-term leave for workers' compensation claim should not be included in the Transportation Department budget. The budget should include the number of drivers needed to operate all driver assignments and provide for absences. Driver positions that are not needed should be eliminated.

NFISD should conduct a market survey of driver wage rates and policies for guaranteed hours. If the market shows the competitive starting wage rate for drivers is higher than $8.39 per hour, rates should be adjusted accordingly.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The assistant superintendent for Finance and Operations instructs the executive director of Human Resources and the Finance executive director to reduce the Transportation Department Budget for salaries and payroll benefits of employees on leave.	January 2003
2.	The executive director of Human Resources conducts a market survey.	January 2003
3.	The executive director of Human Resources and the Transportation director recommend a revised wage structure for bus drivers to the assistant superintendent for Finance and Operations.	February 2003
4.	The assistant superintendent for Finance and Operations recommends the revised wage structure to the superintendent and board for approval.	March 2003
5.	The superintendent and the board approve the salary increase.	April 2003
6.	The salary increase goes into effect for the 2003-04 school year.	August 2003

FISCAL IMPACT

Overall, this recommendation will save $489,976 per year by eliminating the budget for driver positions that are not needed and increasing the salaries of drivers who make less than $10.30 per hour.

Fifteen NFISD drivers available for work make less than $10.30 per hour: 10 make $8.39 per hour and five make $9.48 per hour. NFISD requires 68 available drivers to operate all driver assignments.

Eliminating 22 driver positions would save the district $520,171 ($17,782 average salary + 16 percent variable benefits + $3,017 fixed benefits x 22 positions).

Wages need to be increased on a total of 15 existing driver positions. Ten drivers would have hourly salary increased from $8.39 per hour to $10.30 per hour. This would cost the district $24,860 annually ($1.91 hourly increase + 16 percent variable benefits x 6 hours per day x 187 days x 10 positions). Five drivers would have an hourly rate increase from $9.48 to $10.30. This would cost the district $5,335 annually ($0.82 + 16 percent variable benefits x 6 hours per day x 187 days x 5 positions).

Savings in the first year are estimated one-half the total annual savings because of implementation in January 2003.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate unnecessary bus driver positions through a reduction-in-force and increase hourly rates of bus driver starting salaries.	$244,988	$489,976	$489,976	$489,976	$489,976

D. FLEET MAINTENANCE

The Transportation Department is responsible for maintaining the school bus fleet and general service vehicles for other departments. NFISD did not provide the review team an inventory of the school buses or the general service vehicles. As NFISD reported in the TEA Route Services Reports, the 2000-01 school bus fleet included 66 regular program buses and 61 special program buses.

The Transportation Department is located on Mesa Drive at Little York Road, next to M.B. Smiley High School. The Transportation Department shares property with the Maintenance Department, the teacher credit union and parking for the high school. Parking spaces are limited, and the largest school buses are parked in a school stadium parking lot about a block away.

School bus maintenance is performed in a three-bay shop. The Transportation Department tracks vehicle maintenance and inspection records manually. All records for school bus maintenance are hard copy. The Transportation Department just purchased on off-the-shelf vehicle maintenance information system (VMIS).

The vehicle maintenance staff includes a mechanic foreman, six mechanics and seven servicemen. Two mechanics are on leave for workers' compensation claims.

FINDING

NFISD does not have a regular bus replacement program. The Transportation Department and the Purchasing Departments did not provide the review team with basic data on bus purchases, such as the number of buses purchased each year for the past five years or the price paid for new buses during the past five years. **Exhibit 10-24** illustrates annual bus purchases reported by NFISD to TEA in the annual School Transportation Operation Report. NFISD purchased buses in two of five years from 1996-97 to 2000-01.

Exhibit 10-24
NFISD Regular and Special Program Annual Bus Purchases
1996-97 through 2000-01

Year	Regular Program Buses Purchased	Special Program Buses Purchased	Total Buses Purchased
1996-97	0	0	0
1997-98	6	15	21
1998-99	12	10	22
1999-2000	0	0	0
2000-01	0	0	0
Total Buses Purchased	**18**	**25**	**43**
Average Annual Buses Purchased in Five Years	3.6	5	8.6

Source: TEA, School Transportation Operation Report 1996-97 through 2000-01.

Bus replacement plans help ensure that purchases are evenly spread across time and replace the fleet on a regular basis. Bus replacement plans also help school districts plan for the large capital expenditure required to replace the fleet. The life of a school bus is generally accepted to be 10 years of service or 200,000 service miles, whichever is longer. School districts that average 12,000 or fewer miles per bus typically place the regular and special education school bus fleet on a 15-year replacement cycle.

Exhibit 10-25 provides a summary of the school bus fleet for NFISD and peer school districts in 2000-01 based upon data reported in the Route Services Reports.

Exhibit 10-25
NFISD and Peer Districts Fleet Data
2000-01

District	Regular Program Buses	Special Program Buses
Eagle Pass	84	14
Edgewood	12	18
Port Arthur	47	16
South San Antonio	44	27
Peer Average	47	19
North Forest	**66**	**61**
Percent Difference	40%	221%

Source: TEA, School Transportation Route Services Report, 2000-01.

Exhibit 10-26 shows the relative age of the NFISD fleet.

Exhibit 10-26
NFISD District Regular and Special Education Bus Fleet Age Distribution
2000-01

North Forest	Number of Regular Education Bus Fleet in Age Category			
	1 to 5 Years	5 to 10 Years	10 Years to April 1, 1977	Before April 1977
Regular Education	14	26	26	0
Special Education	24	24	13	0

Source: TEA, School Transportation Route Services Report, 2000-01.

The Transportation Department did not provide information to calculate average fleet age. Based on TEA data, 30 percent of the fleet is one to five years old, 39 percent of the fleet is five to 10 years old and 31 percent of the fleet is more than 10 years old.

NFISD reported a fleet of 127 buses to TEA in 2000-01. In April 2002, NFISD scheduled 27 driver assignments to operate 42 regular routes and 22 driver assignments to operate 27 special program routes. NFISD requires one bus per driver assignment, or a total of 49 buses. Additional buses are needed for spares, field trips and extracurricular activity.

The Houston-Galveston Area Council (H-GAC), the regional council of governments for the Houston-Galveston area, has a cooperative purchasing program open to local governments, state agencies and non-profit corporations in Texas, including school districts. School buses are one of the items cooperatively purchased. Kerrville ISD recently used the H-GAC purchasing cooperative to purchase new school buses. A Type C 72-passenger school bus price is about $53,600. A special program bus price is about $47,800.

The surplus value of a bus that is beyond its normal service life is about $500. A bus with years of service life remaining can be sold at surplus for $2,000.

Recommendation 117:

Develop a bus replacement plan and sell surplus buses.

To plan conservatively, NFISD could designate one bus for each route. NFISD would require a total of 69 school buses – 42 regular program buses and 27 special program buses. The spare bus ratio should not exceed 20 percent of daily route buses, or not more than nine spare regular program buses and six spare special program buses. The total NFISD school bus fleet should be about 84 buses.

A 15-year replacement schedule for regular program buses will require that three buses are replaced every other year and four buses are replaced each alternate year. A 15-year replacement schedule for special program buses will require that two buses be replaced each year.

While buses represent a large capital investment for districts, there are many benefits to replacement plans. Replacement plans regularly introduce new buses into the fleet. The buses with the highest maintenance cost can be replaced. Regular purchase of buses prevents the purchase of large numbers of buses in any one year.

The Transportation Department should enter into an interlocal contract with H-GAC and implement the bus replacement plan using the cooperative purchasing program. The program provides reasonably priced vehicles, provides the option to purchase buses that meet particular specifications and removes the burden of the bid process from NFISD.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The Transportation director analyzes the fleet composition, age and mileage to determine an appropriate bus replacement schedule.	November 2002
2. The Transportation director presents a proposal for a bus replacement plan to the superintendent.	December 2002
3. The superintendent presents the proposal for a bus replacement plan to the board.	January 2003
4. The board adopts the bus replacement plan and sells surplus buses.	January 2003
5. The board commits funds to the bus replacement plan.	Annually

FISCAL IMPACT

Forty-three buses can be sold for surplus. Assuming an average value of $1,000 per bus, the savings for sale of surplus buses is $43,000 in the first year.

This recommendation does not have a fiscal impact for the purchase of buses because the district is already buying enough buses. The primary effect of this recommendation is to spread the cost of bus purchases out and avoid large expenditures in any one year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop a bus replacement plan and sell surplus buses.	$43,000	$0	$0	$0	$0

FINDING

The Transportation Department does not have a preventive maintenance program for school buses. Buses are brought into the shop for repairs. The drivers are responsible for reporting bus problems to the mechanics after daily pre-trip inspections. Mechanics said the drivers sometimes do not report the problems, or they report the problems after they have been going on for a while.

In general, basic vehicle preventive maintenance should be performed every 3,000 (PM-A inspection) and 6,000 miles (PM-B inspections). A PM-A inspection will generally include the following elements:

- Passenger and driver seats and safety belts
- Driver's sun visor
- Horn operation
- Driver's switches and controls for operation and illumination
- Vehicle instruments and gauges for operation and illumination
- Wiper condition and operation
- Windshield washer operation
- Interior lights
- Front passenger door operations
- Radio mounting and operation
- Parking brake operation
- Interior for damaged panels and missing decals
- Fire extinguisher and mounting
- Interior floor for weak spots or loose flooring
- Check Windows – broken or missing parts
- Check all exterior lights

- Check tires and lug nuts – record pressures and tread depths
- Check wheelchair lift operation and condition
- Check lift interlock operation
- Check exterior for paint, body damage and missing or damaged decals
- Check state inspection sticker
- Brake condition and adjustment
- Exterior mirrors mounting and condition
- Steering components
- Drive shaft U-joints
- Check for fluid leaks on engine and transmission
- Check coolant level, system concentration and pressure test capacity – change coolant at each 30,000 mile interval
- Pressure check cooling system – check for leaks
- Check radiator and condenser fins for dirt and debris
- Check skirt mounted condenser for fin damage, dirt and debris
- Check skirt mounted condenser for fans for operation
- Check engine compartment for defects and problems that could cause road failures
- Check exhaust system for leaks and loose mounting
- Check rear axle lube level
- Retrieve continuous diagnostic trouble codes
- Perform engine key on engine off on-demand self-test
- Perform engine key on engine off injector electric self-test
- Perform injector electric self-test
- Perform engine key on engine running on-demand self-test
- Check fast idle operation
- Load test batteries
- Check charging system and record voltage
- Change engine oil and filter
- Interior cleanliness

A PM-B program is performed on the vehicles every 6,000 miles in addition to the tasks performed with the PM-A program. The PM-B tasks include:

- Change air intake filter
- Clean and inspect battery connection
- Check belt tension
- Inspect shocks, springs and air bags
- Check air ride system for leaks
- Check air ride air compressor operation and mounting
- Clean A/C unit filter - rear unit
- Check front A/C system pressures
- Check rear A/C system pressures
- Leak test A/C systems
- Inspect and treat vehicle for insects and vermin

The Transportation Department does not track labor hours for maintenance work performed. The Transportation Department did not provide an inventory for the school bus fleet. The number of buses the department owns cannot be verified. A complete fleet list with basic information on model, year, seating capacity, purchase price and miles of service has not been provided.

NFISD did not provide mileage data to determine the average number of miles per year. In 2000-01, NFISD reported 691,407 total odometer miles for 66 regular program buses, or an average 10,475 miles per bus per year. NFISD reported a total of 238,610 odometer miles for 61 special program buses, or an average of 3,912 miles per bus per year. On average, each vehicle in the NFISD school bus fleet requires three inspections per year at 3,000-mile intervals.

All records for school bus maintenance are hard copy. The Transportation foreman could not provide vehicle history to document the maintenance record for each school bus. The Transportation Department does not track the number of miles between breakdowns.

The maintenance function has six budgeted mechanic positions to conduct preventive maintenance inspections. However, two mechanics are on leave for workers' compensation claims. A typical industry standard is 20 vehicles per mechanic.

Recommendation 118:

Conduct preventive maintenance inspections on school buses every 3,000 miles.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Transportation supervisor develops PM-A and PM-B inspection programs based on industry standards.	October 2002
2.	The Transportation supervisor and foreman review mileage each week to identify vehicles due for preventive maintenance inspections.	Weekly
3.	Mechanics perform preventive maintenance checks.	Ongoing
4.	The Transportation supervisor tracks preventive maintenance inspections performed on time and miles between breakdowns.	Weekly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FOOD SERVICE

Chapter 11

FOOD SERVICE

This chapter reviews the North Forest Independent School District's (NFISD's) food service operations in the following sections:

A. Organization and Management
B. Meal Participation
C. Financial Management and Operations

An effective school food service program provides students with nutritionally balanced meals that are appealing and reasonably priced served in a safe, clean and accessible environment. Successfully managed school food service programs comply with applicable federal, state and local board regulations and policies while providing customer satisfaction and containing costs.

The Texas School Food Service Association (TSFSA), a professional organization for school food service employees, has identified *Standards of Excellence* for evaluating school food service programs. The standards encompass areas related to planning, nutritional practices, compliance with procurement and regulatory requirements, sanitation and professional development.

BACKGROUND

NFISD's Food Service Department serves more than 2.2 million meals each year. **Exhibit 11-1** shows the meals served from 1998-99 through 2000-01. During this period, the number of breakfasts served has increased by 9.8 percent while the number of lunches served decreased 2.6 percent.

Exhibit 11-1
NFISD Food Service Department Meals
1998-99 through 2000-01

Meal	1998-99	1999-2000	2000-01	Percent Change 1998-99 to 2000-01
Lunches	1,423,847	1,481,455	1,386,792	(2.6%)
Breakfast	819,195	858,737	899,512	9.8%
Average Daily Attendance	12,767	11,896	12,163	(4.7%)
Average Daily Lunch Participation Rate	62.3%	68.8%	69.5%	7.2%*
Average Daily Breakfast Participation Rate	35.9%	39.9%	45.1%	9.2%*

Source: Texas Education Agency (TEA), Child Nutrition Programs District Profiles, 1998-99 through 2000-01.
**Percentage point change between 1998-99 and 2000-01.*

The NFISD Food Service Department was significantly affected by the June 2001 flooding from Tropical Storm Allison. Prior to the flooding, the district served students in one pre-kindergarten elementary school, nine elementary schools, four middle schools and two high schools. As a result of flooding, the district closed some schools and administrative buildings and relocated students to other schools.

In 2001-02, the district served students in one pre-kindergarten elementary, five elementary, two intermediate, two middle and two high schools. **Exhibit 11-2** shows the food service cafeteria operations before and after the flooding.

Exhibit 11-2
NFISD Food Services Cafeterias
2000-01 through 2001-02

2000-01 Building	2000-01 Building Use Before Flood Damage	2001-02 Building Use After Flood Damage
Langstead Primary	Elementary	District Administration
East Houston	Elementary	Intermediate School (replaced Elementary School building)
Fonwood	Elementary	Elementary
Forest Brook	High School	Closed
M.B. Smiley	High School	High School
B.C. Elmore	Middle School	High School (Temporary Location)
Kirby	Middle School	Middle School
Northwood	Middle School	Closed
Hilliard	Elementary	Elementary
Keahey	Elementary	Intermediate School
Lakewood	Elementary	Closed
Oak Village	Middle School	Middle School
Rogers	Elementary	Elementary
Shadydale	Elementary	Elementary
Tidwell	Elementary	Elementary
Thurgood Marshall	Elementary	Converted to Elementary (Pre-K)

Source: NFISD Food Service Department, May 2002.

NFISD has a closed campus policy. The district participates in the National School Lunch Program (NSLP), School Breakfast Program(SBP), and the After School Snack and Summer Feeding Federal Program. In 2000-01, the district served more than 2.2 million breakfasts and lunches and more than 4,000 after school snacks.

The Texas Education Agency (TEA) administers food programs for all Texas schools. Schools that participate in the NSLP and SBP must offer free or reduced-price breakfasts and lunches to eligible children. Children are eligible for free meals if their family's incomes are at, or below, 130 percent of the federal poverty level. Children from families with incomes between 130 and 185 percent of the poverty level are eligible for reduced-price meals. The meals served for reimbursement must comply with the recommendations of the *Dietary Guidelines for Americans* jointly developed by the United States Department of Health and Human Services and the United States Department of Agriculture (USDA). Schools that participate in the NSLP and SBP receive donated commodities and cash reimbursements for each reimbursable meal served. A reimbursable breakfast or lunch consists of meat, bread, milk, fruit and vegetables in specified amounts.

NFISD contracts with TEA through the School Lunch and Breakfast Agreement to participate in the federal programs. As part of the agreement, TEA performs coordinated reviews of the participating districts. Districts must renew the agreement annually to continue participation in the programs. NFISD uses the TEA's Child Nutrition Programs Information Management System (CNPIMS) to renew its agreement.

In 2000-01, because of the high percentage of students that were classified as economically disadvantaged and eligible for free or reduced-price meals under the National School Lunch Program, NFISD applied for Special Provision 2 status. With Provision 2 status, NFISD serves free meals to all children for a four-year period. In the first year, or base year of Provision 2, the school determines student eligibility and takes meal counts by type, such as paid, free or reduced-price. The base year determines the percent reimbursement allocation by meal type for the remaining three years. During the remaining three-year period, the school counts the number of reimbursable meals served each day

and files for reimbursement by applying the rates based on the percentage of free, reduced-price and paid meals obtained in the base year.

At the end of the initial four-year period, TEA may approve a four-year extension if the income level of the school's population remains stable. Districts that use Provision 2 must pay the difference between federal reimbursement and the cost of providing all meals at no charge from non-federal revenue sources, such as local funds. Provision 2 reduces the requirement to identify and process applications annually and simplifies meal counting and claiming procedures.

Exhibit 11-3 compares NFISD to its peer districts for the number of students eligible for free and reduced-price meals at each district in 2001-02. As shown in **Exhibit 11-3**, NFISD ranks fourth in the percent of students eligible for free and reduced-price meals at 61.3 percent, behind South San Antonio at 89.5 percent, Eagle Pass ISD at 81 percent and Port Arthur at 75 percent. NFISD is 20.3 percent less than the peer average of 81.6 percent.

Exhibit 11-3
Students Eligible for Free and Reduced-Priced Meals
Peer District Comparison
2001-02

District	Students Eligible for Free Meals	Students Eligible for Reduced–Price Meals	Total Students	Free and Reduced as Percent of Total
South San Antonio	7,803	1,119	9,970	89.5%
Eagle Pass	9,422	933	12,778	81.0%
Port Arthur	7,598	519	10,823	75.0%
North Forest	**6,734**	**442**	**11,699**	**61.3%**
Edgewood	2,212	160	13,435	17.7%
Peer Average*	8,274	857	11,190	81.6%

Source: TEA, Standard Reports Economically Disadvantaged Students, 2001-02 and TEA, Public Education Information Management System (PEIMS,) 2001-02.
**Note: Peer Average excludes Edgewood because of its low percentage of students eligible for free and reduced-price meals.*

Although all students may eat for free, participation in the NSLP and SBP requires that a student provide a "medium of exchange," such as a student identification card, in return for a meal. NFISD uses paper student meal cards as a medium of exchange. High school meal cards are issued weekly; other schools issue meal cards monthly.

Local, federal and state revenue sources fund NFISD's food service operations. Funding sources include: federal and state reimbursements for the NSLP and SBP; after school snack and summer feeding programs; a la carte sales; adult meal payments and catering fees from special events. Federal reimbursement is the largest revenue source. **Exhibit 11-4** compares federal revenue trends for NFISD and its peers from 1995-96 through 1999-2000.

Exhibit 11-4
Food Service Federal Revenue Peer District Comparison
1995-96 through 1999-2000

District	1995-96	1996-97	1997-98	1998-99	1999-2000	Percent Change 1995-96 to 1999-2000
Edgewood	$4,524,386	$4,931,858	$4,934,615	$4,895,661	$5,046,302	11.5%
North Forest	**$3,290,373**	**$926,573**	**$3,801,520**	**$3,734,640**	**$4,089,607**	**24.3%**
Port Arthur	$2,386,312	$2,562,352	$3,780,271	$2,999,363	$3,000,377	25.7%
South San Antonio	$2,930,183	$3,670,835	$3,945,054	$3,925,980	$3,951,062	34.8%
Eagle Pass	$2,936,637	$3,264,757	$3,571,804	$3,844,130	$4,140,809	41.0%
Peer Average	$3,194,380	$3,607,451	$4,057,936	$3,916,284	$4,034,638	26.3%

Source: TEA, F33 Reports, 1995-96 through 1999-2000.

As shown in **Exhibit 11-4**, during the five-year period, Eagle Pass ISD had the largest percentage increase in federal revenues with 41 percent. NFISD had the second lowest increase at 24.3 percent. Edgewood ISD had the lowest increase at 11.5 percent. NFISD's percent change at 24.3 percent is comparable to the peer average of 26.3 percent.

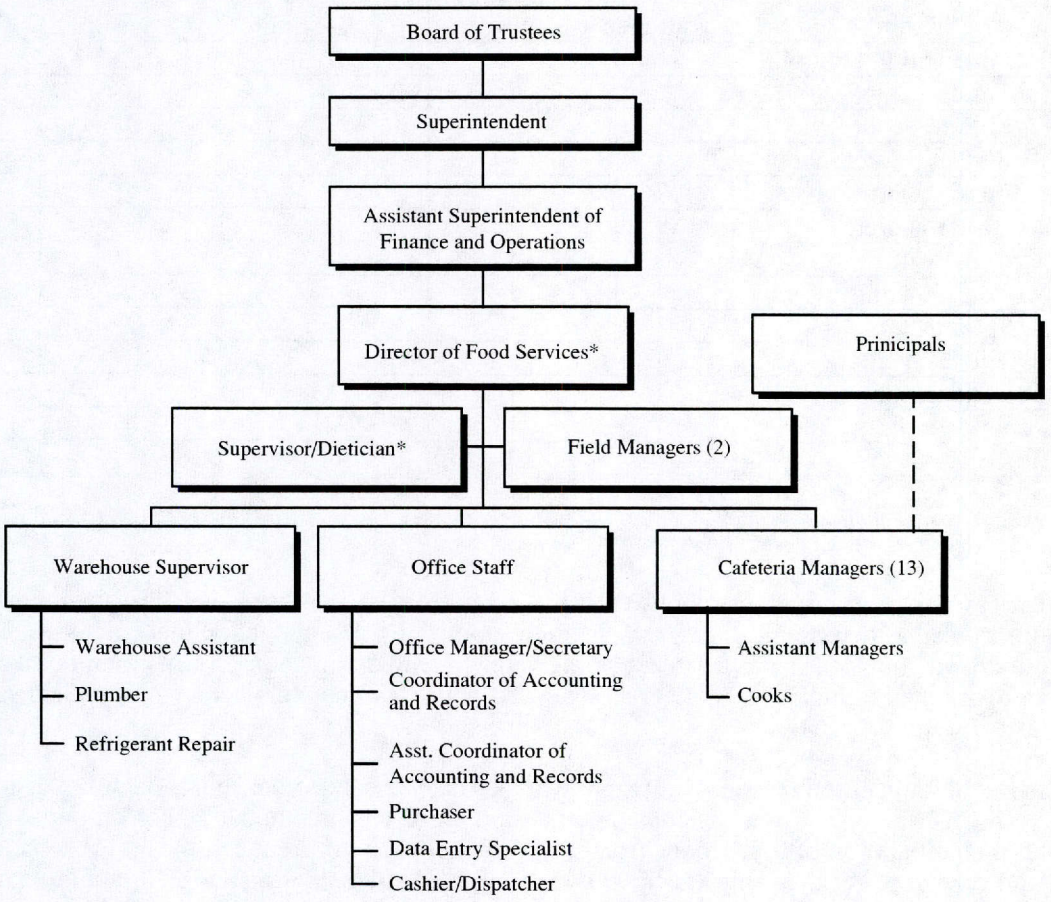
NFISD's Food Service Department has operated profitably in two of the last three years and has not been supported by the district's General Fund. In 2000-01, NFISD had total revenues of $5.3 million and total expenditures of $5.1 million, a net profit of $200,000. The Food Service Department's ending fund balance for 2000-01 was $800,843, or 15.6 percent of total expenditures. The Food Service Department's 2001-02 budget is $5.6 million. The largest budget item is salaries, $3.5 million, representing approximately 62 percent of the total budget.

A. ORGANIZATION AND MANAGEMENT

As shown in **Exhibit 11-5**, the director of Food Services heads the Food Service Department and reports to the assistant superintendent of Finance and Operations. The position of director of Food Services was vacant during the onsite work of the review and since October 2001, the supervisor/dietitian has been the acting interim director of Food Services, who provided information to the review team. In May 2002, the district hired a new director of Food Services; she began working in June 2002.

The director of Food Services supervises 13 central office staff, including the supervisor/dietitian, two field managers, a warehouse supervisor and warehouse staff and administrative office staff. The position also supervises cafeteria managers at each of the district's school cafeterias. The cafeteria managers have a unique reporting relationship. They are budgeted by the Food Service Department, supervised by the director of Food Services and school principals evaluate their performance.

Exhibit 11-5
NFISD Food Service Department Organization
2001-02



Source: NFISD Organization Chart and Food Service Department, April 2002.
**The Supervisor/Dietician was the acting interim director of Food Services from October 2001 until June 2002 when the vacant director of Food Services was filled.*

In 2001-02, the cafeteria managers and assistant managers supervised 94 food-service workers at 12 school cafeterias. Most cafeteria staff are full time, working an average of 7.5 hours per day.

Exhibit 11-6 shows the department staffing by cafeteria. In some areas, where there appears to be overlap such as manager and assistant manager positions, many staff were displaced by the flooding and temporarily transferred to other cafeterias.

Exhibit 11-6
NFISD Food Service Department Staffing
2001-02

School	Manager	Assistant Manager	Cooks (Full Time)	Cooks (Part Time)	Totals
M.B. Smiley High School	1	1	10	0	12
Forest Brook High School	2	1	8	0	11
Kirby Middle School	1	0	7	0	8
Oak Village Middle School	1	1	5	1	8
East Houston Intermediate	1	1	9	0	11
Keahey Intermediate	1	1	8	0	10
Hilliard Elementary	1	1	7	0	9
Fonwood Elementary	1	1	6	1	9
Rogers Elementary	1	1	5	0	7
Shadydale Elementary	1	2	8	0	11
Tidwell Elementary	1	1	6	1	9
Thurgood Marshall (Pre-K)	1	1	11	1	14
Totals	**13**	**12**	**90**	**4**	**119**

Source: NFISD interim director of Food Services, May 2002.
Note: To avoid duplicate counting, totals do not include staff out on leave or who have been replaced by substitutes or transfers from other schools.

The district has a central food warehouse that is used to store commodities such as canned goods, rice and flour as well as disposable wares and cleaning supplies used by the individual cafeterias. The central food warehouse also has a freezer storage area to temporarily store frozen commodities until they are distributed to individual cafeterias. The warehouse staff delivers items to individual schools three days a week.

The district has a licensed registered dietitian who performs the nutritional analysis of the district's menus. The district mostly uses the conventional food preparation method. The conventional method includes the preparation of some foods from raw ingredients on the premises, the use of some bakery bread and prepared pizza, and the washing of dishes. The district plans menus on a monthly basis. Menu adjustments depend on the timing and amounts of donated commodities received.

FINDING

NFISD uses an employee handbook to make department information easily accessible to its food service employees. The NFISD Food Service Department Handbook contains the Food Service Department's mission statement and outlines policies and procedures on a wide range of topics from dress and attendance standards, to benefits, evaluations and procedures for personnel actions such as transfers, promotions and hearing complaints. The handbook also contains department contact information, the district school calendar and a map showing the location of district schools. It also contains an acknowledgement of policies and procedures form that employees complete to certify that they have read and understood the policies and procedures contained in the handbook. The handbook ensures that policies are consistently communicated to all food service staff to reduce misunderstandings and increase staff adherence to Food Service Department policies and procedures.

COMMENDATION

The NFISD Food Service Department Handbook provides employees with accessible and effective communication of department policies and procedures.

FINDING

NFISD has a cost-effective process to share staff during employee shortages. All NFISD staff is cross-trained and able to rotate among its cafeterias. Managers at each cafeteria train staff by rotating them to perform different duties. When a cafeteria is short staffed by more than one employee and substitutes are not available, the cafeteria manager calls the field supervisor, who oversees multiple schools, to see if staff can be loaned from another cafeteria. The field supervisor calls the other schools and coordinates the temporary loan of a cafeteria worker. This practice maintains productivity because an experienced worker fills in when personnel are absent due to illness or vacation.

COMMENDATION

NFISD's practice of sharing cross-trained staff members among its cafeterias during employee absences increases productivity.

FINDING

NFISD does not use the recommended industry standards for meals per labor hour (MPLH) to determine staffing levels. To determine needed staffing levels for an upcoming year, the director of Food Services analyzes the meal statistics from the previous year. The director of Food Services uses the statistics to calculate an internal MPLH that incorporates, in addition to a manager and assistant manager at each cafeteria, one Full-Time Equivalent (FTE) for every 200 breakfasts served and one FTE for every 100 lunches served. The director of Food Services then makes adjustments to the staff levels to allow for special situations such as the number of serving lines or the configuration of the cafeteria.

MPLH is a standard used to measure the efficiency of school districts, hospitals, restaurants and other food services operations. MPLH is the number of meal equivalents served in a given period divided by the total hours worked during that period. Meal equivalents are lunches plus an equivalent number of breakfast and a la carte sales. **Exhibit 11-7** shows the standard conversion rates used to calculate NFISD meal equivalents.

Exhibit 11-7
Conversion Rate for Meal Equivalents
2001-02

Category	Conversion Rate
Lunch Meal	One lunch equals one equivalent
Breakfast Meals	Three breakfasts equal one equivalent
Ala Carte Sales	Sales divided by $3.00 equal one equivalent

Source: School Foodservice Management for the 21st Century, 5th Edition.

Exhibit 11-8 outlines the MPLH industry standards used to evaluate NFISD's staffing. When the MPLH rate is lower than the recommended rate, either the number of meals served is low or the number of hours worked is high. The number of hours worked is a function of two variables: the number of staff employed and the hours worked per worker. Both variables are controllable. To achieve the recommended MPLH, the food service operation would have to increase the number of meals served or reduce the number of staff or the hours worked by each worker to achieve the recommended MPLH.

Exhibit 11-8
Recommended Meals per Labor Hour

Number of Equivalents	Meals Per Labor Hour (MPLH)			
	Conventional System		Convenience System	
	Low Productivity	High Productivity	Low Productivity	High Productivity
Up to 100	8	10	10	12
101 - 150	9	11	11	13
151 - 200	10-11	12	12	14
202 - 250	12	14	14	15
251 - 300	13	15	15	16
301 - 400	14	16	16	18
401 - 500	14	17	18	19
501 - 600	15	17	18	19
601 - 700	16	18	19	20
701 - 800	17	19	20	22
801 - 900	18	20	21	23
901 up	19	21	22	23

Source: School Foodservice Management for the 21st Century, 5th Edition.

Exhibit 11-9 compares NFISD's January 2002 MPLH for each school kitchen to the conventional system industry standard. The conventional system was used for comparison to be as conservative as possible in evaluating NFISD's productivity. Conventional preparation requires more staff than convenience preparation because it uses fewer processed items with more items, such as raw vegetables and homemade breads, prepared from scratch. As shown in **Exhibit 11-9**, NFISD serves 62.7 fewer meals per labor hour than industry standards.

Exhibit 11-9
NFISD Meals per Labor Hour Comparison by Meals
January 2002

Schools	Average Meal Equivalents Served	Average Hours Worked	NFISD MPLH	Industry MPLH Standard	MPLH Variance +/(-)
M.B. Smiley High School	857	90.0	9.5	18	(8.5)
Forest Brook High School	607	82.5	7.4	16	(8.6)
Kirby Middle School	577	60.0	9.6	15	(5.4)
Oak Village Middle School	558	56.5	9.9	15	(5.1)
East Houston Intermediate	1,247	90.0	13.9	19	(5.1)
Keahey Intermediate	1,077	75.0	14.4	19	(4.6)
Hilliard Elementary	934	67.5	13.8	19	(5.2)
Fonwood Elementary	1,015	64.0	15.9	19	(3.1)
Rogers Elementary	728	52.5	13.9	17	(3.1)
Shadydale Elementary	1,233	82.5	14.9	19	(4.1)
Tidwell Elementary	880	64.0	13.8	18	(4.2)
Thurgood Marshall (Pre-K)	1,345	101.5	13.3	19	(5.7)
District Total	**11,058**	**886**			**(62.7)**

Source: NFISD interim director of Food Services, April 2002. Industry standards are from School Foodservice Management for the 21st Century, 5th Edition.

Based on MPLH variances, the variance in staff hours and staffing levels is then calculated. **Exhibit 11-10** compares the number of hours worked at each NFISD cafeteria to the industry-recommended hours. NFISD has 36.3 excess full time equivalents (FTE) for the number of meals served when compared to industry standards.

Exhibit 11-10
NFISD Meals per Labor Hour Comparison by Hours
January 2002

Schools	Average Meal Equivalents Served	Average Hours Worked	Allowed Hours at Standard MPLH	Hours Above Standard	Equivalent FTEs at 7.5 hours
M.B. Smiley High School	857	90.0	47.6	42.4	5.7
Forest Brook High School	607	82.5	37.9	44.6	5.9
Kirby Middle School	577	60.0	38.5	21.5	2.9
Oak Village Middle School	558	56.5	37.2	19.3	2.6
East Houston Intermediate	1,247	90.0	65.6	24.4	3.3
Keahey Intermediate	1,077	75.0	56.7	18.3	2.4
Hilliard Elementary	934	67.5	49.2	18.3	2.4
Fonwood Elementary	1,015	64.0	53.4	10.6	1.4
Rogers Elementary	728	52.5	42.8	9.7	1.3
Shadydale Elementary	1,233	82.5	64.9	17.6	2.3
Tidwell Elementary	880	64.0	48.9	15.1	2.0
Thurgood Marshall	1,345	101.5	70.8	30.7	4.1
District Total	**11,058**	**886**	**613.5**	**272.5**	**36.3**

Source: NFISD interim director of Food Services, April 2002. Industry standards are from School Foodservice Management for the 21st Century, 5th Edition.

MPLH analysis is a recognized standard used by school districts to measure productivity and control labor costs. As a result of its use, school districts are able to identify appropriate staffing levels and contain labor costs. Spring Branch ISD has used MPLH since 1995 as a tool for measuring productivity and to make changes necessary to increase productivity.

Comal ISD Food Service Department reduced seven full-time staff in August 2000 through attrition. The Comal ISD Food Service coordinator plans to continuously monitor MPLH and look for additional ways to improve productivity. Comal ISD estimates that it will save approximately $575,000 over five years. In another example, San Angelo ISD used MPLH to reduce 11 part-time positions by approximately four hours each since 1994-95 saving the district more than $41,000 annually in salary costs.

