

February 13, 2003

The Honorable Rick Perry, Governor
The Honorable David Dewhurst, Lieutenant Governor
The Honorable Thomas R. Craddick, Speaker of the House
Commissioner Felipe T. Alanis, Ph.D.

Fellow Texans:

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

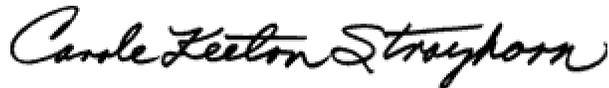
In August 2001, I released the results of my review of the district's operations. This review offered 33 recommendations that could save FCISD taxpayers more than \$312,000 by 2005-06. Cumulative net savings from all recommendations (savings less recommended investments) were projected to reach more than \$291,000 by 2005-06. The review also noted a number of FCISD's exemplary programs and model services provided by district administrators, teachers, and staff.

After a little more than one year, we returned to check on how well the district's leadership put these proposals into practice. Over the last year, FCISD has implemented, or is in the process of implementing 28 of the proposals, or 85 percent. The district has invested a net of \$150 to date but expects savings to reach more than \$24,000 over five years.

This report is available on my Web site at www.window.state.tx.us/tspr/fallscitypr/.

Thanks for all that you do for Texas.

Sincerely,



Carole Keeton Strayhorn
Texas Comptroller

c: Senate Committee on Education
House Committee on Public Education
The Honorable Gabi Canales, State Representative, District 35
The Honorable Judith Zafirini, State Senator, District 21

FALLS CITY INDEPENDENT SCHOOL DISTRICT PROGRESS REPORT

Introduction

In August 2001, Texas Comptroller Carole Keeton Strayhorn completed a review of the Falls City Independent School District (FCISD) as part of a four-district project that also included reviews of the neighboring Karnes City, Kenedy and Runge school districts. These four districts are located geographically near each other in Karnes County. During November 2002, TSPR staff returned to assess the district's progress in implementing the recommendations.

Since 1991, TSPR has recommended more than 7,000 ways to save taxpayers more than \$700 million over a five-year period in more than 80 different public school districts and higher education institutions throughout Texas. TSPR also conducts follow-up reviews of districts that have had at least one year to implement recommendations. These 55 subsequent reviews show that more than 90 percent of TSPR's combined proposals have been acted upon, saving taxpayers more than \$120 million, with the full savings estimated to grow in the future.

Improving the Texas School Performance Review

Comptroller Carole Keeton Strayhorn, who took office in January 1999, consulted school district officials, parents and teachers from across Texas and carefully examined past reviews and progress reports in an effort to make the Texas School Performance Review more valuable, even vital, to the state's more than 1,000 school districts. With the perspective of having served as a teacher, and later a school board president, the Comptroller has vowed to steer TSPR toward being more accountable to local school districts and the communities they represent.

Comptroller Strayhorn began by establishing new criteria for selecting school districts for future reviews. Priority will be given to districts judged poor performing academically or financially, and to hands-on reviews that will benefit the greatest number of students. To ensure that this process also serves small districts, reviews of numerous school districts in close proximity, regardless of academic or financial status, are also done to achieve some economy of scale, as was the case with the smaller districts reviewed in Karnes County.

Recognizing that only about 51 cents of every education dollar is spent on instruction, Comptroller Strayhorn's goal is to drive more of every education dollar directly into the classroom. In addition, no longer will school districts' best practices and exemplary models be left buried inside individual TSPR reports. Instead, Comptroller Strayhorn has ordered best practices and exemplary programs to be shared quickly and systematically among all the state's school districts, and with anyone who requests such information. There is simply no reason for a district that has solved a problem well to keep the solution to itself. Comptroller Strayhorn has directed TSPR to serve as an active clearinghouse of the best and brightest ideas in Texas public education. Best practices identified in the original review will be included in the Comptroller's best practices database, *A+ Ideas for Managing Schools (AIMS)*, which is accessible on the Web at www.aimsdatabase.org.

Under Comptroller Strayhorn'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 districts' processes and programs are continually assessed and improved;
- understand the links among the districts' 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 that job better and at a lower cost.

