

Letter of Transmittal

March 28, 2000

The Honorable George W. Bush
The Honorable Rick Perry
The Honorable James E. "Pete" Laney
Members of the 76th Legislature
Commissioner James E. Nelson

Ladies and Gentlemen:

I am pleased to present this report on the progress of the Hamilton Independent School District (HISD) in implementing my *Texas School Performance Review* (TSPR) recommendations.

In July 1998, TSPR released the results of a five-month study of the district's operations. This review, originally requested by the former HISD superintendent and Board of Trustees, and echoed by many members of the Hamilton community, offered 46 specific recommendations for saving Hamilton taxpayers more than \$577,000 over the next five years, and called for total reinvestments of \$382,416 over the same period. The review also noted a number of HISD's exemplary programs and model services provided by district administrators, teachers and staff.

After a year and a half, we returned to check on how well the district's leadership put these proposals into practice, and found the new administration and Board seeking to implement the proposals. Since the report's release, HISD has implemented or is in the process of implementing 37 of these proposals, or 80 percent, saving HISD taxpayers a net of almost \$1 million. District officials project those savings to increase to more than \$1.5 million, exceeding the original projections for the five years by \$1.3 million.

While there is still much work to be done, district officials have pledged to continue to pursue excellence in the district and are to be commended for taking these initial steps to ensure that students, teachers, and taxpayers receive the maximum possible benefit from every dollar spent in Hamilton.

Detailed information can be obtained from TSPR by visiting the Comptroller's Web site at <<http://www.window.state.tx.us/tspr/hamilpr>>.

Thanks for all that you do for Texas.

Sincerely,

A handwritten signature in cursive script that reads "Carole Keeton Rylander". The signature is fluid and elegant, with a prominent initial 'C' and a long, sweeping tail on the 'r'.

Carole Keeton Rylander
Comptroller of Public Accounts

Introduction

In February 1998, the Comptroller of Public Accounts' Texas School Performance Review (TSPR) began a comprehensive school review of the Hamilton Independent School District. TSPR, a nationally recognized program created by Texas lawmakers in 1991 identifies savings and suggests methods to improve operational efficiency in Texas public school districts. In January 2000, TSPR returned to Hamilton to assess the district's progress in implementing the recommendations.

Since 1991, TSPR has recommended more than 3,500 ways to save taxpayers more than \$381 million over five years in 34 public school districts throughout Texas. Follow-up reviews of districts that have had at least one year to implement recommendations have also been conducted. These subsequent reviews show that nearly 90 percent of TSPR's combined proposals have been acted upon, saving local taxpayers more than \$94 million, with the savings expected to grow in the future.

Improving the Texas School Performance

After taking office in January 1999, Comptroller Carole Keeton Rylander consulted school district officials, parents and teachers from across Texas and carefully examined past reviews and progress reports in an effort to make TSPR more valuable to the more than 1,000 school districts in Texas. With the perspective of a former teacher and school board president, the Comptroller vowed to steer TSPR to increased accountability to local school districts and the communities they represent. The Comptroller intends for TSPR to become a tool for improvement in many more districts, particularly those that seek help to improve academic performance by better managing classroom resources.

Comptroller Rylander began by creating new criteria for selecting school districts for future reviews. Priority is now given to districts that are judged poorly performing academically or financially, and to performing hands-on reviews that will benefit the greatest number of students. *These are the school districts and children that need help the most.*

Recognizing that only 51 cents of every education dollar is spent on instruction, Comptroller Rylander wants to give local school officials the ability to move more of every education dollar directly into the classroom where it belongs. In addition, TSPR will not bury districts' best practices and exemplary models deep inside individual reports. Instead, Comptroller Rylander has ordered best practices and exemplary programs to be shared

quickly and systematically among all the state's school districts, and with anyone interested in improving education. There is no reason for a district that has solved a problem to keep the solution to itself. Comptroller Rylander directed TSPR to serve as an active clearinghouse for the best and brightest ideas in Texas public education.

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

- ensure students and teachers receive the support and resources necessary to succeed;
- identify innovative options to address core management challenges;
- ensure administrative activities are performed efficiently, without duplication, and in a manner that spurs education;
- develop strategies to ensure the district's processes and programs are continually assessed and improved;
- understand the links between the district's functional areas and determine ways to provide a seamless system of services;
- 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 there is a business in the Yellow Pages that can do the job better and at a lower cost.

Finally, Comptroller Rylander has opened her door to Texans who share her optimism about TSPR's potential. Suggestions to improve school reviews are welcome at any time. The Comptroller is a staunch believer in public education and accountability.

Detailed information can be obtained from TSPR by visiting the Comptroller's Web site at <www.window.state.tx.us> or by calling: 1-800-531-5441, extension 53676.

TSPR in Hamilton

As in previous reviews, TSPR visited Hamilton in response to a local call for assistance. In April 1997 and again in August 1997, the Board of Trustees and former Superintendent James O. Whitehead, along with many members of the Hamilton community, requested a performance review. TSPR began the Hamilton Independent School District (HISD) review in February 1998.

HISD presented a unique challenge for the TSPR team, which had not reviewed a district with a student population of less than 1,000 since its

initial 1991 pilot project. The majority of districts reviewed by TSPR have fallen in the moderate-to-large range, including six of the state's largest districts: Houston, Dallas, Austin, San Antonio, Ysleta in El Paso, and Corpus Christi.