Ysleta ISD (YISD) eliminated the number of food service employees above the industry MPLH standards. YISD evaluated each school to determine the correct number of staff required to serve the students and used strategies to raise the number of meals produced per labor hour. Strategies used were automated cashless systems, outsourcing of commodities processing, increased food storage capabilities, staggered work schedules and staggered meal service times. Employees were eliminated through attrition. Ysleta ISD projected savings of more than $4.1 million over five years.

Recommendation 119:

Implement industry meals per labor hour standards and adjust staffing levels to achieve the recommended standards.

The district can achieve MPLH standards through a combination of labor reductions and/or increased meals. To assist in determining staffing needs, the district should perform a task analysis to determine

and schedule staff only when needed. Based on the analysis, the district should develop a plan to bring productivity to an acceptable level by reducing hours worked for some or all cafeteria staff or eliminating staffing levels through attrition or termination. In addition to labor reductions, the plan should also include strategies to increase the number of meals served at low MPLH schools. The district should then implement a hiring freeze to further control the staffing levels.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Food Services works with cafeteria managers to identify specific MPLH goals to be achieved by each school. These goals should include performance measures to be met by each cafeteria manager.	September 2002
2.	The superintendent implements a hiring freeze for all cafeteria staff positions.	September 2002
3.	The director of Food Services works with cafeteria managers to develop a plan to increase productivity and reduce labor costs to meet MPLH standards.	October – December 2002
4.	The director of Food Services presents the plan to the superintendent and the board for approval.	January 2003
5.	The director of Food Services and cafeteria managers implement the plans for improving productivity.	February – May 2003
6.	The director of Food Services and cafeteria managers analyze each school's MPLH monthly to evaluate productivity.	August 2003 and Ongoing
7.	The director of Food Services incorporates achievement of MPLH into cafeteria managers' evaluations.	Annually
8.	The director of Food Services reports results of the plan to the superintendent and board and modifies the plan as needed.	Annually

FISCAL IMPACT

Reducing staffing levels by 36 FTEs to achieve industry standards would result in annual savings of $627,588. The calculation for this fiscal impact is shown below. All salary costs are based on average pay for full-day cafeteria positions, excluding cafeteria managers and assistant managers. The average annual salary and benefits for a cafeteria position is estimated as $17,433.

In 2002-03, 25 percent of the annual $627,588 savings, or $156,897 ($627,588 x .25) will occur due to the hiring freeze.

Eliminate 36 cafeteria positions:		
Annual Salary	$12,217	
Variable benefits rate	x 1.18	
	$14,416	
Fixed Benefits	$3,017	
Total annual salary and benefits for one cafeteria position	$17,433	
	x 36	
Total annual salary and benefits (36 cafeteria positions)		$627,588

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement industry meals per labor hour standards and adjust staffing levels to achieve the recommended standards.	$156,897	$627,588	$627,588	$627,588	$627,588

FINDING

NFISD's director of Food Services does not have complete authority over cafeteria managers to effectively manage food service operations because school principals evaluate the managers. As previously discussed (**Exhibit 11-5**), cafeteria managers have a dual reporting role. The cafeteria managers are budgeted in the Food Service Department and report to the director of Food Services for issues related to food preparation and serving; proper sanitation and compliance with health department regulations; and proper counting and claiming methods for reporting to TEA. Most cafeteria managers interviewed said, however, they reported to the principal, not the director of Food Services, concerning staffing and personnel issues. The managers also said that the principals, not the director of Food Services, perform their annual appraisals.

This dual reporting structure where cafeteria managers are evaluated by principals who do not have the authority or responsibility for food service operations, may create conflicts that may negatively affect food service sales, labor costs, employee morale and operations. For example, the cafeteria manager at one school wanted to use kiosks and carts in the dining area to sell lunch items to students to increase participation and reduce the time students spent in line. This is a recognized food service strategy to improve service and increase participation. The director of Food Services supported the idea, however, the cafeteria manager said the school principal prohibited the Food Service Department from opening kiosks and restricted cafeteria sales to the kitchen area. One cafeteria manager also said that the principal prohibited the Food Service Department from selling certain items because it competed with vending machines that were installed in the dining area. The director of Food Services said that another principal approached a food service person to recommend the person fill a vacant food service manager position, even though the principal did not have the authority to make the hiring decision for that position.

Recommendation 120:

Authorize the director of Food Services to perform cafeteria manager evaluations.

The director of Food Services should be authorized to perform cafeteria manager evaluations and the dual reporting role of cafeteria managers should be eliminated. This does not eliminate the necessity of cooperation between the director of Food Services/cafeteria managers and school principals to meet individual school requirements as long as they don't conflict with established regulations and negatively affect operations.

In addition, principals should be expected to work through the director of Food Services to resolve personnel-related issues.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent eliminates the dual reporting relationship of cafeteria managers and authorizes the director of Food Services to conduct cafeteria manager performance evaluations. — November 2002

2. The superintendent communicates the new reporting relationship and the authorization to principals, the director of Food Services and cafeteria managers. — December 2002

3. The director of Food Services meets with principals to discuss food service operations and receive input for performance evaluations. Quarterly

4. The director of Food Services conducts cafeteria managers' performance evaluations. Annually

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. MEAL PARTICIPATION

Increasing student meal participation is important to a school district to ensure that students are receiving properly balanced, nutritious meals that they need to perform well. Increased participation is also beneficial because it increases the amount of federal reimbursements received.

Exhibit 11-11 compares NFISD's annual meal participation rates to its peers for 1999-2000. As shown in **Exhibit 11-11**, NFISD has the second lowest average lunch and breakfast participation rates when compared to its peers. South San Antonio ISD has the highest participation rates for both lunch and breakfast.

For September 2001 through March 2002, TEA reimbursed the district $757,341 for 591,337 breakfast meals served, and reimbursed the district $1,927,258 for 992,577 lunch meals served.

Exhibit 11-11
NFISD Peer District Comparison
Average Annual Meal Participation Rates
1999-2000

District	Average Lunch Participation Rates	Average Breakfast Participation Rates
South San Antonio	90.21%	63.55%
Eagle Pass	78.28%	32.90%
Edgewood	75.91%	45.95%
North Forest	**68.80%**	**39.88%**
Port Arthur	56.50%	29.77%
Peer Average	75.23%	43.04%

Source: TEA, District Profile Reports for NFISD and peer districts, 1999-2000.

Exhibit 11-12 illustrates NFISD's participation rates for the first seven months of 2001-02. As shown in **Exhibit 11-12**, seven month average participation rates have increased when compared to the 2000-01. Lunch participation has increased slightly, by approximately 2 percent, from 69.5 percent in 2000-01 to 71.3 percent in 2001-02. Breakfast participation rates have decreased slightly, from 45.1 percent to 42.6 percent during the same period.

Exhibit 11-12
NFISD Meal Participation Rates
September 2001 through March 2002

Month	Average Daily Attendance	Average Daily Lunch Participation	Daily Lunch Participation Rate	Average Daily Breakfast Participation	Daily Breakfast Participation Rate
September	10,917	7,689	70.4%	4,423	40.5%
October	10,956	7,742	70.7%	4,465	40.8%
November	10,944	7,898	72.2%	4,879	44.6%
December	10,924	7,653	70.1%	4,865	44.5%
January	10,970	7,763	70.8%	4,669	42.6%
February	10,987	8,016	73.0%	4,826	43.9%
March	10,974	7,938	72.3%	4,549	41.5%
Average	**10,953**	**7,814**	**71.3%**	**4,668**	**42.6%**

Source: NFISD Food Service Department; Basic Claim Worksheets for School Lunch and Breakfast Programs, September 2001 through March 2002.

Exhibit 11-13 displays participation rates by school. As seen in **Exhibit 11-13**, NFISD has the highest lunch participation rates at its elementary and intermediate schools, with all elementary schools above 90 percent. Lunch participation drops significantly from intermediate to middle school and high school. High school participation rates are approximately 24 percent while middle school rates vary from 40 percent at Kirby Middle School to 56 percent at Oak Village Middle School. Breakfast participation rates at all schools are significantly lower than lunch participation rates and vary significantly from 13.1 percent at Forest Brook High School to 78.1 percent at Keahey Intermediate.

Exhibit 11-13
NFISD Meal Participation Rates by School
January 2002

School	Average Daily Attendance (ADA)	Average Daily Lunch Equivalents	Lunch Participation Rate	Average Daily Breakfast Equivalents	Breakfast Participation Rate
M.B. Smiley High School	1,494	362	24.2%	271	18.1%
Forest Brook High School	1,125	268	23.8%	147	13.1%
Kirby Middle School	880	353	40.1%	229	26.0%
Oak Village Middle School	652	365	56.0%	280	42.9%
East Houston Intermediate	1,000	922	92.2%	513	51.3%
Keahey Intermediate	778	747	96.0%	608	78.1%
Hilliard Elementary	776	734	94.6%	366	47.2%
Fonwood Elementary	856	817	95.4%	448	52.3%
Rogers Elementary	585	543	92.8%	351	60.0%
Shadydale Elementary	979	917	93.7%	484	49.4%
Tidwell Elementary	737	681	92.4%	374	50.7%
Thurgood Marshall (Early Elem.)	1,106	1,055	95.4%	598	54.1%
Totals	**10,968**	**7,764**	**70.8%**	**4,669**	**42.6%**

Source: NFISD director of Food Services, April 2002.
Note: Meal equivalents include conversion of a la carte sales. Average daily attendance is computed using the formula for claim reimbursement, 94 percent times the highest attendance day of the month. JJAEP, Highpoint and GED program ADA is included in Smiley ADA.

FINDING

NFISD's Food Service Department used promotions as an incentive for students to return free and reduced-price meal applications used by the district to qualify for Provision 2 designation under the National School Lunch and School Breakfast Programs. The district documented its base year for Provision 2 status in 2000-01.

Based on that decision, the Food Service Department established a series of promotions to increase the return of applications. The district sponsored drawings for prizes. At each high school, the prize was a $200 gift certificate for shoes. At the middle school level, the prize was five football tickets to a NFISD high school football game and at the elementary school level, movie tickets were offered. In addition, there was a drawing for $100 for the first teacher with 100 percent of the applications returned to their homeroom.

As a result of the promotions, 10,391 applications were received and certified during the process. This represented 84 percent of the total student enrollment. Certification of students for free and reduced-price lunch is important to the district because federal Compensatory and Title I funding flows to the district based on the number of economically disadvantaged students. An economically disadvantaged student is defined as a student identified as eligible for free or reduced-price meals.

COMMENDATION

NFISD effectively used promotions as an incentive for students to return applications for free and reduced-price meals.

FINDING

The district uses a variety of promotions and choices to increase lunch participation. Snack bars are offered at the high schools and some of the middle schools to provide additional choices. At Smiley High School, there are two a la carte lines as well as a healthy choice snack bar and another snack bar called the Glass House. Kirby Middle School's Food Court has one line offering an a la carte reimbursable entrée as well as reimbursable choices at a snack bar.

At all school levels, the Food Service Department uses promotions and giveaways to stimulate interest. The giveaways are coordinated through the Director of Food Service's office. For example, there were drawings for tee shirts, mini radios, soccer balls and backpacks at the secondary schools. There were also scratch-off promotions where an individual received a scratch-off card for purchasing an item. The student received whatever prize was on the scratch-off card. At the elementary school level, there were drawings for videos and movie tickets, free giveaways of items such as baseball cards and posters featuring popular characters promoting nutrition, and free giveaways of food or beverage items being promoted.

At the elementary schools, the Food Service Department offers special theme days such as Cinco de Mayo, Grandparents Day, Muffins with Moms and Donuts with Dads to maintain student interest and increase lunch participation and customer satisfaction. The department also offers holiday meals when parents are invited to share a school meal with their children around the Thanksgiving and Christmas holidays.

As a result of these varied strategies, overall district lunch participation has increased by almost 2 percent from 2000-01 through the first seven months of 2001-02.

COMMENDATION

NFISD uses promotions and special events to increase student interest and lunch participation.

FINDING

There are many obstacles negatively affecting the district's breakfast participation. The district's choice to serve breakfasts in the cafeteria through serving lines, combined with the late arrival of buses at all schools, negatively affects participation. During the review, one late bus affected every cafeteria visited. Cafeteria managers identified late buses as an ongoing problem affecting breakfast participation. Although the cafeteria staff keep the breakfast lines open to accommodate late arrivals, students rush breakfast and many do not eat because they are worried about being counted tardy. In addition, the process used by some cafeterias to distribute breakfast meal tickets is time consuming and does not allow students ample time to eat breakfast before school.

As a result, the district's breakfast participation rate is significantly lower than its lunch participation rate. NFISD breakfast participation rate in 2001-02 has averaged 42.6 percent, almost 30 percentage points lower than its lunch participation rate.

Many school districts have significantly increased their breakfast participation by offering alternatives such as "grab-and-go" or breakfast in the classroom programs. For example, Midland ISD has implemented the Breakfast Express program. With this program, breakfast is delivered to classrooms each morning. Teachers mark rosters of children eating breakfast and submit them to the Food Services Manager. Teachers and custodial staff receive a complimentary breakfast for their assistance with the program. In the initial pilot program period, the number of breakfasts served tripled from an average of 8,000 to 25,000.

Ysleta ISD instituted "grab-and-go" breakfast concept to increase participation. Students in 37 elementary schools eat in cafeterias; students in four high schools eat on buses en route to school, in dining rooms, in snack bars, or in classrooms. "Grab-and-go" breakfast tests in two elementary schools increased participation by 50 and 90 percent respectively.

Water Valley ISD has taken innovative steps to encourage participation in its breakfast program. Each morning, the superintendent delivers grab-and-go breakfasts consisting of breakfast burritos to the high school. This is an extremely popular program that sells out each morning. It gives the students an opportunity to develop a closer relationship with the superintendent, as well as increasing participation and revenues.

Mount Pleasant ISD implemented a second breakfast program during its morning activity period. The second breakfast program resulted in increased revenue of more than $1,300 a month for the district. The second breakfast program allows students who arrive late to school another opportunity to eat breakfast.

Recommendation 121:

Design and implement programs to eliminate obstacles to, and increase breakfast participation.

The director of Food Services should establish a committee composed of principals, cafeteria managers, students, teachers and a representative from the Finance Department to develop pilot programs and strategies to increase breakfast participation. The committee should establish breakfast participation goals for each school level and develop strategies to meet these targeted goals . The committee should obtain information from other districts with successful breakfast programs and use the information in developing strategies.

The strategies could range from generic meal tickets to speed cafeteria lines, implementing "grab and go" service from carts, additional breakfast periods to full-service breakfast in the classroom programs. The district should explore options that best meet districtwide needs, yet allow for customization to meet the unique needs of each school. Each program or strategy should have a detailed cost analysis showing additional costs and projected revenues, an implementation schedule and performance measures to assure that it is viable.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Food Services establishes a committee of cafeteria managers, school principals, teachers, a representative from the Finance Department and students to identify target breakfast participation rates and to develop strategies to meet these target rates.	September 2002
2.	The director of Food Services contacts other schools with alternate breakfast programs to obtain implementation information and performance results.	September – October 2002
3.	The committee meets to review programs implemented at other schools and develops pilot programs for implementation at selected NFISD schools.	October – November 2002
4.	The committee presents pilot programs to superintendent and board for approval.	December 2002
5.	The director of Food Services implements pilot programs.	January – April 2003
6.	The director of Food Services and the committee evaluate success of programs including lessons learned during implementation at pilot schools.	April-May 2003
7.	The director of Food Services works with the committee to modify pilot programs based on evaluation results and to suggest implementation of programs districtwide.	August 2003
8.	The director of Food Services monitors program success and reports results to principals, the superintendent and the board.	Quarterly

FISCAL IMPACT

By achieving a districtwide target of 50 percent breakfast participation, the district can increase its annual revenues by $37,370 annually beginning in 2003-04. With a 50 percent participation rate, the district will increase the number of meals served annually by 145,980. The seven month 2001-02 average reimbursement of $1.28 per breakfast times the increased number of annual meals served determines the additional annual reimbursement. Additional food and labor costs at the industry standard of 40 percent each of additional revenue is subtracted from the additional reimbursement to determine net annual increased savings. The following chart shows the calculation for this fiscal impact.

Estimated Meals	2001-02 Participation Rate (42.6%)	Participation Rate (50%)	
Average Daily Attendance	10,953	10,953	
Participation Rate	x .426	x .50	
	4,666	5,477	
Number of School Days	x 180	x 180	
Total number of breakfasts	839,880	985,860	
Additional breakfasts with increased participation rate:		145,980	
Average 2001-02 breakfast reimbursement rate ($1.28)		x $1.28	
Additional revenue			$186,854
Less:		$186,854	
Additional Food Costs (40 percent of additional revenue):		x .40	
			($74,742)
Revenue:			$112,112
		$186,854	
Less additional labor costs (40 percent of additional revenue)		x .40	
			(74,742)
Total annual increased revenue (2003-04 through 2006-07)			$37,370

There are no anticipated additional revenues in 2002-03, since the district will be implementing the pilot breakfast initiatives.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Design and implement programs to eliminate obstacles to, and increase, breakfast participation.	$0	$37,370	$37,370	$37,370	$37,370

FINDING

NFISD's low high school meal participation rate is affected by negative student perceptions that relate to long lines, insufficient time to eat, the quality of the food and cafeteria environment. Although NFISD has a closed campus policy, 2001-02 lunch participation rates at Smiley and Forest Brook High Schools are just 24.2 and 23.8 percent respectively.

In *School Foodservice Management for the 21st Century*, several factors were identified that influence students regarding food at school, including the following:

- Menu–single most important variable;
- Prices charged students–no longer the most important variable;
- Quality of food;
- Image of the foodservice program held by students–particularly important with high school students;
- Value parents place on nutrition, and their perception of how nutritious the meals are at school;
- Ages of students–older students participate in school lunch programs less frequently than younger ones;
- Sex of students–male students participate more frequently than females;
- Location –students from rural areas participate more often than students from urban areas;
- Attitudes of the foodservice employees.

To determine perceptions about the NFISD food service program, the review team surveyed parents, teachers, principals and students and asked questions about food quality, service and environment. **Exhibit 11-14** presents the survey results.

As shown in **Exhibit 11-14**, more than 50 percent of parents, principals and teachers rated the cafeteria food presentation and taste favorably. This compares to a 31.7 percent favorable rating from students. A large percentage of students, 58.6 percent, feel strongly that they do not have sufficient time to eat. This directly contrasts with the large percentage of principals, 75 percent, and parents, 53.3 percent, who believe students have sufficient time to eat.

A large number of principals, 87.5 percent, believe that discipline and order is maintained in the cafeteria. Students and teachers do not share this perception. Just 37.8 percent of teachers and 14.6 percent of students thought that discipline and order was maintained.

Cafeteria staff helpfulness and friendliness was rated positively by more than 60 percent of teachers and principals. Just 34.1 percent of students and 33.4 percent of parents, however, rated staff positively.

Exhibit 11-14
Teachers, Parents, Students and
Principals and Assistant Principals View of NFISD Food Service

Teachers						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
The cafeteria food looks and tastes good.	13.5%	48.6%	5.4%	18.9%	13.5%	0.0%
Students wait in food lines no longer than 10 minutes.	13.5%	40.5%	10.8%	24.3%	10.8%	0.0%
Cafeteria staff is helpful and friendly.	13.5%	51.4%	8.1%	24.3%	2.7%	0.0%
Discipline and order are maintained in the school cafeteria.	0.0%	37.8%	8.1%	29.7%	24.3%	0.0%

Exhibit 11-14 (continued)
Teachers, Parents, Students and
Principals and Assistant Principals View of NFISD Food Service

Parents						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
The cafeteria food looks and tastes good.	13.3%	40.0%	13.3%	13.3%	20.0%	0.0%
Students wait in food lines no longer than 10 minutes.	0.0%	53.3%	26.7%	20.0%	0.0%	0.0%
Cafeteria staff is helpful and friendly.	6.7%	26.7%	33.3%	33.3%	0.0%	0.0%
Discipline and order are maintained in the school cafeteria.	6.7%	40.0%	20.0%	33.3%	0.0%	0.0%
Principals						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
The cafeteria food looks and tastes good.	12.5%	37.5%	12.5%	0.0%	25.0%	12.5%
Students wait in food lines no longer than 10 minutes.	12.5%	62.5%	0.0%	0.0%	12.5%	12.5%
Cafeteria staff is helpful and friendly.	25.0%	50.0%	0.0%	12.5%	0.0%	12.5%
Discipline and order are maintained in the school cafeteria.	12.5.%	75.0%	0.0%	0.0%	0.0%	12.5%
Students						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
The cafeteria food looks and tastes good.	4.9%	26.8%	34.1%	14.6%	19.5%	0.0%
Students wait in food lines no longer than 10 minutes.	17.1%	22.0%	2.4%	29.3%	29.3%	0.0%
Cafeteria staff is helpful and friendly.	7.3%	26.8%	19.5%	14.6%	31.7%	0.0%
Discipline and order are maintained in the school cafeteria.	2.4%	12.2%	22.0%	29.3%	34.1%	0.0%

Source: TSPR surveys, April 2002.

At public forums held in the district to obtain community input, and through surveys of parents and staff, the review team heard concerns about food quality. **Exhibit 11-15** presents a sampling of public forum comments.

Exhibit 11-15
Public Input Comments Regarding
NFISD Food Service

Public Forum Comments
• Too much junk food. • Need cleaner and concerned people working [in the cafeteria]. • Quality of food not healthy and most lunch periods are not adequate to properly feed all children during that period. • More nutritious food for students. • Need better hygiene in preparing food. There have been nails, hair and roaches in cafeteria food. • Pizza is not a meal. • Slime on milk and juice spoiled (temperature). • Food in our district is sometimes nasty. Our wings (chicken) are burnt and hard sometimes; during breakfast we don't have syrup, straws or utensils for our waffles and pancakes. • Food service needs to be improved. There is a need for healthier meal plans. • Serve more inviting foods/better tasting foods. • The food service is very poor. • Junk food is the only fundraiser. • Need nutritional advertisements, posters, etc. in food service areas to encourage children to make good choices. • Better and more nutritionally prepared food, (more food is wasted here in NFISD because food for the most part is not tasty).

Source: TSPR Public Forum comments, March 19 and March 21, 2002.

Successful school food service operations increase their participation rates by employing a variety of strategies. The first step, however, is to understand what the customer wants by surveying and having ongoing discussions with teachers and students to identify their preferences and perceptions. Once these have been identified, the food service staff often develop strategies and programs that improve the customer's perception of dining in the cafeteria such as: offering more menu choices that students like; implementing more serving lines to reduce time spent in line; redesigning the cafeteria to look more like a food court or restaurant; and introducing brand name menu items to supplement traditional menus.

The peer districts selected for this review use a variety of strategies to target and increase student lunch participation at the secondary levels. For example, South San Antonio ISD uses districtwide surveys every year to see what students like and don't like. The survey information has helped the district to develop menus that include items that students like. South San Antonio offers its secondary students 10 to 15 choices a day.

In another peer district, Edgewood ISD (EISD), foodservice staff found that students don't like to stand in line; they increased the number of cafeteria serving lines to limit the time students spent in line. EISD also looked at the competitors who were located near the high schools and designed their serving lines to resemble their competition. EISD has a grill line serving hamburgers and chicken sandwiches, a submarine sandwich and salad line, a salsa express line that serves Mexican food and a barbecue line. To provide additional menu choices, EISD partnered with Little Caesar's and Chick-Fil-A to serve a la carte items. EISD also renovated their high school cafeterias to give them a food court or restaurant look and installed booths and half-walls to provide a more appealing environment.

Another peer district, Port Arthur ISD (PAISD), adjusted its menus based on monthly monitoring of student participation. PAISD developed rankings by monitoring the numbers of students who ate on particular days and matched the participation to the menu items served. PAISD has a fast food line with a set menu for each day of the week. The food service department promotes the menus to students to let them know what foods will be served on what days.

Spring ISD's (SISD) Food Service director met with principals to discuss ways to increase participation, and a number of new ideas were tried that resulted in increased participation. The Food Service Web page solicits comments from parents and students. A suggestion box was established in each cafeteria in 1998-99. SISD won one of two national "Target Your Market" awards for increased meal participation. The total increase in participation has been 27.3 percent for breakfast and 14.1 percent for lunch. SISD managers have increased involvement in the decision-making process, and principals took the initiative to help boost participation.

Recommendation 122:

Develop and implement strategies to increase high school student lunch participation.

The director of Food Services should conduct annual high school student and parent surveys to gather information to develop strategies to continually upgrade food quality and address negative perceptions. Cafeteria managers should informally talk with students and staff on an ongoing basis to receive feedback. Based on the feedback received through surveys and discussions, the director of Food Services and the cafeteria managers should develop strategies that promote increased interest and participation. Strategies could include, but not be limited to: supplementing traditional menus with commercial brand name items; setting up food courts; using portable carts and kiosks; remodeling dining areas to be more attractive eating environments.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Food Services develops a survey of high school students and their parents to determine why students don't eat lunch.	October 2002 and Annually
2. The director of Food Services distributes the survey to high school students and their parents.	November 2002 and Annually
3. High school cafeteria managers solicit informal feedback on their cafeteria's operations and report findings to director of Food Services.	November 2002 and Monthly
4. The director of Food Services reviews survey results and cafeteria managers' feedback and works with cafeteria managers to develop strategies to increase participation.	December 2002 and Annually
5. The director of Food Services and cafeteria managers implement strategies.	January 2003 and Ongoing

FISCAL IMPACT

The fiscal estimate of increased incremental revenue of $9,149 annually is based on the district increasing participation by 5 percent a year until it reaches a 50 percent target for the high schools. With a 5 percent participation rate increase each year, the district will increase the number of meals served incrementally each year by 23,580. Additional annual reimbursement is based on the seven month 2001-02 average reimbursement of $1.94 per lunch times the increased number of annual meals served. Additional food and labor costs at the industry standard of 40 percent each of additional revenue are subtracted from the additional reimbursement to determine net annual increased revenues.

The combined January 2002 average daily attendance (ADA) figures for both high schools of 2,619 was used as the basis to calculate the increased number of meals served. The estimated number of lunches served each year increases by 23,580 meals from the previous year based on the 5 percent increase in the new target participation rate. The calculation for this fiscal impact is shown below:

Estimated Meals:	Incremental Participation Rate (.05%)	
Average Daily Attendance (Smiley/Forest Brook)	2,619	
Incremental Participation Rate Increase	x .05	
	131	
Number of School Days	x 180	
Total number of annual additional incremental lunches with increased participation rate:	23,580	
Annual additional incremental lunches with increased participation rate:	23,580	
Average 2001-02 lunch reimbursement rate ($1.94)	x $1.94	
Additional revenue		$45,745
Less:	$45,745	
Additional Food and Labor Costs (40% each of additional revenue, or 80% total):	x .80	
		($36,596)
Total annual incremental increased revenue beginning in 2003-04		$9,149

There are no anticipated additional revenues in 2002-03 since the district will be piloting the increased lunch participation initiatives. The 2003-04 savings will be $9,149, with the $9,149 annual incremental increased revenue added each year thereafter.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop and implement strategies to increase high school student lunch participation.	$0	$9,149	$18,298	$27,447	$36,596

C. *FINANCIAL MANAGEMENT AND OPERATIONS*

In general, food service operations are expected to be financially self-sufficient and run like a business. Successful management of a school food service operation requires knowledge of the school board's financial goals and objectives; thorough planning and budget development to meet board goals and objectives; and a financial accounting system that provides managers with accurate and timely financial information to assist in managing revenues and expenditures.

NFISD has been self-supporting for the past three years as shown in **Exhibit 11-16**. The NFISD Food Service Department has generated a profit for two of the three years and the department's fund balance ending in 2000-01 was $800,843. In 1999-2000, the district had a loss of approximately $985,000 that was covered by the Food Service budget fund balance. During the three-year period, revenues increased 3.8 percent while expenditures increased 0.9 percent.

Exhibit 11-16
NFISD Food Service Department Revenue and Expenditures
1998-99 through 2000-01

Revenue and Expenditure Categories	1998-99 Actual	1999-2000 Actual	2000-01 Actual	Percent Change 1998-99 to 2000-01
Local	$964,250	$1,034,305	$864,858	(10.3%)
State	95,529	91,774	0	(100.0%)
Federal	4,088,575	4,188,053	4,481,337	9.6%
Total Revenues	**$5,148,354**	**$5,314,132**	**$5,346,195**	**3.8%**
Payroll	$2,654,153	$2,938,022	$2,422,627	(8.7%)
Contracted Services	236,787	74,884	54,953	(76.8%)
Food and Supplies	2,167,002	3,197,402	2,579,232	19.0%
Other Operating Expenditures	28,481	6,436	6,901	(75.8%)
Capital Outlay	4,489	82,774	74,229	1553.6%
Total Expenditures*	**$5,090,914**	**$6,299,147**	**$5,137,943**	**0.9%**
Net Profit/Loss	**$57,440**	**($985,015)**	**$208,252**	**262.6%**
Fund Balance (Beginning)	**$1,520,166**	**$1,577,606**	**$592,591**	**(61.0%)**
Fund Balance (Ending)	**$1,577,606**	**$592,591**	**800,843**	**(49.2%)**

Source: North Forest ISD Annual Financial Reports, 1998-99 through 2000-01 for total revenues, total expenditures and fund balance information. Expenditures by category information from TEA, PEIMS, 1998-99 through 2000-01.
Note: Expenditure category information from PEIMS may not sum to total expenditures from annual financial report because of rounding and other differences.

NFISD's Food Service Department has an operating budget of approximately $5.6 million in 2001-02 as shown in **Exhibit 11-17.**

Exhibit 11-17
NFISD and Peer Districts Food Service Budget Comparisons
2001-02

Expenditure Category	North Forest	Eagle Pass	Edgewood	South San Antonio	Port Arthur
Salaries and Benefits	**$3,479,584**	$3,073,723	$3,006,351	$2,535,713	$2,500,760
Contracted Services	**102,000**	50,810	160,000	220,290	83,360
Food and Supplies	**2,006,580**	2,522,100	3,350,000	2,135,599	2,182,000
Other Operating Expenditures	**8,500**	4,000	14,500	16,750	11,000
Capital Outlay	**38,000**	9,205	116,000	546,222	100,000
Total Expenditures	**$5,634,664**	**$5,659,838**	**$6,646,851**	**$5,454,574**	**$4,877,120**
Expenditures as Percent of Total Budget					
Salaries and Benefits	**61.8%**	54.3%	45.2%	46.5%	51.3%
Contracted Services	**1.8%**	0.9%	2.4%	4.0%	1.7%
Food and Supplies	**35.6%**	44.6%	50.4%	39.2%	44.7%
Other Operating Expenditures	**0.2%**	0.1%	0.2%	0.3%	0.2%
Capital Outlay	**0.7%**	0.2%	1.7%	10.0%	2.1%
Expenditures Per Student					
Enrollment	**11,699**	12,778	13,435	9,970	10,823
Expenditures per student	**$482**	$443	$495	$547	$451

Source: TEA, PEIMS, 2001-02.
Note: Percentages may not total to 100 percent because of rounding.

When compared to its peers, NFISD has the third highest food service budget, behind Edgewood ISD and Eagle Pass ISD. NFISD has the highest expenditures in salaries and benefits, both in total dollars and percent of budget. Its salary expenditures are more than 13 percent higher than Eagle Pass, the second ranked district. With 11,699 students, NFISD ranks third in total enrollment behind

Edgewood ISD with 13,435 students and Eagle Pass ISD with 12,778 students. NFISD ranks third among the peers in expenditures per student at $482. South San Antonio ISD had the highest per student expenditures at $547 followed by Edgewood ISD at $495.

FINDING

NFISD's Food Service budget does not fund all appropriate overhead costs for its operations. The general operating fund, which supports classroom instruction and activities, pays for cafeteria custodial services that support food service operations, but which are not allocated to the Food Service Department. Food service profits can only be used for food service operations. When these expenses are not allocated to its budget, Food Service Department expenditures, profit and fund balance are not accurately represented in its financial reports. Food service expenditures are understated, or too low, and the Food Service Department's profit and fund balances are overstated, or too high. Also, when the general fund pays for these costs, funds available for instructional use are inappropriately decreased.

Tyler ISD developed a cost-allocation system that allowed the district to recover costs for utilities and custodial maintenance services related to food service operations. Food Service custodial and utility costs, based on a square-foot ratio, were transferred to the General Operating Budget from the Food Service Budget. Since 1996-97, the district saved $650,000, and expects to save nearly $1.1 million by 2000-01 by developing a food service cost allocation system.

Recommendation 123:

Allocate overhead costs to the Food Service Department budget.

The director of Food Services should work with the assistant superintendent of Finance and Operations to identify overhead costs and analyze how the appropriate amounts are to be allocated to the Food Service Department budget. Custodial services could be identified, for example, on an hourly basis for tasks related to cleaning dining space. The method used to determine cost allocation should be analyzed annually and adjusted based on changes in actual use.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Food Services works with the assistant superintendent of Finance and Operations to identify overhead cost amounts and develop a method to allocate these amounts to the Food Service Department budget.	September – October 2002
2. The director of Food Services determines actual custodial time for allocation purposes.	November – December 2002
3. The director of Food Services submits the proposed overhead cost allocation to the superintendent for approval.	December 2002
4. The director of Food Services and the assistant superintendent of Finance and Operations allocate overhead costs monthly to the Food Service Department budget.	January 2003 and Ongoing
5. The director of Food Services and the assistant superintendent of Finance and Operations analyze actual costs and adjust the cost allocation method annually during each budget process.	May 2003 and Annually

FISCAL IMPACT

The Food Service Department has a 2000-01 fund balance of more than $800,000 and could fund the custodial overhead costs, which would result in additional revenue available for the general fund to spend on classroom needs.

The 2000-01 maintenance and operations payroll budget is $4,398,393. An estimated 2 percent of this amount, or $87,968 ($4,398,393 x .02) is attributed to the food service operations which could be made available to the general fund. Additional revenue for 2002-03 is estimated as $36,653 for January through May 2003 [($87,968/12) = $7,331 x 5 months] since the allocation will begin in January 2003.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Allocate overhead costs to the Food Service Department budget.	$36,655	$87,968	$87,968	$87,968	$87,968

FINDING

NFISD has not conducted a cost benefit analysis to ensure that cafeteria lines serving teachers are profitable. NFISD implemented teacher-serving lines at Forest Brook High School, Fonwood Elementary, East Houston Intermediate and Thurgood Marshall Elementary. The teacher-serving lines were implemented to attract teachers to eat at the cafeteria as well as speed service for students by not having teachers cut in line before the students. In some schools, the menu for teacher-serving lines is similar to the student menu; in others it is different.

The district does not have any data to show whether or not there are enough teachers purchasing meals to justify the cost of staffing a separate line. In interviews with managers offering separate teacher-serving lines cafeteria, all of them said that teacher participation had improved, but none had any specific figures showing increased revenue balanced against the cost of running the separate line.