Finally, Comptroller Strayhorn 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 public accountability.

Detailed information can be obtained from TSPR by calling 1-800-531-5441 extension 5-3676, or by visiting the Comptroller's Web site at www.window.state.tx.us.

TSPR in the Falls City Independent School District

In March 2001, Texas Comptroller Carole Keeton Strayhorn began a review of the FCISD as part of a four-district project that also included reviews of the neighboring Karnes City, Kenedy and Runge school districts. In the final report issued in August 2001, three key challenges quickly surfaced-planning for the future to gain community support, eliminating unnecessary costs and using available funds more efficiently.

Based upon more than six months of work, this report identified FCISD's exemplary programs and suggested concrete ways to improve district operations. If fully implemented, the Comptroller's 33 recommendations could result in net savings of \$291,694 over the next five years.

The Comptroller contracted with International Business Machines (IBM) to assist TSPR with the review.

The team interviewed district employees, school board members, parents, business leaders and community members. It also held a public forum on Tuesday, March 20, 2002 at the Falls City School Cafeteria from 5 to 8 p.m. To obtain additional comments, the review team conducted small focus group sessions with teachers, administrators, staff, students, parents and community members. The Comptroller's office also received letters and phone calls from a wide array of parents, teachers and community members.

More than 400 surveys were mailed out and a total of 197 respondents answered surveys. Fifteen campus and central administrators and support staff, 19 teachers, 111 parents and 52 students completed written surveys. 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).

FCISD selected peer districts for comparisons based on similarities in student enrollment, student performance and community and student demographics. FCISD chose Bland, Campbell, Fruitvale, Martinsville and Moulton school districts for the comparisons. TSPR also measured FCISD against district averages in TEA's Regional Education Service Center III (Region 3) and to the state as a whole.

FCISD in Profile

Located about 50 miles southeast of San Antonio, FCISD's overall population consists of 87 percent Anglo and 12 percent Hispanic. The 2000 U.S. census reports that the ethnic mix of Karnes County as a whole includes 40 percent Hispanic, 40 percent Anglo and a mix of other ethnicities.

In 2001-02, the district reported an enrollment of 325 students, a 3.6 percent decrease from its 1996-97 enrollment of 337 students.

In 2001-02, FCISD's students consisted of 12 percent Hispanic and 88 percent Anglo with nearly 24 percent classified as economically disadvantaged.

In 2002, the TEA gave FCISD's elementary campus an *Exemplary* rating and rated the high school as *Recognized*. The district received an overall rating of *Recognized*. In addition, *Texas Monthly* gave Falls City High School a five star rating in its overall review of the state's schools. The publication compared schools with similar student bodies to assign ratings between one and five stars to Texas elementary, middle and high schools, five stars signifying one of the best schools in the state when compared with schools whose student bodies are similar, based on economics and English proficiency.

In 2001-02, 98.1 percent of all FCISD students passed the Reading portion of the Texas Assessment of Academic Skills (TAAS), 98.2 percent passed the Math portion and 100 percent passed the Writing portion. Statewide, 85.3 percent of students passed every portion of the test. In FCISD, 97.7 percent of students passed every portion of the test, surpassing the state by 12.4 percentage points.

FCISD budgeted 55.6 cents of every tax dollar on classroom instruction in 2001-02 compared to the state average of 51 cents. The district employed a staff of 51, with teachers accounting for more than 46 percent of FCISD's staff. The district expects expenditures of \$2.6 million in 2002-03 and plans to generate budgeted revenues as follows: 23 percent through local taxes, 6 percent from other local and intermediate sources, 69 percent from the state and 2 percent from the federal government.

FCISD experienced significant changes in the last year. FCISD's board extended the interim superintendent's contract through 2002-03 to assist in managing the district's new construction. The district also had a change in the high school principal's position. In 2001-02, the district adopted a \$63,503 deficit budget. During spring 2002, the administration presented a plan to the board to reduce staff in order to balance the budget. The board approved the plan, which resulted in the elimination of four teachers and one teacher aide.