TSPR's follow-up discussions with three smaller districts reviewed during its initial pilot project--the San Saba, Cherokee, and Richland Springs Independent School Districts--indicated that the review process was not sufficiently sensitive to smaller districts' needs. These districts' staff said they were overwhelmed by requests for data they did not have. Some recommendations stemming from those reviews proved unworkable because the districts simply did not have the resources that larger districts have.

HISD officials requested a review and expressed their willingness to work with TSPR to modify its review process to meet a smaller district's needs. Months in advance of the review, TSPR gave the district a preliminary list of data the review team would need so the district could compile basic documentation at a less demanding pace. In contracting for consulting services, the Comptroller asked potential consultants to present a workplan reflecting a sensitivity to a smaller district's needs. TSPR chose a consulting firm based on its experience with smaller districts and the quality of its workplan.

With the help of WCL Enterprises, a Houston-based consulting firm, TSPR interviewed district employees, school board members, students, parents, business leaders, and representatives from community organizations to find workable recommendations appropriate to a district of HISD's size.

To obtain comments from community residents, TSPR held an open forum in HISD's cafeteria on February 19, 1998 and conducted numerous focus groups that yielded valuable comments from community, civic and business leaders, and parents. The review team collected letters to the Comptroller and calls to a toll-free hotline and conducted a number of one-on-one interviews.

TSPR sent surveys to teachers, principals, central and school administrators, other district employees, junior and senior high school students, and a random sample of 150 parents. Fifty-eight parents, 37 students, 39 teachers, two principals, two central school administrators, and 49 other employees responded to the surveys.

During 1997-98, HISD's 120 employees, including 70 teachers and a variety of administrators and support workers, served approximately 900

students. Today, the district's enrollment is 927 with a staff of 139. The district's annual operating budget for 1999-2000 has reached \$6.2 million.

Numerous changes have occurred in Hamilton ISD since the 1998 review. The former superintendent, James Whitehead, who had been in Hamilton for nine years before accepting a position in Kemp ISD, resigned at the end of May 1997. HISD named Joe Phariss interim superintendent, and he served until September 1, 1998, when the HISD board hired a new superintendent, Gene Sheets.

In short, TSPR found a school district tackling some challenges in various operational areas. The district needed to hire a superintendent, implement a long-range strategic plan, and prepare to build a new high school. TSPR developed 46 recommendations during its five-month review, which ended in July 1998. In addition, the review team found many exemplary practices that could be duplicated in other school districts across the state.

Summary of Savings

TSPR's Projected Savings	Total Savings Projected by TSPR	HISD's Actual Savings	Difference
Annual Net Savings to Date	\$34,765	\$995,620	\$960,855
TOTAL SAVINGS PROJECTED FOR 1998-2003	\$194,954	\$1,515,964	\$1,321,010

Hamilton ISD Report Card

Chapter	Total	Complete	In Progress	Not Implemented	Rejected	Percent Complete/ In Progress	Grades
District Organization and Management	10	9	1			90%/10%	Excellent
Educational Service Delivery and Performance Measures	12	10	1		1	83%/8%	Excellent
Financial Management	12	5	1	5	1	42%/8%	Needs Work
Operations	12	7	3	1	1	58%/25%	Satisfactory
Overall Grade	46	31	6	6	3	67%/13%	Satisfactory

Excellent = More than 80% complete

Satisfactory = 80% to 100% complete or in progress

Needs Work = Less than 80% complete or in progress

Exemplary Programs and Practices

TSPR identified a number of exemplary programs in HISD, which were highlighted in the original report and are mentioned here with more information about HISD's additional improvements. TSPR encourages other school districts to examine these programs and services to determine if they can be adapted to meet their local needs.

- HISD's students score higher on the Texas Assessment of Academic Skills (TAAS), national college entrance exams, and advanced placement tests than the regional or state averages.

HISD's 1998-99 TAAS scores continued to improve. Teachers have been working collaboratively, sharing responsibility for student success at all levels. Another factor contributing to student performance is the use of the class-size reduction grant that helped lower the student to teacher ratio in classrooms.

- Teacher turnover rates in the Hamilton ISD were only 2.6 percent in 1996-97, the lowest of its peer districts and well below the regional average of 14.1 percent and the state average of 12.6 percent. Teachers told the review team they appreciate the high level of community involvement and the advantages of teaching in a small district.

Teaching continues to be a respected and appreciated position in the Hamilton community. Although the teacher turnover rate was 6.2 percent in 1998-99, this rate continues to be well below the regional and state average. Excellent communication between HISD's administrators, staff, and community, contribute to this low rate. In addition, HISD pays \$1,000 above state base rate, which exceeds most of the neighboring districts.

- HISD shares facilities to reduce staffing costs. Through its shared facilities, only one librarian, one nurse, and one technology aide are necessary in the district, and teachers at the elementary level also teach one or more units at the junior high level, reducing the need for additional full-time teachers.

Shared positions and facilities continue to allow the district to operate efficiently. Anticipating the opening of the new high

school, the district's administrators are meeting regularly to plan for and achieve the same kinds of efficiencies.