While a separate teacher line allows the food service staff to keep student cafeteria lines moving without teacher interruption, preparing different food and staffing a separate line, without assurances that any purchases will be made, can be costly.

Recommendation 124:

Perform a cost benefit analysis of teacher-serving lines to assure they are self-supporting.

The district should track costs and the revenues generated by teacher-serving lines for a three-month period to identify trends. The analysis should compare teacher meal participation at schools with teacher-serving lines against those without teacher-serving lines to determine if the separate line is a significant factor in increased teacher participation. The district should also survey teachers to determine the numbers of teachers regularly participating and whether their participation is largely a result of the separate serving line.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The director of Food Services notifies principals of schools that have teacher-serving lines that the Food Service Department will be performing an analysis of teacher-serving lines to justify their cost. — September 2002

2. The director of Food Services works with the cafeteria managers to identify measures to track costs and revenues for teacher-serving lines. — October 2002

3.	The director of Food Services and the cafeteria managers develop a survey to identify teacher participation and the reason for participation.	October 2002
4.	The cafeteria managers at schools with teacher serving-lines collect cost and revenue information for the lines.	November 2002 – January 2003
5.	The cafeteria managers at schools without teacher-serving lines collect cost and revenue information for comparison purposes.	November 2002 – January 2003
6.	The director of Food Services develops a cost benefit analysis based on the cost and revenue information collected by cafeteria managers to determine if teacher-serving lines are profitable.	February-March 2003
7.	The director of Food Services determines whether or not to continue the lines based on the analysis.	April 2003
8.	The director of Food Services submits the analysis and proposal on whether or not to continue the teacher-serving lines to the superintendent for review and approval.	April 2003
9.	The director of Food Services and the superintendent communicates the decision on the teacher-serving lines to the principals.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Food Service Department does not have the authority to regulate items for sale in vending machines near or in school cafeterias to ensure they meet federal requirements. Many of the secondary schools at NFISD have vending machines located near or in the cafeteria. The items sold range from carbonated sodas, juice-based drinks and water to ice cream and potato chips. The vending machines operate during meal periods.

Federal regulations prohibit the sale of foods of minimal nutritional value (FMNV) in the food service area during meal periods. **Exhibit 11-18** identifies the foods considered as FMNV.

Exhibit 11-18
Foods of Minimal Nutritional Value

Description
Soda Water – any carbonated beverage. No product shall be excluded from this definition because it contains discrete nutrients added to the food such as vitamins, minerals and protein.
Water Ices – any frozen, sweetened water such as "…sicles" and flavored ice, with the exception of products that contain fruit or fruit juice.
Chewing Gum – any flavored products from natural or synthetic gums or other ingredients that form an insoluble mass for chewing.
Certain Candies – any processed foods made predominantly from sweeteners or artificial sweeteners with a variety of minor ingredients that characterize the following types:

Exhibit 11-18 (continued)
Foods of Minimal Nutritional Value

Description
Hard Candy – a product made predominantly from sugar (sucrose) and corn syrup that may be flavored and colored, is characterized by a hard, brittle texture and includes such items as sour balls, lollipops, fruit balls, candy sticks, starlight mints, after dinner mints, jaw breakers, sugar wafers, rock candy, cinnamon candies, breath mints and cough drops. Jellies and Gums- a mixture of carbohydrates that are combined to form a stable gelatinous system of jellylike character and are generally flavored and colored, and include gum drops, jelly beans, jellied and fruit-flavored slices. Marshmallow Candies – an aerated confection composed of sugar, corn syrup, invert sugar, 20 percent water and gelatin or egg white to which flavors and colors may be added. Fondant- a product consisting of microscopic-sized sugar crystals that are separated by a thin film of sugar and/or invert sugar in solution such as candy corn, soft mints. Licorice – a product made predominantly from sugar and corn syrup that is flavored with an extract made from licorice root. Spun Candy – a product that is made from sugar that has been boiled at high temperature and spun at a high speed in a special machine. Candy coated popcorn – popcorn that is coated with a mixture made predominantly from sugar and corn syrup.

Source: TEA, New Foods of Minimal Nutritional Value Policy, April 22, 2002.

In April 2002, TEA distributed a FMNV policy change, based on a United States Department of Agriculture (USDA) January 2001 policy memorandum that reemphasized the requirements prohibiting FMNV in, or adjacent to, foodservice areas and established financial penalties for FMNV violations. The TEA policy change identified the elements necessary for compliance with FMNV shown in **Exhibit 11-19**.

Exhibit 11-19
Foods of Minimal Nutritional Value
Compliance Elements

Policy Compliance Element Descriptions
1. Schools must properly designate the foodservice area for the purpose of restricting the service of FMNV. a. The "foodservice area" is defined as any area on school premises where program meals (breakfast and lunch) are <u>both</u> served and eaten, as well as any areas in which program meals are <u>either</u> served <u>or</u> eaten. This includes "eating areas" that are completely separate from the "serving lines" such as hallways, outdoor commons, etc. b. Schools may not design, or designate, their foodservice area in such a way as to encourage or facilitate the choice or purchase of FMNV as a ready substitute for, or in addition to, program meals. c. "Meal periods" are defined to include both the time of serving and the time the student spends eating the meal.

Exhibit 11-19 (continued)
Foods of Minimal Nutritional Value
Compliance Elements

Policy Compliance Element Descriptions
2. Schools must prevent access to FMNV. a. Schools must not serve or provide access to FMNV during meal service periods in the area(s) where reimbursable meals are served and/or eaten. b. Schools must price a reimbursable meal as a unit. Any FMNV provided with a reimbursable meal "at no additional charge" is in fact being sold as part of the meal and therefore violates the prohibition against selling FMNV in the foodservice area during meal periods.
3. Schools must assess how the school foodservice funds are being used. a. Purchases of FMNV for service in the foodservice area during meal periods are not an allowable cost. Minor quantities of FMNV (for decorating or garnishing) are allowable costs. b. If foodservice funds are used to purchase FMNV for sale outside the meal period(s) or outside the foodservice area(s) during meal periods, then funds must be deposited in the foodservice account in a sufficient amount to cover all direct and indirect costs relating to the purchase and service of the FMNV. Records documenting the recovery of these costs must be maintained and available for review.

Source: TEA, New Foods of Minimal Nutritional Value Policy, April 22, 2002.

USDA requires that schools that violate the FMNV must take corrective action and restore any improperly used or lost funds to the food service account. USDA recommends that corrective action include not allowing reimbursement for all meals served on the day the violation was observed and that the lost income be made up from a source other than food service funds.

Without the ability to monitor and ensure that foods sold in vending machines meet FMNV requirements, the Food Service Department may lose federal reimbursement funds that will need to be made up from other district funds.

Many school districts establish vending machine policies and procedures to ensure that FMNV requirements are met. For example, Bastrop ISD (BISD) established procedures requiring all vending machine companies to work through the BISD Child Nutrition Services Department. The Child Nutrition Services director has implemented tight restrictions on vending machine placement and closely monitors vending sales during serving periods to ensure compliance with federal requirements.

Recommendation 125:

Halt vending machine sales during meal periods and require the director of Food Services to approve all vending machine items.

The district should establish procedures to ensure that all district vending machines meet FMNV requirements including halting operation during meal periods. The procedures should identify the roles and responsibilities for principals and for the director of Food Services to ensure compliance with all FMNV requirements are met. The director of Food Services should have final approval of all vending machine items before the machines are stocked and should determine when machines operate. The procedure should also identify the source of funds to replace food service reimbursements if a violation occurs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Food Services works with principals to develop districtwide vending machine procedures.	September 2002
2.	The director of Food Services presents the procedures to the superintendent and board for approval.	October 2002
3.	The director of Food Services and the principals implement the procedures.	October 2002
4.	The cafeteria managers at each school monitor the vending machines and report compliance issues to the director of Food Services for resolution.	Ongoing
5.	The director of Food Services addresses and resolves issues as needed.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD does not have a plan to fully implement its point-of-sale (POS) system. The POS system has features that track meal eligibility and receipts as well as student information. The system also incorporates features to assist in production and menu planning and inventory control. The district initially purchased the *Microcheck* POS system in October 2000. Additional system items were purchased in October 2001. The district began system installation in October 2001. In April 2002, the review team observed the partially-functional system at one high school and one intermediate school. Although the high school and intermediate school were able to generate sales reports, the system was not fully implemented with bar coded student identification cards. Other schools were being cabled or being prepared for cabling at that time.

The district does not have an implementation plan with scheduled completion dates for the POS system installation with all features of the system operational. Without an implementation plan, the installation is sporadic and piecemeal and there is no committed completion date. There is also no timetable established to prepare for converting from existing manual functions, such as paper student identification cards, to automated student identification cards.

Successful implementation of a system project by any organization requires that the project be thoroughly planned by identifying detailed project tasks with scheduled completion dates, assigning responsibility for completion and determining any necessary resources to complete the tasks such as vendor support or hardware. A thorough and effective plan also considers changes to existing policies or procedures when converting from a manual to automated system and includes training and communication components to keep project participants informed and trained to use the system once it is installed.

Recommendation 126:

Develop a plan and fully implement the point-of-sale system.

The district should establish a project committee composed of school principals, the director of Food Services, representative cafeteria managers and the director of Technology/Information Services to develop an implementation plan for the POS system. The plan should identify each system feature and the tasks, schedule and resources required to implement the feature. The plan should also identify and address policy and procedural changes related to the conversion from manual to automated

student identification cards required in the POS system for counting and reporting meals to TEA. In addition, the plan should identify changes in the reporting process to facilitate automated reporting features. The plan should also identify new policies, such as pre-payment of a la carte and adult meals, and for pre-payment procedures to minimize cash purchases during meal periods.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent establishes a POS project committee composed of school principals, the Food Service Department and the Technology/Information Services Department to develop a POS implementation plan. The superintendent appoints the directors of Food Services and Technology/Information Services as committee co-chairs.	September 2002
2. The committee meets to develop an implementation plan of the POS system.	October-November 2002
3. The committee finalizes the implementation plan and submits it to the superintendent for approval.	December 2002
4. The committee implements the POS system.	January 2003 and Ongoing
5. The directors of Food Services and Technology/Information Services monitor implementation and report status to the superintendent and committee members.	February 2003 and Ongoing

FISCAL IMPACT

The fiscal impact of implementing the full capabilities of the district POS system is $6,446 in the first year and $2,486 every other year thereafter. The fiscal impact assumes that the district will fully implement POS systems at eight locations with existing hardware and software already purchased. The fiscal impact also assumes that the district will only implement electronic student identification cards in grades 7-12, with 10 percent additional cards purchased as replacement cards.

To fully implement the POS, the district will need to train up to five district personnel at a daily rate of $495 for a minimum of eight days, or $3,960 total ($495 x 8 days). The software vendor will provide the training in a "train the trainer" format at this rate. There should be no additional training costs if the five trained personnel can train other district personnel in the use of the system.

The district will also need to purchase electronic student identification cards for grade 7-12 students. There were 4,519 students in grades 7-12 in 2001-02. Including replacement cards, the district will need to purchase 4,971 cards for students (4,519 students x 1.10 for the 10 percent additional cards purchased as replacement cards = 4,971 cards). The software vendor sells cards at $0.50 a card. Current total card-implementation cost would be $2,486 (4,971 cards x $0.50/card = $2,486).

The software vendor estimates that cards could be used for a minimum of two years, so full replacement costs will occur every other year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop a plan and fully implement the point-of-sale system.	($2,486)	$0	($2,486)	$0	($2,486)
One time training cost.	($3,960)	$0	$0	$0	$0
Net Savings/(Costs)	**($6,446)**	**$0**	**($2,486)**	**$0**	**($2,486)**

SAFETY AND SECURITY

Chapter 12

SAFETY AND SECURITY

This chapter reviews the safety and security of the North Forest Independent School District (NFISD) in the following sections:

A. Security Operations
B. Safety Programs
C. Student Discipline Management

Providing a safe school require more than security services. It requires a cooperative community effort by school districts, parents and local governments. Districts that provide a safe environment for students and staff develop comprehensive policies, procedures and programs that include elements of prevention, intervention and enforcement.

BACKGROUND

In its publication, *Keeping Texas Children Safe in Schools*, the Texas School Performance Review (TSPR) notes that the most effective districts have a safety plan that includes prevention, intervention and enforcement strategies. Effective programs include the steps shown in **Exhibit 12-1**.

Exhibit 12-1
Keeping Texas Children Safe in Schools
January 2000

Strategy	Steps to Be Taken
Prevention	• Know your goals and objectives: where your district is going and what you want to accomplish. • Establish clear expectations for students, parents, teachers and administrators. • Address warning signs before they turn into trouble.
Intervention	• Look for trouble before it finds you. • Recognize trouble when you see it. • Have individuals in the right place and at the right time to intervene. • Have a plan of action appropriate for the occasion and practice it.
Enforcement	• Leave no room for double standards. • Ensure that discipline management extends inside and outside the classroom. • Alternative programs are not just a matter of compliance with the law; they are many students' last chance at success.

Source: Texas School Performance Review, Keeping Texas Children Safe in Schools, January 2000.

NFISD is located in Harris County and is an urban community located on the edge of the Houston city limits. The district boundaries fall in and out of the city limits. A community's crime rate affects its school district's safety and security. The Texas Department of Public Safety provided crime data to gauge the level of crime and violence in the immediate NFISD area. As **Exhibit 12-2** shows, the crime rate in Harris County and the city of Houston is well above the state average.

Exhibit 12-2
Crime Rate Comparison: Harris County to State Average
1997 through 2000

Crime Rate Per 100,000 Population	1997	1998	1999	2000
Harris County	5,898.6	5,670.5	5,693.6	5,495.5
Houston	7,263.6	7,112.2	7,271.3	6,858.7
State of Texas	**5,478.2**	**5,110.7**	**5,035.2**	**4,952.4**

Source: Texas Department of Public Safety, Uniform Crime Reports, 1997 through 2000.

Student safety and security is the responsibility of parents, educators, taxpayers and the community. In an effort to improve school safety, the Texas Legislature set a number of safety and accountability standards for Texas schools.

State laws requires school districts to adopt a student code of conduct that defines inappropriate behavior and potential consequences. Students who engage in serious misconduct are no longer allowed in regular education settings and must be placed in disciplinary alternative education programs. Specific information about the arrest or criminal conduct of students must be shared between law enforcement and local school districts.

In counties with a population of 125,000 or more, school districts, the juvenile board and juvenile justice systems must establish a Juvenile Justice Alternative Education Program (JJAEP). A JJAEP is under the jurisdiction of the Texas Juvenile Probation Commission and provides schooling for youths under the age of 17, who were sent to juvenile court to answer for serious criminal misbehavior.

NFISD has a Police Department. School districts are authorized under Texas Education Code (TEC) §37.081 to employ security personnel and to commission peace officers to carry out the requirements of the code's law and order subchapter. The TEC authorizes the board to set the scope and jurisdiction of commissioned peace officers who are on and off duty. By law, the chief of a school district police force is accountable to the superintendent and reports to the superintendent or the superintendent's designee.

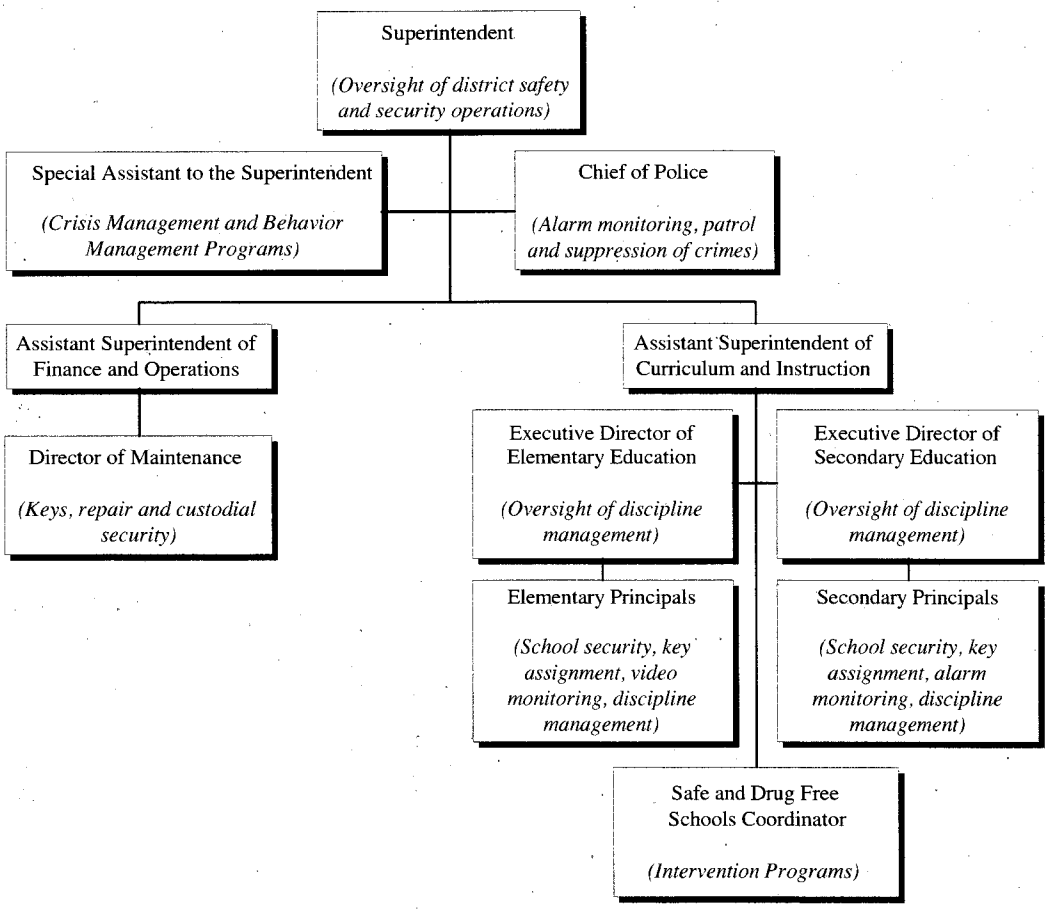
A. SECURITY OPERATIONS

While schools would like to have an aggressive and complete security program that balances effectiveness, affordability and acceptability, many security measures are just too expensive. Schools can provide effective security operations using either simple or elaborate security measures. For example, identification processes can be as sophisticated as retinal scans or as simple as requiring staff to wear an identification badge. Effective security operations start with determining who or what needs protection, the type of security threat that exists and facility constraints.

The North Forest Police Department (NFPD) employs 19 certified peace officers who patrol the district 24 hours, seven days a week. The district fire and burglar alarms ring at the NFISD police station where district officers monitor them around the clock. The officers respond to calls for service, as well as monitor schools at the beginning and end of the school day. Officers write citations, or tickets, for Class C misdemeanor criminal activity as well as make arrests for more serious criminal activity such as assaults with injuries and weapons possession.

The district does not place responsibility for safety and security in a single office or position, but distributes duties throughout the district. **Exhibit 12-3** shows the assignment of security duties throughout the district.

Exhibit 12-3
NFISD Security Responsibilities
2001-02



Source: NFISD Organization Chart, 2002.

FINDING

The district does not have an employee responsible for planning and overseeing district safety and security operations. NFISD has established planning teams for specific types of disasters, such as tornadoes or airplane crashes, as part of the crisis management plan and the district uses task forces to resolve specific issues. For example, the discipline management task force is aligning district discipline procedures with the district code of conduct. A director in central administration coordinates district crisis planning. The chief of the NFPD plans law enforcement activities authorized by the board. Schools also have safety teams that address issues at a particular school.

In 1997, the district developed a long-range security plan to carry the district through 2002. A subcommittee developed goals and initiatives for security, facilities, transportation and food management. The subcommittee did not oversee implementation and does not monitor plan progress and adjust for changing security needs in the district.

No single committee reviews safety, security and discipline management issues to make sure solutions are properly prioritized and in keeping with the district's mission and philosophy. For example, the district purchased several wand-style metal detectors, but interviews with a random sampling of secondary administrators indicate that the wands are rarely used. A district site-based decision-making (SBDM) handbook required purchasing metal detectors, but no one was responsible

for making sure they were used. The district implemented a discipline review committee in 2001-02 to review disciplinary practices in the district, but the committee does not have oversight of other safety and security issues.

When NFISD built Shadydale Elementary School, it included a state-of-the-art video camera system. Oak Village Middle School, with greater discipline and security issues, has only a single retail video monitor purchased by the principal to monitor the front desk. While a video system in an elementary school is a good security tool, its placement in a high-risk facility would have had greater impact and provided additional security where it was needed most.

Without district oversight, individual departments tend to focus on their own needs and not consider districtwide efficiencies. Effective safety and security measures require coordinated planning that considers district goals and sets project priorities. As security issues become more complex, districts of all sizes have centralized security oversight by making one employee responsible for accomplishing necessary districtwide tasks, such as short-and long-range safety planning.

Recommendation 127:

Designate a position to coordinate safety and security initiatives districtwide.

Having a designated position for researching and facilitating security strategies should provide better planning, ensure that schools properly implement programs and bring administrators together to resolve unexpected problems. Department heads and SDBM teams should still play an important role in communicating issues, developing solutions and identifying priorities.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent reviews current positions with safety and security responsibilities for possible assignment.	October 2002
2. The superintendent designates an appropriate position to take on oversight-related tasks.	November 2002
3. The superintendent meets with the designee to explain the new role, its authority and its limitations.	December 2002
4. The executive director of Human Resources updates the designated job description to include the new role and duties.	January 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have its Police Department appropriately positioned in the organization. Although the TEC allows the chief to report directly to the superintendent, the chief of the NFPD reports to the assistant superintendent of Finance and Operations. Since peace officers are sometimes involved in internal investigations and have access to confidential information, such as criminal history of district staff and administration, reporting to a supervisory level lower than superintendent may mean that sensitive information about upper management will be reported to lower-level supervisors. Investigations of wrongdoing could be stopped without the knowledge or input of the superintendent or board.

Also, the NFPD is not involved with all crisis teams. The crisis plan assigns teams of responders by type of threat. The district chief of police is on the law enforcement/security team with city and county police agencies, but is not on the hazardous materials team, although county and city law enforcement agencies are on the hazardous materials team. The NFPD also is not on the bomb threat team. The response plans for fire or explosives indicate the NFPD will be notified only if circumstances permit it. The NFPD chief heads the terrorist attack team, but the plans for responding to a downed aircraft do not include the NFPD.

In interviews, administrators were supportive of the police department, but the chief of police said administrators do not always understand the legal standards required of a peace officer which creates conflict regarding what the administration expects of officers. The chief of police gave as an example an administrator who expected the peace officer to arrest a student because he smelled like marijuana. The smell of marijuana alone is legally insufficient to prove that the student actually possessed the illegal substance.

Also misunderstood is the role of law enforcement officers and administrators in enforcing school policy. The executive director of Elementary Education said principals wanted to write their own citations for behavior such as failure to tuck in a shirttail. A citation is a court document that charges commission of a Class C misdemeanor and orders the offender to appear in court rather than be arrested at the scene of the criminal activity. Untucked shirts are a violation of the district dress code but not a violation of state or federal law or city or county ordinance. The chief of police said that principals want peace officers to patrol the hallways telling students to tuck in their shirts. The chief says confusing law enforcement with policy enforcement undermines the authority of the badge during enforcement actions.

By not distinguishing between the duties of a peace officer regarding criminal activity and those involving security assignments, the administration gives the impression that it does not see the NFPD as law enforcement, but rather as security guards.

Chapter 37 of the TEC gives the superintendent the authority to set the reporting structure of the chief of police and gives the board authority to prescribe the scope of duties for district police. Police agencies that provide services to large and small districts frequently differentiate between law enforcement responsibilities and the district education and discipline responsibilities to make sure performance expectations are clear. Many Texas school districts clarify the role of law enforcement officers who are assigned to work in a school setting.

Recommendation 128:

Reposition the Police Department to report directly to the superintendent and have the board clarify the department's role.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The superintendent directs Human Resources Department staff to change the organization chart to reflect direct reporting of the chief of police to the superintendent.	September 2002
2. The superintendent notifies the chief of police of the new reporting structure.	October 2002
3. The superintendent meets with the chief of police and principals to announce the new reporting structure and to discuss the scope of police duties in policy enforcement.	October 2002

4.	The superintendent meets with the board to discuss and clarify the police department's role in district activities.	November 2002
5.	The superintendent provides district administrators with the role and responsibilities adopted by the board.	December 2002
6.	The superintendent periodically seeks input on the success of the changes for continuing improvement.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Police Department staff assignments are not evaluated for efficiency, effectiveness or consistency with district goals. Officers must meet state certification and training standards and use the same enforcement equipment and weapons as found in city or county law enforcement organizations. The NFISD police force is a 24-hour operation with one secretary and 19 officers, including the supervisory staff. The department generally provides patrol-type services, although the chief of police will provide training and updates to district staff on changes to the law and similar topics.

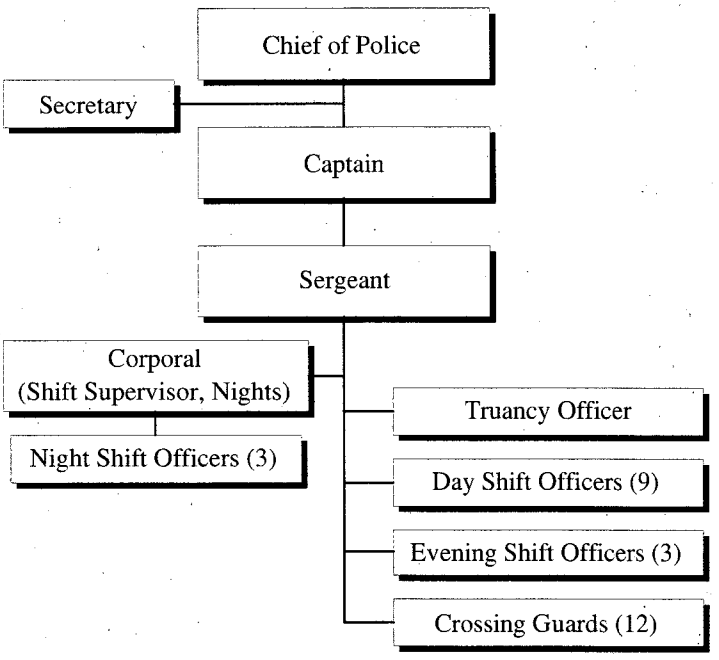
The special assistant to the superintendent said that in March 2000 the chief of police reassigned patrol officers to have three day-shift officers assigned to the high schools, two day-shift officers assigned to the middle schools with elementary schools receiving help as needed. Police staff said the actual assignment is two officers assigned to each high school, one assigned to Oak Village Middle School and none assigned to Kirby Middle School.

Other police assignments include two two-officer units that patrol the district properties, one truancy officer, three officers on evening shift and three officers on night shift. The department assigns one officer to work the dispatch center and monitor the alarms at the police station. Some nights the officer assigned to dispatching is the only officer on duty, leaving patrol uncovered. The department has one secretary who was originally hired to perform both administrative and dispatch duties. The administrative workload overtook the dispatch function, which had to be redistributed to the officers.

Assignments are determined in part by vacancies or absenteeism and in part by the availability of patrol vehicles. The current two-officer patrol units are a result of a patrol vehicle shortage. The NFPD has seven vehicles. At the time of the TSPR visit, three vehicles were at the Maintenance Department waiting for repair. One patrol vehicle damaged by flooding is still parked in the same space it occupied before the flood in 2001. Police Department staff said repairing patrol vehicles was not a maintenance priority and repair could take months. Although the district does use bicycles in some patrol assignments, the reduced number of vehicles means some officers are assigned two to a car, reducing the amount of coverage available to the district. In addition, the line supervisor disciplines officers by sending them home, further reducing enforcement coverage in the district.

In addition to certified officer staff, the police department supervises 12 crossing guards. The NFPD supervisory positions are not determined by workload and direct reporting duties but have evolved over time to address performance issues. **Exhibit 12-4** shows the current supervisory structure.

Exhibit 12-4
Police Department Chain of Command
2002



Source: NFPD shift roster and interview with department secretary, April 2002.

The Police Department had an additional sergeant to help supervise employees. In 2002, the district eliminated the position. The employee was one of the more senior and experienced officers in the department, and was rehired to perform the same daily duties without the supervisory responsibilities.

Central administration eliminated that particular position without considering NFPD staffing and supervision issues. For example, the remaining sergeant has a high absenteeism rate. According to officers, the sergeant was moved to night shift to train new officers in department procedures. The sergeant was moved back to day shift due to tardiness. The chief stated that the sergeant is also unable to perform security tasks without risk of injury resulting in more periods of absenteeism. The chief of police, the captain and the sergeant all work the day shift. This results in three senior level supervisors on day shift, no senior-level supervisors on evening shift and one entry-level supervisor on night shift.

Public comments on police services in NFISD include:

- The police officers are not friendly.
- The security is not good. All they do is stay by the front gates so no one will leave and skip [class]. They don't care that some people are popping firecrackers in the hall. The school is not safe at all.
- It would be great if there was at least one police officer at every campus or one for every two campuses.
- Need more police officers and they need to offer more to the district. Officers are too underpaid. Too big of turnovers. Need leadership and more education in the field of law enforcement. Should offer more programs in working with staff students and the community.

The NFPD has adopted a philosophy of minimal intrusion into the educational environment. Officers patrol, but generally do not provide crime prevention or intervention services such as training for staff or students. One value of a district with its own police force is the ability to mesh law and educational goals to provide a safe learning environment. With proper deployment and equipment, district Police

Departments can effectively deter crime rather than rely on catching the offender after the activity has occurred.

Many district Police Departments develop a mission consistent with both law enforcement and the educational goals of their district, and assign officers to carry out the expanded mission. District Police Departments assign officers duties of not only catching those who commit crimes but also of suppressing crime and providing prevention services. Some Police Departments provide training in gang awareness to faculty and staff and provide students with training in gang awareness, drug prevention, what to do when a stranger approaches them, the proper use of 911, driving while intoxicated costs and penalties, and personal safety procedures for children who come home to an empty house after school. Another district Police Department shares drug and gang resistance strategies with parents through community forums and has developed a four-point strategy of education, prevention, intervention and enforcement.

Recommendation 129:

Reorganize the Police Department to increase accountability for achieving district goals.

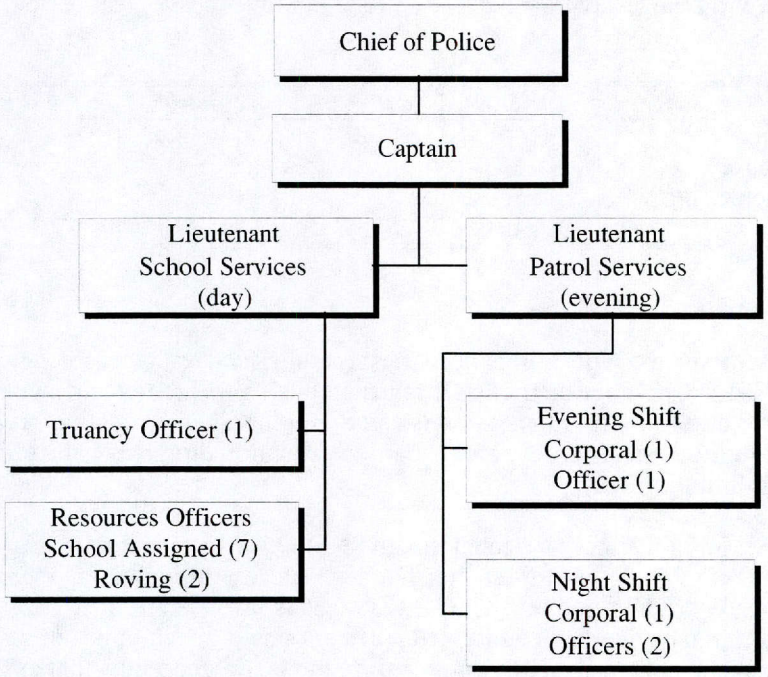
By including prevention activities in Police Department responsibilities, the district can increase the value of service provided by district peace officers. Each intermediate, middle and high school should have at least one officer who functions as a law enforcement resource to the school. In addition to patrolling, this officer should also be available to work with students, parents and staff in safety and law enforcement training. An additional officer should be assigned at each of the high schools. The remaining day shift patrol officers are in mobile units that patrol throughout the district, answer calls for service and transfer arrestees from schools to the appropriate booking facility.

Police supervisors should assign day shift officers based on a thorough evaluation of performance, skills, willingness to perform new tasks with adequate supervisory control and commitment from central administration to support new changes, not seniority. Officers assigned to schools must be able to communicate while maintaining respect, gain student and staff trust, make good judgments, and develop and present safety programs to a variety of audiences.

Supervisors should assign officers to a light duty position, such as a dispatcher or clerk, when officers are injured or when an officer needs temporary close supervision. For example, a day shift officer assigned to light duty might be moved temporarily to the evening shift to perform dispatch and clerical duties. In return, an evening-shift officer might be temporarily assigned to fill in for the day shift officer until he or she is cleared to return to full duty. Supervisors should discipline officers by placing them on administrative leave only as a last resort. By working a light duty assignment, an officer in need of correction continues to work, but under increased supervision.

The chain of command for the NFPD should provide a broader level of supervision across the department than is provided by the current configuration. Broader supervision can be accomplished with one mid-level supervisor and two entry-level shift supervisors. **Exhibit 12-5** shows the proposed organization structure.

Exhibit 12-5
Proposed Organization Structure



Source: Gibson Consulting Group, Inc., May 2002.

The separation into a patrol bureau and a school services bureau allows the department to distinguish between more traditional law enforcement services and a new, education-based service.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The chief of police meets with the superintendent to discuss a new or expanded mission including crime prevention duties.	September 2002
2.	The chief of police develops an organizational structure that supports changes to the department's mission while providing appropriate coverage.	October 2002
3.	The chief of police submits proposed restructuring to the superintendent for feedback.	November 2002
4.	The chief of police obtains board approval for deleting one mid-level supervisor position and adding one entry-level supervisor position.	December 2002
5.	The chief of police works with Human Resources to implement the new organizational structure.	January 2003

FISCAL IMPACT

The implementation of this recommendation will result in the elimination of the one mid-level supervisor position and adding an entry-level shift-supervisor position resulting in an annual savings of $7,079. By eliminating the sergeant's position that includes annual salary and benefits cost of

$38,876 ($32,898 x 1.09 variable benefits rate + $3,017 fixed benefits) and adding a corporal position at a total annual salary and benefits cost of $31,797 ($26,404 x 1.09 variable rate + $3,017 fixed benefits), the district will realize savings in excess of $32,000 over a five year period. First-year savings are pro-rated.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Reorganize the Police Department to increase accountability for achieving district goals.	$4,130	$7,079	$7,079	$7,079	$7,079

FINDING

The NFPD has not maintained the discipline necessary for an effective law enforcement agency. Interviews with the NFPD and other district staff revealed that shifts are not sufficiently covered, productivity is reduced and first line supervision is creating rather than correcting problems. Agency morale is low, contributing to staff turnover and board intervention diminishes the chief of police's effectiveness in disciplining officers.