In February 2002, by an 82 percent majority vote, the community approved a bond election for \$2.5 million to help finance school renovation and construction projects. FCISD will use the bond money to build a new elementary school, add other new classrooms and help renovate the high school. In August 2002, the federal government awarded the district an Instructional Facilities Allotment Grant that will help the district pay its debt service on the approved bonds.

During summer 2002, the district's renovations to the high school and main building, which had been constructed in 1938, included new air conditioning systems, electrical wiring, windows, ceiling and lighting. FCISD began construction of a vocational agriculture building, vocational homemaking facility, physical education facility and a science lab in December 2002. The district expects to complete construction by 2003-04.

The district used a \$52,000 federal Learn and Serve Grant to build a new elementary playground. Staff, parents and businesses donated the labor to complete the project.

While the district still has work to do, both FCISD managers and TSPR's team members have a sense of steady progress. The district implemented 22 of TSPR's recommendations and has six others in various stages of progress. FCISD has not addressed three recommendations and rejected two recommendations outright because the district felt they were unworkable. (See **Appendix A** for details on the status of specific recommendations.)

Falls City ISD Report Card

Chapter	Total	Complete	In Progress	Not Implemented	Rejected	Percent Complete/ In Progress	Grades
District Organization and Management	4	2	1	1	0	50%/25%	Needs Work
Educational Service Delivery and Performance Measures	7	6	1	0	0	86%/14%	Excellent
Financial Management	14	12	0	1	1	86%/0%	Excellent

Operations	8	2	4	1	1	25%/50%	Needs Work
Overall Grade	33	22	6	3	2	67%/18%	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 numerous "best practices" in FCISD. Through commendations in each chapter, the report highlights model programs, operations and services provided by FCISD 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 the following:

- ***FCISD emphasizes employee Food Service training and exceeds sanitation standards.*** Unlike many small districts, FCISD emphasizes and supports food service worker training and good sanitation. As a result, FCISD food receives high marks and many parents come and eat with their children whenever they can.

The district continues to hold high sanitary standards for its Food Service operations. In summer 2002, and again in October 2002, the Food Service director, assistant manager and cashier attended several training sessions: Food Service Records, "Getting Ready for CRE" and System Management Information (SMI) training.

- ***FCISD uses student created surveys to assess Food Services.*** Students took on a project in class to determine what other students liked and disliked about the food and the service in FCISD. Adjustments were made after the results were reviewed and students felt they had been heard.

The Food Service director stated that since the project was so successful, students and teachers will most likely repeat the process again. The director also randomly asks students for input regarding the cafeteria's responsiveness in making adjustments to menus based on student likes and dislikes. Most students are very complimentary and appreciate the cafeteria staff's efforts in trying to meet their needs.

- ***FCISD uses distance learning to enhance curriculum options.*** The district uses technology to provide advanced classes to

students that they would otherwise not have access to. Classes are delivered through Palo Alto Community College and delivered electronically to the district.

FCISD continues to provide distance-learning classes to secondary students. The district is helping other districts in the county through a community-networking grant and has considered expanding courses. It is also working with other schools in the county to establish a wireless network.

- ***FCISD uses a parent involvement coordinator to involve the community in school functions.*** FCISD uses Title I funds to pay a person to act as a liaison between the district and the community. The liaison uses letters, notes and even student handbooks to keep parents informed, schedules parent-teacher conferences, hosts school social events, creates the district calendar and many other duties. Parent and community surveys gave high ratings to FCISD's overall communication.

FCISD continues to hold parent nights and special programs. The district also hosts an honor roll breakfast twice a year for students in grades 7 through 12 as an incentive and reward for these honor roll students' high academic performance. The district invites the students' parents to attend the breakfasts.

- ***Board members exceed training requirements.*** Board members are exceeding the state requirement for board member training. Training assists board members to better understand their roles as policy makers rather than administrators.

Board members continue to meet or exceed training requirements and work well together and with the administration.

- ***FCISD emphasizes community learning.*** Through various strategies, grants and the use of technology, FCISD trains students, teachers and community members. FCISD provides evening and weekend classes for community members and parents on using the Internet and Windows operating system software. FCISD also uses distance-learning technology to bring continuing education classes taught by Palo Alto Community College into the district.