- HISD has an excellent relationship with the local community, based on regular communication through the local newspaper, radio station, and a new Internet site. The teamwork exhibited between the district and community in passing the bond issue is an excellent example of involving the community in critical decision-making processes.

Hamilton ISD continues to enjoy support from the community and has enhanced that relationship with a new "Bulldog Backers" program for senior citizens. The program has been extended to parents, and grandparents that are 55 years or older. The Bulldog Backer Cards are also used as tokens of appreciation given to Site Base Committee members who are parents, community members, or businessmen. Hamilton ISD has recognized nearly 300 bulldog backers in the community.

- Central Texas College (CTC) offers a number of off-campus courses at HISD. CTC and HISD have purchased and now jointly use computers, and CTC employs HISD staff and teachers to teach courses. This collaboration benefits the district and makes higher education available and affordable to the citizens of Hamilton.

HISD's relationship with CTC continues to be strong. The district is offering night classes for college or adult continuing education credits and has used CTC as a collaborative partner in several grant projects approved by the Texas Education Agency (TEA). When the new high school opens, the district will be exploring additional opportunities for cooperative educational efforts.

- HISD's extracurricular programs provide students a wide array of activities. In addition to producing many championships and awards, the programs teach teamwork and instill pride in the students and the schools. The band program, for example, has become a model for other districts in the state.

As a result of two TSPR recommendations, information about the academic performance of students who participate in these programs is being tracked, and for the first time, community and board members can see the benefits realized from these extracurricular programs.

- HISD's detailed five-year technology plan and the aggressive manner in which grants and other funding are pursued provides a

model of planning, implementation, and resourcefulness for other districts in the state.

Since the technology coordinator has been relieved of teaching assignments, a more aggressive search for grants has been undertaken, which has produced approximately \$1 million in additional grants. In addition, HISD is the fiscal agent for a Technology in Education (TIE) Grant Consortium that involves two of the smaller adjacent school districts. One initiative of the TIE consortium was to initiate a Region 12 pilot program for long distance learning classes within the three school districts using the education regional service center's EDLINK 12 telecommunication network.

- For 1997-98, HISD rebid its employee health insurance coverage. The result was improved benefits at a reduced rate for HISD employees. Participation increased from 30 employees in 1996-97 to more than 90 under the new plan.

Employee health insurance coverage continues to be provided at reasonable rates, and participation is high.

- The district timed its \$5.5 million bond issue for a new high school to coincide with a new federal exemption that will allow HISD to earn additional interest on the bond proceeds until the funds are actually used for construction.

These additional interest earnings from bonds in excess of \$300,000 have benefited the district during the construction of the new high school.

TSPR Key Recommendations

District Organization and Management

#1 Establish clear and measurable expectations to hire and evaluate the superintendent.

According to administrators and board members, this recommendation put the board, and district staff on the same page concerning the need for clear goals and objectives. The district surveyed teachers to identify their expectations of a superintendent and incorporated their input into the criteria for hiring and evaluating the superintendent. The district has decided to evaluate the new superintendent quarterly to ensure he is assessing the district's needs accurately and making progress toward achieving the district's goals. In addition, board members said this recommendation has significantly improved communications among the board, the district and the community.

#4 Establish a five-year plan that ties annual district priorities to the budget.

HISD representatives from all staff levels were involved in implementing this recommendation. District officials believe their implementation of this recommendation has been a real success—a joint effort in which everyone has been involved in identifying critical issues for the district and have developed a two-to three-year plan with goals and strategies to accomplish those goals. The plan when completed will tie its budget to strategies.

#10 Develop a formal program for senior citizens.

This recommendation has created some excitement and a "win-win" situation for both HISD's community of senior citizens and the school district. The district has issued a "Bulldog Backer" card to all community adults 55 and older. The card gives free admission to any extracurricular HISD activity. Seniors are reportedly proud to be included in school-sponsored events, and district officials hope to convey the message that this group of citizens is of value and necessary in the education of HISD's children. As of September 1, 1999, the district has issued approximately 300 cards.

Educational Service Delivery and Performance Measures

#11 Add a full-time assistant principal at the elementary /junior high school level.

The district took this recommendation one step further by adding a full-time elementary school principal. As a result, HISD has been able to dedicate more time to student performance at both the elementary and junior high school. Moreover, since the new principal's arrival, less time has been spent on student discipline and more time on interacting with students one on one and with the community through a monthly newspaper column that informs the public on school events occurring in the district. The new principal also has brought expertise in curriculum development and TAAS programs to the district. .

#13 Evaluate the curriculum during the summer and recommend modifications to the superintendent prior to the 1999-2000 school year.

District officials report their implementation of this recommendation is helping them to achieve an "exemplary" academic rating. In 1999-2000, the district's teachers trained on student and content expectations. Teachers used the AEIS-It software program from the Regional Education Service Center 12 to analyze TAAS scores and identify students' strengths and weaknesses in each subject area by grade level. Based on this analysis, teachers developed skill sets by subject area that should be taught at each grade level. Additionally, HISD took the analysis of these scores and offered remedial tutorials to students needing additional help.

#17 Establish the technology coordinator position as a full-time administrative position.

Freeing up the technology coordinator from teaching classes has allowed the district not only to focus on overall technology planning, but to concentrate on grant writing and planning. As a result, the district was able to raise almost \$1 million in grants in 1998-99 and expects to gain an additional \$500,000 over the next five years. The technology coordinator can now meet each week with other administrators and is available to teachers for technical assistance and training.