Interviews with district administrators revealed that the NFPD is experiencing management problems. One administrator said the Police Department has not been successful in making management decisions due in part to board intervention. The NFPD officers provided numerous documents and grievance complaints that have not been addressed. Officers stated the chief of police does not take corrective action because employees have connections to the board and know that an appeal will result in overturning the chief of police's disciplinary decision. Officers have been filing grievances through the district grievance procedure, but not all complaints have been heard by central administration.

The Police Department supervisory staff has engaged in or permitted officers to engage in unprofessional activities, undermining the respect and authority supervisors need to properly perform their duties. Officers report that supervisors have allowed officers to play domino games while on duty, cursed and yelled during staff counseling sessions, misplaced weapons and failed to investigate incidents of harassment. In another incident, officers worked private jobs while they were on duty for the district. The chief of police stated that he investigated and took disciplinary action but was asked to resign by the superintendent shortly after reporting the offense for prosecution.

A police agency is a paramilitary organization. Rank, chain of command and following orders are essential to maintaining discipline. Officers are provided with dangerous weapons to diffuse high-risk situations where following procedures means honoring civil rights and maintaining laws so that people and property are safe.

Most supervisors who do not take the appropriate disciplinary actions place the district at risk for litigation. The failure to train and properly supervise employees are two common charges in federal civil rights violation lawsuits. Police Departments that do not have the option to terminate employees as a result of civil service or other regulations use training and reassignment to minimize their exposure to lawsuits.

Recommendation 130:

Establish clear expectations and job descriptions for all NFPD employees and annually evaluate them based on performance.

Employees cannot be held accountable without clear documented expectations. Having well-written job descriptions and expectation for everyone from the chief of police to the truancy office will ensure that everyone knows their roll and responsibility. Those that fail to improve performance and meet expectations should be terminated. There is no room in an organization with the immense responsibility of keeping staff and students safe in school for individuals who are unwilling or unable to do their assigned job.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The chief of police, with input from campus and department heads and executive director of Human Resources meet to discuss the new creation of job descriptions and evaluation forms for the NFPD.	September 2002
2. The chief of police submits the new job descriptions and evaluation forms to the superintendent for review and approval.	October 2002
3. The superintendent submits the job descriptions and evaluation forms for board approval.	November 2002
4. The board approves the job descriptions and evaluation forms.	December 2002
5. The chief of police distributes the job descriptions and evaluation forms to the staff.	January 2003
6. The superintendent, campus and departmental heads provide input into evaluation of the NFPD.	Annually

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not have a comprehensive safety and security planning process that outlines a clear direction for its employees engaged in daily safety and security matters. The NFPD does not have a department-level master plan to address safety and security problems it identifies. The district does produce plans, but they are individual projects and do not result in a cohesive, multi-level plan that aligns safety, security, education and other district goals.

In 1997, the district developed a long-range plan with a section that addressed security, transportation, facilities and food service. **Exhibit 12-6** shows the goals established for security in the 1997-2002 plan.

Exhibit 12-6
1997-2002 Long-Range Plan
Security Related Activities

Goal	Objective	Needs Assessment	Activity
Goal I: Qualified personnel and equitable, adequate finances will be provided in order to enhance student achievement for all student populations.	During the 1997-2002 school years, additional funds will be allocated to maintain previous years' accomplishments.	Maintain accomplishments derived from the previous year, continue to identify needs not accomplished and add additional needs as they occur.	Maintain accomplishments derived from 5-year plan.
Goal III: By year 2002, appropriate and necessary student and community services will be provided, thereby increasing all students' pride, self-esteem motivation and school and community relations.	By the year 2002, students' achievement and all stakeholders' behavior will meet standard expectations.	Provide additional safety for students and improve school climate.	NFISD Police Dept. issue tickets in school zones during school events.
	By the year 2002, the Security Department will meet and exceed minimum standards to allow all students the opportunity to excel academically.	Develop salary schedules and employee benefits packets, which are comparable with surrounding school districts and provide increased incentives for staff.	• Increase supplemental pay for sergeant position. • Provide a base salary comparable to other school district campus Police Departments.
	During the years 1997-2002, staff development opportunities will increase by 50% for staff, parents and community persons to improve student/teacher relationships and to enhance school/community interaction.	Continue staff development, to provide training to update the skills of the staff and parents in the competencies identified as necessary for quality programs.	• Provide CPR training for all bus drivers and police officers. • Provide CPR kits for all bus drivers and police officers. • Continue inservice classes for campus police (TCLEOSE) - 20 clock hours per officer each year.
Goal IV: By the year 2002, district facilities will be repaired, upgraded and/or replaced to provide an environment more conducive to learning.	During the 1997-2002 school years, funds will be allocated for equipment and to improve facilities.	Improve school climate.	• Re-key doors and locks throughout the district at all 16 schools. • Construct new building for the police department. • Petition for the installation of flashing lights in school zones.

Exhibit 12-6 (continued)
1997-2002 Long-Range Plan
Security Related Activities

Goal	Objective	Needs Assessment	Activity
Goal V: By the year 2002, district equipment and vehicles will be repaired, upgraded and/or replaced as needed to facilitate greater student achievement.	During the 1997-2002 school years, the Finance Department will continue to replace equipment, furniture, vehicles, supplies and materials as needed to improve efficiency of tasks performed.	Replace equipment, furniture, machines and vehicle supplies and materials.	• Purchase three new police vehicles (replacement). • Purchase emergency equipment for police vehicles. • Purchase 12 video cameras for buses and police vehicles. • Purchase alarm systems for entire district. The district needs a burglar alarm system that can be monitored by the district.

Source: NFISD, Long Range Plan, 1997-2002

The district also has a SBDM handbook. The handbook identifies factors affecting student performance, but safety and discipline issues are not on the list of factors. The handbook also lists NFISD goals and objectives. The first goal is a safe, orderly and disciplined climate. Objective 1:1 of that goal is to reduce drug use, violence and disruptive behavior. Strategies include adding manned security patrols on bicycles to each school, providing funds for hallway security monitors and handheld metal detectors, implementing districtwide identification cards, implementing a zero tolerance policy and providing general safety training districtwide.

The assessment data provided in the SBDM handbook did not include any discipline or incident statistics. The goal of reducing misbehavior is clearly stated and aligned with objectives and strategies but was not supported in the assessment data used to support other goals. Without related assessment data, the district's strategies do not target specific performance areas based on an objective analysis of the problems.

Additionally, the handbook does not include performance measures associated with the safety strategies to assess their effectiveness or success. For example, the strategy of adding additional bicycle officers is not tied to a reduction in truancy, an increase in student attendance revenues or other performance measures. While the SBDM handbook provides a better analysis than the 1997 long-range plan, it does not address whether the handbook replaces, amends or supplements the district long-range plan.

The two distinct planning documents reflect the turnover in district administrators. In comparing the two documents, one focuses on behavior management and the other on more traditional security measures. A comprehensive plan identifies all safety and security concerns through careful and complete analysis. A complete analysis starts with the question "who or what needs protecting?" Once that list is completed, the next question is "what threatens the safety or security of that person or property?" For each threat, the potential risk must be determined. Possible solutions and costs are measured against the risks and reviewed against district goals.

A well-crafted, comprehensive plan developed by a strategic safety planning team and formulated through thorough analysis, guides operations and provides standards by which the board can monitor the success or failure of a strategy. The plan provides continuity through changes in board membership, changes in superintendents or changes in other levels of management.

The district does not have performance or cost-efficiency measurements to support a planning process. Without a comprehensive set of performance and cost-efficiency measures for each major program, the district cannot determine whether the funding level is appropriate, the services are provided are as cost-effective as possible, the program will continue or be eliminated or the program will be outsourced.

Many Texas districts develop strategic plans to guide safety and security initiatives, prioritize the use of funds and measure success or failure of programs.

Recommendation 131:

Develop a comprehensive, long-range districtwide safety and security plan that includes performance measures.

The district's comprehensive security plan should clearly outline what it wants to accomplish in the areas of safety and security and define the staff's expected responsibilities. Administrators should be able to measure the department's performance. Measures must be easy, inexpensive and link performance to costs, and the board should review performance on an ongoing basis.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent assigns a strategic safety planning team to include the chief of police, the special assistant to the superintendent, the assistant superintendent for Curriculum and Instruction, parents and community representatives.	October 2002
2.	The strategic safety planning team develops a long-range safety and security plan consistent with district goals.	October 2002
3.	The superintendent requests that directors of other functional areas develop a needs assessment for safety issues in overlap areas such as facilities and transportation the assessments are provided to the strategic safety planning team.	October 2002
4.	The strategic safety planning team identifies conflicting, duplicative or competing goals and defines preliminary district goals and priorities.	January 2003
5.	The superintendent meets with the strategic safety planning team to discuss the preliminary goals and priorities.	March 2003
6.	Principals send preliminary goals and priorities home to parents to get their input.	March 2003
7.	The superintendent meets with the board to discuss parent input and approve the preliminary goals and priorities. The board approves the preliminary goals and priorities.	April 2003
8.	The superintendent assigns supervisory staff in each functional area to develop strategic initiatives for accomplishing the goals in the initial draft.	May 2003

9. The strategic safety planning team aligns strategic initiatives with goals and priorities and publishes a final draft document that is provided to the various district supervisory levels for feedback, suggested performance measures, budget impact statements, implementation timelines and possible funding sources.	July 2003
10. The strategic safety planning team and superintendent publish the draft goals and priorities and schedule opportunities for public input on the finalized plan.	August 2003
11. The superintendent and strategic safety planning team present the final plan for board approval.	September 2003
12. The superintendent distributes approved plans to affected staff for implementation.	October 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not use available incident and discipline information to manage and improve safety and security programs. Various NFISD departments keep statistics, but they are not used to compile an overall picture of district safety performance. For example, the Police Department keeps incident information in a database that can be used to generate reports by type of offense, location, reporting officer or other categories. Officers said central administration requests incident information from the Police Department when applying for grant funds, but does not routinely request it.

The district does not use incident and discipline statistics to target performance issues or develop targeted solutions such as training or intervention programs. The principal of the Guidance Center, which is the district disciplinary alternative education program (DAEP), keeps a spreadsheet on referred students by level of offense, nature of offense and other categories. Other administrators do not routinely request this information, although it gives a good picture of which students have repeat referrals to the guidance center and for which type of behavior. The DAEP principal, who is on the district task force on discipline management, suggested the members use incident and discipline statistics to target training needs.

Chapter 37 of the TEC requires districts to gather student behavior information and report it to the TEA. NFISD administrators said the district enters student behavior information into the district computer system before reporting it to TEA. The information is available for analysis by principals or other staff. Management reports on in-school suspension, corporal punishment or other school-level discipline assignments are not routinely requested or reviewed. The district keeps the information at the central administration offices. Central administration confirmed that the district uses the information mainly to comply with TEA reporting requirements.

The U.S. Department of Education's 1996 publication, *Creating Safe and Drug-Free Schools: An Action Guide* details exemplary practices nationwide for collecting and reviewing student incident and discipline statistics. One district collects incident data and uses it to identify patterns of disruption and misbehavior. Information about incidents is cross-referenced with student grade and attendance information allowing schools to develop targeted solutions. In another district, a SBDM team reviews crime and discipline information and develops intervention, support or disciplinary plans. The exemplary programs have obtained objective data about safety in all the district's schools; analyzed

data to ensure there are not race or gender differences in referrals or suspensions; reduced paperwork; strengthened the improvement process; and taken a proactive approach to discipline.

Recommendation 132:

Develop a process for coordination and review of behavior and incident statistics for continuing improvement of district initiatives.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive directors of Elementary and Secondary Education assign staff to identify all departments or schools collecting information that could be analyzed and used to improve safety.	September 2002
2.	The executive directors of Elementary and Secondary Education meet to review types of data collected and identify possible uses.	November 2002
3.	The executive directors of Elementary and Secondary Education agree upon the information needed and the process for gathering and reporting it.	December 2002
4.	The executive directors of Elementary and Secondary Education take draft recommendations to the disciplinary task force and principals for review and comments.	January 2003
5.	The executive directors of Elementary and Secondary Education finalize the process and distribute it to affected staff.	March 2003
6.	The executive directors of Elementary and Secondary Education monitor progress.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The NFPD does not have adequate policies and procedures to guide officers in decision-making during high-risk activities. The NFPD does not give adequate guidance on weapons maintenance, investigation of weapons discharge or weapons and ammunition inspection. For example, an officer discharged his weapon into a desk at the police station and covered the bullet hole with a computer mouse pad. The department did not investigate, until a week later when the officer confessed to accidentally discharging the weapon while cleaning it.

The Police Department does not have adequate policies and procedures to guide personnel conduct issues such as off-duty employment, off-duty law enforcement action, internal affairs investigations, harassment, grievances, insubordination, personal relationships between officers or supervisors or emergency vehicle response. For example, an off-duty officer who had outfitted his personal vehicle with police emergency equipment responded to an incident on school property. The officer heard the incident over his radio and, even though he was not on duty and had not been asked to answer the call, he rushed to the scene with lights and sirens on, speeding and proceeding through stoplights and signs without waiting for his turn. The officer collided with another vehicle, and according to officers familiar with the incident, the personal vehicle the officer was driving did not have liability insurance.

In a different type of personnel incident, the Police Department secretary was transferred after someone left an anonymous vulgar message on her computer. The secretary associated the note with a bullet hole in her desk and believed she was being threatened. The NFPD did not conduct an investigation, and the secretary's supervisor did not inform her that the bullet hole was the result of an accident.

The NFPD has a procedures manual that guides the department's law enforcement operations, but the manual shows various policy deficiencies. For example, the manual lists authorized weapons, but does not list authorized ammunition. The manual does not limit or guide the officers in their choice of bullets, and not all bullets are the same. Some ammunition is designed to create heavy internal damage to the person or object hit, but not pass through the target. Some ammunition will pass through objects or even walls, leaving the potential for hitting a bystander. Police agencies limit the types of ammunition authorized based on the nature of the assignment and potential threat.

The manual also does not provide adequate guidance on investigations. The firearms policy requires that guns remain holstered and that officers report the use of force. The policy does not address accidental discharge or require a report when weapons are carelessly displayed, discharged or lost. The manual does not address sexual harassment or provide a process for reporting and investigation of incidents of harassment, threat or retaliation.

Police agencies of all sizes have policies and supporting procedures to guide officers during high-risk activities. Many Texas school districts with Police Departments have policies that thoroughly cover on and off-duty activities that carry possible liability.

Recommendation 133:

Review and update the Police Department procedure manual.

The Police Department procedure manual should provide guidance to officers regarding high-risk activities, such as responding to emergency calls and handling weapons, and should provide procedures for investigating and resolving inappropriate actions by officers.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The chief of police requests copies of operating policy and procedure manuals from a variety of law enforcement agencies such as the Harris County Sheriff's Office, the Houston Police Department and area school district police departments.	September 2002
2.	The chief of police reviews the operating policy and procedure manuals to determine which agencies have the best practices in the different areas of law enforcement.	October 2002
3.	The chief of police updates the procedure manual.	January 2003
4.	The chief of police provides the proposed procedure manual to the superintendent for review and comment.	March 2003
5.	The superintendent submits the proposed procedure manual to the school attorney for review and comment.	April 2003
6.	The superintendent submits the proposed procedure manual to the board for review and approval.	June 2003
7.	The chief of police provides copies of the approved procedure manual to	July 2003

each officer and supervisor and trains staff on the new policies and procedures.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

B. SAFETY PROGRAMS

A safe school district develops a crisis plan, which includes procedures for identifying possible threats and promptly responding to potentially dangerous situations. NFISD recently updated its crisis management plan. The crisis plan was originally developed by the chief of police in the early 1990s, then was updated in 2001 by the special assistant to the superintendent and the safety committee. The plan provides guidance for a variety of emergencies, from weather to a downed aircraft.

Principals, administrators and supervisors are responsible for instructing students and staff about proper behavior and for educating all district personnel about safety rules and regulations. Administrators rely on preventive measures designed to deter misbehavior and programs that detect violations of law or policy.

Elementary schools usually do not have the same discipline and security concerns that secondary schools have. Elementary students do not have lockers, do not drive cars and usually do not have the same level of exposure to such things as drugs, gangs or weapons as older students. As a result, NFISD elementary schools use age-appropriate safety measures, such as uniforms, as well as districtwide security policies, such as requiring visitors to sign in at the office, limiting the number of staff with master keys to district facilities and placing security alarms on high-risk areas such as the computer lab.

Middle and high schools generally require stronger measures to keep students, staff and property safe. **Exhibit 12-7** shows a sample of the programs and policies used at NFISD high schools and middle schools.

Exhibit 12-7
Sample Safety Measures at Secondary Schools
2001-02

Method	Forest Brook High School	Smiley High School	Kirby Middle School	Oak Village Middle School	Purpose
Identify Visitors	Yes, sign-in policy	Yes, sign-in policy	Yes, sign in policy	Yes, sign-in policy	Intruder Alert
Identify Staff	No	No	No	No	Intruder Alert
Identify Students by ID or uniform	No	No	Yes, uniform	Yes, uniform	Intruder Alert, Minimize Gang Association
Master Key Control	Yes	Yes	Yes	Yes	Asset Security
District Security Personnel	Assigned patrol	Assigned patrol	No assigned patrol, but officers will make calls	Assigned patrol	Truancy, Incident Management, Trespassers
Single Point of Entry	No, but reduced entry with fencing and gates	No, but reduced entry with fencing and gates	No, but reduced entry with fencing and gates	No, but reduced entry with fencing and gates	Intruder Alert

Exhibit 12-7 (continued)
Sample Safety Measures at Secondary Schools
2001-02

Method	Forest Brook High School	Smiley High School	Kirby Middle School	Oak Village Middle School	Purpose
Hall Lockers	Yes	Yes	No	No	Weapons, Drugs
Clear or Mesh Back packs	Yes	Yes	Yes	Yes	Weapons, Drugs
Security Alarms	Yes	Yes	Yes	Yes	Asset Security
Security Scanners	Extracurricular events	Extracurricular events	Extracurricular events	Extracurricular events	Weapons, Contraband

Source: Interviews with NFISD principals, April 2002.

NFISD contracts with a K-9 drug-detection company to periodically inspect school facilities. The company sweeps parking lots, common areas and lockers. The principals said the dog does not routinely search classrooms. A review of the K-9 search logs revealed that most alerts occur on parking lot vehicles. A review of police calls for service shows 18 calls for controlled substances that were not a result of K-9 visits. The K-9 contract does not call for weapons searches.

Surveys by TSPR of parents, students and staff indicate a general belief that drugs, weapons and vandalism are a problem in NFISD schools. Random visits by TSPR to district schools revealed schools with boarded windows, writing on walkway pillars, missing ceiling tiles and fire-alarm boxes with bent and dented doors. Public forum comments stated that students at both high schools have destroyed expensive security cameras, destroyed walls by kicking them in, broken school glass and vandalized bathrooms.

A review of police incidents from January 2001 to April 2002 revealed 151 assault calls, 52 burglary calls, 35 criminal mischief calls, 168 disorderly conduct calls, 157 disruption calls, 34 theft calls, 106 trespassing calls and five weapons calls. A review of the disciplinary referral log, though, showed at least eight incidents involving some type of weapon in the 2001-02 school year. The chief of police said the discrepancy regarding weapons calls and incidents is because the department is not called in on all criminal activity.

FINDING

NFISD does not regularly perform emergency drills other than fire drills. Administrators said that during weather emergency alerts, teachers move students into inside hallways and follow the NFISD crisis management plans. The crisis management administrator said the district held drills for nurses and counselors for volatile situations such as a fight on school grounds and death of students or staff, but the district does not schedule or require practice on all types of emergencies covered under the crisis management plan.

The district has a crisis management plan for different types of emergencies. Principals give most of the crisis training to staff, but if a school requests other training the crisis management administrator will provide it.

Some school districts cover other types of emergencies by practicing more than weather and fire emergency procedures. Spring ISD developed a schedule of emergency drills that are practiced on a routine basis and documents the drills performed.

Recommendation 134:

Conduct drills of the district crisis management plan.

Drill scenarios can be school- or community-based, but should include community emergency response providers as appropriate. Drills can be simple or elaborate, and should involve a reviewer

who observes the process, notes any problems and meets with participants to debrief and improve the process. The plan should also include notification to parents that these types of drills will be part of the district's safety preparedness program.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The special assistant to the superintendent meets with principals to determine likely scenarios for drills.	November 2002
2. The special assistant to the superintendent selects scenarios and develops a drill schedule.	December 2002
3. Principals and staff perform drills according to the schedule, noting areas needing improvement.	January 2003 – April 2003
4. The special assistant to the superintendent meets with staff and other drill participants to discuss weaknesses observed during drills and find solutions.	May 2003
5. The special assistant to the superintendent continues to develop annual drill schedules and monitor performance.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district has not consistently enforced its polices and procedures for identifying persons on school grounds. The district uses a combination of procedures to distinguish visitors from students and staff. District middle schools and elementary schools have adopted dress policies that require students to wear designated colors of clothing, but schools have not consistently enforced these policies. Staff is not required to wear school uniform colors, although many do as a show of school unity. At Kirby Middle School, for example, teachers wear the school colors khaki and red or white one day a week to show school pride. High school students do not wear uniforms.

Staff and students are not required to wear identification badges, although the chief of police purchased equipment and made badges. Administrators said the district has no policy requiring schools to use identification cards and had no consequences for losing an identification card. The badge-making equipment, has bar-coding capabilities meaning the cards can hold emergency medical information as well as identification information. Because of the data storage capabilities of the card system, there are numerous opportunities for card use, such as checking out equipment or library books.

The badge-making equipment is slow and had camera problems, So pictures were taken of many students but not all students received badges. Students at the high schools received photo identification badges. The chief of police said the equipment is working and available, but is very time consuming. The chief of police priced a faster system at approximately $10,000, but the district has not decided whether to purchase the upgraded equipment.

Random visits by the TSPR team showed schools do not always have clearly visible signs that inform visitors of the need to sign in at the office. All school offices visited had several sign in logs on the counter requiring a visitor to search for the right log. At several schools, office staff did not require the TSPR team member to sign-in or inform the team member whether a visitor's pass was needed. Visitor passes are available in office where only authorized staff can dispense them.

Public forum comments noted unauthorized people are in school buildings. One employee new to the district said he has been able to move throughout district schools without school staff challenging or identifying him. Identifying visitors is important for the safety of students, staff and to the visitors themselves. Properly identifying visitors is important to deterring and investigating criminal incidents. Officers can use information from visitor logs to locate witnesses or suspects in criminal investigations. Visitor logs also provide a record of individuals in the building during a crisis, making it easier for emergency responders to identify crisis victims and notify interested parties.

Killeen ISD implemented an identification badge program for staff and students that makes identifying visitors or unauthorized personnel easier. The Kerrville ISD middle school uses a large, bright yellow sticker badge for visitors. The badge is clearly visible from a distance. Donna ISD uses large signs in the front of each school that inform visitors in English and Spanish that they must sign-in at the office. Kingsville ISD alternative school provides orange jumpsuits for students to pull on when they wear clothing that violates the dress rules, allowing students to attend class while providing an incentive to students to comply with the dress code in the future.

Recommendation 135:

Enforce the policies and procedures related to identifying visitors, staff and students.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The executive director of Elementary Education and the executive director of Secondary Education meet with school administrators to discuss identification policies, procedures and options for enforcement.	October 2002
2. The executive director of Elementary Education and the executive director of Secondary Education draft additional procedures to help schools enforce existing identification policies and procedures.	December 2002
3. The executive director of Elementary Education and the executive director of Secondary Education provide copies of the amended procedures to affected staff.	February 2003
4. Principals provide changes to enforcement procedures to parents by updating the student code of conduct.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district has metal detectors, but only uses them occasionally. Administrators at some secondary schools have metal-detecting wands. The district also has walk-through type detectors, which are used for extracurricular events. The hand-held wands were purchased by the Police Department for the schools to use as needed. One principal said he has not used his wands in almost two years.

The chief of police started using walk-through detectors at sport events. They were originally purchased for use at football and basketball games, but they are just used at football games. The chief said the discussion on use of detectors has been one of philosophical differences. The Police Department wants to use them because of safety concerns.

In interviews, administrators said using metal detectors in the schools meant admitting that the district has weapons problems. Administrators generally believe that the district does not have a problem with weapons at school. One principal thought using metal detectors could be viewed as harassment of students. The executive director of Secondary Education said there is a cultural misperception that the district has a weapons problem, when the incident of weapons in the district is small.

A review of referrals to the Guidance Center from September 2001 to March 2002 shows five weapons possession referrals and two fight referrals where cutting or stabbing was involved. TSPR surveyed students on safety issues. One student commented "Our district is in chaos. Students bring knives, drugs, fear and destruction to our district. They bring an immense sense of discomfort to everyone here."

Many times metal detectors are used as a deterrent similar to a drug-sniffing dog and not to harass or punish students. Some urban districts randomly use metal detectors to identify weapons before they are used, as well as to discourage students from bringing weapons to school. Detector use is not an admission of a problem, but a commitment to making students, staff and parents feel safe. Many districts use detectors as one part of an overall weapons prevention program.

Recommendation 136:

Develop and implement a procedure for random metal detector use.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The chief of police researches other school districts' procedures for using metal detectors.	September 2002
2.	The chief of police presents procedure options to the superintendent and principals.	January 2003
3.	The superintendent and principals discuss and agree upon detector use procedures.	January 2003
4.	The superintendent submits draft procedures to the school attorney and board for review and approval.	March 2003
5.	The superintendent directs implementation of the adopted procedures.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

C. STUDENT DISCIPLINE MANAGEMENT

The U.S. Department of Education's publication *Early Warning, Timely Response* defines a well-functioning school as one that fosters "learning, safety and socially appropriate behaviors." These schools have a strong academic focus and support students in achieving high standards, foster positive relationships between school staff and students and promote meaningful parental and community involvement. Most prevention programs in effective schools address multiple factors and recognize that safety and order are related to children's social, emotional and academic development."

Texas schools are required to provide standards for conduct and discipline by adopting a student code of conduct. NFISD provides a student code of conduct to students and parents annually. The code is accompanied by an acknowledgement that the rules were read and understood that students must

return. The board also has a discipline management plan that provides guidelines for levels of disciplinary action. The school administrator decides when to remove a student to the disciplinary alternative education program (DAEP) for misconduct. There is no prescribed appeal or hearings process, although the executive directors of Elementary and Secondary Education do meet with parents before placing students in the DAEP.

The district has five levels of disciplinary alternatives:

- students may receive corporal punishment;
- students may be removed from regular classes to an in-school suspension (ISS) area at their home school;
- students may be suspended and placed in a NFISD disciplinary alternative education program;
- suspended students may be placed in a community-based disciplinary alternative education program under contract with NFISD; or
- for felony offenses, a student may be expelled and placed in the Juvenile Justice Alternative Education Program (JJAEP) operated by Harris County.

NFISD's Student Code of Conduct places offenses in four categories: misconduct violations-minor offenses; general misconduct violations; removable offenses; and mandatory expulsion resulting in placement in the DAEP or JJAEP. **Exhibit 12-8** presents examples for each category of offense.

Exhibit 12-8
Categories of Offenses Outlined in NFISD's Student Code of Conduct
2001-02

Category	Examples of Offenses
Level I Misconduct Violations (Minor Offenses) (Generally managed by teachers)	• Violations of classroom rules • More than three tardies • Skipping classes • Running in the halls • Making excessive noise • Failing to follow class rules • Dishonesty • Stealing • Fighting • Throwing objects • Cheating • Refusal to complete assignments • Sleeping in class • Horseplay • Not bringing required materials to class • Possession or using nuisance items • Not delivering communications to or from parents • Disrupting orderly operation of class or school activity

Exhibit 12-8 (continued)
Categories of Offenses Outlined in NFISD's Student Code of Conduct
2001-02

Category	Examples of Offenses
Level II General Misconduct Violations (Requires parent contact)	• Cheating • Throwing objects that cause injury or damage • Leaving school grounds without permission Fighting • Robbery or theft from students, staff or school • Damaging district or student property • Misconduct on district transportation • Disobedience, disrespect, hazing, profanity • Extortion, coercion or blackmail • Stealing • Verbal abuse in public to others • Disruption of school environment • Inappropriate sexual contact Sexual harassment • Possession or using matches or lighter • Possession or using tobacco products • Possessing or selling look alike drugs • Possessing a pager • Weapons • Dress code violations • Computer misuse • Repeated Level I violations
Level III Removable Offenses (Suspension, alternative education program assignment)	• Repeated Level II Violations • Serious offenses • Assault • Terroristic threats • Dangerous drugs (non-felony) • Abuseable glue • Public lewdness • Felony conduct • Retaliation • Gang activity • Secret Society Activity
Level IV Expulsion (Mandatory)	• Felony criminal mischief • Serious or persistent misbehavior • Firearm as defined by penal code • Illegal knife as defined by Penal Code • Club as defined by Penal Code • Prohibited weapon • Aggravated assault • Sexual assault • Murder, Capital Murder • Indecency with a child • Aggravated kidnapping • Felony drug or alcohol • Felony retaliation

Source: North Forest Student Code of Conduct, 2001-02.

NFISD has several disciplinary education alternatives. The Guidance Center is the district DAEP and has space for approximately 70 students. The district code of conduct states that no more than 20 students will be assigned to one teacher in the DAEP, but occasionally the number of referrals exceeds that number. NFISD also contracts with a stricter disciplinary school run by the Harris County Board of Education. This program is called Highpoint, and the district pays for 20 slots at

$6,600 per slot. NFISD also contracts with the Harris County Community and Juvenile Justice Education Department to place students in the JJAEP. This is generally state funded, but the district must pay for actual costs of service greater than $45 per day. The district also has a contract for special education students needing a more controlled behavioral setting with the Alternative Behavior Center.

Although many districts complement their disciplinary education program with a program that provides specialized educational opportunities to students who do not learn well in a traditional school setting, NFISD does not. While administrators feel an alternative education campus would enhance district educational opportunities, the community has not been supportive. Non-disciplinary alternative education schools provide a place for students to receive specialized instruction without before they have committed a crime.

In addition to assessing consequences for misbehavior, NFISD has intervention programs to divert students before the problematic behavior starts. According to principals, NFISD provides frequent training on the code of conduct to teachers and staff. The district also provides training in anger management techniques and dispute resolution. The special assistant to the superintendent is designing a new behavior management program that uses teachers as counselors.

FINDING

NFISD combines a high school career and technology program with a justice court program to provide discipline in an educational setting. The local justice of the peace works with the district to provide judicial assistance and oversight of court proceedings. The justice of the peace holds court at the career and technology school in the school's courtroom. Students in the law enforcement career program serve as prosecutors, defense counsel and other court personnel. High school students make up the juries. Students are referred to the peer court for minor infractions. Cases are tried and students receive disciplinary penalties. The court is not intended to replace necessary court intervention in serious criminal behavior but does offer a way to involve students in justice and personal responsibility.

The students participate in an activity that could become part of their jobs as adults. The district benefits by having an alternative to suspending students or resorting to other disciplinary consequences. The student offender has the opportunity to have his or her day in court with a jury of peers.

COMMENDATION

With special assistance from the local justices of the peace, NFISD has merged education, civic responsibility and discipline into an effective peer court program.

FINDING

The district has developed a nationally recognized program that targets children with incarcerated parents. The program is called "No More Victims" and has received attention from both the local and national media. The program was developed by the principal at the disciplinary alternative education school and a former parole officer. The two discussed the structure and needs of the program, developed a blueprint and asked the high school principal to sponsor the program at his school.

The program connects students that have a parent in prison with social services, gives them an opportunity to discuss and solve personal issues and helps them cope with anger and other emotions that come with the loss of a parent to incarceration. The DAEP principal said that of the students in the program, only one student returned to the disciplinary school. Program sponsors have been invited to Washington, D.C. to discuss the success of the program with national policy makers.

COMMENDATION

The district's "No More Victims" program meets the needs of students with incarcerated parents to reduce the risk of misbehavior, criminal activity and dropping out of school.

FINDING

The district's Aspiring Youth program brings students and successful community leaders together. Community leaders act as role models to educate students about alternatives to hanging out on the streets. The state provided grant funding in 2000 for an initiative called Century 21 Youth. The grant funded school programs that provided after-school care, educational opportunities and leadership initiatives. The program was evaluated annually on performance measures such as increases in education skills and decreases in neighborhood crime. Although the grant is coming to a close, district administrators will try to continue the Aspiring Youth program, which has been successful in providing opportunities to develop leadership, commitment and other life skills necessary to becoming a productive adult citizen.

The Oak Village Middle School has an award winning jazz program for its students. Nationally renowned musicians are brought in to speak to students about what it takes to pursue a dream in the music industry. In the summer, students can attend a jazz camp for intensive training in jazz music. Students are given opportunities to meet with a variety of community, business, art and political leaders, opening doors to students who might not otherwise get to play jazz with a nationally known artist or shake hands with the mayor of a large metropolitan city.

COMMENDATION

The district's Aspiring Youth program provides educational opportunities linked to development of social and other life skills.

FINDING

NFISD has a truancy court intervention program that punishes truant students and their parents and generates revenue for the district. The TEC requires students to attend class and specifies consequences for students who do not attend and parents that do not make their children attend school. The TEC requires districts to report parents for court intervention and provides that fines collected be split between the county and the district filing charges.

NFISD has a peace officer dedicated to investigating truancy complaints and filing criminal charges where appropriate. The officer obtains absentee information, sends notification to parents, completes the necessary paperwork for court and represents the district in court on the charges. The district is complying with the law without taking educators away from schools to attend court. The fines collected from this program in 2000-01 were $19,261. By law, the money must be deposited in the general fund of the district.

COMMENDATION

Through an aggressive truancy court enforcement program, NFPD has reinforced the need for student attendance, maintained legal compliance with statutory requirements and generated revenue for the district.

FINDING

Truancy program staffing and procedures limit the number of truancy cases that can be filed and ties the truancy officer to desk work. The district has a single truancy officer to file misdemeanor charges against students and parents who violate the state compulsory attendance law. **Exhibit 12-9** shows truancy filings and collections from 1998 to 2001.

Exhibit 12-9
Truancy Case Filings and Collections
1998-99 through 2000-01

1998-99 Referrals	1998-99 Fines	1999-2000 Referrals	1999-2000 Fines	2000-01 Referrals	2000-01 Fines
521	$22,245	354	$25,925	315	$19,261

Source: NFPD Truancy Report, 1998-99 through 2000-01.

NFISD has been consistently below the state average in attendance. **Exhibit 12-10** compares the district's attendance rate to the state.

Exhibit 12-10
Average Percentage of Students in Attendance
NFISD and State
1998-99 through 2000-01

	1998-99	1999-2000	2000-01
NFISD	94.3	93.8	93.9
State	**95.3**	**95.4**	**95.6**
Difference	1.0	1.6	1.7

Source: Texas Education Agency (TEA), Academic Excellence Information System, 1998-2001.