The community-learning program continues to be a great success for all involved. The popularity of the distance-learning program is so great that the district restricted enrollment so as not to jeopardize state funding.

TSPR Key Recommendations

The following are some of the key recommendations that administrators and staff said they believe had the greatest impact on district operations. The highlighted recommendations are organized by chapter and by the area of operation as contained in the original report. The comments came from district administrators during the TSPR team's follow-up visit to the district.

District Organization and Management

Recommendation 4 - Develop and implement a plan to recruit and retain highly qualified teachers. Since many FCISD teachers are approaching retirement age, administrators say that the district needs to recruit and retain highly qualified teachers. The district enlisted students to help create a Power Point presentation and brochure about district teaching opportunities. The superintendent used the publicity materials during recruitment trips to colleges in San Marcos and Corpus Christi.

Educational Service Delivery and Performance Measures

Recommendation 5 - Implement a rotating K-12 curriculum review cycle. FCISD has a curriculum review cycle that it uses each year. During summer 2002, a core committee of teachers and administrators met to review the current curriculum and the most pressing issues facing the district in the coming year. The committee makes districtwide adjustments to the curriculum based on student performance data. Administrators said this recommendation had a critical impact on the district because teachers now evaluate the curriculum early to adjust areas that are not working well.

Recommendation 10 - Formalize a written disaster recovery plan that is applicable to the district's size and environment and test it. The district updated its technology policy and procedures manual in October 2002. The procedures include a written disaster recovery plan. In addition, backups are being made of student and financial data. The district cited this recommendation as key, stating that when the district has a turnover of personnel in the technology area, it is not only helpful but vital that a quick recovery process be in place to guarantee that the district is able to get their business operations up and running as soon as possible.

Financial Management

Recommendation 17 - Obtain a cash bond for the superintendent, bookkeeper and high school principal. In November 2001, a bond was secured for key personnel as recommended in the performance review. This recommendation will protect the district's funds.

Recommendation 22 - Cease making guaranteed overtime payments for maintenance work. This recommendation was a win-win situation for the district and the Maintenance director. The district eliminated overtime payments. The savings that resulted from this recommendation enabled the district to give the Maintenance director a raise. More importantly, the recommendation ensures the district controls maintenance costs.

Operations

Recommendation 31 - Implement a preventative maintenance schedule for all school vehicles. This recommendation has helped increase the frequency of service for such things as oil changes for its vehicles. In fall 2002, the board asked the Maintenance Department to develop a comprehensive maintenance plan and schedule for all vehicles, which the Maintenance director helped to develop. In addition, district staff perform the minor mechanical work, while the district contracts out major maintenance work.

What Still Needs to be Done?

FCISD has made steady progress in implementing TSPR recommendations. The district has implemented 22 recommendations, six are in various stages of progress, three have not been implemented and two have been rejected. (See **Appendix A** for details on the recommendations' status.) However, work still remains to be done. A discussion follows of those areas requiring additional attention.

Financial Management

The district agrees with Recommendation 21 that it needs to develop a formal day-to-day procedures manual for the business office. However, the business office has not begun work on the manual. TSPR encourages the district to move forward on this recommendation since smaller districts like FCISD depend on key personnel. Written procedures soften the impact of staff turnover, help train new staff and cross-train existing staff on important district tasks. When one individual suddenly leaves the district for unforeseen reasons, district administrators are often left without knowledge of where things are, who is in charge of performing certain tasks and by what deadline the task must be accomplished. Well

documented policies and procedures help staff perform its daily duties and provide a basis not only for training, but cross-training as well.

Operations

The district has not implemented Recommendation 26 that calls for the formal evaluation of Food Service employees as well as administrative staff. Annual performance evaluations offer staff members an opportunity to provide feedback to the district. The district can use the appraisals to establish performance goals and offer an opportunity for employees and management to discuss ways to improve performance. Performance appraisals also provide the superintendent with a tool to assess individual and group achievements and recognize and reward staff who are responsible for the success of the school district's operations.