Financial Management

#23 Establish accounting reports that detail budgets and expenditures by key program areas.

Campus administrators now are better able to monitor their departmental expenditures and are more accountable for their budgets, but the process was not implemented without effort. The district had to create budget codes for each grade, program and department. Administrators told TSPR, however, the process has given everyone an opportunity to buy in to their own budgets and helped eliminate duplicative purchases.

#24 Require the auditors to provide adjusting entries at the time they complete their site work.

By requiring the auditors to provide adjusting entries at the time they complete their site work, the finance manager now can set up the budget with separate accounts for each new year more efficiently. The district now can produce its Public Education Information Management System (PEIMS) reports in a timely manner.

#26 Establish a formal budget calendar.

A formal budget calendar, which was used for the first time in 1998-99, has improved coordination among the board, administration, and all district staff and has increased the district's ability to hold employees accountable. Additionally, the implementation of this recommendation has not only saved district's staff preparation time but also has enhanced understanding of the budget process for everyone involved.

Operations

#39 Increase participation in the breakfast and lunch programs.

The district has made an effort to increase participation in both the breakfast and lunch programs and has successfully identified an additional 28 students for the free and reduced lunch program. As a result, the district will receive an additional \$19,527 in Compensatory Education funds from the state for at-risk students and \$9,632 for new breakfast/lunch participation. Due to safety and management issues, the district adopted a closed campus rule which also increased lunch participation.

#45 Update the discipline management plan at both schools and communicate the key elements of the plan to parents and teachers.

A new districtwide management plan has been successfully implemented as a result of this recommendation. The student code of conduct, student handbook, and discipline management plan are now consistent through out the district. A five-level discipline format has been established to deal with behavior problems. As a result of staff and student training, students, parents, and administrators are aware of the rules and their consistent enforcement.

What Still Needs to Be Done

HISD's new superintendent and his administrative team have embraced many of the changes recommended by TSPR. They have completed 31 of the recommendations and are in the process of implementing six more. However, work still remains to be done. A discussion follows of those areas, that the TSPR team believes still need improvement, especially in light of the current business manager's retirement.

Financial Policies and Procedures.

Well-documented policies and procedures help staff perform their day-to-day duties and provide the basis for training and cross-training, both of which are critical for smaller districts with limited personnel. This need is particularly critical for HISD, because the business manager announced his intention to retire at the end of the 1999-2000 school year. In the absence of formally documented procedures, the business manager's institutional knowledge of the district's day-to-day financial operations, purchasing, budgeting, payroll, insurance, and investments cannot be passed to the new business manager in an orderly fashion. At present, the majority of HISD's financial procedures are not documented. It is absolutely critical for the district to immediately document its finance-related processes.

HISD's business manager has served as the purchasing agent for the district and makes informal decisions, such as determining the appropriateness of the vendor, identifying the lowest bidder and the availability of funds in the budget. TSPR recommended HISD gather sample purchasing manuals from the Regional Education Service Center and other districts and develop a comprehensive purchasing manual for the district. While the district has not yet implemented this recommendation, the new superintendent recognizes the importance of documented procedures and has directed the business manager to make it a top priority.

Administrative Technology

Sound financial decisions and controls depend on accurate and timely financial information. Five of 12 finance-related recommendations are not implemented, and three of those are technology-related. And, the only recommendation in the Operations Chapter not implemented involves technology. For example, TSPR recommended the district use the payroll module of its computerized RSCCC system for its budgeting and payroll functions. The district has not made this item a priority and continues to prepare payroll budgets manually. The district has not implemented these

recommendations, claiming current manual processes are more dependable, but the proposals continue to be a "goal" of the district.

TSPR recommended the district purchase a software program that would enable the staff to record and report quickly on students' school meal participation. Since the district has extensive technology and cabling installed, the issue is not one of capability. HISD, however, continues to track student meal participation manually.

TSPR staff believes the district should re-evaluate its financial operations and take full advantage of the technology that is already in place at HISD.

HISD's Ideas for Improving the TSPR Review Process

The Texas School Performance Review (TSPR) team does not assume that its process for performing school reviews works so well that it cannot be improved. This was especially true for the review of Hamilton because it was one of the first small district reviews undertaken since the pilot studies in 1991. As part of the progress report preparation, TSPR staff asked Hamilton board members and administration what went right and what went wrong and how TSPR could do better.

The feedback TSPR has received from other districts has led to the improvement of the review process. For example, early reports did not include implementation strategies, and districts told TSPR they needed help implementing the recommendations. As a result, the reports now include implementation strategies and timelines to complete these strategies. District officials have told TSPR these blueprints are invaluable for achieving the desired results.

HISD officials said the report generated an awareness among district officials of areas in which the district was falling short and needed improvement. In addition, they agreed that all 46 recommendations in the report were pertinent and needed to be addressed. District officials believed the report was complimentary and a realistic and positive depiction of how a small district operates and the report recognized the good things the district was doing.

The new superintendent noted the performance review was a good launching point for him. The report gave him an understanding of the district's priorities and problems. Consequently, he used the report as a tool to prioritize issues that needed to be solved first. Along the same lines, the newly hired elementary principal said she used the report to prepare herself for the job interview, because it provided not only background on the district, but the current issues facing HISD.