The state pays school districts based on daily student attendance. **Exhibit 12-11** shows the number of days absent reported to the TEA from 1998 to 2001.

Exhibit 12-11
NFISD Number of Days Absent
1998-99 through 2000-01

	1998-99	1999-2000	2000-01
NFISD	129,628	127,750	127,967

Source: TEA, Public Education Information Management System, 1998-99 through 2000-01.

The state pays NFISD an average of $2,861 per student. Dividing this figure by 180, the number of days in the school year, provides a daily rate of $15.89 per student. This number does not include other funding sources. Applying the daily rate to the number of absences in 2000-01 reveals that the district conservatively lost $2 million in state funding that year.

The truancy officer has a large workload with little clerical assistance. The officer handles hundreds of cases each school year. While the truancy officer used to receive clerical assistance from another district police officer, the district eliminated a truancy officer position in 2001. The amount of clerical work associated with filing criminal cases is currently keeping the truancy officer from fully performing other truancy duties.

The greatest personnel value is achieved when employees can focus on the specific skills they bring to their jobs. For example, school administrators are given clerical help not because assistant principals cannot type, but because their time is most effectively spent on managerial tasks. The particular skills and experience of a peace officer are not being focused on officer-specific tasks, but on clerical work. The officer is required to sign affidavits and attend court but does not need to

prepare the routine letters or court documents or manage the document flow. The officer's time must balance truancy patrolling, home visits, court visits and necessary paperwork. When paperwork consumes a larger share of the officer's time, personal contacts with parents and students decrease.

Many districts consider strong truancy programs the first line of defense in preventing juvenile crime. The Texas Code of Criminal Procedure allows the state to reimburse districts for truancy case managers. Funds are distributed as grants through the Criminal Justice Division of the Governor's Office.

Recommendation 137:

Add an administrative position to the truancy program to perform clerical duties and assist with case management.

In addition to assisting with the paperwork, this employee could work with social service providers to reach families in need of assistance in order to keep their child in school.

IMPLEMENTATION STRATEGIES AND TIMELINE

1. The chief of police works with the assistant superintendent of Human Resources to develop a job description and salary for an administrative position.	November 2002
2. The chief of police researches the possibility of state reimbursement and develops a budget submission for the administrative position and submits the budget and human resources support documents to the superintendent for approval.	February 2003
3. The superintendent presents the package to the board during budget for approval and funding.	April 2003
4. The superintendent implements the package the board approves.	September 2003

FISCAL IMPACT

The cost of adding an administrative position could be offset by the revenues brought increased attendance, leading to a savings of $3,978. Gains could be greater if the position qualified for grant funding.

Add a truancy case manager position:		
Annual salary	$25,296	
Variable benefits rate	x 1.09	
	$27,573	
Fixed benefits	$3,017	
Total annual salary and benefits		($30,590)
Additional state revenue:		
Total number of absences in 2000-01	127,967	
Percent reduction needed to meet state attendance averages	x .017	
Target absentee reduction number	2,175	
Daily rate received for attendance	x $15.89	
Potential additional revenue		$34,561
Total fiscal impact:		$3,971

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Add an administrative position to the truancy program to perform clerical duties and assist with case management.	$3,971	$3,971	$3,971	$3,971	$3,971

FINDING

District schools do not follow absent student contact and reporting procedures. For example, each administrator explained the truancy reporting process to TSPR. Teachers call roll and mark students absent each period. An attendance report is provided to the attendance clerk, who reviews the file and makes phone calls to parents and sends attendance letters to parents. Letters are sent on the third unexcused absence and again at the fifth unexcused absence. After the fifth unexcused absence procedures require that the case be referred to the truancy officer for additional contact and court intervention.

Teachers are also asked to call parents either during the day or in the evening. Contacts by telephone and mail are supposed to be documented by the employee making the contact. The Shadydale principal stated his teachers were concerned that parents might retaliate. The truancy officer deals with cases where the parent or guardian listed on the student's record is incorrect or is no longer living, suggesting that personal contacts between schools and parents are not as frequent as administrators believe they are.

Prior to 1998, the truancy officer was able to research absentee records by school. This allowed the officer to find out whether students were absent but had not been reported to her as required by district policy. The NFPD prepared a report to the board that showed the amount collected in truancy fines, as well as the amount the district lost in state revenue through absenteeism. The loss of revenue projected by the report was $3.6 million. The report was intended to let the board know the financial impact of the truancy program. After the presentation to the board, the truancy officer's access to the reporting function of the attendance database was restricted. Now, the truancy officer can search the database by individual student but cannot make a broad search to see if absent students have been referred for court follow-up.

The truancy officer had only 18 cases referred for filing between September 2001 and January 2002. Without access to the attendance program, the officer could not identify and prompt schools that needed to report. A clerk from the justice of the peace requested the absentee report so the truancy officer could help the district come into reporting compliance. By the time the clerk obtained the report, one student had been absent more than 100 times. Not only does this result in lost revenues, more importantly, it is a lost educational opportunity for the student.

Schools nationwide are focusing on truancy. Justice agencies consider truancy a gateway to other more serious criminal offenses. High rates of truancy can be linked to high daytime burglary rates and high vandalism rates. Many districts throughout Texas welcome law enforcement assistance in their attendance efforts. Information is not hoarded, but shared in an effort to reach the common goal of keeping children in school.

Recommendation 138:

Increase truancy reporting and remediation efforts.

Provide truancy officer with necessary tools and access to oversight absentee reporting and evaluate principals on timely compliance with district truancy reporting policies and procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The superintendent authorizes the truancy officer to have broad access to the read and report functions of the attendance database.	September 2002
2.	The superintendent meets with principals to discuss any roadblocks to following attendance reporting and follow up procedures.	September 2002
3.	The superintendent informs principals that annual evaluations will consider attendance reporting and truancy program performance.	September 2002
4.	The superintendent designates a position to provide regular oversight to school truancy reduction efforts.	Ongoing

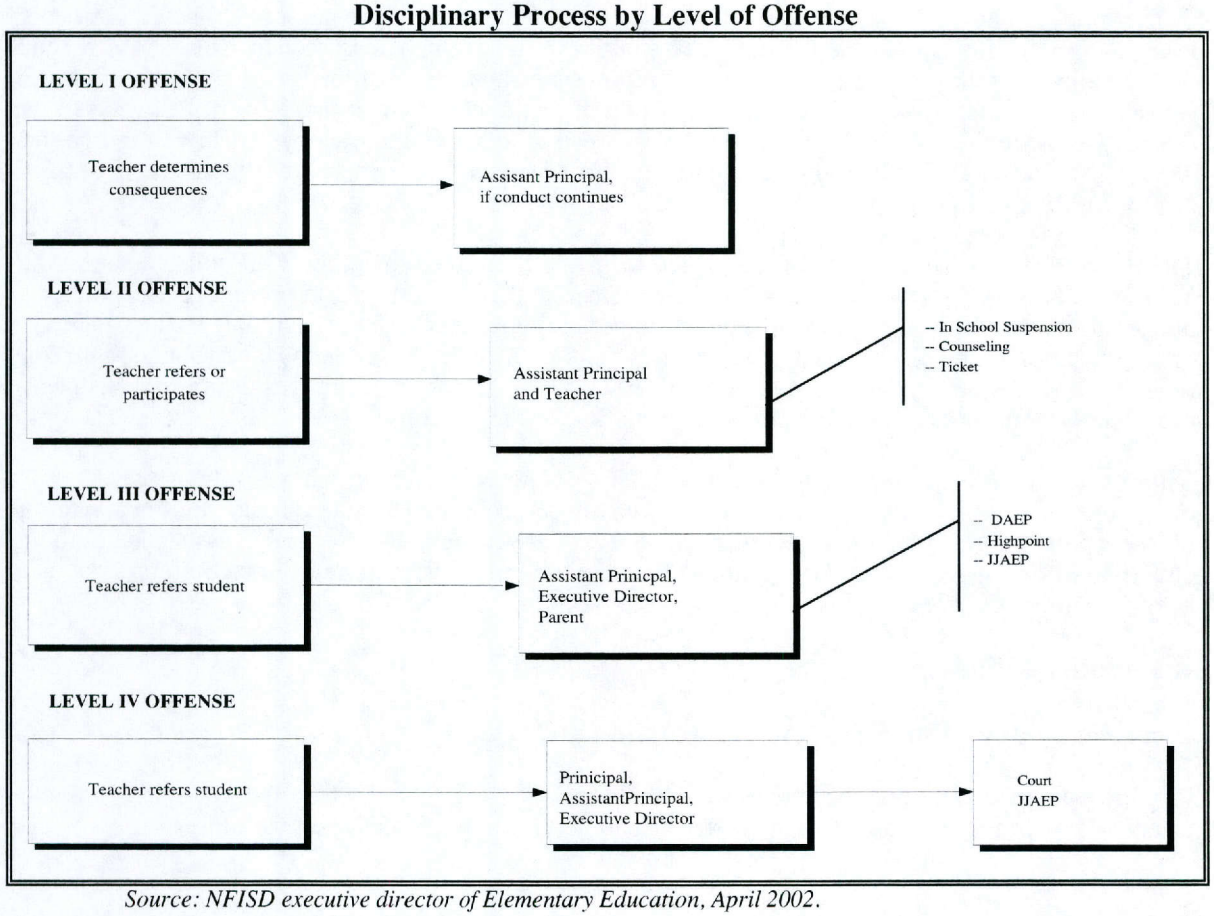
FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The district does not coordinate disciplinary activities through a central oversight position. Disciplinary decisions are made at the school level, with the involvement by the executive directors of Elementary and Secondary Education only at Level III or Level IV offenses. The process for discipline is shown in **Exhibit 12-12**.

Exhibit 12-12
Disciplinary Process by Level of Offense



Source: NFISD executive director of Elementary Education, April 2002.

The district reports information on each level of discipline, but does not have a position designated to review discipline for consistency and appropriateness. **Exhibit 12-13** compares disciplinary referrals to the stated consequences in the code of conduct.

Exhibit 12-13
Sample Comparison of Actual Disciplinary Referrals to Code of Conduct Required Discipline
2001-02

Offense	Discipline Level as Referred	Actual Discipline Placement	Actual Code of Conduct Level	Code of Conduct Required Discipline
Cut student in face and leg	IV	Counseling Center	IV, aggravated assault	JJAEP
Attempted to cut a student three times	III and IV	Counseling Center	IV, aggravated assault	JJAEP
Set fire in school building	III	Counseling Center	IV, arson	JJAEP
Set fire on school bus	IV	Highpoint DAEP	IV, arson	JJAEP

Source: NFISD Code of Conduct and discipline referral spreadsheet, 2002.

TSPR surveyed the district on perceptions that discipline is fairly administered (**Exhibit 12-14**).

Exhibit 12-14
Teachers, Administrators and Support Staff and Principals and Assistant Principals View of NFISD Board

Students						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Students receive fair and equitable discipline for misconduct	7.3%	31.7%	17.1%	12.2%	31.7%	0.0%
Teachers						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Students receive fair and equitable discipline for misconduct	8.1%	27.0%	8.1%	27.0%	27.0%	2.7%
Principals and Assistant Principals						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Students receive fair and equitable discipline for misconduct	12.5%	75.0%	12.5%	0.0%	0.0%	0.0%
Administrators and Support Staff						
Survey Questions	**Strongly Agree**	**Agree**	**No Opinion**	**Disagree**	**Strongly Disagree**	**No Response**
Students receive fair and equitable discipline for misconduct	7.7%	30.8%	30.8%	7.7%	23.1%	0.0%

Source: TSPR Survey Responses, April 2002.

As **Exhibit 12-14** shows, the survey group with the strongest belief in equitable discipline was the group applying the majority of the discipline. More than half of the teachers who responded and had

an opinion did not believe discipline is fairly administered. Whether or not discipline is fair, a negative perception exists.

The district is trying to address disciplinary concerns by aligning disciplinary procedures with the code of conduct requirements. Having a procedure is not a guarantee that people will follow it. Fair application of discipline depends on a quality control procedure that includes a disciplinary task force that periodically reviews information to determine compliance with and exceptions to policies and procedures.

Many Texas districts collect and review information in a variety of areas including discipline to ensure legal compliance, program improvement and correct public perception.

Recommendation 139:

Develop a process for periodic review of disciplinary decisions and assign the duty of oversight to an appropriate position.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The special assistant to the superintendent directs staff to compile information on district discipline.	September 2002
2.	The special assistant to the superintendent analyzes discipline by school, by teacher or other appropriate categories.	October 2002
3.	The special assistant to the superintendent reviews the findings with the disciplinary task force and the superintendent.	February 2003
4.	The disciplinary task force continues to monitor disciplinary activities for equity and effectiveness.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

NFISD does not support districtwide conflict resolution activities as a means of resolving behavior or conflict between students or students and staff. The district has provided initial training to some problems or staff on anger management and conflict resolution, but has not adopted a comprehensive dispute resolution program in the schools. From January 2001 to April 2002, the police were called to 157 disruption calls and 151 assault calls. From September 2001 to May 2002, one district school alone experienced 13 assaults and 122 disruptions. Some district schools have some type of conflict resolution programs such as peer mediation, but these programs are not supported districtwide.

The lack of conflict resolution is evident throughout the district. The board sets the tone for contentious behavior which carries into the daily educational environment. For example, the district Code of Conduct authorizes corporal punishment, or giving students swats with a paddle, as one method of resolving behavior conflicts. While corporal punishment is a legally acceptable method of discipline in Texas, it reinforces the idea that conflict can be resolved through use of power or force. Teachers are calling for a zero tolerance policy for acts of misbehavior, rather than conflict resolution training and enforceable progressive discipline guidelines.

Conflict resolution is a positive approach to personal and group conflicts that help participants work together to arrive at an acceptable compromise. Conflict resolution programs enhance a comprehensive behavior management plan, as well as provide essential communication skills that will carry students beyond graduation and into their careers.

The U.S. Department of Education 1996 publication *Safe and Drug Free Schools: An Action Plan* provides four strategies for developing a conflict resolution program. One strategy, referred to as peaceable schools, incorporates the other three strategies of peer mediation, process curriculum and peaceable classrooms.

Peer mediation uses specifically trained student mediators to help students resolve conflicts. The process curriculum approach incorporates conflict resolution education into the daily classroom curriculum. The peaceable classroom uses a curriculum developed by Educators for Social Responsibility to train teachers in conflict resolution, classroom management and discipline. With peaceable schools, the entire district participates. Conflict resolutions skills and practices are infused in the daily business of the district.

Conflict resolution programs have seen measurable success nationwide, reducing physical violence as much as 71 percent in one program. The State Bar of Texas provides a free conflict resolution curriculum developed through a program started in the Austin ISD. The State Bar program also pairs lawyers with student mediators for dispute resolution training. The Harris County Department of Education also provides conflict resolution training to area school districts.

The state and federal government offer many grant opportunities for delinquency intervention programs. The federal Office of Juvenile Justice and Delinquency Prevention provides annual funding for safe schools programs. The Governor's Office's Criminal Justice Division, provides funding for juvenile delinquency prevention programs. Some Texas districts have successfully used conflict resolution programs to reduce incidents of school violence.

Recommendation 140:

Develop a comprehensive program for conflict resolution for students and staff.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The special assistant to the superintendent researches and identifies dispute resolution programs and associated costs.	September 2002
2.	The special assistant to the superintendent holds public forums to discuss various approaches with parents, gaining input and support.	October 2002
3.	The special assistant to the superintendent develops a comprehensive program for implementing conflict resolution throughout the district and training staff to use the program.	February 2003
4.	The special assistant to the superintendent meets with the superintendent to discuss the plan and associated costs.	March 2003
5.	The superintendent submits the program to the board through the budget process for funding and approval.	June 2003
6.	The special assistant to the superintendent directs the implementation of the program and monitors its progress.	August 2003

FISCAL IMPACT

The implementation of the recommendation will result in a one-time cost of $2,500. This amount was calculated on the cost of a 40-hour mediation court of $250, which assumes 10 employees will receive the training ($250 x 10 = $2,500). These employees can train other district employees in the techniques.

The district could implement this program at minimal cost if the district locates free curriculum guides and volunteer programs such as are offered by the State Bar of Texas.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Develop a comprehensive program for conflict resolution for students and staff.	($2,500)	$0	$0	$0	$0

APPENDIX A

PUBLIC FORUM AND COMMUNITY FOCUS GROUP COMMENTS

Appendix A

PUBLIC FORUM AND COMMUNITY FOCUS GROUP COMMENTS

As part of North Forest Independent School District (NFISD) performance review, a public forum was held at Shadydale Elementary School on March 19 and 21, 2002. Members of the public were invited to record comments they have regarding the NFISD education system. Community members and school staff who participated in the public forums gave their comments about the 12 areas under review. The following are a summary of comments received at the public forum and community focus group meeting. These comments convey perception and do not reflect the findings or opinions of the Comptroller or review team.

DISTRICT ORGANIZATION AND MANAGEMENT

- If the school board is not working to improve the community's schools and best educate the students then they (the board) need to be dismissed. Voted out.
- Guidelines should be drawn maximizing length of board meetings. Meetings consistently are 5, 6 and 7 hours long. This wears down the public and most of the people leave before end of meeting.
- The district should have a vision, based on the population of the district, we should aim toward growth, not decline.
- We should better manager the funds we have, and make timely for request reimbursement of funds due the district.
- We should stay on track, as far as the bond funds go.
- Administration have special interests that do not serve the community and their teachers. Break down in communication. Funds not used properly – used for special interest. Bond needs review. Out with old – in with the new.
- Site-based decision-making is not working – the administration doesn't practice it.
- Board needs to let the superintendent do his job. Need to rotate department chair and principals on a one-year cycles.
- Lack of appropriate planning, decision-making, agreement, professionalism and follow through for the board, superintendent, assistant superintendent, and administrators.
- TEA should send in a Management Team.
- The 2001 through Superintendent search process in 2001 was lacking – the present superintendent should not have been selected.
- Board needs to keep a superintendent for a while.
- Micromanagement by board must cease.
- Unity on the Board.
- Term limitation for Board members.
- No implementation of Strategic Planning.
- No implementation, evaluation or board support for Site-Based Programs during budgeting.
- No accountability of Site-Base.
- Board members are too involved in the day to day operation of the district.
- Board unwilling to work with the superintendent
- Board and superintendent should work together as a team.

- Superintendent should create a more efficient board meeting agenda to ensure that meetings are not protracted.
- Community needs help in the controlling any board members who engage in micromanagement. That includes those who use the State Representative to influence State Agency's (we need a true and serious performance review).
- The review as some in this community believe will or should show that TEA has aided in the perpetuation of the district's problems. Only a true review will show it.
- The NFISD is not designed for the administration/teachers/students to succeed due to the tax base in which school districts survive. The community does not have large/big companies to compensate district, there are apartment dwellers, senior citizens and most people are renters.
- Why is the district in worse shape than it was in April?
- Do the school board and superintendent work together to improve the district's problems?
- What is the main focus of school board members?
- Morale is low in the district.
- Not listening to complaints from citizens from the community two minutes before board meeting no answer from the board.
- School management needs guidelines – the board as a whole needs to be revamped/organized – the district needs a brand new start – the school staff – needs a new roster – all new board members – the same members are always re-elected – they only rotate their titles.
- Get rid of all board members, and revamp the system.
- Board members more involved with the schools.
- They do not want to hear anything from parents.
- Site-based decision-making – rules should be the same for all schools.
- Site-based management is not working at the campus. Principals are power control freaks that are afraid of shared power and closed-minded. Check the site-based minutes – usually their rigged to show staff input. Usually used for DPAT visit/campus plan but little else.
- Do not allow this report to be diluted and sugar coated – we are a dying district.
- Sometime the board should interfere because of the abuse of employees by their supervisors. Superintendent (in the past) made too many deals with the board and only looked after the administration.
- The board should let the superintendent hire staff. The board should always allow employees the right to a fair hearing. Too much favoritism allowed in the district. The board should not wait too long to change a non-functional administration. The board should allow a new superintendent to function.
- Board members should not try to turn the community against the superintendent. The administration is too top heavy.
- Parents should be included and invited in the decision-making process.
- In my opinion, where there is no vision, the district shall perish.
- A divided board, divides the community
- A board that micromanages will cause the superintendent to fail.
- Principals are very weak. Need better ones in all schools.
- The District Organization and Management requests from the board to consider the students of North Forest first and to learn how to cooperate with each other for the good of the students. In other words, we are requesting the board to be more of a team player in managing the resources efficiently.
- Strategic planning – need to develop a shared vision and mission statement for the district to be the guide for planning initiatives. If it's not in the vision 2002 or planned don't spend the time to discuss or funds on it. Conduct annual review of successes and plan each year with prospective goals. One high school for North Forest ISD because of the low enrollment.

- The board doesn't ever listen to anything the community has to say. They invite community members to participate on certain ad-hoc committees, but the recommendations are never taken seriously.
- The board only allows 30 minutes at every board meeting for community input. It's always 30 minutes, if there are 3 people wanting to speak, or 300.
- The board meetings go on until 2, 3, 4 in the morning and nothing ever gets decided.
- Things used to be better several years ago, but now the board and the superintendent don't want to hear what the community has to say.
- Incompetent Board, petty arguments in the public forum, just an embarrassment.

EDUCATIONAL SERVICE DELIVERY

- Classroom environment needs to be conducive for teaching. Better TAAS preparation.
- Teachers need to be better trained.
- Classrooms need to be equipped with proper books, materials and equipment.
- Students come to school with issues that interfere with them learning in the class.
- Some students need anger management, character development and life skills. These should be in the curriculum so that it can be effective for these students. Improve pay, benefits, and opportunities for teachers and get better teachers and staff.
- Students need better materials at the high school level. (Comp, labs, facilities). Would like to see more funds going towards buildings.
- The delinquents who hourly disturb classes should be transferred to a rehabilitating alternative school. There are many who come to learn, but the process of teaching and learning is disturbed and disrupted with the delinquents in class. Sending them out only to return is tiring and a massive waste of time. An alternative school is in the best interest of the students who are willing to learn.
- We need an alternative school for the delinquents and hard-heads to alter their behavior so that they will return to the mainstream schools.
- New teachers who are not certified or have no prior experience with TAAS grades should not be put in TAAS grades unless they are trained.
- Spanish as a second language for our English-speaking students.
- Basic skills taught daily and TAAS packets sent home for practice.
- Need hands on equipment for our students especially in Math and Science.
- Monitor and implement the GT Programs.
- No active programs for at-risk and no support of alternative programs.
- No TAAS tutorials available for those who failed portions. The law mandates that this must be done.
- No availability of evaluations on any of the special, alternative (education program).
- No accountability of the programs.
- Student performance is steadily declining in NFISD, while increasing in all other districts.
- Teacher morale is horrible. Inadequate counseling available to students. The district is hurting our children academically. They are not ready in math and science; no labs – high school.
- Do teachers/students have necessary tools to aide in succeeding on TAAS?
- Getting a curriculum in place will help solve the performance of the students.
- It seems like in NFISD the best teachers teach the fourth grade. This is in order to get the kids ready for the TAAS test. I think the best teachers need to start teaching from the first to the third grade. If the kids get all the math, reading comprehension from the first to the third, then when they get to the fourth they will be better prepared for the TAAS. Take those teacher that

are baby-sitting in first – third grade and put them in the fourth and most kids will be easier to teach.

- Resource/special education do not need to be in regular classes.
- More I.E.P.s needed for Special Education.
- Broaden the class curriculum.
- I would like to see the Barbers Program started.
- Giving grades without exposing children to material. Lack of motivation for student; not exposing children to materials.
- Teachers that care about the children learning.
- Principals that listen to parents concerning their children.
- Better techniques in teaching children.
- Better attitude toward parent and students.
- Some teachers need anger management.
- Instructional specialist are not doing that job – 1) mentor new teacher, 2) monitor curriculum in each class, 3) model teaching strategies etc. They do what a principal does and don't stay focused on job.
- Need aides for Special Education student – I feel unable to service them.
- We like the sound of GT and AP but do not provide resources for effective learning experiences.
- Need 10-15 year staff at GT and AP, not us old dinosaurs.
- The district does not offer enough programs to help the students to learn. Not enough full-time teachers. Too many classes without a teacher. Too many times classes are left unsupervised because there are not enough teachers.
- As a parent, grandmother and a tax paying resident of North Forest, when assessing the TAAS performance of the district, I'm very disappointed on what North Forest not only has to offer but also results that reflect an overall poor standard. Is it just a paycheck – my children's future is involved – there is a lot at stake here.
- I would like to see our students be able to have a good quality education, so they can be the best there are. In order to do this, we need some peace and harmony to this district. We need the type of leader that can lead this district back to where it once was in 1989-1995.
- My concerns are Transportation, Special Education and W/C.
- I have yet to see any information about gifted student furloughs and how to apply for it.
- Too much emphasis is placed on the TAAS. Teachers cannot teach and students have difficulty learning and studying thinking about passing the TAAS.
- TAAS scores are unacceptable.
- Teachers need to teach and not sit behind their desk.
- Classes too large.
- The elementary schools in NFISD allows extracurricular activities, i.e., cheerleading. This is a very expensive sport and the district/state needs to provide funding to support these activities.
- New performance goals and standards; true gifted programming; special education facilities from existing buildings; zero tolerance alternative; ACT and SAT pretest requirement (10th and annual).
- We are requesting the following: Educational services delivery, empowering teachers with new technology, teacher inservice to enhance our students' test scores (TEKS, Stanford 9 etc...), tutoring for at risk students after school.
- The curriculum hasn't been updated in years. The curriculum is the foundation for any good educational program and North Forest's needs to be evaluated and changed to meet current learning needs.

- We're teaching other children English, but we don't teach our kids another language. We would like to see 3-4 year old kids learn Spanish.
- Would like their magnet program recognized by the state as such.
- We desperately need an alternative school. There's lots of talent being wasted and there is only a jail house waiting for those kids. Etiquette classes would be good; some speech classes would be great too. NOT just for the "bad" kids, but for those who are at risk and need a different, non-traditional setting with staff that is properly trained.
- Our teachers are the best thing we've got: there is lots of talent, but they don't have the support they need.
- We love this district – most of us are products of this district, our children are products of this district, and we are committed to making it a good district. We want to be a competitive district where children learn and achieve.
- Not enough vocation classes offered.

COMMUNITY INVOLVEMENT

- Need more parental involvement.
- Need regular community forums. Stronger PTAs.
- Need more business school partnerships.
- Administration should work more closely with community-based organizations in neighborhood planning efforts that will revitalize dollars in the NF community.
- A systematic approach should be developed for communicating positive messages and information about NF to the local and general community.
- Not enough parental involvement in district – district does not do enough to encourage it.
- Truancy is reported to parents by a machine – should use real people to make sure parents get the message.
- Listen to parents and students, about all concerns.
- Make parents aware of happenings.
- Student involvement in making students proud of schools.
- Community is not welcomed.
- The parents and students need to be held accountable and responsible for the student's education and behavior instead of forcing and learning the burden of controlling unruly and unwilling students on the educators.
- Notify parents about a child's incident right away. Lack of supervision and follow-ups.
- The community came several times to many of the earlier school board meetings. They voiced their concerns about issues of importance at each meeting. The same concerns were addressed by various citizens each time. The board has refused to listen to the community! The community is also discouraged from participating by the extremely lengthy board meetings. The length is usually caused by the superintendent not giving advance information regarding his recommendations.
- As frequently described, the community is predominantly minority low-moderate income, what is not said is, that the community has been suppressed by long time politicians. Can this review be used as a community tool to remove incompetent board members?
- Can an appointed board be seated to allow the community to experience success without interference from politicians? This should be done for a period of years to allow the positive to settle and become the norm.
- When will the state provide the funds needed to make NFISD a successful district? Since the majority of the districts funds are based on a poor and poverty community taxes, until the

state becomes more responsible to the district by way of funds or finances, then it is difficult for a district like NFISD to compete in every respect with all the wealthy districts.

- I would like to express my gratitude to the principals, counselors and the teacher of the Forest Brook High School for teaching and helping our children succeed. Their concerns are for each and every student. I admire all of the [teachers at] Forest Brook High School through all these years, but especially this year is awesome. I hope all the schools follow these precious steps. God bless you.
- Parents and students are not being held accountable/responsible for the student's education. The burden of controlling unruly kids is forced on the educators, leaving little time for educating students who are there to learn.
- Community involvement is almost non-existent. Parents are not involved in the school environment unless there is some type of program. Example: In February, there was community involvement night at Smiley where every school in the district was in attendance and no parents showed up.
- At board meetings – the meeting are unorganized and last too long – the president/or residing chair needs to learn how to conduct a meeting.
- Schools more involved in the community.
- More parental workshops.
- What are business-school partnerships?
- NFISD discourages parent involvement.
- There are only a small number of adults involved.
- Have a huge barbeque, music, etc., to draw parents to school.
- Audits must reflect real problem.
- Local vendors/businesses are not involved (not on the site-based team in name).
- School principals should make the community feel welcome. The district should make all employees feel important.
- More input into the neighborhood – posted date of school meeting, etc.
- Need more realistic parent involvement, a more stakeholder friendly district.
- Several schools do not seem to have an "opened arms" concept, when it comes to welcoming parents and other community members into the campus.
- The community doesn't get involved in district programs (unless there is a big mess).
- The community should be called upon before there is a crisis. The community should receive more information concerning the nuts and bolts of the school district and the changes about to be implemented. Example: selection of a new superintendent, closing of schools, reduction in teachers and consolidating the district.
- Parental involvement – reach out to parents – help them to understand exactly what is expected of them.
- Business School Partnerships – Need more business participation.
- Laws prohibiting legislative involvement in local school issues; intense school-business relationships; parents, stakeholders, admin and Board.
- The community is tired of constantly giving input that is never acted upon. Community members feel like they do not have a voice.
- The community wants to see the district actively seeking business partnerships to help with the issues they are facing. Students do not have the money to attend proper field trips, and campuses don't have the money to provide proper supplies (microscopes, etc.). The community feels that business partnerships could really help in these two areas.
- Parents want to be involved, but they feel like they are "pushed away" by campus principals.
- Some people complain that they don't receive notice from the district about upcoming events until very late. For example, some people received an invitation on Thursday for a focus

group that was being held Monday. Some people feel like the PR department does not do a good job of notifying the community of events in a timely manner, or keeping them informed in general. Others disagreed and say that they receive everything in a timely manner and it's just that people choose to read the mail they want to read and the district cannot help that.

PERSONNEL

- The board and superintendent announced in February that there would be no raises for staff in 2002/2003. There will be a mass exodus of qualified staff to other surrounding districts. Does that make sense?
- The district should hire people in the district for posted jobs. There is a district full of qualified persons certified for these jobs.
- Buddy-Buddy system.
- All relatives/permanent substitutes/no recruitment standing, no reward for the few dedicated teachers remaining.
- Better quality substitutes.
- Superintendent that can relate to needs of our children/community.
- Favoritism network needs to be abated. Friends and family protection system.
- Teacher involvement in classroom planning.
- Need to have racial mix in the district, on the board and in school staff.
- Teachers should be paid more. Funds should be allocated through special funds for this.
- Experienced personnel with long-term loyalty to NFISD should not be terminated (contracts not renewed) arbitrarily. After 25-30 or more years of continued service to NFISD, they should be offered an incentive to take early retirement. This is being done in many other districts. It allows the employee with longevity to go out with dignity and the respect of his/her peers; it also allows the district to bring in new employees at less money. It's a win-win situation.
- Teachers should be well compensated for teaching our kids. Our teacher's positions salaries should be the same as all other districts in Texas; competitive as to attract the best and to retain the best.
- My complaint is on M.B. Smiley High School. My son is in a Special Education class and his teacher doesn't have time to work with him one-on-one. One teacher I spoke with said he doesn't have time to work with my child like he needs to because he has 28 children in his class and only two (2) special education children. He can't work with him one-on-one and give him what he needs. He has a 50 in his class, an F. I think it's not fair to my son that the teacher can't do his job because he said he has too many children to handle a special need child. I think the teachers need a better plan for the special need children. Don't count them out.
- Health insurance is too expensive, just covering medical and prescription.
- I am a certified, first year teacher, and there was no effort put forth on the behalf of North Forest to recruit. There are also no benefits offered to lure properly trained educators to the district. This is why there are so many under-qualified people teaching in the classroom. Texas has the lowest pay for teachers in the nation, and North Forest has the lowest pay in Houston.
- If North Forest wants to keep their good teachers and attract new teachers who are qualified and certified, the teacher's benefits and salaries should be competitive, otherwise, the good teachers will leave and new teachers will not come.
- Teachers need to be paid comparable and competitive salaries to other teachers in surrounding districts.

- Hire certified teachers for quality education.
- The recruitment, hiring practices are not being practiced appropriately. Example: site based team is supposed to have some input on who is hired on school campuses. Example: The interviewing process.
- Salaries need to be increased.
- Unsure about the hiring practices.
- Better recruiting and hiring (parent liaison on each campus).
- Need to hire more people in the school.
- Better teachers.
- The district allows teachers to abuse authority.
- Superintendent is not responsive to parent and student needs.
- Board unresponsive to parent and student needs.
- Favoritism network needs to stop.
- Nepotism is a big problem.
- Recruiters go on useless junkets to places they can't get new staff.
- Need to quit hiding our head. Hispanics are needed in leadership roles and staff. Quit just going to black schools for staff.
- We will lose 100+ staff this year – my prediction. 75+ last year.
- Hiring practice for the police department is usually done by the board. The criteria for Police Chief is too low. Salary for some positions are computed wrong. Example: Police Department salaries compared to other district police are extremely low. Salary table is not computed so that a promotion would mean a raise. In some cases, promotion means less money. Sometimes, employees are not hired on their qualifications and people are hired that are less qualified than the person already in that position, the police department is a good example.
- Salary not adequate for employees.
- The district should provide substitute teachers with adequate training, such as tips on controlling the classroom, in a proper manner.
- Nepotism abounds.
- Need more workshops for all staff members.
- The district put people in management positions that are not qualified for that positions (friends of the board/just to give them more money).
- We can't compete with other districts when recruiting teachers. We've got a teacher shortage and lots of long-term subs and student learning is ultimately hurt by this.
- Qualified people in positions.

FACILITIES USE AND MANAGEMENT

- They have closed a middle, high and elementary school in the most populous area of the district. If they purport to have over 10,000 students where are they housed, when all schools were opened the district has had to get waivers from the state every year.
- Board of Trustees, superintendent, and community not working together.
- Don't use apprentice programs offered through our local unions.
- Northwood and Forest Brook need to be repaired not just abandoned.
- The community has not received an answer after several weeks concerning the repairing and/or rebuilding of Forest Brooks, also the community wants Forest Brook and Smiley to remain the two high schools for NFISD.
- Forest Brook school was flooded in June 2001. It is March 2002 and the school is still not opened. What is the hold up? Why wasn't the school insured? Smiley flooded in 1998,

someone should have purchased insurance for schools after that incident. Most schools and homes that were flooded have been repaired, why hasn't Lakewood and Forest Brook?