FCISD's Ideas for Improving the Texas School Performance Review

The Texas School Performance Review team does not assume that its process for performing school reviews works so well that it cannot be improved. Therefore, as part of the progress report preparation, TSPR asked Falls City ISD staff members and administrators what went right and what went wrong-and how the process could be improved.

The feedback TSPR has received from other districts led to improvements in the review process. For example, early reports did not include implementation strategies, and districts told TSPR they needed help in getting started. As a result, the reports now include IMPLEMENTATION STRATEGIES AND TIMELINES to complement the recommendations. Districts have told TSPR these blueprints are invaluable to achieving the desired results. But, it is important for TSPR to continually be mindful of those things that did not work as intended so that the review process can be continually improved.

Falls City administrators and board members made the following observations:

Surveys were sent to all seven board members requesting their observations about the review process. Those board members responding to the survey voiced mixed opinions regarding the review process. Some said that the review took an overwhelming amount of time and took teachers away from their classrooms. Other board members said that the money spent on the review should instead have been given to the district.

As the result of the performance review, some board members also felt that the most difficult decision faced by board members was the need for a reduction in staff. They also said that the district's most significant challenge is the lack of sufficient funding to keep FCISD operating.

Finally, some administrators said that the consultants used on the project didn't have a lot of Texas knowledge since most were from out of state and did not necessarily understand the practices of rural school districts. District employees said as a result, a great deal of their time involved educating the consultants about Texas educational laws, rules and regulations and informing them about the realities of working in a small district.

Administrators acknowledged that the review raised issues-like bus driver evacuation drills-that they had not considered before, but said some of the report addressed issues that simply would not work for small districts.

TSPR takes these comments seriously, and will examine its procedures to ensure that concerns mentioned by FCISD are addressed. We will continue to work with our consulting firms making sure that they understand the importance of district staff's time constraints and ensure that they consolidate as many interviews and requests for data as possible. In addition, TSPR will ensure that in our selection process for contractors, evaluators awarding consulting contracts continue to require that firms be knowledgeable about Texas statutes and regulations and emphasize the importance that what might work for a large urban school district might not be feasible for smaller rural districts. One thing TSPR has already implemented since this review is the use of a pooled services contract with all firms bidding for this contract being experienced Texas firms. The Comptroller requires that firms in this pool demonstrate a knowledge of Texas statutes and regulations and have experience working in Texas.

Appendix A

Status of Recommendations and Savings

#	Recommendations	Implementation Status	TSPR's Projected Five-Year Savings (Costs)	Actual Savings (Costs) to Date	Falls City Projected Five-Year Savings (Cost)	Comments
Chapter 1 - District Organization and Management						
1	Review LOCAL policies every five years. p. 16	In Progress	\$0	\$0	\$0	In October 2002, the board reviewed all LOCAL policies and did not make any changes. The district worked with the Texas Association of School Boards (TASB) to review policies in the past and will continue to do so regularly. The board has not established a policy for a five-year review cycle to date.
2	Establish clear and measurable expectations to hire and evaluate the superintendent. p. 18	Complete	\$0	\$0	\$0	The interim superintendent continues to serve the district on a daily contract basis. The board verbally communicates its expectations to the interim superintendent. The interim

						superintendent told the board he will continue through the end of this year. When the board and superintendent determine that this arrangement is no longer desirable, the district will resume a formal search for a superintendent.	
3	Develop standard operating procedures' manual to accompany all approved board policy. p. 19	Not Implemented		\$0	\$0	\$0	See Recommendation #21.
4	Develop and implement a plan to recruit and retain highly qualified teachers. p. 23	Complete		\$0	\$0	\$0	The superintendent and technology coordinator, along with the Business Computers and Information Systems class at the high school, developed a Power Point presentation and a brochure for recruitment activities. The superintendent used the presentation during recruitment trips to Southwest Texas State

						University in San Marcos and Texas A&M, Corpus Christi.
Totals-Chapter 1			\$0	\$0	\$0	
Chapter 2 - Educational Service Delivery and Performance Measures						
5	Implement a rotating K-12 curriculum review cycle. p. 33					The district has an annual curriculum review cycle. During the summer, a core committee of teachers and administrators meet to review the current curriculum and the most pressing issues facing the district in the coming year. For example, during summer 2002, the committee focused on the new Texas Assessment of Knowledge and Skills (TAKS). According to availability, the same group meets again in December or January to review the events of the fall and make adjustments according to the student performance observed to date.
		Complete	(\$4,000)	\$0	\$0	