Many of the district's stakeholders told TSPR the report also had opened up lines of communication among the administration, staff, board, and the community.

HISD administrators and board members not only praised the TSPR process, but also offered helpful suggestions to improve future school district reviews. The following is a list of concerns and suggested improvements that HISD shared with the Comptroller's team.

- While the administration thought the consulting team members were knowledgeable in their particular areas of the review and conducted themselves in a manner that put the district at ease, they also felt that at times the consultants placed heavy demands on staff time when different team members requested the same data several times. This duplication was particularly troubling in a small district where one or two people were being called upon for most requests. Some administrators felt the review team did not understand that small districts are not quite as specialized as larger districts and have limited administrative staff. TSPR will work diligently to be sure there is more coordination between consultant team members, TSPR staff, and the district to reduce duplicative requests.
- One HISD administrator said that some of the savings and cost estimates were not always realistic. TSPR takes savings and cost estimates seriously. Every attempt is made to keep estimates conservative both by assuming highest reasonable costs and lowest revenues. The district's implementation strategy may affect final results for any one recommendation, but all estimates should be reasonable and attainable. TSPR will make even greater attempts to keep both costs and savings estimates realistic and conservative in the future.

Pull Quotes

Comptroller Rylander wants to give local school officials the ability to move more of every education dollar directly into the class-room where it belongs.

HISD officials requested a review and expressed their willingness to work with TSPR to modify its review process to meet a smaller district's needs.

Teaching continues to be a respected and appreciated position in the Hamilton community.

The "Bulldog Backer" card gives free admission to any extracurricular HISD activity.

Campus administrators now are better able to monitor their departmental expenditures.

The new superintendent recognizes the importance of documented procedures and has directed the business manager to make it a top priority.

The report gave the new superintendent an understanding of the district's priorities and problems.

Appendix A - Status of Recommendations and Savings

Rec #	General Recommendation	Implementation Status	TSPR's Projected Five-Year Savings (Costs)	Actual Savings (Costs) To Date	HISD's Projected Five-Year Savings (Costs)	Comments
CHAPTER 1: DISTRICT ORGANIZATION AND MANAGEMENT						
1	Establish clear and measurable expectations to hire and evaluate the superintendent. (p. 26)	Complete	\$0	\$0	\$0	HISD developed measurable expectations and criteria for hiring a superintendent with input from teachers, administrators, and the board. In addition, using the Texas Association of School Board (TASB) evaluation instrument as a model, the district developed an evaluation instrument of its own to evaluate the superintendent quarterly.

2	Establish an annual calendar of key meeting dates and subjects and consolidate and shorten board meetings. (p. 28)	Complete	\$0	\$0	\$0	HISD established a calendar of key topics to be addressed at each board meeting, making board meetings shorter. Additionally, several days before the board meetings, trustees are given summaries of agenda items with the superintendent's recommendations for board action. This summary information keeps trustees better informed and allows them to vote on action items during the meeting.
3	Meet with RESC XII representatives to design board training that meets the needs of HISD board members. (p. 29)	Complete	\$0	\$0	\$0	The district modified this recommendation. The board met with TASB as well as the Region Education Service Center (RESC) 12 to discuss its yearly training sessions. After evaluating RESC 12's offerings, the board preferred TASB's training system.

4	Establish a five-year plan that ties annual district priorities to the budget. (p. 31)	Complete	\$0	\$0	\$0	<p>This recommendation was modified by the district. In August 1998 and again in June 1999, the board held retreats for the trustees and superintendent facilitated by TASB. TASB representatives helped HISD identify critical issues facing the district in the next two-to-three years. Building upon these issues, the district's Site-Based Decision Making (SBDM) Committee developed goals and a two to three year plan with specific strategies to accomplish those goals. At this point, the district does not link the budget detail to its strategies, but amounts are budgeted for each program area.</p>
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5	Develop and implement a set of management guidelines or standard operating procedures for key policy areas, and train all staff in their application. (p. 36)	In Progress	\$0	\$0	\$0	The district has updated its employee handbook, student handbook, and established a budget calendar. The district is working on a policy and procedures manual that will be completed by the end of 1999-2000.
6	Include all program managers in the review of PEIMS data prior to submission to the Texas Education Agency. (p. 37)	Complete	\$0	\$0	\$0	All key administrators, principals, and department heads now review Public Education Information Management System (PEIMS) data. This method has created a better system of checks and balances for reporting PEIMS data. In addition, HISD hired a PEIMS clerk who has extensive experience with education data.

7	Clearly define the levels of authority associated with each level in the SBDM process, and communicate this new policy to all HISD staff. (p. 39)	Complete	\$0	\$0	\$0	The board has a policy in place concerning the SBDM committees' authority. The superintendent discussed the policy with all committee members and clarified their roles and the authority of the committees. The SBDM committees will review their operating procedures periodically and update them as needed.
8	Review the TARS research and its applicability to HISD and develop staffing and funding allocations in the budget process that are reviewed annually. (p. 44)	Complete	\$0	\$14,950	\$74,750	HISD has informally reviewed staffing at other districts similar in size to Hamilton. Consequently, the district has shifted a few teachers and added four new positions. Because of successful grant writing, consolidation of positions, and attrition, the district made these changes and still saved some money.