- Shortly after the Allison flood, President Bush visited the C.E. King school district and promised the district the funds needed to repair their school. The school district was repaired and all their school opened on time. Question – why wasn't the same finances and support by the President given to the North Forest ISD?
- Maintenance, and custodial really needs to be improved.
- Since Northwood Middle School has been closed, and Forest Brook High School damaged due to T.S. Allison – why can't Northwood be remodeled in place of Forest Brook High School? At least Northwood is not in flood zone.
- They need custodial supplies.
- Clean restroom!!! Tissue, soap, paper towel.
- Lawn services, litter in front of schools.
- Cleaning is not very good in schools.
- When the district falls short of custodial and maintenance personnel – they should recruit members of the community to assist them.
- Poor use of facilities.
- Our maintenance department ordered floor tile and ceiling tile from a supplier - these two items are highly marked up. They should be purchased directly from the distributor. This would save the district a considerable amount of money also. The district hires principals to run the maintenance department but these individuals have no knowledge of how to run a maintenance department. This is not cost effective, and wastes the tax dollar from the state. They should be hiring people with a knowledge and background in construction and maintenance.
- Administrative building is a mess. It's been since they've had the flood, but one would expect that things would at least be organized and put away over there. Things are disorganized over in central office.
- Some campuses are dirty and need more custodial staff.

ASSET AND RISK MANAGEMENT

- The district has made no effort to look at ways to limit and bring Workers' Compensation under control (work harder) $300,000 per month.
- Health insurance continues to be a bottomless pit financially. No wellness program, etc.
- Used Bond Issuance to improve quality of educational curriculum. Excellent teachers – but substandard educational practices.
- Poor performance planning, policies, decisions and accountability by Board of Trustees.
- Tighten up on cash and investment practices, health insurance and especially Workers' Compensation. Checks and balances should be in place.
- Financial management of funds needs to improved and monitored.
- A safer work place to avoid multiple Workers' Compensation claims being filed – more monitoring of workers and their job responsibilities.
- No asset and risk management.
- Health insurance is too expensive for family.
- Wasteful. Poor management. All we read about or hear is about friction among board members – this is not a positive image – going forth – Please work on this – If you fight among yourselves – what's left for the children to do?
- My concerns are Transportation, Special Education and Workers' Compensation.

- The substitute teacher's office should refer substitute teachers where they could receive insurance, health and other benefits...even though substitutes aren't part of the benefits eligibility programs, for these services.
- Comp and Health insurance; cost very high on both; Comp $300,000 per month.
- Worker's Compensation – up date guidelines for Workers' Compensation, Workers' Compensation liaison with third party administrator, salary continuation/accrued leave compensation, case management, transitional duty assignments and long-term options.

FINANCIAL MANAGEMENT

- Internal audit – The board is operating in the dark. They have no idea how and where money is spent.
- Money allocated for building schools is left unspent for an indefinite period of time.
- Only CPA in the finance office was moved to another position and replaced with a paraprofessional.
- Basic accounting principals not followed – Need qualified person in those positions.
- A simple, in laymen's terms, receipt and disbursement statement published in monthly newsletter.
- When contractor selected, we need to make sure they can do the job and we have the money to pay.
- Money selected for a project should pay for that project only.
- What has happened to the budget for North Forest School District?
- How has bond fund been used, (since it was "earmarked" for new projects)?
- Why have we not received timely requested funds from FEMA for damages as a results of the flood?
- Why haven't old schools been remodeled, and where is the fund money going?
- The superintendent continues to recommend hiring two to four additional law firms to handle each aspect of the district. The district has attorneys already. The need to duplicate is not necessary for every important item.
- In order to supplement teacher salaries, the district must be developed T.Z. – Trade Zones – Abatement and Incentive Programs that will spur development.
- Financial management of funds needs to improved and monitored.
- Budgeting – no such item in North Forest ISD – the monies are spent without reports and documentation to follow – school taxes are too high.
- How many internal audits will be conducted before something is done to resolve the problem?
- Need to improve on money raised.
- They need to tighten up on financial management.
- Budgeting inadequate. Internal auditor need to be more of watch dog than a friend to the administration
- According to historical events, financial management is something to be desired.
- The board never accepts financial advice from the financial manager (they always want them to refigure something).
- Financial management training should be offered on a regular basis. The need should be assessed and implemented where needed. Reviews should be done before the trouble begins.

PURCHASING AND WAREHOUSING

- The district should update books or better yet use computers in all classroom settings and the Internet. Other school districts are ahead of us every year by about two years. Update classroom teaching and supplies are needed.
- Competitive bid – Board members should not interfere with process based on personal biases.
- Teachers select books that will help in the teaching process. Book selection not considered when ordered.
- Tighten up purchases.
- Public written documentation/analysis of contractors who bid on contracts and reasons for contracts awarded.
- More funds for tutoring students who really want to learn.
- Textbooks need to be purchased more timely.
- Schools need, not only new, but up-to-date books.
- Competitive bid process and guidelines should be adhered to.
- Small/disadvantaged businesses capable of performing and completing projects should be included in the process (special consideration should be given to businesses located within district boundaries and to those who reside in the district).
- Consultants may be required for some projects and purchases.
- Small businesses should be allowed to participate in technology RFO's.
- Purchases need to be monitored closely.
- Tighten up purchases monitor spending.
- Cut Duplicated trips; i.e. National Council of X, Purple National Council of X, Green National Council etc.
- People go on workshops and then don't come back and disseminate that knowledge. If I go to Venture Training, I would do a workshop about the conference attended (Academic idea).
- Need a textbook depository. Kid gets list of books for next year – go to pick up book/return next summer.
- Finish purchasing textbooks for every school.
- It takes weeks for children to receive books.
- Bidding process need to reconstructed for more cost saving to district for project being considered.
- NFISD should also look within its own community for those firms and individuals to provide products and services.
- Our present system is putting a toll on the district (take too long to purchase items, which slows down operations)

COMPUTERS AND TECHNOLOGY

- Need software updated and plenty of it!!
- Block schedules.
- Computer labs with qualified instruction.
- Need mandatory technical classes to be longer than three days and [need] technical training.
- Need technical instructors.
- Need technical repair technician.
- Need a larger budget to buy supplies for all technology classes.
- Smaller class sizes in order to teach with 100 percent accuracy.
- Only MIS directors contract is not up for renewal (2002/2003).

- Computers for every classroom.
- Computer labs for every school.
- Demand for computers—would be very knowledgeable for the students at early age.
- Allow children to use computers!
- Need enough computers to accommodate the students. There needs to be more computers at the high school level.
- Labs need to be updated (science).
- More trained teachers (in the science and computer).
- NFISD Schools are still in the stone age. This is the technology era and our kids still do not have access to computers in the classroom.
- At our school every class doesn't have a computer. If we have to print on the computers we have teachers complaining about the ink.
- Provide funding for technology (modern).
- Computers should be in every classroom. There is a great need for technological skills.
- More computers.
- Upgrade computers.
- I feel there should be more computer classes at least one hour a day; every day of the week.
- Wasted installation of computer wiring. A new wiring system is now being started.
- Uniform purchase of computers.
- Teacher and staff training.
- Need Power Point.
- Need a Technological Center where staff can go for training, supplies and support.
- More emphasis should be placed on high technology and more attention in this area.
- Biotechnology should be a part of science curriculum – Houston is rapidly becoming a "hotbed" due to the growth of biotech firms and post-secondary education. NFISD could provide a workforce for this growing area of our economy.
- A Technological Center should be available within the school library as well as classes with the latest technological advances for the students. This school system should be completely computer literate. Computer science should be available on all levels. Teachers should be trained on computers along with the students.

FOOD SERVICES

- Too much junk food!!
- Need cleaning supplies and need infection control monitoring. Implementation of inservices with employees.
- Quality of food not healthy and most lunch periods are not adequate to properly feed all children during that period.
- More nutritious food for students.
- Prices on food need to be more reasonable.
- Need cleaner and concerned people working.
- Need better hygiene in preparing food. There has been nails, hair and roaches in cafeteria food.
- Pizza is not a meal.
- My son got sick from breakfast.
- No hairnets, nails unclean.
- Slime on milk and juice spoiled (temp?).

- Food in our district is sometimes nasty, our wings (chicken) are burnt and hard; sometimes during breakfast our waffles and pancakes don't have syrup, straws, utensils.
- Food service needs to be improved. There is a need for healthier meal plans.
- Serve more inviting foods/better tasting foods.
- The food service is very poor.
- Excessive repetition of some menus.
- Junk food is the only fundraiser.
- Need nutritional advertisements, posters, etc. in food service areas to encourage children to make good choices.
- Better and more nutritional prepared food, (more food is wasted here in NFISD because food for most part is not tasty).
- Since many children are lactose-intolerant, the choice of milk should not be a mandate for students. Include more vegetarian choices.
- Food service centralization.
- Parent of two HS students: there's too much fat/starch in the meals and they don't get PE anymore; breakfasts are good (except for bacon), but the lunch is fatty and bad.
- Kids only have sporks (plastic spoons with little tine points on the end). There are no knives. You can't cut meat with a spork.
- According to one parent, all kids eat free in the district (because it was too difficult to keep track of the meal cards).

TRANSPORTATION

- Need more bus drivers!
- Schools in the most populous areas in the district closed and allowed to remain closed for long periods have caused transportation cost to skyrocket. We need to bring back the neighborhood schools.
- Need accountability on ordered parts and maintenance.
- Need accountability on those who maintain the bus maintenance for inspection.
- Since transportations is a high cost of budget, why are we not targeting all extra sources of funds.
- Seat belts on the bus!!
- One child rides a district provided bus from the same address were (2) other children are privately bus to school, from. What's accomplished when the bus service buses one and won't bus the other 2 children.
- Need more transportation for children in the district where [children] live. School bus picks up student in same areas and the schools are not a 100 feet, but won't transport due to zone.
- Drivers are not being screened for drugs, alcohol.
- Buses need to have an accurate bus schedule, not at any time they want! My sons have been bitten by dogs at bus stop after 8:10 a.m. Strangers have tried to pick up students while waiting for bus.
- The bus drivers curse at students.
- Bus cameras should be on and monitored.
- Why has the district not received federal funds? Our routes are in areas where there are no sidewalks or other means for children to be picked up.
- Transportation department have problems they need to improve; such as 1) late buses, 2) no buses, 3) no drivers, 4) break downs, 5) inconsistency in route schedules; 6) rude and uncaring office workers, 7) drivers over-worked.

- Sometimes it may be cold and the bus comes an hour to 1 1/2 hours late, and when it is cold our hands and feet are frozen, we are late to class, missing assignments. If bus does not come, we don't have a way to school because our parents work.
- Bus service - children entering bus in the dark and getting home in the dark.
- What makes it ok to bus children to only one elementary school and residents pay taxes in the whole district?
- We need more bus drivers, better maintenance on buses, bus safety, bus driver need more money better pay, better discipline on buses.
- Hire more bus drivers.
- Bus drivers need more pay.
- More bus routes.
- Better bus scheduling.
- Frequent bus maintenance.
- Transportation needs to be improved.
- Their transportation is not good.
- Always late.
- Need funds for field trips. Only organization like football cheerleaders and the UIL can get easy field trip access. We need academic field trips. geography, history, science, etc.
- Bus drivers are limited to less than a full days' work.
- Bus drivers need to follow state laws and district policies. Need to slow down. Drive too fast.
- We need to have good transportation for our children.
- School buses must be properly maintained, scheduling and more employees as bus drivers to achieve an effective operation.
- My concerns are Transportation, Special Education and W/C.
- Bus schedules should be adhered to and drivers should be more careful about how they operate buses.
- Transportation routing zones.

SAFETY AND SECURITY

- Policy manual needs an update.
- Drugs removed off all campuses.
- Rules need to be enforced for all students! Need an alternative school for our district.
- Need implementation or zero policy.
- Need positive programs (in reaction) police programs.
- Alternative center is no answer to inaction by the law enforcement.
- Need more policemen assigned for follow-up on violators.
- Drugs on Forest Brook campus. No enforcement.
- Better screening of police personnel. You get what you pay for.
- Adjust campus police department pay so it is competitive with other area department's salaries.
- Chief of Police position should require more than just a GED. It should require at least five years of police chief experience and a 4-year degree.
- When out of control students get caught damaging school property, the parents need to pay out of pocket. When a student commits a crime, they should do community service within North Forest ISD on every campus, before school, after school, during school and during the summer. Keep campuses clean, wash district vehicles, and buses. North Forest needs zero tolerance (BAD).

- Police do not deter behavior mostly because of lack of response and location to needs of facilities.
- Consistency in application of school rules and resolutions by principals, assistant principals, and educators districtwide beginning in pre-kindergarten.
- Instead of only relying on paddling and SAC a more effective discipline and consequences program needs to be incorporated and enforced along with values, personal growth and responsibility.
- Make sure security cameras are working. Make sure there is daily security at all levels. Make sure that policy regarding discipline is enforced. Make sure that students are remove timely from school up on resolutions of problems.
- I have three cases of my sons receiving corporal punishment (paddling) without my consent. One of my sons was stabbed by another student and the other child was not disciplined. My other son was jumped in a racial fight against a Hispanic. My children feel threatened by other students and also the teachers. Something should be done!
- Security cameras are not used for monitoring.
- Staff members are not compensated for lost or damaged property.
- Zero tolerance is not enforced.
- Need volunteer hall monitors.
- Campus auto traffic dangerous - not monitored.
- Unauthorized people in school building.
- I feel when a child reports an incident, something more needs to be done than just taking down names, because you still have the child in the same position, "Do I fight or get in trouble!!"
- Security needs to be monitor better for students and teachers.
- Ants, roaches, rats, termites, exist.
- Consistent applications of enforcing student discipline policies. In other words, all students should be treated equally and fairly.
- There was a stabbing at our school, and this made me realize that kids could bring guns, bombs or anything to school. So everyday when we go to school we are at risk and we are also in danger. Everyday we got to school, anything could happen. What about metal detectors? Intruders come on our school and mess with the girls or try to come fight the children at school. We don't know who goes to our school or not. What do we take I.D. badges for?
- Adjustment of campus police department salaries so that this department's pay scale is competitive with other area department's pay scale.
- Better and more careful screening of law enforcement personnel for professionalism and quality – remember...you get what you pay for.
- Principals staying in office while security officer writing tickets for kids disturbing classes, when they are walking the hall all day long.
- Paddling is fine at home but the delinquent students in NFISD are so accustomed to getting paddled that it does nothing to deter/change their behavior in school. A more effective discipline and consequences, program needs to be incorporated and enforced along with values personal growth and responsibility.
- Consistency in application of school rules and regulations by principals, assistant principals, educators and districtwide starting from pre-kindergarten.
- It would be great if there was at least one police officer at every campus or one for every two campuses.
- All three my children got paddled without: parents (my) permission, without a district representative. A middle school student was disciplined by a coach and I talked to the

assistant principal and another student was disciplined and I talked to another assistant principal about that one, too. One of my children got punched in the face three times in a racial fight against a Hispanic. His face was bruised and I called the school and I'm still waiting for school to call back. My other child got stabbed by another student on his back. My son also got disciplined for no reason on that same day. I was not notified of either incident. The student that stabbed my child was not disciplined.

- Pay hall monitors.
- Hire better law enforcement.
- No HPD on campuses.
- Alternative school.
- Hire someone to sit in front of the cameras to monitor.
- Spanking policies.
- Student discipline policies are not universal and not enforced strongly. Students are out of control in the high schools. Need more police officers and they need to offer more to the district. Officers are too under paid. Too much turnover. Need leadership and more education in the field of law enforcement. Should offer more programs in working with staff, students and the community.
- Police department does not meet state and federal standards.
- I would like to see better security in the school, and around all schools to protect our children, teachers, and other employees.
- More accountability for discipline in schools from administration. More coordination with local law enforcement agencies.
- Teachers should have assistants in each class...this may cut down on safety concerns and allow the teachers to, hopefully, direct more of their energies on teaching.
- Students and parents behavior is out of control.
- Not enough officers/no good running vehicles/lowest pay officers probably in Texas – and no respect!!!
- The major problem in the NFISD Police Department is that the department is the lowest paid police department in the State of Texas. This department was the second school district in the state to get a police department yet we are the last department to get anything. The district wants the department (Police) to stop crime and violence but they refuse to raise the pay in the Police department the starting pay in the district is very sad and nobody in NFISD cares. The staff out here looks at us as security guards. But yet we are certified police officers by the State of Texas and we get looks like we are not professional.
- The North Forest ISD district would save untold thousands of dollars if they would adopt the Zero Tolerance program into school board policy. Implementing this program would be very beneficial financially to North Forest ISD. North Forest refuses to put students out of school for disciplinary problems because they would lose money from the State. The students at both high schools have destroyed expensive security cameras. They destroy the walls by kicking them in, breaking the glass in school, vandalizing the bathrooms, and destroying them in the process. This is very costly vandalism, not a maintenance problem. This is a disciplinary problem that cost untold thousands of dollars.
- Not enough discipline at our schools.

APPENDIX B

DISTRICT ADMINISTRATIVE AND SUPPORT STAFF SURVEY RESULTS

Appendix B

DISTRICT ADMINISTRATIVE AND SUPPORT STAFF SURVEY RESULTS

North Forest Independent School District Management and Performance Review

(n=13)

***Totals may not add to 100 percent due to rounding**

Demographic Data

1.

Gender (Optional)	No Response	Male	Female
	0.0%	23.1%	76.9%

2.

Ethnicity (Optional)	No Response	Anglo	African American	Hispanic	Asian	Other
	7.7%	7.7%	84.6%	0.0%	0.0%	0.0%

3.

How long have you been employed by North Forest ISD?	No Response	1-5 years	6-10 years	11-15 years	16-20 years	20+ years
	23.1%	30.8%	23.1%	0.0%	0.0%	23.1%

4.

Are you a(n):	No Response	Administrator	Clerical Staffer	Support Staffer
	15.4%	61.5%	7.7%	15.4%

5.

How long have you been employed in this capacity by North Forest ISD?	No Response	1-5 years	6-10 years	11-15 years	16-20 years	20+ years
	23.1%	30.8%	30.8%	0.0%	7.7%	7.7%

A. District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
1. The school board allows sufficient time for public input at meetings.	23.1%	30.8%	15.4%	15.4%	15.4%	0.0%
2. School board members listen to the opinions and desires of others.	7.7%	46.2%	23.1%	7.7%	15.4%	0.0%
3. The superintendent is a respected and effective instructional leader.	15.4%	15.4%	38.5%	7.7%	23.1%	0.0%
4. The superintendent is a respected and effective business manager.	15.4%	23.1%	30.8%	15.4%	15.4%	0.0%
5. Central administration is efficient.	7.7%	15.4%	30.8%	38.5%	7.7%	0.0%
6. Central administration supports the educational process.	15.4%	30.8%	15.4%	30.8%	7.7%	0.0%
7. The morale of central administration staff is good.	0.0%	23.1%	30.8%	15.4%	30.8%	0.0%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
8. Education is the main priority in our school district.	15.4%	23.1%	15.4%	15.4%	30.8%	0.0%
9. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	7.7%	53.8%	30.8%	7.7%	0.0%	0.0%
10. The needs of the college-bound student are being met.	0.0%	30.8%	15.4%	38.5%	15.4%	0.0%
11. The needs of the work-bound student are being met.	0.0%	30.8%	23.1%	23.1%	15.4%	7.7%
12. The district has effective educational programs for the following:						
a) Reading	7.7%	69.2%	0.0%	15.4%	7.7%	0.0%
b) Writing	7.7%	61.5%	7.7%	15.4%	7.7%	0.0%
c) Mathematics	7.7%	69.2%	0.0%	15.4%	7.7%	0.0%
d) Science	7.7%	46.2%	7.7%	30.8%	7.7%	0.0%
e) English or Language Arts	7.7%	53.8%	7.7%	23.1%	7.7%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
f) Computer Instruction	7.7%	38.5%	15.4%	23.1%	15.4%	0.0%
g) Social Studies (history or geography)	7.7%	46.2%	15.4%	15.4%	15.4%	0.0%
h) Fine Arts	7.7%	61.5%	7.7%	15.4%	7.7%	0.0%
i) Physical Education	7.7%	61.5%	7.7%	7.7%	15.4%	0.0%
j) Business Education	7.7%	38.5%	23.1%	23.1%	7.7%	0.0%
k) Vocational (Career and Technology) Education	15.4%	61.5%	7.7%	7.7%	7.7%	0.0%
l) Foreign Language	15.4%	30.8%	15.4%	23.1%	15.4%	0.0%
13. The district has effective special programs for the following:						
a) Library Service	15.4%	38.5%	23.1%	7.7%	7.7%	7.7%
b) Honors/Gifted and Talented Education	7.7%	38.5%	15.4%	23.1%	15.4%	0.0%
c) Special Education	7.7%	61.5%	0.0%	15.4%	15.4%	0.0%
d) Head Start and Even Start programs	15.4%	30.8%	23.1%	15.4%	15.4%	0.0%
e) Dyslexia program	7.7%	30.8%	23.1%	23.1%	15.4%	0.0%
f) Student mentoring program	7.7%	15.4%	30.8%	23.1%	23.1%	0.0%
g) Advanced placement program	7.7%	15.4%	38.5%	23.1%	15.4%	0.0%
h) Literacy program	7.7%	30.8%	23.1%	23.8%	15.4%	0.0%
i) Programs for students at risk of dropping out of school	7.7%	23.1%	7.7%	38.5%	23.1%	0.0%
j) Summer school programs	7.7%	61.5%	7.7%	7.7%	15.4%	0.0%
k) Alternative education programs	7.7%	30.8%	15.4%	23.1%	23.1%	0.0%
l) "English as a second language" program	7.7%	15.4%	38.5%	15.4%	23.1%	0.0%
m) Career counseling program	7.7%	30.8%	7.7%	30.8%	23.1%	0.0%
n) College counseling program	7.7%	30.8%	7.7%	30.8%	23.1%	0.0%
o) Counseling the parents of students	7.7%	23.1%	23.1%	23.1%	23.1%	0.0%
p) Drop out prevention program	7.7%	7.7%	23.1%	38.5%	23.1%	0.0%
14. Parents are immediately notified if a child is absent from school.	7.7%	30.8%	15.4%	15.4%	30.8%	0.0%
15. Teacher turnover is low.	0.0%	0.0%	15.4%	46.2%	38.5%	0.0%
16. Highly qualified teachers fill job openings.	0.0%	23.1%	0.0%	15.4%	53.8%	7.7%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
17. Teacher openings are filled quickly.	0.0%	0.0%	7.7%	46.2%	46.2%	0.0%
18. Teachers are rewarded for superior performance.	0.0%	7.7%	0.0%	46.2%	46.2%	0.0%
19. Teachers are counseled about less than satisfactory performance.	0.0%	38.5%	30.8%	15.4%	15.4%	0.0%
20. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	7.7%	15.4%	15.4%	38.5%	23.1%	0.0%
21. The student-to-teacher ratio is reasonable.	7.7%	46.2%	7.7%	7.7%	23.1%	7.7%
22. Students have access, when needed, to a school nurse.	15.4%	53.8%	7.7%	7.7%	15.4%	0.0%
23. Classrooms are seldom left unattended.	7.7%	30.8%	7.7%	23.1%	30.8%	0.0%

C. Personnel

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
24. District salaries are competitive with similar positions in the job market.	0.0%	0.0%	15.4%	53.8%	30.8%	0.0%
25. The district has a good and timely program for orienting new employees.	0.0%	15.4%	23.1%	53.8%	7.7%	0.0%
26. Temporary workers are rarely used.	0.0%	15.4%	30.8%	38.5%	15.4%	0.0%
27. The district successfully projects future staffing needs.	0.0%	7.7%	23.1%	46.2%	23.1%	0.0%
28. The district has an effective employee recruitment program.	0.0%	15.4%	15.4%	46.2%	23.1%	0.0%
29. The district operates an effective staff development program.	7.7%	15.4%	30.8%	38.5%	7.7%	0.0%
30. District employees receive annual personnel evaluations.	7.7%	53.8%	15.4%	15.4%	0.0%	7.7%
31. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	0.0%	7.7%	30.8%	30.8%	30.8%	0.0%

C. Personnel (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
32. Employees who perform below the standard of expectation are counseled appropriately and timely.	0.0%	15.4%	15.4%	61.5%	7.7%	0.0%
33. The district has a fair and timely grievance process.	0.0%	30.8%	23.1%	38.5%	7.7%	0.0%
34. The district's health insurance package meets my needs.	15.4%	23.1%	30.8%	15.4%	7.7%	7.7%

D. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
35. The district regularly communicates with parents.	7.7%	53.8%	15.4%	7.7%	15.4%	0.0%
36. The local television and radio stations regularly report school news and menus.	7.7%	23.1%	15.4%	15.4%	30.8%	7.7%
37. Schools have plenty of volunteers to help student and school programs.	0.0%	15.4%	7.7%	53.8%	23.1%	0.0%
38. District facilities are open for community use.	7.7%	38.5%	7.7%	23.1%	23.1%	0.0%

E. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
39. Parents, citizens, students, faculty, staff and the board provide input into facility planning.	7.7%	30.8%	38.5%	7.7%	15.4%	0.0%
40. The architect and construction managers are selected objectively and impersonally.	0.0%	7.7%	30.8%	23.1%	30.8%	7.7%
41. Schools are clean.	7.7%	15.4%	15.4%	23.1%	30.8%	7.7%
42. Buildings are properly maintained in a timely manner.	7.7%	0.0%	15.4%	38.5%	38.5%	0.0%
43. Repairs are made in a timely manner.	0.0%	7.7%	7.7%	38.5%	46.2%	0.0%
44. Emergency maintenance is handled promptly.	0.0%	15.4%	7.7%	38.5%	38.5%	0.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
45. Site-based budgeting is used effectively to extend the involvement of principals and teachers.	15.4%	46.2%	23.1%	0.0%	7.7%	7.7%
46. Campus administrators are well trained in fiscal management techniques.	0.0%	30.8%	23.1%	23.1%	15.4%	7.7%
47. The district's financial reports are easy to understand and read.	0.0%	30.8%	23.1%	23.1%	15.4%	7.7%
48. Financial reports are made available to community members when asked.	7.7%	38.5%	15.4%	15.4%	15.4%	7.7%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
49. Purchasing gets me what I need when I need it.	0.0%	30.8%	23.1%	7.7%	23.1%	15.4%
50. Purchasing acquires the highest quality materials and equipment at the lowest cost.	0.0%	23.1%	30.8%	7.7%	30.8%	7.7%
51. Purchasing processes are not cumbersome for the requestor.	0.0%	23.1%	23.1%	23.1%	23.1%	7.7%
52. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment.	0.0%	30.8%	23.1%	15.4%	23.1%	7.7%
53. Students are issued textbooks in a timely manner.	7.7%	23.1%	30.8%	23.1%	7.7%	7.7%
54. Textbooks are in good shape.	7.7%	46.2%	23.1%	7.7%	7.7%	7.7%
55. The school library meets student needs for books and other resources for students.	7.7%	38.5%	23.1%	7.7%	15.4%	7.7%

H. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
56. Gangs are not a problem in this district.	0.0%	30.8%	15.4%	38.5%	15.4%	0.0%
57. Drugs are not a problem in this district.	0.0%	7.7%	7.7%	46.2%	38.5%	0.0%
58. Vandalism is not a problem in this district.	0.0%	0.0%	0.0%	46.2%	53.8%	0.0%

H. Safety and Security (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
59. Security personnel have a good working relationship with principals and teachers.	7.7%	30.8%	23.1%	15.4%	23.1%	0.0%
60. Security personnel are respected and liked by the students they serve.	0.0%	15.4%	30.8%	15.4%	38.5%	0.0%
61. A good working arrangement exists between local law enforcement and the district.	7.7%	53.8%	7.7%	7.7%	23.1%	0.0%
62. Students receive fair and equitable discipline for misconduct.	7.7%	30.8%	30.8%	7.7%	23.1%	0.0%

I. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
63. Students regularly use computers.	7.7%	30.8%	7.7%	30.8%	15.4%	7.7%
64. Students have regular access to computer equipment and software in the classroom.	7.7%	38.5%	0.0%	38.5%	15.4%	0.0%
65. Teachers know how to use computers in the classroom.	0.0%	46.2%	15.4%	15.4%	23.1%	0.0%
66. Computers are new enough to be useful for student instruction.	7.7%	38.5%	15.4%	30.8%	7.7%	0.0%
67. The district meets students needs in computer fundamentals.	0.0%	46.2%	0.0%	38.5%	15.4%	0.0%
68. The district meets students needs in advanced computer skills.	0.0%	30.8%	15.4%	46.2%	7.7%	0.0%
69. Teachers and students have easy access to the Internet.	7.7%	30.8%	15.4%	30.8%	15.4%	0.0%

The following comments convey perception and do not reflect the findings or opinions of the Comptroller or review team. The narrative comments are the actual comments received.

Additional Comments: District Administrative and Support Staff

- It is my desire that my survey will be used as an instrument to enhance the growth and development of the NFISD. This district is greatly needed by the children who live in this area. I am totally opposed to the busing of children because of all the negative affects that I have observed from my own personal experiences.
- North Forest ISD needs to grow in all areas. We are 10 years behind other school district. We need to come up in all areas.

- In my opinion the district should have issued more books than they did when school started this year. Some of the students have to share books. The children should be back in Forest Brook High School and not being bused to Elmore Jr. High for class. Because we need that high school fixed so we can educate your high school students.
- Very discouraged with overall TAAS scores, accountability rating, drop out rate! It is time for our Congress, Legislators and State Representatives to get involved. The level of education being taught is not of very much recognition. NFISD has been classified as one of the poorest school districts in the State of Texas.
- The split board is killing the district!

APPENDIX C

PRINCIPAL AND ASSISTANT PRINCIPAL SURVEY RESULTS

Appendix C

PRINCIPAL AND ASSISTANT PRINCIPAL SURVEY RESULTS

North Forest Independent School District Management and Performance Review

(n=8)

***Totals may not add to 100 percent due to rounding**

Demographic Data

1.

Gender (Optional)	No Response	Male	Female
	12.5%	50.0%	37.5%

2.

Ethnicity (Optional)	No Response	Anglo	African American	Hispanic	Asian	Other
	0%	0%	100%	0%	0%	0%

3.

How long have you been employed by North Forest ISD?	No Response	1-5 years	6-10 years	11-15 years	16-20 years	20+ years
	0%	0%	0%	0%	0%	100%

4.