						This is done districtwide for K-12.
6	Develop district and campus improvement plans that comply with state mandates for compensatory funds. p. 37	Complete	\$0	\$0	\$0	The superintendent, principals and site-based committees met and added an addendum to each campus improvement plan that covered the compensatory funds. The external auditors are now completing the Compensatory Education audit.
7	Develop a safety and security plan for the district. p. 39	Complete	\$0	\$0	\$0	While the district does not have a formal written plan, schools require all visitors to sign-in at the office. The district conducts an annual meeting with the Maintenance director to discuss safety issues using a TASB safety manual as its guideline.
8	Develop and implement a policy for chemical storage in classrooms. p. 40	Complete	\$0	\$0	\$0	As of October 2002, the district developed guidelines for chemical storage. The district

						removed some chemicals from the classrooms and placed others on shelves in locked custodial areas. Schools still keep some chemicals in the science labs, but the new construction plan includes a storage area for chemicals that will meet state criteria.
9	Establish a shared services agreement with Karnes City ISD for technical support. p. 46	In Progress	(\$16,380)	\$0	\$0	Although Karnes City ISD (KCISD) initially indicated that it did not have the staffing to share services, the Karnes City High School technology administrator has recently started using its students to provide some technical support to that district, and the superintendent indicated that KCISD might soon be in a position to offer some of these services to other districts in the county.
10	Formalize a written disaster recovery	Complete	\$0	\$0	\$0	In October 2002, the district

	plan that is applicable to the district's size and environment and test it. p. 49					updated its technology policy and procedures manual to include a written disaster recovery plan. The district also makes regular student and financial backups of electronic data.
11	Establish policies and procedures for technology operations, management and support. p. 50	Complete	\$0	\$0	\$0	As mentioned in Recommendation #10, the district updated technology policies and procedures in October 2002.
Totals-Chapter 2			(\$20,380)	\$0	\$0	
Chapter 3 - Financial Management						
12	Modify the depository agreement to provide a "sweep" account for idle cash balances into higher yielding investments on an overnight basis and develop an investment strategy. p. 61	Rejected	\$51,685	\$0	\$0	The district's depository bank does not offer "sweep" accounts. The bank said it would have to reduce the rate it pays on the school district's certificates of deposit in order to offer this feature. In the next depository bidding process, the district will take this into consideration.
13	Implement a direct	Complete	\$0	\$0	\$0	The district

	deposit plan for all employees. p. 62					surveyed its employees about direct deposit of paychecks. Since the majority of employees did not wish to have checks directly deposited, the district followed their preference.
14	Require the board treasurer be listed as one of two signatories on all checks, and reassign bank reconciliation duties to the receptionist. p. 64	Complete	\$0	\$0	\$0	FCISD does not have a board treasurer, but FCISD's checks require two signatures. The bookkeeper, superintendent, board president and one other board member are authorized to sign checks.
15	Develop a policy and standard operating procedures for the use of the district's credit cards. p. 65	Complete	\$0	\$0	\$0	The board adopted a policy in October 2000 to clarify that the district would not be responsible for employee debts incurred through the misuse of credit cards.
16	Require check vendor to ensure district checks contain a watermark, and the word "void" is clearly viewed when a check is copied. p. 65	Complete	\$0	\$0	\$0	In fall 2002, the district received an order of checks with the watermarks. FCISD will use its remaining check stock first and will then use

						the new stock. The district will begin using laser printer checks in the spring.
17	Obtain a cash bond for the superintendent, bookkeeper and high school principal. p. 69	Complete	(\$750)	(\$150)	(\$750)	In November 2001, the district bonded the key personnel as recommended by the review team.
18	Issue a Request for Proposals to provide third party administration of third-party provided insurance programs including 403(b) compliance. p. 70	Complete	\$0	\$0	\$0	The insurance committee has reviewed several options but determined that, at less than \$40 per month, the current company provides a good service at a competitive price. The committee has chosen not to issue a request for proposals at this time.
19	Implement a sick leave bank program. p. 71	Complete	\$0	\$0	\$0	The board approved the formation of a sick leave bank in September 2002.
20	Institute a formal cross training plan over business related functions. p. 72	Complete	\$0	\$0	\$0	In spring 2001, the district began requiring cross-training for staff members in the finance, lunchroom and payroll departments.