9	Develop an approach for open, two-way communication with the community on a regular, planned basis. (p. 51)	Complete	\$0	\$0	\$0	The high school principal meets weekly with Kiwanis, while the superintendent is meeting monthly with a group of volunteers who represent different organizations. The elementary school principal writes a monthly column for the local newspaper on school events.
10	Develop a formal program for senior citizens (p. 52)	Complete	\$0	\$0	\$0	The district issues "Bulldog Backer Cards" to citizens 55 and older, allowing them free admission to all HISD events. As of September 1, 1999, the district has issued approximately 300 cards. District officials believe this is just a beginning to involve the senior community members in the school district.
Totals-Chapter 1			\$0	\$14,950	\$74,750	
Total All Chapters			\$194,954	\$995,620	\$1,515,964	

Appendix A - Status of Recommendations and Savings

Rec #	General Recommendation	Implementation Status	TSPR's Projected Five-Year Savings (Costs)	Actual Savings (Costs) To Date	HISD's Projected Five-Year Savings (Costs)	Comments
Chapter 2: Educational Service Delivery and Performance Measures						
11	Add a full-time assistant principal at the elementary/junior high school level. (p. 80)	Complete	(\$201,250)	(\$28,510)	(\$195,500)	HISD hired an elementary principal on July 1, 1999. This decision freed the current junior high school principal to direct more attention to student performance, discipline, curriculum, and staff development.
12	Develop structured staff development offerings that directly support district goals and objectives. (p. 82)	Complete	\$0	\$0	\$0	The SBDM committee developed a staff development plan supporting the district's goals, and the board approved the plan. The teachers were given the opportunity to design and schedule staff development and be part of the process.
13	Evaluate the	Complete	(\$46,400)	\$0	\$0	The district gave

	<p>curriculum during the summer and recommend modifications to the superintendent prior to the 1999-2000 school year. (p. 85)</p>					<p>teachers a day and a half during a teacher in-service period to work on vertical teaming for the 1999-2000 school year. By using the Academic Excellence Indicator System software-AEIS-It, teachers reviewed TAAS scores and identified students' strengths and weaknesses at each grade level. Based on this analysis, teachers developed skill sets by subject area that should be mastered by students at each grade level. Savings from the district's supply budget was used to pay for this training.</p>
14	<p>Link the athletic program directly to HISD goals and objectives and report regularly on progress made toward meeting these goals. (p. 88)</p>	Complete	\$0	\$0	\$0	<p>The district prepared a report for the board showing the total number of students involved in curricular and extracurricular activities and their passing or failing rates in each area. The</p>

						high school principal is considering including this information in the monthly letter to parents. District officials felt that this recommendation has been helpful because it keeps teachers, the board, and the community involved in what happens to students.
15	Link the UIL academic program directly to HISD goals and objectives and report regularly on progress made toward meeting these goals. (p. 89)	Complete	\$0	\$0	\$0	HISD has developed a policy for extracurricular issues. The UIL academic programs also produced a report that is similar to the one specified in Recommendation #14.
16	Develop a K-12 technology curriculum. (p. 93)	Complete	\$0	\$0	\$0	Much of the technology curriculum has been developed, but work is continuing. HISD, along with two other small districts, created the Technology In Education (TIE) long-distance consortium. Under this

						project, all three districts offer classes and make them available to the other consortium members. In addition, the districts trained their instructional staff on integrating technology into curriculum.
17	Establish the technology coordinator position as a full-time administrative position. (p. 94)	Complete	\$0	\$962,328	\$1,462,328	The technology coordinator was relieved of classroom responsibilities and given a full-time administrative position. The technology coordinator has more time for grant writing. As a result, the district has increased its revenues with additional technology grants which included the E-rate, GOALS 2000 and TIE grants.
18	Review the instructional settings of each special education student to determine the least restrictive environment for	Complete	\$48,800	\$0	\$0	The district has reviewed the instructional settings of each special education student and has determined the least restrictive

	the delivery of services and arrange for the most effective use of the inclusion teacher and aid. (p. 98)					environment of each student within the guidelines of the Hamilton area Special Education Coop. This review is ongoing and occurs at least once each summer to meet students' needs while including these students in regular classroom settings as much as possible.
19	Develop special education staffing guidelines for member districts. (p. 100)	Rejected	\$0	\$0	\$0	The director of the Hamilton area Special Education Coop contacted other districts and RESC 12 and found that HISD is maintaining better student-teacher ratios for its special education classes than other districts. In addition, the district is open to add special education staff when needed. HISD officials do not see a benefit in developing staffing guidelines for these students.