What grades are taught in your school?	PK	K	1	2	3	4	5
	7.7%	11.5%	7.7%	3.8%	7.7%	3.8%	7.7%
	6	**7**	**8**	**9**	**10**	**11**	**12**
	3.8%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%

A. District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
1. The school board allows sufficient time for public input at meetings.	37.5%	37.5%	0.0%	12.5%	0.0%	12.5%
2. School board members listen to the opinions and desires of others.	25.5%	50.0%	0.0%	25.0%	0.0%	0.0%
3. School board members understand their role as policymakers and stay out of the day-to-day management of the district.	12.5%	37.5%	25.0%	12.5%	12.5%	0.0%

A. District Organization and Management (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
4. The superintendent is a respected and effective instructional leader.	12.5%	50.0%	37.5%	0.0%	0.0%	0.0%
5. The superintendent is a respected and effective business manager	12.5%	50.0%	25.0%	12.5%	0.0%	0.0%
6. Central administration is efficient.	0.0%	37.5%	0.0%	50.0%	12.5%	0.0%
7. Central administration supports the educational process.	12.5%	25.0%	25.0%	37.5%	0.0%	0.0%
8. The morale of central administration staff is good.	0.0%	25.0%	25.0%	37.5%	12.5%	0.0%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
9. Education is the main priority in our school district.	0.0%	50.0%	12.5%	37.5%	0.0%	0.0%
10. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	12.5%	75.0%	0.0%	12.5%	0.0%	0.0%
11. The needs of the college-bound student are being met.	0.0%	62.5%	12.5%	25.0%	0.0%	0.0%
12. The needs of the work-bound student are being met.	0.0%	75.0%	12.5%	12.5%	0.0%	0.0%
13. The district provides curriculum guides for all grades and subjects.	25.0%	62.5%	12.5%	0.0%	0.0%	0.0%
14. The curriculum guides are appropriately aligned and coordinated.	25.0%	62.5%	12.5%	0.0%	0.0%	0.0%
15. The district's curriculum guides clearly outline what to teach and how to teach it.	25.0%	37.5%	12.5%	25.0%	0.0%	0.0%
16. The district has effective educational programs for the following:						
a) Reading	12.5%	75.0%	0.0%	12.5%	0.0%	0.0%
b) Writing	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
c) Mathematics	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
d) Science	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
e) English or Language Arts	0.0%	75.0%	0.0%	25.0%	0.0%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
f) Computer Instruction	12.5%	37.5%	0.0%	37.5%	12.5%	0.0%
g) Social Studies (history or geography)	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
h) Fine Arts	12.5%	50.0%	0.0%	37.5%	0.0%	0.0%
i) Physical Education	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
j) Business Education	0.0%	62.5%	37.5%	0.0%	0.0%	0.0%
k) Vocational (Career and Technology) Education	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
l) Foreign Language	0.0%	37.5%	25.0%	37.5%	0.0%	0.0%
17. The district has effective special programs for the following:						
a) Library Service	12.5%	62.5%	0.0%	25.0%	0.0%	0.0%
b) Honors/Gifted and Talented Education	0.0%	37.5%	25.0%	37.5%	0.0%	0.0%
c) Special Education	12.5%	62.5%	12.5%	12.5%	0.0%	0.0%
d) Head Start and Even Start programs	0.0%	37.5%	12.5%	50.0%	0.0%	0.0%
e) Dyslexia program	12.5%	37.5%	25.0%	25.0%	0.0%	0.0%
f) Student mentoring program	0.0%	50.0%	0.0%	37.5%	12.5%	0.0%
g) Advanced placement program	0.0%	87.5%	12.5%	0.0%	0.0%	0.0%
h) Literacy program	0.0%	62.5%	12.5%	25.0%	0.0%	0.0%
i) Programs for students at risk of dropping out of school	0.0%	62.5%	0.0%	37.5%	0.0%	0.0%
j) Summer school programs	12.5%	37.5%	25.0%	25.0%	0.0%	0.0%
k) Alternative education programs	0.0%	25.0%	12.5%	62.5%	0.0%	0.0%
l) "English as a second language" program	12.5%	75.0%	12.5%	0.0%	0.0%	0.0%
m) Career counseling program	0.0%	37.5%	50.0%	12.5%	0.0%	0.0%
n) College counseling program	0.0%	50.0%	25.0%	25.0%	0.0%	0.0%
o) Counseling the parents of students	0.0%	37.5%	12.5%	50.0%	0.0%	0.0%
p) Drop out prevention program	0.0%	62.5%	0.0%	25.0%	12.5%	0.0%
18. Parents are immediately notified if a child is absent from school.	0.0%	62.5%	0.0%	25.0%	12.5%	0.0%
19. Teacher turnover is low.	0.0%	0.0%	37.5%	50.0%	12.5%	0.0%
20. Highly qualified teachers fill job openings.	0.0%	25.0%	25.0%	25.0%	25.0%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
21. Teachers are rewarded for superior performance.	0.0%	0.0%	12.5%	62.5%	25.0%	0.0%
22. Teachers are counseled about less than satisfactory performance.	0.0%	87.5%	0.0%	12.5%	0.0%	0.0%
23. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	0.0%	50.0%	0.0%	25.0%	25.0%	0.0%
24. Students have access, when needed, to a school nurse.	12.5%	87.5%	0.0%	0.0%	0.0%	0.0%
25. Classrooms are seldom left unattended.	0.0%	62.5%	12.5%	25.0%	0.0%	0.0%

C. Personnel

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
26. District salaries are competitive with similar positions in the job market.	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%
27. The district has a good and timely program for orienting new employees.	0.0%	50.0%	12.5%	12.5%	25.0%	0.0%
28. Temporary workers are rarely used.	0.0%	50.0%	0.0%	50.0%	0.0%	0.0%
29. The district successfully projects future staffing needs.	0.0%	12.5%	37.5%	37.5%	12.5%	0.0%
30. The district has an effective employee recruitment program.	0.0%	25.0%	25.0%	37.5%	12.5%	0.0%
31. The district operates an effective staff development program.	12.5%	50.0%	12.5%	25.0%	0.0%	0.0%
32. District employees receive annual personnel evaluations.	25.0%	75.0%	0.0%	0.0%	0.0%	0.0%
33. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	0.0%	0.0%	37.5%	37.5%	25.0%	0.0%
34. Employees who perform below the standard of expectation are counseled appropriately and timely.	12.5%	75.0%	0.0%	12.5%	0.0%	0.0%
35. The district has a fair and timely grievance process.	25.0%	37.5%	12.5%	12.5%	12.5%	0.0%

C. Personnel (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
31. The district's health insurance package meets my needs.	12.5%	62.5%	0.0%	12.5%	12.5%	0.0%

D. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
37. The district regularly communicates with parents.	37.5%	62.5%	0.0%	0.0%	0.0%	0.0%
38. Schools have plenty of volunteers to help student and school programs.	0.0%	12.5%	12.5%	62.5%	12.5%	0.0%
39. District facilities are open for community use.	25.0%	75.0%	0.0%	0.0%	0.0%	0.0%

E. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
40. Parents, citizens, students, faculty, staff and the board provide input into facility planning.	25.0%	37.5%	0.0%	25.0%	12.5%	0.0%
41. Schools are clean.	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
42. Buildings are properly maintained in a timely manner.	0.0%	50.0%	0.0%	25.0%	25.0%	0.0%
43. Repairs are made in a timely manner.	0.0%	25.0%	0.0%	50.0%	25.0%	0.0%
44. Emergency maintenance is handled promptly.	0.0%	62.5%	0.0%	12.5%	25.0%	0.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
45. Site-based budgeting is used effectively to extend the involvement of principals and teachers.	0.0%	62.5%	12.5%	12.5%	12.5%	0.0%
46. Campus administrators are well trained in fiscal management techniques.	12.5%	75.0%	0.0%	12.5%	0.0%	0.0%
47. Financial resources are allocated fairly and equitably at my school.	12.5%	75.0%	0.0%	0.0%	12.5%	0.0%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
48. Purchasing gets me what I need when I need it.	0.0%	50.0%	12.5%	37.5%	0.0%	0.0%
49. Purchasing acquires high quality materials and equipment at the lowest cost.	0.0%	62.5%	0.0%	25.0%	12.5%	0.0%
50. Purchasing processes are not cumbersome for the requestor.	0.0%	37.5%	12.5%	37.5%	12.5%	0.0%
51. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment.	0.0%	87.5%	0.0%	0.0%	12.5%	0.0%
52. Students are issued textbooks in a timely manner.	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
53. Textbooks are in good shape.	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
54. The school library meets student needs for books and other resources.	0.0%	62.5%	0.0%	37.5%	0.0%	0.0%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
55. The cafeteria's food looks and tastes good.	12.5%	37.5%	12.5%	0.0%	25.0%	12.5%
56. Food is served warm.	12.5%	62.5%	0.0%	12.5%	0.0%	12.5%
57. Students have enough time to eat.	12.5%	62.5%	0.0%	0.0%	12.5%	12.5%
58. Students eat lunch at the appropriate time of day.	12.5%	75.0%	0.0%	0.0%	0.0%	12.5%
59. Students wait in food lines no longer than 10 minutes.	12.5%	62.5%	0.0%	0.0%	12.5%	12.5%
60. Discipline and order are maintained in the school cafeteria.	12.5.%	75.0%	0.0%	0.0%	0.0%	12.5%
61. Cafeteria staff is helpful and friendly.	25.0%	50.0%	0.0%	12.5%	0.0%	12.5%
62. Cafeteria facilities are sanitary and neat.	25.0%	62.5%	0.0%	0.0%	0.0%	12.5%

I. Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
63. The drop-off zone at the school is safe.	12.5%	75.0%	0.0%	0.0%	12.5%	0.0%
64. The district has a simple method to request buses for special events.	12.5%	37.5%	25.0%	25.0%	0.0%	0.0%

I. Transportation (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
65. Buses arrive and leave on time.	0.0%	12.5%	0.0%	50.0%	37.5%	0.0%
66. Adding or modifying a route for a student is easy to accomplish.	0.0%	25.0%	37.5%	0.0%	37.5%	0.0%

J. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
67. Students feel safe and secure at school.	12.5%	75.0%	12.5%	0.0%	0.0%	0.0%
68. School disturbances are infrequent.	0.0%	62.5%	25.0%	12.5%	0.0%	0.0%
69. Gangs are not a problem in this district.	0.0%	25.0%	37.5%	25.0%	12.5%	0.0%
70. Drugs are not a problem in this district.	0.0%	12.5%	37.5%	37.5%	12.5%	0.0%
71. Vandalism is not a problem in this district.	0.0%	12.5%	37.5%	25.0%	25.0%	0.0%
72. Security personnel have a good working relationship with principals and teachers.	12.5%	62.5%	12.5%	12.5%	0.0%	0.0%
73. Security personnel are respected and liked by the students they serve.	12.5%	0.0%	62.5%	12.5%	12.5%	0.0%
74. A good working arrangement exists between local law enforcement and the district.	12.5%	37.5%	37.5%	12.5%	0.0%	0.0%
75. Students receive fair and equitable discipline for misconduct.	12.5%	75.0%	12.5%	0.0%	0.0%	0.0%
76. Safety hazards do not exist on school grounds.	12.5%	37.5%	25.0%	12.5%	12.5%	0.0%

K. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
77. Students regularly use computers.	12.5%	62.5%	12.5%	12.5%	0.0%	0.0%
78. Students have regular access to computer equipment and software in the classroom.	12.5%	25.0%	25.0%	25.0%	12.5%	0.0%
79. Computers are new enough to be useful for student instruction.	12.5%	62.5%	12.5%	0.0%	12.5%	0.0%
80. The district meets student needs in computer fundamentals.	12.5%	50.0%	0.0%	37.5%	0.0%	0.0%

K. Computers and Technology (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
81. The district meets student needs in advanced computer skills.	12.5%	25.0%	25.0%	37.5%	0.0%	0.0%
82. Teachers know how to use computers in the classroom.	12.5%	37.5%	25.0%	12.5%	12.5%	0.0%
83. Teachers and students have easy access to the Internet.	12.5%	37.5%	37.5%	0.0%	12.5%	0.0%

The following comments convey perception and do not reflect the findings or opinions of the Comptroller or review team. The narrative comments are the actual comments received.

DISTRICT ORGANIZATION

- Concern with regard to consistency: the former superintendent and board made a decision that 6th graders weren't mature enough to be in middle schools, so they put an intermediate school in place (5th & 6th) and elementaries have K-4, MS have 7-8, and HS have 9-12. Now it's being recommended that they go back to just elementary, MS, & HS (K-5, 6-8, 9-12). This district can't justify or afford 2 high schools, but because of the politics they have 2 of them. As far as they know, it's all financial.
- The Board: they've never had a board meeting that hasn't gone into the wee hours of the night. It's mandatory for the principals to be at each meeting. They are not allowed to speak. The first 30 minutes is an open-forum at the board meeting. Previously, board members got the agenda three weeks in advance. Now board members complain that they don't receive the agenda until a day or two in advance, and so the meetings are so lengthy because they need time to "digest". There is no communication between the principals and the board members. They are not allowed to speak during the meetings.

EDUCATIONAL SERVICE DELIVERY

- One person has a concern of public perception of the academic track record of the district. The perception is that they're lagging behind, but he feels like they are making substantial gains, especially considering the population that the districts are dealing with. He wants to know how the perception came about.
- The district has an acceptable rating from TEA, but they want to know why the perception continues to be that the district is low-performing.
- The instructional needs appear to take a back seat to all other wants and needs.

SAFETY AND SECURITY

- Struggling with discipline policies. Still in the antiquated mode by not wanting to do anything with kids who have discipline problems – they sweep things under the rug, because they need to "make their numbers."
- There is not a true alternative education program in the district. They're overloaded and don't have the proper staff to handle the problems.
- Practices vs. policy: the local PD doesn't have authority on a campus? Hmm... Anyway, they would like a standard operating procedure in line with the safety guidelines provided by the legislature.

- Bottom line: it all depends on the individual principals as to what happens; there needs to be a standard procedure so that kids are sent to ALC for consistent reasons. District task force is in place to write that policy. Right now there aren't any.
- He wants to dispel the myth that they are trying to get rid of kids: they want to help kids, not get rid of them. They don't have the expertise to handle the population, that he describes as "drug babies."
- They need a proper alternative education program: taking the areas where the schools can't meet the needs of the student and making up a non-traditional component. For example, pregnant girls go to regular campuses now. So the district needs a teen pregnancy program, adult education program, dropout recovery program, a program where kids can graduate from, work study, GED, etc. NOT just for discipline problems.
- One police officer per HS campus (supposed to have 2 assigned, but reality is that one only shows up). MS campuses have police officers "when they can come."

FOOD SERVICE

- They participate in the program because the food is good.
- They participate in the program because they need to model proper behavior.

FINANCIAL MANAGEMENT

- There is a full-time grant writer for the district. Each campus is advised to have a group of staff that tries to write for grants. They should surely qualify for grants.
- Most campuses have limited budgets. They get grants to supplement additional programs/ activities.
- They are not in control of their budgets. They each receive an allocation based on population.
- Business office sends financial reports once a month. Principals find the reports useful.
- Alternative education program – no idea how it's funded. There's a budget, but he's not sure how it's calculated.

TECHNOLOGY

- She's housed at a campus with computers and internet services, but the district as a whole is 20 years behind. They do all discipline and every other administrative form is on paper and hard copies.
- The district is trying to put in place some things: e.g. teachers monitoring attendance online, in the classroom.

HUMAN RESOURCES

- Salaries are not competitive to surrounding districts. They have high subs, but they don't get enough. There is nothing competitive or compelling enough to draw staff to come work there. It also contributes to the discipline problems with the students; they don't have one person to connect with.
- They can't pay long-term subs competitively like surrounding districts.
- They don't pay teachers who work during their conference period, but neighboring districts do. It's embarrassing to try and recruit teachers. Neighboring districts provide signing bonuses, relocation packages, etc.
- Administrators haven't had a cost of living raise in EIGHT years.
- BOTTOM LINE: pay scale across the board is significantly low for the market.

- The number one problem in the district: salaries.

TRANSPORTATION

- Buses run late; kids in vocational education miss the connecting bus; which causes a discipline problem. There are not enough bus drivers, because the pay is too low.

COMMUNITY INVOLVEMENT

- Difficult trying to get parents involved; getting them interested in their children's education. Even more so at the secondary level; work schedules are a cause. Lots of grandparents are raising the children, so they don't have the energy. Another cause is the transitional nature of the population; they aren't around long enough to have connection to the district.
- Parents will come out to see kids participate in activities, but they don't come for structured meetings and planning sessions with parents. One principal has already expended his budget for communication; the district as a whole needs to do a better job of communicating to the community. What about a calendar of events at the beginning of the year to let parents know about activities? A district calendar is sent out, but it does not include the events at each individual campus.
- Campus needs to set goals; they like to involve parents in this process; only 10 parents came out to one campus to do this. They had a parent's night for all schools in the district and only 50 parents in the entire district.
- Lots of the responsibility is at the campus level, and they need to keep pushing the parents to become involved.
- Technology would be a big help; automated call machine that notifies parents of events (like substitute teacher calling system).
- Board posts agendas in the district newspaper for board meetings.
- The district does have translators, but they do not attend board meetings. Parents who speak languages other than English usually bring their own translators.
- Lots of the parents in the community are grandparents and they usually have limited academic experience and they are afraid of, or uncomfortable with the schools. They do not like to go there. Since they are elderly, they also have fixed incomes. The resources are very limited with the parental community.

It's a multi-faceted problem. How do we solve it?

- Need to solicit businesses and get some major contributors involved
- Need to solicit developers to build homes and apartment complexes that increase the property values and jack up the tax base.

If it's so bad, why do you stay?

- They stay because they feel like they can make a difference.
- I grew up in this district and I want to make it better.
- "A lot of us started young and we were family; we really loved working with the kids and it didn't matter about money. But the kids have changed - and the money *matters*."

APPENDIX D

TEACHER SURVEY RESULTS

Appendix D

TEACHER SURVEY RESULTS

North Forest Independent School District Management and Performance Review

(n=37)

***Totals may not add to 100 percent due to rounding**

Demographic Data

1.

Gender (Optional)	No Response	Male	Female
	8.1%	13.5%	78.4%

2.

Ethnicity (Optional)	No Response	Anglo	African American	Hispanic	Asian	Other
	10.8%	8.1%	75.7%	2.7%	2.7%	0.0%

3.

How long have you been employed by North Forest ISD?	No Response	1-5 years	6-10 years	11-15 years	16-20 years	20+ years
	2.7%	10.8%	16.2%	27.0%	5.4%	37.8%

4.

What grade(s) do you teach this year (circle all that apply)?	PK	K	1	2	3	4	5
	1.4%	5.7%	7.1%	14.3%	5.7%	2.9%	4.3%
	6	**7**	**8**	**9**	**10**	**11**	**12**
	2.9%	5.7%	2.9%	10.0%	11.4%	12.9%	12.9%

A. District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
1. The school board allows sufficient time for public input at meetings.	16.2%	35.1%	10.8%	13.5%	16.2%	8.1%
2. School board members listen to the opinions and desires of others.	13.5%	40.5%	2.7%	16.2%	21.6%	5.4%
3. School board members work well with the superintendent.	2.7%	18.9%	2.7%	35.1%	37.8%	2.7%
4. The school board has a good image in the community.	2.7%	16.2%	16.2%	35.1%	29.7%	0.0%
5. The superintendent is a respected and effective instructional leader.	16.2%	32.4%	21.6%	16.2%	13.5%	0.0%

A. District Organization and Management (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
6. The superintendent is a respected and effective business manager.	16.2%	32.4%	21.6%	16.2%	13.5%	0.0%
7. Central administration is efficient.	16.2%	24.3%	29.7%	16.2%	10.8%	2.7%
8. Central administration supports the educational process.	5.4%	27.0%	8.1%	37.8%	21.6%	0.0%
9. The morale of central administration staff is good.	8.1%	18.9%	13.5%	43.2%	13.5%	2.7%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
10. Education is the main priority in our school district.	13.5%	45.9%	2.7%	24.3%	13.5%	0.0%
11. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	5.4%	54.1%	5.4%	27.0%	8.1%	0.0%
12. The needs of the college-bound student are being met.	5.4%	37.8%	16.2%	32.4%	8.1%	0.0%
13. The needs of the work-bound student are being met.	8.1%	43.2%	18.9%	18.9%	10.8%	0.0%
14. The district provides curriculum guides for all grades and subjects.	37.8%	48.6%	5.4%	8.1%	0.0%	0.0%
15. The curriculum guides are appropriately aligned and coordinated.	32.4%	37.8%	5.4%	21.6%	0.0%	2.7%
16. The district's curriculum guides clearly outline what to teach and how to teach it.	21.6%	59.5%	8.1%	10.8%	0.0%	0.0%
17. The district has effective educational programs for the following:						
a) Reading	18.9%	45.9%	5.4%	27.0%	2.7%	0.0%
b) Writing	10.8%	56.8%	8.1%	24.3%	0.0%	0.0%
c) Mathematics	18.9%	45.9%	5.4%	24.3%	2.7%	2.7%
d) Science	10.8%	56.8%	5.4%	21.6%	2.7%	2.7%
e) English or Language Arts	16.2%	54.1%	8.1%	16.2%	2.7%	2.7%
f) Computer Instruction	13.5%	27.0%	5.4%	37.8%	13.5%	2.7%
g) Social Studies (history or geography)	13.5%	62.2%	2.7%	13.5%	2.7%	5.4%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
h) Fine Arts	16.2%	48.6%	5.4%	21.6%	2.7%	5.4%
i) Physical Education	16.2%	48.6%	10.8%	18.9%	2.7%	2.7%
j) Business Education	10.8%	35.1%	29.7%	16.2%	5.4%	2.7%
k) Vocational (Career and Technology) Education	18.9%	40.5%	24.3%	10.8%	2.7%	2.7%
l) Foreign Language	5.4%	35.1%	40.5%	13.5%	0.0%	5.4%
18. The district has effective special programs for the following:						
a) Library Service	24.3%	35.1%	5.4%	27.0%	8.1%	0.0%
b) Honors/Gifted and Talented Education	18.9%	43.2%	10.8%	16.2%	8.1%	2.7%
c) Special Education	10.8%	27.0%	40.5%	10.8%	5.4%	5.4%
d) Head Start and Even Start programs	10.8%	27.0%	40.5%	10.8%	5.4%	5.4%
e) Dyslexia program	5.4%	40.5%	18.9%	24.3%	10.8%	0.0%
f) Student mentoring program	5.4%	27.0%	21.6%	32.4%	10.8%	2.7%
g) Advanced placement program	13.5%	24.3%	27.0%	29.7%	5.4%	0.0%
h) Literacy program	13.5%	27.0%	16.2%	29.7%	8.1%	5.4%
i) Programs for students at risk of dropping out of school	8.1%	29.7%	18.9%	24.3%	16.2%	2.7%
j) Summer school programs	21.6%	45.9%	10.8%	8.1%	10.8%	2.7%
k) Alternative education programs	10.8%	27.0%	13.5%	32.4%	13.5%	2.7%
l) "English as a second language" program	18.9%	37.8%	21.6%	13.5%	5.4%	2.7%
m) Career counseling program	13.5%	16.2%	35.1%	24.3%	8.1%	2.7%
n) College counseling program	10.8%	16.2%	40.5%	21.6%	10.8%	0.0%
o) Counseling the parents of students	5.4%	18.9%	24.3%	35.1%	13.5%	2.7%
p) Drop out prevention program	5.4%	27.0%	27.0%	27.0%	13.5%	0.0%
19. Parents are immediately notified if a child is absent from school.	5.4%	32.4%	16.2%	27.0%	16.2%	2.7%
20. Teacher turnover is low.	2.7%	18.9%	2.7%	43.2%	32.4%	0.0%
21. Highly qualified teachers fill job openings.	8.1%	16.2%	13.5%	37.8%	24.3%	0.0%
22. Teacher openings are filled quickly.	0.0%	10.8%	8.1%	48.6%	32.7%	0.0%
23. Teachers are rewarded for superior performance.	2.7%	5.4%	2.7%	37.8%	51.4%	0.0%
24. Teachers are counseled about less than satisfactory performance.	8.1%	40.5%	13.5%	21.6%	16.2%	0.0%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
25. Teachers are knowledgeable in the subject areas they teach.	21.6%	45.9%	10.8%	18.9%	2.7%	0.0%
26. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	8.1%	18.9%	5.4%	37.8%	29.7%	0.0%
27. The student-to-teacher ratio is reasonable.	2.7%	45.9%	0.0%	37.8%	10.8%	2.7%
28. Classrooms are seldom left unattended.	5.4%	45.9%	2.7%	21.6%	18.9%	5.4%

C. Personnel

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
29. District salaries are competitive with similar positions in the job market.	0.0%	0.0%	8.1%	40.5%	51.4%	0.0%
30. The district has a good and timely program for orienting new employees.	5.4%	43.2%	8.1%	32.4%	10.8%	0.0%
31. Temporary workers are rarely used.	2.7%	5.4%	10.8%	56.8%	24.3%	0.0%
32. The district successfully projects future staffing needs.	0.0%	24.3%	8.1%	43.2%	24.3%	0.0%
33. The district has an effective employee recruitment program.	2.7%	16.2%	18.9%	45.9%	13.5%	2.7%
34. The district operates an effective staff development program.	5.4%	59.5%	5.4%	16.2%	13.5%	0.0%
35. District employees receive annual personnel evaluations.	40.5%	54.1%	0.0%	2.7%	2.7%	0.0%
36. The district rewards competence and experience and spells out qualifications such as seniority and skill levels needed for promotion.	2.7%	8.1%	13.5%	40.5%	35.1%	0.0%
37. Employees who perform below the standard of expectation are counseled appropriately and timely.	2.7%	37.8%	16.2%	21.6%	21.6%	0.0%
38. The district has a fair and timely grievance process.	5.4%	29.7%	27.0%	16.2%	21.6%	0.0%
39. The district's health insurance package meets my needs.	13.5%	32.4%	10.8%	24.3%	18.9%	0.0%

D. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
40. The district regularly communicates with parents.	18.9%	62.2%	5.4%	8.1%	2.7%	2.7%
41. The local television and radio stations regularly report school news and menus.	2.7%	16.2%	13.5%	43.2%	24.3%	0.0%
42. Schools have plenty of volunteers to help student and school programs.	0.0%	10.8%	2.7%	45.9%	37.8%	2.7%
43. District facilities are open for community use.	18.9%	51.4%	13.5%	8.1%	5.4%	2.7%

E. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
44. The district plans facilities far enough in the future to support enrollment growth.	0.0%	27.0%	16.2%	37.8%	18.9%	0.0%
45. Parents, citizens, students, faculty, staff and the board provide input into facility planning.	5.4%	40.5%	16.2%	24.3%	13.5%	0.0%
46. The architect and construction managers are selected objectively and impersonally.	2.7%	13.5%	48.6%	21.6%	13.5%	0.0%
47. The quality of new construction is excellent.	10.8%	32.4%	13.5%	32.4%	10.8%	0.0%
48. Schools are clean.	2.7%	40.5%	5.4%	27.0%	24.3%	0.0%
49. Buildings are properly maintained in a timely manner.	0.0%	27.0%	8.1%	29.7%	35.1%	0.0%
50. Repairs are made in a timely manner.	0.0%	13.5%	8.1%	43.2%	35. %	0.0%
51. Emergency maintenance is handled promptly.	2.7%	35.1%	10.8%	32.4%	18.9%	0.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
52. Site-based budgeting is used effectively to extend the involvement of principals and teachers.	8.1%	27.0%	21.6%	35.1%	8.1%	0.0%
53. Campus administrators are well trained in fiscal management techniques.	10.8%	35.1%	21.6%	21.6%	10.8%	0.0%
54. Financial resources are allocated fairly and equitably at my school.	5.4%	21.6%	27.0%	27.0%	18.9%	0.0%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
55. Purchasing gets me what I need when I need it.	2.7%	18.9%	13.5%	35.1%	29.7%	0.0%
56. Purchasing acquires the highest quality materials and equipment at the lowest cost.	0.0%	21.6%	45.9%	13.5%	18.9%	0.0%
57. Purchasing processes are not cumbersome for the requestor.	0.0%	16.2%	45.9%	16.2%	18.9%	2.7%
58. Vendors are selected competitively.	2.7%	16.2%	56.8%	16.2%	8.1%	0.0%
59. The district provides teachers and administrators an easy-to-use standard list of supplies and equipment.	2.7%	35.1%	5.4%	24.3%	32.4%	0.0%
60. Students are issued textbooks in a timely manner.	8.1%	51.4%	8.1%	18.9%	13.5%	0.0%
61. Textbooks are in good shape.	16.2%	62.2%	5.4%	5.4%	8.1%	2.7%
62. The school library meets the student needs for books and other resources.	27.0%	27.0%	13.5%	24.3%	5.4%	2.7%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
63. The cafeteria's food looks and tastes good.	13.5%	48.6%	5.4%	18.9%	13.5%	0.0%
64. Food is served warm.	24.3%	51.4%	5.4%	8.1%	10.8%	0.0%
65. Students eat lunch at the appropriate time of day.	27.0%	67.6%	2.7%	0.0%	2.7%	0.0%
66. Students wait in food lines no longer than 10 minutes.	13.5%	40.5%	10.8%	24.3%	10.8%	0.0%
67. Discipline and order are maintained in the school cafeteria.	0.0%	37.8%	8.1%	29.7%	24.3%	0.0%
68. Cafeteria staff is helpful and friendly.	13.5%	51.4%	8.1%	24.3%	2.7%	0.0%
69. Cafeteria facilities are sanitary and neat.	13.5%	62.21%	5.4%	10.8%	8.1%	0.0%

I. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
70. School disturbances are infrequent.	5.4%	24.3%	8.1%	18.9%	40.5%	2.7%
71. Gangs are not a problem in this district.	2.7%	29.7%	16.2%	24.3%	24.3%	2.7%

I. Safety and Security (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
72. Drugs are not a problem in this district.	2.7%	24.3%	10.8%	32.4%	27.0%	2.7%
73. Vandalism is not a problem in this district.	2.7%	21.6%	8.1%	21.6%	43.2%	2.7%
74. Security personnel have a good working relationship with principals and teachers.	8.1%	51.4%	16.2%	5.4%	16.2%	2.7%
75. Security personnel are respected and liked by the students they serve.	2.7%	21.6%	40.5%	21.6%	10.8%	2.7%
76. A good working arrangement exists between local law enforcement and the district.	8.1%	40.5%	32.4%	5.4%	10.8%	2.7%
77. Students receive fair and equitable discipline for misconduct.	8.1%	27.0%	8.1%	27.0%	27.0%	2.7%
78. Safety hazards do not exist on school grounds.	2.7%	45.9%	10.8%	18.9%	18.9%	2.7%

J. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
79. Students regularly use computers.	8.1%	40.5%	2.7%	24.3%	21.6%	2.7%
80. Students have regular access to computer equipment and software in the classroom.	5.4%	24.3%	5.4%	32.4%	27.0%	5.4%
81. Teachers know how to use computers in the classroom.	8.1%	43.2%	13.5%	24.3%	8.1%	2.7%
82. Computers are new enough to be useful for student instruction.	16.2%	40.5%	8.1%	10.8%	21.6%	2.7%
83. The district meets student needs in classes in computer fundamentals.	0.0%	37.8%	10.8%	24.3%	24.3%	2.7%
84. The district meets student needs in classes in advanced computer skills.	0.0%	21.6%	24.3%	27.0%	24.3%	2.7%
85. Teachers and students have easy access to the Internet.	10.8%	29.7%	8.1%	18.9%	29.7%	2.7%

The following comments convey perception and do not reflect the findings or opinions of the Comptroller or review team. The narrative comments are the actual comments received.

DISTRICT ORGANIZATION

- Very satisfied with the board of trustees.
- Board isn't aware of all the programs in the district.
- Why isn't the district up on grants and federal money to provide stipends for special ed teachers.
- Principals are insensitive to the needs of teachers.
- Site-based decision-making is on paper only and not in practice.

EDUCATIONAL SERVICE DELIVERY

- We have good teachers and we're doing the best we can with what we have.
- Teachers work hard with the curriculum that we're using, but the students that we have cause us to work double. Some of us need aides to help us with these difficult students. Many of my students are below grade level, and I have to work extra hard to get them up to grade level.
- Don't have a lot of "manipulatives" to work with. Teachers have to try to make do, but they don't have the tools they need to facilitate student learning. They have to purchase their own supplies with their own personal money. The resources are VERY inadequate.
- They don't have a magnet program.
- There is a GT program in some of the elementary schools. Gifted kids are often gifted in different areas; there isn't anything that meets the needs of students gifted in one or two areas, in order to enhance those skills.
- The libraries do not have proper materials or adequate materials.
- Fine arts are pushed aside because campuses are TAAS-oriented. We would like a comprehensive fine arts program and there not adequate resources.
- There is a general lack of resources across the board.
- Need more grade-level materials.
- There is only one copy machine and it CONSTANTLY stays broken. There is no lamination machine.
- There are no certified music teachers. "How are student ever going to learn about Brahms or Bach when the only thing playing on the record player is rap?"

SAFETY AND SECURITY

- There is a huge discipline problem in the district. The right to paddle students was taken away from teachers by the legislature several years ago [which has affected discipline].
- We don't have zero tolerance in this district.
- Parents are not held responsible for the disciplinary problems of the district. The administration is too afraid to enforce disciplinary problems. Too afraid that parents are going to move the students to another district, and lose the ADA dollars.
- If the written rules are followed, things would be fine. Teachers follow the written rules, but once it hits administration, the rules are no longer followed.
- We do not have a proper facility to accommodate students with disciplinary problems.
- We don't have a proper alternative education site for non-disciplinary problems: pregnant teens, GED, other non-traditional methods of learning for students that do not flourish in the traditional school setting.
- We need stationary security in the High Schools. We tried badges and it doesn't work. We've got an open campus and don't know if people aren't supposed to be there. We also need metal detectors.

- School vandalism is a huge problem.
- There is NO consequence for misconduct.
- Lighting is terrible out by the portable classrooms and people don't feel safe.

FOOD SERVICE

- Terrible nutritional value.
- Not balanced.
- Serve too many snacks.
- Serve too many sweets and junk foods.
- Serve the same thing every week.
- Quality needs to be improved. Too many starches; many meals are mostly starch.

PURCHASING

- Purchasing is poor.
- Health contract bid needs to be revisited.
- Bids are not competitive.
- Many of the textbooks require materials that teachers don't have. The books are great, but there aren't any accompanying materials.
- Need a textbook depository. At least one assistant principal per campus is tied up all year issuing text books.
- Warehouse does not have competitive rates.

FACILITIES

- Some campuses are overcrowded. The attendance zones are not properly distributed.
- People are equally divided on the issue of whether or not we need a second high school.

FINANCIAL MANAGEMENT

- Teachers do not know how much money is available for anything. They are told that plenty grants are received, but they don't see where the money is going. They are lacking supplies.

TECHNOLOGY

- Need computers in their classrooms. About half of attendees have computers in the classroom, but many of them don't work, or they have just received them.
- High school teacher teaches a computer class and it doesn't have internet access. She has to buy her own plugs and wiring. They are LACKING technology supplies. The students that come to her haven't been exposed to technology.
- Teachers haven't had technology training, which they really want. At a minimum, they would like technology mentors at the campus level.
- There are computer labs, but they are limited and can't be used for every student. They are used as a remediation tool instead of an acceleration tool.
- Board doesn't understand importance of technology in the classroom.
- Technology isn't properly maintained. If they have computers, they aren't maintained properly.

HUMAN RESOURCES

- Three years since they've had a cost of living raise
- Can't get certified teachers because they can't be competitive in the market
- The salaries are too low to properly hire and retain teachers
- There are no incentives for newly certified teachers, or tenured teachers for that fact. Some incentives teachers would like to see are:
    1. Test bonuses,
    2. Christmas bonuses.
- Not enough bus drivers because we can't pay them enough.
- Health insurance benefits are good. Actually, they are good for individuals, but not for families.

TRANSPORTATION

- Need a policy and enforcement for infractions on the bus.
- Not enough buses.
- Not enough bus drivers because:
    1. as a budget consideration the budget was cut, and so were the driver hours, which deters people from wanting to do the job because it's not an 8 hour day any longer,
    2. pay is too low,
    3. many were lost when background checks were completed.
- The buses are overloaded: 3 to a seat.
- Student ages are mixed on the buses, because of consolidated routes. This is bad for students.
- The Transpiration director just inherited the job and subsequent problems and hasn't had an opportunity to clean up the mess yet.

COMMUNITY INVOLVEMENT

- Most of the schools do not have a partnership with a business.
- It is difficult to get the businesses in the community to donate anything. One teacher has started getting donations from businesses on a different side of town. QUESTION: why do the businesses not support this district?
  ANSWERS: many businesses don't want to support the district as a whole; they want to support a specific campus.
  There are lots of small mom-and-pop shops in the community and they themselves are trying to make ends meet. Timing is also a problem. Many businesses only take requests in January for the coming year. Many times you have to be sure you're the first that's requested funds, as the businesses funds are limited. One campus is sponsored by Exxon and the Houston Bar Association.
- There is a teacher that runs the PTA for her campus because parents are not very involved.
- The board does not effectively communicate with anyone – if you don't go to a board meeting and listen to them holler all night, you have no idea what's going on. Lately, we've been doing better because we're in "hot water." Some teachers believe the communication is getter better.
- There is a board digest that comes out once a month.
- Some publications come through the mail – whether people read it or not is up to them.
- Most teachers think that parents are not involved in the education of their children. What can be done to improve parental involvement? The level of parental involvement is directly proportional to the test scores. When teachers contact parents about failing students, the parents seem disinterested.
  We have an "SES problem" with parents: they only want to come if they can eat. We have single parents that will come with their nails manicured and their priorities are not the same as those of parents from a generation of a year ago. I've had children show up at school at 11:00 or noon.

- We need to turn our campuses into Adult Ed centers in the evening, with up-to-date course, including parenting courses, GED courses, continuing ed courses, voc ed courses.