21	Develop a formal procedures manual for the business office that details day-to-day operations. p. 72	Not Implemented	\$0	\$0	\$0	The business office has not had an opportunity to develop a policy and procedures manual, but agrees it is a good idea. The district will work on this recommendation with the cross-training activities discussed in Recommendation #20.
22	Cease making guaranteed overtime payments for maintenance work. p. 73	Complete	\$13,980	\$0	\$0	The district eliminated Maintenance overtime payments, using the savings as a raise for the Maintenance director. While the raise offset the savings, the district believes the action has made maintenance costs more controllable.
23	Develop and implement a year-round budget calendar. p. 76	Complete	\$0	\$0	\$0	In September 2002, the superintendent and staff prepared a year-round budget calendar.
24	Execute a formal vendor agreement and require	Complete	\$0	\$0	\$0	On May 1, 2001, the district executed a

	substantiation of commission checks. p. 77					formal vendor agreement with the vending company.
25	Form a committee of superintendents, Regional Education Service Center representatives and representatives from the Texas Education Agency to explore the opportunities for shared financial services. p. 81	Complete	\$0	\$0	\$0	FCISD worked with the other school districts to create the committee, but committee members were unable to find opportunities to share financial services.
Totals-Chapter 3			\$64,915	(\$150)	(\$750)	
Chapter 4 - Operations						
26	Evaluate food service employees and involve them in setting performance targets on an annual basis. p. 91	Not Implemented	\$0	\$0	\$0	The district has developed informal job duty lists and is conducting kitchen inspections. However, the district has not yet created a formal evaluation process.
27	Establish Meals Per Labor Hour (MPLH) standards and evaluate the cafeteria's productivity based on the district's actual operation. p. 93	In Progress	\$113,274	\$0	\$0	The district conducted an MPLH report and found that it was within guidelines for a kitchen that performs scratch cooking. Satisfied with the kitchen's

						productivity, the board and administration has not reduced staff.
28	Turn off vending machines during lunch to comply with federal guidelines. p. 94	Complete	\$0	\$0	\$0	Since none of the district's vending machines are in the cafeterias, the district does not have to turn them off to comply with guidelines.
29	Implement a bus safety program to include bus evacuation drills. p. 100	Complete	\$0	\$0	\$0	In September 2001, the district began conducting bus safety drills and established bus evacuation procedures. All of the drivers have gone through the training and are in the process of being retrained.
30	Evaluate all bus routes and consolidate those that overlap. p. 101	In Progress	\$96,260	\$0	\$25,000	The district evaluated all of the routes and determined it can eliminate at least one bus route in the future.
31	Implement a preventative maintenance schedule for all school vehicles. p. 103	In Progress	\$0	\$0	\$0	In fall 2001, the board asked the Maintenance Department to develop a comprehensive maintenance plan for all vehicles. As a result, the Maintenance

						Department increased the frequency of some service items such as oil changes. Minor mechanical work is done at district facilities and the district contracts major repair items.
32	Sell the district-owned house and return the house to the tax rolls. p. 104	Rejected	\$37,625	\$0	\$0	The board rejected this recommendation because it said that it was a benefit to the athletic director and provided him ready access to the school campus.
33	Develop a long-range facilities master plan. p. 106	In Progress	\$0	\$0	\$0	In February 2002, the district passed a \$2.5 million bond to renovate the high school, build a new elementary, add some new classrooms and put in central air and heat in the high school and central office. The site-based decision-making committees participated in assessing the needs. The district plans to review its overall

						facilities master plan in light of the committees' suggestions.
	Totals-Chapter 4		\$247,159	\$0	\$25,000	
	Total		\$291,694	(\$150)	\$24,250	