20	Bill Medicaid for SHARS services provided to Medicaid-eligible special education students and contract for claims processing. (p. 102)	Complete	\$197,830	\$0	\$120,000	As of October 1999, the Hamilton Area Special Education Coop, contracted with TASB to administer the School Health and Related Services (SHARS), program. The program allows school districts to enroll as Medicaid providers and apply for Medicaid reimbursement for services they provide to children with disabilities. In addition to helping determine the eligibility of special education students for Medicaid, TASB staff trained HISD's support staff to handle documentation and billing. TASB guaranteed the district approximately \$30,000 per year from this program.
21	Evaluate the clustering of all	Complete	\$0	\$0	\$0	HISD experimented

	<p>gifted and talented students at a grade level in the same regular classroom and including transfer students and existing talent pool students in the same classroom. (p. 104)</p>					<p>with clustering gifted and talented elementary students, but it did not turn out to be a good classroom management technique for this group of children. The district is considering grouping these students within a specific program to see if this method works better than putting them all in the same regular classroom. This evaluation will be ongoing, and adjustments will be made to best meet the needs of the children in the program.</p>
22	<p>Explore opportunities to expand the CATE program through cooperative arrangements with CTC to include CORD, area districts, and local businesses. (p. 108)</p>	In Progress	\$0	\$0	\$0	<p>The district's new high school principal and the technology coordinator are researching and evaluating opportunities to expand the Career And Technology Education (CATE) program for the 2000-2001 school</p>

						year. The new high school facility will have a separate vocational building with additional space for expanding the curriculum and providing additional opportunities for technology students.
Totals-Chapter 2			(\$1,020)	\$933,818	\$1,386,828	
Total All Chapters			\$194,954	\$995,620	\$1,515,964	

Appendix A - Status of Recommendations and Savings

Rec #	General Recommendation	Implementation Status	TSPR's Projected Five-Year Savings (Costs)	Actual Savings (Costs) To Date	HISD's Projected Five-Year Savings (Costs)	Comments
Chapter 3: Financial Management						
23	Establish accounting reports that detail budgets and expenditures by key program areas. (p. 118)	Complete	\$0	\$0	\$0	Starting with the 1998-99 budget, the district created new accounting codes. These new codes now enable the district to generate budget and expenditure reports for each grade by level for PK-5, by program area for grades 6 to 8, and by department for grades 9 to 12. The reports have not only helped principals and department heads monitor expenditures in their areas, but also helped them realize where budget savings could be found.
24	Require the auditors to provide adjusting	Complete	\$0	\$0	\$0	HISD now requires external auditors to

	entries at the time they complete their site-work. (p. 119)					provide adjusted entries at the completion of the audit. For the 1997-1998 school year, this change helped the district correct its fund balances and submit that information for board approval in December 1998. In addition, the district was able to submit information to the Public Education Information Management System (PEIMS) in a timely manner.
25	Reduce the number of in-house checks by preparing computer checks on a weekly basis. (p. 121)	Not Implemented	\$0	\$0	\$0	The number of in-house checks have increased, and the district is considering producing computer-generated checks twice a month. This procedure will get checks out in a more timely manner. The district plans to implement this recommendation by the end of 1999-2000 school year.

26	Establish a formal budget calendar. (p. 124)	Complete	\$0	\$0	\$0	The board and the superintendent established a formal budget calendar beginning with the 1998-99 budget year. Together, the superintendent and the board established dates for budget workshops to review budget information. The budget calendar has not only saved the district and staff preparation time but has also helped develop a full understanding of the budget process as well as produce a budget in a timely manner.
27	Set the budget for the entire school year and eliminate dual codes for purchases. (p. 125)	Rejected	\$0	\$0	\$0	The district rejected this recommendation because it felt that the two line items are used as a management tool to prevent principals from overspending their budgets. The district's business manager also stated that

						starting in fiscal 2001, this problem will be automatically solved because legislation passed in 1999 allowed school districts to choose the fiscal year from July through June instead of August to July. This system will help teachers order supplies in the summer from the new fiscal year's budget. The current "two line item" system the district uses will no longer be needed.
28	Use all the payroll budgeting capabilities of the RSCCC system. (p. 126)	Not Implemented	\$0	\$0	\$0	This recommendation has not been undertaken, but the administrators say it remains a goal and will be a priority for the new business manager who will be hired in the spring of 2000.
29	Cross-train the office aide and at least one other person to perform all payroll functions. (p. 127)	Complete	\$0	\$0	\$0	The business manager trained the division's bookkeeper in payroll procedures and is planning to

						train the PEIMS clerk as well. In the absence of the business manager, the bookkeeper can perform payroll functions with little assistance from Regional Education Service Center personnel.
30	Enter all employee leave information into the RSCCC payroll module and update on a monthly basis. (p. 128)	Not Implemented	\$0	\$0	\$0	Although HISD has not yet implemented this recommendation, district officials believe posting all employee leave balances to the payroll will help track leave balances. The district plans to accomplish this task before the end of 2000-2001 school year.
31	Develop a comprehensive purchasing manual. (p. 131)	Not Implemented	\$0	\$0	\$0	The superintendent has directed the business manager to develop a purchasing manual and start documenting current procedures. The business manager plans to have a draft purchasing manual completed before

						the end of 1999-2000 school year.
32	Prepare lists of specific items for which HISD wants to receive bids and prepare a catalog with the selected vendor for use by district personnel. (p. 133)	Not Implemented	\$0	\$0	\$0	This remains a goal for the district. The business manager plans to prepare a catalog with vendor names and a list of items for which the district would like to receive bids before the end of 1999-2000 school year.
33	Forecast cash flow needs on a regular basis and select investments in accordance with cash needs. (p. 138)	Complete	\$30,000	\$6,500	\$32,000	The district now prepares cash flow forecasts and maintains smaller cash balances in its checking accounts. As a result, HISD has been able to move more dollars to TEXPOOL and has increased its investment income. The district estimates that it can invest an additional \$20,000 per month.
34	Use the upgraded fixed asset system to take advantage of the direct link between purchase orders and fixed	In Progress	\$0	\$0	\$0	HISD has upgraded its fixed asset system and is moving data into the new system.