Additional Comments: Teachers

- I am one teacher in only one of NFISD's schools. I have been in the district for approximately 10 years and I came enthusiastically from another district. However, I have nearly lost all hope for this district educating some of the most needy children in the city. I feel that the education of children gets lost in the self-centered agendas of perhaps well-meaning adults. Unless some major shake-up occurs, this district and our children are doomed to continued failure.
- We used to go to computer lab weekly. But, the Allison thunderstorm flooded everything. We got transferred to another campus. My students didn't have a chance to use computer, because they don't have time to teach them. Our school (Lakewood Elementary School) was flooded badly. They didn't clean up in time, and it got contaminated. Now they tried to clean up the big mess and hope to get it ready for next school year. But, we really wondered if Lakewood will be a non-contaminated and healthy working environment. Teachers and students may get sick if the mildew and mold still exist. Please send the Health Department inspector to inspect Lakewood before school starts next year to make sure it's a healthy working environment. Thanks!
- I think that despite the unrest among board members, a community that chooses board members because of favors they expect to receive in return for a vote, poor administrators and no pay raises, most of our teachers continue to work hard to educate our students. If board members, the community and administrators would realize that a school district is an institution designed to educate children rather than give adults personal gain, North Forest's educational performance would be rated 'Excellent.'
- I have taught in this district for 27 years and we are not up to date with technology. We are still shading in grades. Teachers in intermediate schools are fixing cumulative folder. This does not make any sense.
- The residents of the North Forest Independent School District are Hispanic and African American with a handful of Caucasians. Most of them live below the poverty line. Schools are often burglarized and vandalized. Therefore it is difficult to retain technological equipment of any kind. It is even difficult for teachers to leave student reinforcers in the buildings or supplies of any kind that might be used outside the educational setting.
- Actual education holds very low priority in this district. The community and overall society is going to suffer greatly from this obvious neglect of education of the district's children.
- North Forest ISD had managed to adequately educate the students within the district in the past. However, the performance of the district at present time is sub-standard. Modern technology is not available to the students or teachers. Morale of the staff is extremely low due to lack of support and prevention services for discipline. Basic school supplies are not available. I have had to purchase soap for my students to use for most of the school year. Teacher resources are not readily available, i.e. copying, laminating, etc. The cafeteria sells enough junk food at breakfast for a student to have a sugar 'high' for the entire day.
- There is nothing wrong with the educational performance of North Forest ISD. The superintendent needs to regroup by releasing the new administration staff and start hiring someone who is about putting the children first and meaning it. Someone or a group of people, who has the ability to manage, rebuilt and move forward with constructive ideas.
- North Forest is a troubled district. The district does not choose the best person for the job (educational credentials, experience). Friendships play the larger hold. Poor discipline or lack of discipline is part of the "low performance" problems.
- It could be a lot better!
- The majority of this school treats Hispanic teachers in an unfriendly manner in order to discourage Hispanic teachers from continuing to work there, because they want to keep the district predominately black. These Hispanic teachers and aides leave the district for this reason.

- Please help get our district back on track, our bickering board members are a disgrace. Most of them have forgotten who is important– our students!
- Our school climate leaves a lot to be desired. The students are out of control. Students are smoking weekly and skipping classes, Principals are trying very hard to curtail activities but cannot. Need help. Full time enforcement officers.
- Students walk in the hall all the time. Student skips classes too much.
- The educational performance can be very outstanding in North Forest only if they implement a zero tolerance policy.
- I think that the current and immediately past school boards have irreparably damaged their credibility through public bickering and derogatory comments made about one another. Teachers as a group, feel that they are incompetent, play to the noisiest parents, and have no business sense. Some teachers feel that some board members are anti-teacher, and that too many of the same people are returned all the time. In my building, we are a rudderless ship, floundering incompetently in the backwash of tropical storm Allison. Things were bad before, now they are worse. Too much emphasis is put on sports and as a result the extra curricular activities seem to take precedence over the academic program. Our building may pose a serious health problem with mold and fungus that is not being given serious attention. Too many teachers and students get sick.

APPENDIX E

STUDENT SURVEY RESULTS

Appendix E

STUDENT SURVEY RESULTS

North Forest Independent School District Management and Performance Review

(n=41)

***Totals may not add to 100% due to rounding**

Demographic Data

1.

Gender (Optional)	No Response	Male	Female
	0.0%	36.6%	63.4%

2.

Ethnicity (Optional)	No Response	Anglo	African American	Hispanic	Asian	Other
	0.0%	0.0%	90.2%	9.8%	0.0%	0.0%

3.

What is your classification?	No Response	Junior	Senior
	0.0%	65.9%	31.7%

A. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
1. The needs of the college-bound student are being met.	0.0%	29.3%	29.3%	24.4%	14.6%	2.4%
2. The needs of the work-bound student are being met.	4.9%	46.3%	24.4%	19.5%	4.9%	0.0%
3. The district has effective educational programs for the following:						
a) Reading	2.4%	41.5%	24.4%	22.0%	9.8%	0.0%
b) Writing	0.0%	43.9%	26.8%	19.5%	9.8%	0.0%
c) Mathematics	12.2%	39.0%	14.6%	19.5%	12.2%	2.4%
d) Science	4.9%	48.8%	19.5%	14.6%	12.2%	0.0%
e) English or Language Arts	7.3%	68.3%	9.8%	9.8%	4.9%	0.0%
f) Computer Instruction	24.4%	41.5%	17.1%	12.2%	4.9%	0.0%
g) Social Studies (history or geography)	9.8%	46.3%	14.6%	22.0%	7.3%	0.0%
h) Fine Arts	14.6%	53.7%	17.1%	7.3%	7.3%	0.0%
i) Physical Education	17.1%	61.0%	9.8%	7.3%	4.9%	0.0%
j) Business Education	9.8%	41.5%	19.5%	19.5%	7.3%	2.4%

A. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
k) Vocational (Career and Technology) Education	17.1%	58.5%	14.6%	7.3%	0.0%	2.4%
l) Foreign Language	12.2%	43.9%	22.0%	12.2%	4.9%	4.9%
4. The district has effective special programs for the following:						
a) Library Service	12.2%	24.4%	22.0%	24.4%	17.1%	0.0%
b) Honors/Gifted and Talented Education	24.4%	43.9%	9.8%	12.2%	9.8%	0.0%
c) Special Education1	12.2%	34.1%	36.6%	2.4%	14.6%	0.0%
d) Student mentoring program	2.4%	29.3%	26.8%	29.3%	9.8%	2.4%
e) Advanced placement program	19.5%	36.6%	22.0%	14.6%	7.3%	0.0%
f) Career counseling program	2.4%	24.4%	39.0%	19.5%	12.2%	2.4%
g) College counseling program	0.0%	26.8%	39.0%	19.5%	14.6%	0.0%
5. Students have access, when needed, to a school nurse.	12.2%	29.3%	12.2%	31.7%	14.6%	0.0%
6. Classrooms are seldom left unattended.	22.0%	19.5%	26.8%	22.0%	9.8%	0.0%
7. The district provides a high quality education.	7.3%	22.0%	22.0%	24.4%	24.4%	0.0%
8. The district has high quality teachers.	4.9%	17.1%	22.0%	29.3%	26.8%	0.0%

B. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
9. Schools are clean.	0.0%	31.7%	9.8%	39.0%	19.5%	0.0%
10. Buildings are properly maintained in a timely manner.	0.0%	24.4%	24.4%	29.3%	22.0%	0.0%
11. Repairs are made in a timely manner.	0.0%	19.5%	19.5%	29.3%	31.7%	0.0%
12. Emergency maintenance is handled timely.	7.3%	26.8%	29.3%	14.6%	22.0%	0.0%

C. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
13. There are enough textbooks in all my classes.	9.8%	41.5%	14.6%	17.1%	17.1%	0.0%
14. Students are issued textbooks in a timely manner.	14.6%	53.7%	7.3%	17.1%	7.3%	0.0%
15. Textbooks are in good shape.	17.1%	43.9%	17.1%	14.6%	7.3%	0.0%
16. The school library meets student needs for books and other resources.	12.2%	22.0%	17.1%	19.5%	29.3%	0.0%

D. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
17. The school breakfast program is available to all children.	46.3%	43.9%	9.8%	0.0%	0.0%	0.0%
18. The cafeteria's food looks and tastes good.	4.9%	26.8%	34.1%	14.6%	19.5%	0.0%
19. Food is served warm.	12.2%	56.1%	17.1%	12.2%	2.4%	0.0%
20. Students have enough time to eat.	2.4%	17.1%	7.3%	34.1%	39.0%	0.0%
21. Students eat lunch at the appropriate times of the day.	7.3%	68.3%	14.6%	2.4%	7.3%	0.0%
22. Students wait in food lines no longer than 10 minutes.	17.1%	22.0%	2.4%	29.3%	29.3%	0.0%
23. Discipline and order are maintained in the school cafeteria.	2.4%	12.2%	22.0%	29.3%	34.1%	0.0%
24. Cafeteria staff is helpful and friendly.	7.3%	26.8%	19.5%	14.6%	31.7%	0.0%
25. Cafeteria facilities are sanitary and neat.	7.3%	39.0%	24.4%	12.2%	17.1%	0.0%

E. Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
26. I regularly ride the bus.	14.6%	24.4%	14.6%	14.6%	31.7%	0.0%
27. The bus driver maintains discipline on the bus.	7.3%	29.3%	31.7%	9.8%	22.0%	0.0%
28. The length of my bus ride is reasonable.	9.8%	39.0%	43.9%	2.4%	4.9%	0.0%
29. The drop-off zone at the school is safe.	14.6%	36.6%	43.9%	0.0%	4.9%	0.0%
30. The bus stop near my house is safe.	19.5%	31.7%	41.5%	2.4%	4.9%	0.0%
31. The bus stop is within walking distance from our home.	19.5%	26.8%	43.9%	4.9%	4.9%	0.0%
32. Buses arrive and leave on time.	2.4%	9.8%	43.9%	12.2%	31.7%	0.0%
33. Buses arrive early enough for students to eat breakfast at school.	7.3%	17.1%	48.8%	12.2%	14.6%	0.0%
34. Buses seldom break down.	14.6%	17.1%	41.5%	9.8%	17.1%	0.0%
35. Buses are clean.	4.9%	24.4%	39.0%	4.9%	26.8%	0.0%
36. Bus drivers allow students to sit down before taking off.	9.8%	17.1%	34.1%	14.6%	24.4%	0.0%

F. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
37. I feel safe and secure at school.	4.9%	14.6%	1.6%	24.4%	41.5%	0.0%
38. School disturbances are infrequent.	4.9%	17.1%	19.5%	14.6%	43.9%	0.0%
39. Gangs are not a problem in this district.	4.9%	31.7%	24.4%	9.8%	29.3%	0.0%
40. Drugs are not a problem in this district.	9.8%	14.6%	17.1%	17.1%	41.5%	0.0%
41. Vandalism is not a problem in this district.	9.8%	9.8%	7.3%	19.5%	53.7%	0.0%
42. Security personnel have a good working relationship with principals and teachers.	12.2%	41.5%	26.8%	7.3%	12.2%	0.0%
43. Security personnel are respected and liked by the students they serve.	2.4%	24.4%	36.6%	14.6%	22.0%	0.0%
44. A good working arrangement exists between the local law enforcement and the district.	4.9%	41.5%	26.8%	7.3%	19.5%	0.0%
45. Students receive fair and equitable discipline for misconduct.	7.3%	31.7%	17.1%	12.2%	31.7%	0.0%
46. Safety hazards do not exist on school grounds.	9.8%	17.1%	26.8%	26.8%	19.5%	0.0%

G. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
47. Students have regular access to computer equipment and software in the classroom.	14.6%	43.9%	2.4%	17.1%	22.0%	0.0%
48. Teachers know how to use computers in the classroom.	14.6%	36.6%	14.6%	19.5%	14.6%	0.0%
49. Computers are new enough to be useful for student instruction.	9.8%	61.0%	7.3%	7.3%	14.6%	0.0%
50. The district offers enough classes in computer fundamentals.	2.4%	46.3%	24.4%	9.8%	17.1%	0.0%
51. The district meets student needs in advanced computer skills.	4.9%	29.3%	19.5%	17.1%	29.3%	0.0%
52. Teachers and students have easy access to the Internet.	14.6%	46.3%	9.8%	9.8%	19.5%	0.0%

The following comments convey perception and do not reflect the findings or opinions of the Comptroller or review team. The narrative comments are the actual comments received.

Additional Comments: Students

- The educational performance of North Forest ISD is one of great concern at times. Our district's performance is of great standards and first class rate, but the task to accomplish this is of vast difficulty. We as a district, have lots of problems that we are faced with and we must overcome these things in order to succeed at what we do. TAAS scores are exceptionally well and we are proud of that, so that gives us something to brag about which shines a spotlight on us educationally.
- North Forest ISD has some good teachers. I am in advanced placement class and have the best teachers in school, but students who are regular classes don't even have teachers. Some of these students don't even attend class and are always in hallways. Many of our teachers don't teach well and we don't learn to how to have good scores on college entrance exams.
- I feel that North Forest ISD could be less tolerant with the misbehavior problems. If the teachers could put in more time explaining a lesson over and over again until the majority of the students fully understand, I also think that we need mandatory teacher workshop, therefore all teachers can be on the same page academically and also know what else is going new in school.
- The educational performance of the North Forest ISD is very weak. Students who are about to graduate and attend college have not met college requirements. The district needs help with the student curriculum and needs more teachers in classrooms to help enhance their learning skills. The district is very poor and needs a lot of help. It needs new Board of Trustees who are here for the students, not just here for the money. I think if the Board of Trustees is not here for us then they need not be here.
- The North Forest School District is falling apart. Our teachers that are supposed to be our role models are a part of the problem. They promote violence, change grades and do things that TEA wouldn't approve of. The school fails to handle money properly and because of this our district is declared poor. Our district reeks of uneducated teachers and I hope someone can help the young students coming up. Also, the special education at my school is poor.
- North Forest ISD needs more teachers that have been trained to teach and not just find people to sit in the classrooms. The teachers try to be cool and try to fit in with the students instead of teaching them. Kids write on the wall, desk, set lockers on fire, fighting, smoke bombs, fire alarms (set off). Some teachers take the time out of their day to teach you. Then you have the teachers that don't care. Some kids can't go to class because the teacher is not there are the class is unstable and bad to be in.
- I believe that the educational performance in this district couldn't be any worse. We do not have all the resources we need in order to ensure a quality education. We are sometimes left with unqualified teachers, long-term substitutes that are not equipped to teach the particular class that they have been assigned to. However, I do feel we made the greatest use of the services that are provided to us. I must say that we are not or some of us will not be prepared for college because we have not been taught something that we should have learned on the college level.
- I feel that the educational performance of North Forest ISD is unacceptable for the students that are eager to excel in academics. We need more certified teachers throughout the entire district. I also believe that if the teachers were given a salary increase it will help motivate the teachers of North Forest ISD. Even though when you have the urge to teach children, money should not stop you, but compared to other districts their salary is ridiculous.
- Our district is in chaos. Students bring guns, knives, drugs, fear and destruction to our district. They bring an immense sense of discomfort to everyone here. Truancy is a grave issue. Students are allowed to walk up and down the halls at all times of the day. They hide in restrooms and partake in drug use. Education is horrible, teachers are older and really don't care. We are given 'busy work' not being taught. We have no projects not to say we have done anything. Teachers are absent frequently and there is no one there (substitutes) to act in their place. Students don't have teachers so they don't go to class. Students are not being taught what they need to be taught

to succeed in the world. They are not being taught academics, let alone skills to succeed in the world. Students leave with 4.0 averages but are still on 8th grade level. We need change. Thanks!

- Due to my observation of North Forest I can conclude that this school district is in need of serious improvement. There is no discipline for the students in this district and the teachers are not doing a good job at instructing or conducting their classes. I whole heartedly feel that education is necessary and if there are no changes made, we will certainly allow millions of young creative minds to go to waste, We need better education, better facilities, better instructors, better staff members and better environment for those young children who will become our future.
- In my opinion this isn't a school. People come here just to come here. There is no order. The cafeteria food is not good at all. In my opinion, it will kill you. The halls are dirty and vandalized, I feel that this school is more of a 'club' than a school. The security is not good. All they do is stay by the front gates so no one will leave and skip. They don't care that some people are popping firecrackers in the hall. This school is not safe at all.
- I truly believe that the NFISD really needs serious help with getting back on the right track. I believe that the students and teachers should both get on the same page in understanding that school is a place for learning and it's not just a place to make kids behave. But overall, I really think that NFISD really needs to be worked with.
- I feel that the education performance of North Forest ISD from my point of view is one of the best. I say this because the teachers are highly educated, it just depends on the students to want to take advantage.
- I believe that North Forest has a lack of equipment that should be used in order to provide a good education. For example, the library at Forest Brook is empty. There are no books available for students to check out. There is also a need for more teachers in my Spanish I class. There has not been a steady teacher for longer than a span of two weeks. Therefore, I do not know any Spanish, which will surely hurt me in the future, because I plan to pursue a college education. I feel that my education is important and the district should do more to help me.
- North Forest ISD is a good district but it could be much better! Everything is new (books, computers, etc.) because we were in the flood. The school is nice, neat and clean because we were in the flood! If we were at the original school, it would be terrible, the books would be terrible and the students would be everywhere. Our teachers are great but have nothing to work with!!!
- In the North Forest ISD some teachers do not teach and allow corrupt children to disrupt their classes. Teachers focus their teachings around the TAAS period and do not teach other fundamentals to get us ready for the real world. Many of the teachers are absent in the class or they have no teachers. I whole-heartedly believe that the curriculum and instruction is not expressed in this district.
- I have been in this district for 8 years and I have matured along with it. From personal experience, I believe that the magnet/AP programs (i.e. engineering and HOSA) are outstanding, UIL and decathlon competitions are swarming with NFISD. On the other hand, students who do not participate in the AP/UIL classes and competition are not even receiving the minimum expectation of what an education is. The teachers are not giving them the motivation to press through trying times and the students are not willing to go above and beyond. Carpe Diem-Seize the Day.
- I feel that NFISD has lost its way of properly educating the "total child." Often times, students meet the real world with a harsh landing because their fundamental needs have not been met. Our district is unable to provide quality teachers, partly because of teacher salary. Our district has been involved in many scandals over misrepresentation of funds. In the situation, most of the times true, the district is unable to provide any type of quality to the schools. The focus needs to be on bringing the district to a standard where its facilities and students are able to compete with the growth of technology and the world. As a student, I don't feel that they are providing any children comparable to that of any good district.
- Here in North Forest, the educational performance is perfect, but not excellent. The students are able to get all of their lessons, even if the teacher is not available. Most of the students are able to get along well with their teachers and administration. If there is any disturbance in the classroom, the principal always takes care of it.

- The North Forest is a great school district, but most rules are not needed. Some principal over do their job. The school makes repairs but is very slow at it. There is no running water to wash hands after using the restroom. The school stays dirty for a while before cleaning up. There are not enough computers in the school. The media center strongly advises us to stay out most of the time.
- Our school is safe, people are friendly and we respect each other, the problem, to me, it that the students are not learning enough to go out into the world. Students take education as a joke because teachers don't teach and explain that life is based upon a good education. We need to know a lot more than they are teaching. The faculty is allowing students to misbehave and act a fool. People do pretty much what they want to do, the school is being destroyed and no one fixes the problem.
- M.B. Smiley's teachers and principals do not set good examples for the student body. Also, police officers are not friendly.
- I think that North Forest should have better teachers because most students end up making bad grades and going to summer school.
- I think that the district does not have good courses to teach us about different stuff. The only class that I take and enjoy is cosmetology, I like my teacher and she is a good teacher. My computer teacher was never there for the beginning of the year when she came back she wanted to give us an F. My algebra II teacher was never there, we have had 5 different teachers for the school year. The assistant principals push the student like if they want to hit them. Just because they don't listen.
- Well the educational performance is good to me because I want to learn. I really like the way Smiley teaches. Its just the kids that don't want to work or do work that makes it hard for others not to learn but other than that the teaching is good especially my 2nd period teacher, Mr. Adams.
- Well we need better books and smaller classes and new computers so we can do projects, I was in Aleif district and they were ahead and I got here now I am behind a lot. We need an upgrade on teachers and books.
- I believe that this district needs to look into more programs to further our children education like information about college and programs for reading and math. They also need better computers and software for the technology classes. Although they are available to us, we can't always use the equipment.
- NFISD is a good district. It needs to be a changed on the cafeteria and the lunch timing. We have some great teachers and some of us learn a lot. The education is great.
- I think NFISD is a great school district; it just needs a little grooming.
- We have no teachers that teach in the classroom.
- I think that every neighborhood in the community should have buses especially on Sterlingshire and Mesa. Thank you.
- I think the educational performance is pretty good considering what we went through during the summer. These are a few adjustments that need to be made.
- I think North Forest ISD has a good educational performance because they have taught me a lot that I need to know.
- It's the best in the whole wide world!!!!
- Its not that this is a bad school environment. It's just that we should be able to pull out the hardheads and quit giving them a 2nd and 3rd chance. Just maybe the school could be improved.

APPENDIX F

PARENT SURVEY RESULTS

Appendix F

PARENT SURVEY RESULTS

North Forest Independent School District Management and Performance Review

(n = 15)

***Totals may not add to 100 percent due to rounding**

Demographic Data

1.

Gender (Optional)	No Response	Male	Female
	6.7%	26.7%	66.7%

2.

Ethnicity (Optional)	No Response	Anglo	African American	Hispanic	Asian	Other
	0.0%	0.0%	73.3%	20.0%	0.0%	6.7%

3.

How long have you lived in North Forest ISD?	No Response	0-5 years	6-10 years	11 years or more
	33.3%	20.0%	46.7%	0.0%

4.

What grade level(s) does you child(ren) attend (circle all that apply)?	PK	K	1	2	3	4	5
	9.7%	6.5%	9.7%	3.2%	12.9%	19.4%	12.9%
	6	**7**	**8**	**9**	**10**	**11**	**12**
	0.0%	6.5%	3.2%	3.2%	3.2%	9.7%	0.0%

A. District Organization and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
1. The school board allows sufficient time for public input at meetings.	0.0%	33.3%	67.7%	0.0%	0.0%	0.0%
2. School board members listen to the opinions and desires of others.	6.7%	33.3%	53.3%	6.7%	0.0%	0.0%
3. The superintendent is a respected and effective instructional leader.	6.7%	26.7%	66.7%	0.0%	0.0%	0.0%
4. The superintendent is a respected and effective business manager.	6.7%	26.7%	60.0%	6.7%	0.0%	0.0%

B. Educational Service Delivery and Performance Measurement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
5. The district provides a high quality of services.	0.0%	40.0%	0.0%	46.7%	6.7%	6.7%
6. Teachers are given an opportunity to suggest programs and materials that they believe are most effective.	0.0%	53.3%	33.3%	13.3%	0.0%	0.0%
7. The needs of the college-bound student are being met.	0.0%	33.3%	46.7%	20.0%	0.0%	0.0%
8. The needs of the work-bound student are being met.	0.0%	33.3%	40.0%	26.7%	0.0%	0.0%
9. The district has effective educational programs for the following:						
a) Reading	6.7%	73.3%	6.7%	0.0%	6.7%	6.7%
b) Writing	6.7%	73.3%	6.7%	0.0%	6.7%	6.7%
c) Mathematics	6.7%	73.3%	6.7%	6.7%	6.7%	0.0%
d) Science	6.7%	66.7%	20.0%	0.0%	6.7%	0.0%
e) English or Language Arts	6.7%	66.7%	13.3%	6.7%	0.0%	6.7%
f) Computer Instruction	0.0%	60.0%	26.7%	6.7%	6.7%	0.0%
g) Social Studies (history or geography)	0.0%	67.7%	26.7%	0.0%	0.0%	6.7%
h) Fine Arts	0.0%	53.3%	33.3%	6.7%	0.0%	6.7%
i) Physical Education	0.0%	73.3%	20.0%	0.0%	0.0%	6.7%
j) Business Education	0.0%	60.0%	26.7%	6.7%	6.7%	0.0%
k) Vocational (Career and Technology) Education	0.0%	53.3%	33.3%	6.7%	6.7%	0.0%
l) Foreign Language	0.0%	53.3%	33.3%	6.7%	6.7%	0.0%
10. The district has effective special programs for the following:						
a) Library Service	26.7%	46.7%	13.3%	6.7%	6.7%	0.0%
b) Honors/Gifted and Talented Education	6.7%	40.0%	40.0%	6.7%	6.7%	0.0%
c) Special Education	6.7%	33.3%	33.3%	13.3%	6.7%	6.7%
d) Head Start and Even Start programs	20.0%	40.0%	20.0%	6.7%	6.7%	6.7%
e) Dyslexia program	0.0%	6.7%	53.3%	6.7%	13.3%	20.0%
f) Student mentoring program	6.7%	26.7%	46.7%	6.7%	6.7%	6.7%
g) Advanced placement program	0.0%	33.3%	53.3%	6.7%	6.7%	0.0%
h) Literacy program	0.0%	46.7%	40.0%	6.7%	6.7%	0.0%
i) Programs for students at risk of dropping out of school	0.0%	26.7%	40.0%	13.3%	13.3%	6.7%

B. Educational Service Delivery and Performance Measurement (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
j) Summer school programs	13.3%	60.0%	20.0%	0.0%	6.7%	0.0%
k) Alternative education programs	0.0%	66.7%	26.7%	0.0%	6.7%	0.0%
l) "English as a second language" program	6.7%	26.7%	53.3%	0.0%	0.0%	13.3%
m) Career counseling program	0.0%	33.3%	60.0%	0.0%	6.7%	0.0%
n) College counseling program	0.0%	40.0%	53.3%	0.0%	6.7%	0.0%
o) Counseling the parents of students	0.0%	46.7%	33.3%	13.3%	6.7%	0.0%
p) Drop out prevention program	6.7%	26.7%	46.7%	6.7%	13.3%	0.0%
11. Parents are immediately notified if a child is absent from school.	26.7%	26.7%	20.0%	13.3%	13.3%	0.0%
12. Teacher turnover is low.	0.0%	13.3%	60.0%	6.7%	13.3%	6.7%
13. Highly qualified teachers fill job openings.	0.0%	20.0%	40.0%	20.0%	20.0%	0.0%
14. A substitute teacher rarely teaches my child.	0.0%	46.7%	33.3%	13.3%	0.0%	6.7%
15. Teachers are knowledgeable in the subject areas they teach.	0.0%	46.7%	53.3%	0.0%	0.0%	0.0%
16. All schools have equal access to educational materials such as computers, television monitors, science labs and art classes.	0.0%	26.7%	46.7%	20.0%	6.7%	0.0%
17. Students have access, when needed, to a school nurse.	6.7%	80.0%	6.7%	6.7%	0.0%	0.0%
18. Classrooms are seldom left unattended.	0.0%	46.7%	40.0%	13.3%	0.0%	0.0%
19. The district provides a high quality education.	0.0%	40.0%	26.7%	26.7%	6.7%	0.0%
20. The district has a high quality of teachers.	0.0%	33.3%	26.7%	33.3%	6.7%	0.0%

C. Community Involvement

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
21. The district regularly communicates with parents.	6.7%	46.7%	13.3%	33.3%	0.0%	0.0%
22. District facilities are open for community use.	0.0%	46.7%	40.0%	13.3%	0.0%	0.0%
23. Schools have plenty of volunteers to help students and school programs.	0.0%	33.3%	33.3%	26.7%	6.7%	0.0%

D. Facilities Use and Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
24. Parents, citizens, students, faculty, staff, and the board provide input into facility planning.	0.0%	26.7%	66.7%	6.7%	0.0%	0.0%
25. Schools are clean.	6.7%	60.0%	20.0%	13.3%	0.0%	0.0%
26. Buildings are properly maintained in a timely manner.	0.0%	46.7%	26.7%	26.7%	0.0%	0.0%
27. Repairs are made in a timely manner.	0.0%	40.0%	46.7%	13.3%	0.0%	0.0%
28. The district uses very few portable buildings.	0.0%	33.3%	40.0%	26.7%	0.0%	0.0%
29. Emergency maintenance is handled expeditiously.	0.0%	33.3%	46.7%	13.3%	0.0%	6.7%

E. Asset and Risk Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
30. My property tax bill is reasonable for the educational services delivered.	0.0%	13.30%	66.7%	13.3%	6.7%	0.0%
31. Board members and administrators do a good job explaining the use of tax dollars.	0.0%	6.7%	66.7%	20.0%	6.7%	0.0%

F. Financial Management

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
32. Site-based budgeting is used effectively to extend the involvement of principals and teachers.	0.0%	0.0%	86.7%	6.7%	0.0%	6.7%
33. Campus administrators are well trained in fiscal management techniques.	0.0%	0.0%	73.3%	20.0%	0.0%	6.7%
34. The district's financial reports are easy to understand and read.	0.0%	13.3%	60.0%	20.0%	0.0%	6.7%
35. Financial reports are made available to community members when asked.	0.0%	13.3%	73.3%	6.7%	0.0%	6.7%

G. Purchasing and Warehousing

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
36. Students are issued textbooks in a timely manner.		53.3%	26.7%	6.7%	6.7%	6.7%

G. Purchasing and Warehousing (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
37. Textbooks are in good shape.	0.0%	40.0%	20.0%	26.7%	6.7%	6.7%
38. The school library meets student needs for books and other resources.	6.7%	60.0%	26.7%	0.0%	6.7%	0.0%

H. Food Services

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
39. My child regularly purchases his/her meal from the cafeteria.	13.3%	60.0%	6.7%	20.0%	0.0%	0.0%
40. The school breakfast program is available to all children.	33.3%	60.0%	0.0%	0.0%	0.0%	6.7%
41. The cafeteria's food looks and tastes good.	13.3%	40.0%	13.3%	13.3%	20.0%	0.0%
42. Food is served warm.	20.0%	46.7%	20.0%	13.0%	0.0%	0.0%
43. Students have enough time to eat.	0.0%	80.0%	13.3%	0.0%	6.7%	0.0%
44. Students eat lunch at the appropriate time of day.	6.7%	66.7%	20.0%	0.0%	6.7%	0.0%
45. Students wait in food lines no longer than 10 minutes.	0.0%	53.3%	26.7%	20.0%	0.0%	0.0%
46. Discipline and order are maintained in the school cafeteria.	6.7%	40.0%	20.0%	33.3%	0.0%	0.0%
47. Cafeteria staff is helpful and friendly.	6.7%	26.7%	33.3%	33.3%	0.0%	0.0%
48. Cafeteria facilities are sanitary and neat.	6.7%	46.7%	26.7%	20.0%	0.0%	0.0%

I. Transportation

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
49. My child regularly rides the bus.	6.7%	66.7%	0.0%	13.3%	13.3%	0.0%
50. The bus driver maintains discipline on the bus.	6.7%	26.7%	40.0%	6.7%	6.7%	13.3%
51. The length of the student's bus ride is reasonable.	6.7%	46.7%	26.7%	6.7%	6.7%	6.7%
52. The drop-off zone at the school is safe.	20.0%	40.0%	33.0%	0.0%	0.0%	6.7%
53. The bus stop near my house is safe.	13.3%	40.0%	26.7%	6.7%	6.7%	6.7%
54. The bus stop is within walking distance from our home.	13.3%	40.0%	20.0%	13.3%	6.7%	6.7%
55. Buses arrive and depart on time.	0.0%	20.0%	26.7%	20.0%	26.7%	6.7%

I. Transportation (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
56. Buses arrive early enough for students to eat breakfast at school.	0.0%	40.0%	20.0%	13.3%	20.0%	6.7%
57. Buses seldom break down.	0.0%	40.0%	26.7%	6.7%	20.0%	6.7%
58. Buses are clean.	0.0%	40.0%	26.7%	0.0%	20.0%	13.3%
59. Bus drivers allow students to sit down before taking off.	6.7%	33.3%	20.0%	6.7%	20.0%	13.3%
60. The district has a simple method to request buses for special events.	6.7%	33.3%	46.7%	0.0%	6.7%	6.7%

J. Safety and Security

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
61. Students feel safe and secure at school.	6.7%	60.0%	6.7%	20.0%	6.7%	0.0%
62. School disturbances are infrequent.	6.7%	53.3%	20.0%	13.3%	6.7%	0.0%
63. Gangs are not a problem in this district.	0.0%	46.7%	33.3%	6.7%	13.3%	0.0%
64. Drugs are not a problem in this district.	6.7%	20.0%	40.0%	13.3%	20.0%	0.0%
65. Vandalism is not a problem in this district.	6.7%	20.0%	40.0%	13.3%	20.0%	0.0%
66. Security personnel have a good working relationship with principals and teachers.	0.0%	46.7%	46.7%	6.7%	0.0%	0.0%
67. Security personnel are respected and liked by the students they serve.	0.0%	26.7%	60.0%	6.7%	6.7%	0.0%
68. A good working arrangement exists between the local law enforcement and the district.	0.0%	40.0%	46.7%	6.7%	6.7%	0.0%
69. Students receive fair and equitable discipline for misconduct.	0.0%	26.7%	53.3%	13.3%	6.7%	0.0%
70. Safety hazards do not exist on school grounds.	0.0%	33.3%	53.3%	6.7%	6.7%	0.0%

K. Computers and Technology

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
71. Teachers know how to teach computer science and other technology-related courses.	6.7%	33.3%	53.3%	0.0%	6.7%	0.0%
72. Computers are new enough to be useful to teach students.	13.3%	33.3%	40.0%	6.7%	6.7%	0.0%

K. Computers and Technology (continued)

Survey Questions	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	No Response
73. The district meets student needs in computer fundamentals.	6.7%	33.3%	46.7%	6.7%	6.7%	0.0%
74. The district meets student needs in advanced computer skills.	0.0%	26.7%	60.0%	6.7%	6.7%	0.0%
75. Students have easy access to the internet.	0.0v	13.3%	60.0%	13.3%	13.3%	0.0%

The following comments convey the perceptions of parents and do not reflect the findings or opinions of the Comptroller or review team. The narrative comments are the actual comments received.

Additional Comments: Parents

- They need to get more buses for Tidwell School. My daughter rides the bus and has to walk from the bus stop and I had a friend run a check on child molesters and offenders. There is a bunch in our neighborhood. So please [be aware of] that. Thanks.
- My children no longer uses N.F. transportation since there were many problems in the past. I'll never use your service again! What I would like to discuss about N.F. is why can't they have professional basketball players come see them? What about patrol officers monitoring speed limit through school zones? Teachers teaching instead of being a part of the problem? Most of them talk down to students. Teachers going through training as often as needed. Qualified people to handle district funds. We have too many thieves. Flood insurance and etc... There are some things that go noticed and unnoticed in North Forest.
- Que haya mas personal en las oficinas que scan bilingues tambien maestros. Mis hijos yo pago para mandarlos a la escuela. Los buses pasan muy tarde. Translated as, "I would like to have more bilingual people in the offices and as well as more bilingual teachers. I pay to send my kids to school and the buses are always late."
- To my daughter, the schools are not what they seem to be. The buses are not responsible to pick up kids. Sometimes they come and don't let the kids know they are out there and kids miss their bus. That's my main problem about the buses not waiting and the kids are blowing for them.
- I can give you too much input because my child is only in PreK.
- I don't have any negative thoughts about the educational performance. My kids are learning at a good level and are growing at a good pace. Only complaint is that there should be a better quality of food served in cafeteria or better planned meals.
- Siento mucho simis respuestas estan fuera di lugar: pero jon basadas enque solo tengo un ano con mis his hijos en est distrito y U.S.A. Pero en quencial jose que es un buen distrito y mis hijos hon aprendido bastante en este ano. Translated as, " I am sorry that my comments are not in order but they are based on just one years experience with the district and with the United States. All I can say is that the district is good and my kids have learned a lot this year."

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.

They are funded by the Ford Foundation, which gave TSPR and nine other award winners $100,000 grants to replicate their cutting-edge programs across the nation. Learn more about Innovations in American Government and the other award winners at www.innovations.harvard.edu.

On the Cover

North Forest ISD students Jose Amaya, Bryan Bailey, Fiona Deshotel, LaTashia Renae Hicks, Alexander Palmer II and Desarey Wilson.

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

http://www.window.state.tx.us

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