	assets. (p. 140)					The district expects this project to be completed by the end of 1999-2000 school year.
Totals-Chapter 3			\$30,000	\$6,500	\$32,000	
Total All Chapters			\$194,954	\$995,620	\$1,515,964	

Appendix A - Status of Recommendations and Savings

Rec #	General Recommendation	Implementation Status	TSPR's Projected Five-Year Savings (Costs)	Actual Savings (Costs) To Date	HISD's Projected Five-Year Savings (Costs)	Comments
Chapter 4: Operations						
35	Prepare a project management plan that assigns responsibilities to HISD and contract personnel to govern development of the new facility. (p. 147)	Complete	\$0	\$0	\$0	The board appointed the superintendent as project manager for the high school construction project. As project manager, the superintendent developed a timeline for the completion of the project and assigned each member of the administrative team an area of responsibility. The new facility will be open for the 2000-2001 school year.
36	Construct a model of the new high school and identify the most effective use of personnel, facilities, and services. (p. 149)	Complete	\$0	\$0	\$0	In their weekly meetings, the district administrators have developed a model (on paper) of the new facilities, identifying

						stations for departments, classrooms, personnel, furnishings, technology and other items. The superintendent said some efficiencies have been identified. Administrators continue to look at the personnel, equipment and service needs of the new facility.
37	Redesign custodial cleaning areas of responsibility using industry standards, hire an additional custodian, and shift some custodial work schedules to hours when school is not in session. (p. 154)	Complete	(\$86,670)	(\$28,807)	(\$96,025)	HISD hired a new custodian and is attempting to move another custodian to the evening shift. The district has two custodians working in the evening, and one of them doubles as a security guard. The district continues to use industry standards to evaluate custodial staffing patterns.
38	Establish a more formal recycling program for all eligible items. (p. 160)	In Progress	\$0	\$0	\$0	The district is now participating in an ink cartridge recycling program and is working with

						the recycling center to establish a more formal program that is expected to be in place by the end of the 1999-2000 school year. The district also is working with a local recycling plant to submit a grant proposal.
39	Increase participation in the breakfast and lunch programs. (p. 162)	Complete	\$97,240	\$29,159	\$145,795	In 1998-99 due to student safety and management issues, the district adopted a closed campus rule for the high school. This change has increased lunch participation. In addition, HISD identified 28 more students for the free and reduced lunch program, which will bring additional federal revenue to the district. In addition, HISD adjusted the time for the high school breakfast period, which in turn helped increase participation in the breakfast program.

40	Automate the system of recording meal participation. (p. 163)	Not Implemented	(\$17,096)	\$0	(\$15,000)	The superintendent has directed the middle school principal to review the feasibility of an automated system for recording meal participation.
41	Transfer responsibility for collecting meal payments and prepayments to either the school office, the business office, or the superintendent's office. (p. 164)	Rejected	\$0	\$0	\$0	HISD decided that because of its size, collecting meal payments works best in the cafeteria, with the lunch room personnel continuing to perform this task.
42	Expand the role of the site-based decision-making committees to include campus safety. (p. 166)	Complete	\$0	\$0	\$0	The district expanded the role of each SBDM committee to include safety issues. The high school principal prepares a monthly report on safety, which has become part of the Campus Improvement Plan. The district is still working on a crisis management plan.
43	Monitor access in and out of the	In Progress	\$0	\$0	\$0	Due to the location of

	school and restrict access during the day to one primary entrance that is clearly marked. (p. 167)					HISD building, it is difficult for the district to keep all doors locked at all times. The district now locks some outside doors and requires visitors to sign in and use visitor badges. SBDM committees are evaluating this recommendation to come up with best procedures.
44	Establish a two-way communication system in classrooms. (p. 168)	In Progress	(\$31,000)	\$0	(\$54,384)	HISD is researching new technology to give the district a two-way communication system in classrooms. The district would use its existing wiring to connect classrooms and reduce costs. If this concept proves feasible, E-rate grant money will pay 74 percent of the new hardware's cost.
45	Update the discipline management plan at both schools and communicate the key elements	Complete	\$0	\$0	\$0	The student code of conduct and the discipline management plan have been

	of the plan to parents and teachers. (p. 170)					re-evaluated and a five-level discipline format established. All discipline management policies are now consistent throughout the district and have been reviewed by each campus and the district SBDM committee. In addition, teachers used class time to train students on the new discipline plan.
46	Establish a regular bus procurement program to replace buses every 12 years. (p. 176)	Complete	\$203,500	\$40,000	\$42,000	HISD adopted a 12-year bus replacement cycle. The district postponed buying a bus during the 1998-1999 school year and is planning to sell three unusable buses for approximately \$2,000. In 1999-2000, HISD chose to purchase two used 15-passenger vans instead of a bus. These vehicles will allow smaller groups

						to travel more economically.
Totals-Chapter 4			\$165,974	\$40,352	\$22,386	
Total All Chapters			\$194,954	\$995,620	\$1,515,964	