

Transmittal Letter

October 8, 2003

The Honorable Rick Perry, Governor
The Honorable David Dewhurst, Lieutenant Governor
The Honorable Thomas R. Craddick, Speaker of the House
Chief Deputy Commissioner Robert Scott

Fellow Texans:

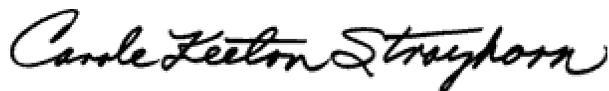
I am pleased to present this report on the progress of the San Perlita Independent School District (SPISD) in implementing my Texas School Performance Review (TSPR) recommendations.

In April 2002, I released the results of my review of the district's operations. This review offered 42 recommendations that collectively could save SPISD taxpayers a net of \$251,143 by 2006-07. The review also noted a number of SPISD's exemplary programs and model services provided by district administrators, teachers, and staff.

In June 2003, we returned to check on how well the district's leadership put these proposals into practice. Over the last year, SPISD has implemented, or is in the process of implementing, 39 of the proposals, or 93 percent. The district has saved a net of \$13,571 to date, and expects those savings to grow to \$802,935 over five years.

This report is available on my Web site at
<http://www.window.state.tx.us/tspr/sanperlitapr/>.

Sincerely,



Carole Keeton Strayhorn
Texas Comptroller

c: Senate Committee on Education
House Committee on Public Education
The Honorable Eduardo A. Lucio, Jr., State Senator, District 27
The Honorable Juan Escobar, State Representative, District 43

Progress Report

San Perlita Independent School District

October 2003

Introduction

In October 2001, Texas Comptroller Carole Keeton Strayhorn announced her intent to conduct a review of the San Perlita Independent School District (SPISD) as part of a countywide review of four districts in Willacy County, including Raymondville, Lyford and Lasara ISDs. Work began in San Perlita in October 2001. In April 2002, the Comptroller issued a final report detailing 42 recommendations that could result in net savings of \$251,143 by 2006-07 if fully implemented. During June 2003, the Texas School Performance Review (TSPR) staff returned to assess the district's progress in implementing the recommendations.

Since 1991, TSPR has recommended more than 7,600 ways to save taxpayers more than \$780 million over a five-year period in 100 public school districts throughout Texas. TSPR also conducts follow-up reviews of districts that have had at least one year to implement its recommendations. These more than 60 subsequent reviews showed that school districts have acted on more than 90 percent of TSPR's proposals, saving taxpayers nearly \$135 million, with the full savings estimated to grow in the future.

Improving the Texas School Performance Review

Comptroller 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 to make TSPR 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 greater accountability to local school districts and the communities they represent.

Comptroller Strayhorn began by establishing new criteria for selecting school districts for future reviews. Priority is given to districts judged poor performing-academically or financially-and to hands-on reviews that will benefit the greatest number of students.

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 are school districts' best practices and exemplary models 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 are now 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 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 continuously 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 San Perlita ISD

The Comptroller contracted with Trace Consulting Services Inc, a San Antonio-based firm, to assist with the review. The review team interviewed district employees, school board members, parents and

community members and held a public forum on October 29, 2001 at the San Perlita School cafeteria from 6 to 8 p.m.

To ensure stakeholders had an opportunity to give comment, the review team sent surveys to parents, teachers and district staff. The team received 99 responses from 15 school and central administrators and support staff, 14 teachers, 41 parents and 29 students.

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

SPISD selected three peer districts for comparisons based on similarities in student enrollment, student performance and community and student demographics. The districts chosen were Benadives, Lasara and Monte Alto. The district also was compared to the state and district averages in TEA's Regional Education Service Center I (Region 1), to which the district belongs.

San Perlita ISD in Profile

Located in South Texas, SPISD lies about 35 miles northeast of Harlingen and nine miles from Raymondville, the county seat. SPISD, one of four school districts in Willacy County, covers 314 square miles. The district serves San Perlita and Port Mansfield, which is 16 miles from San Perlita. The district's three schools are located on the south end of San Perlita on 16.5 contiguous acres.

In 2002-03, SPISD served 258 students. The student body was 81 percent Hispanic and 19 percent Anglo, with 84.1 percent of students classified as economically disadvantaged. The elementary school includes pre-kindergarten through grade 6, while the middle school includes grades 7 and 8. The high school serves grades 9 through 12. The three schools share a library and cafeteria. The district's administrative offices are adjacent to the schools.

In 2001-02, 92.2 percent of SPISD students passed the Texas Assessment of Academic Skills (TAAS); 96.1 percent passed the math portion of the test; 93.9 percent passed the reading portion; and 97.7 passed the writing portion. In 2002-03, 78 percent of the SPISD grade 11 students met the reading standard of the Texas Assessment of Knowledge and Skills (TAKS); 100 percent met the mathematics standard; 100 percent met the social studies standard; 80 percent met the science standard; and 70 percent met the standard for all tests taken. TEA rated SPISD as *Academically Acceptable* in 2000-01 and *Exemplary* in 2001-02.

In 2002-03, the district employed a staff of 53 individuals, of which teachers made up 44.3 percent. The district budgeted nearly \$2.8 million in 2002-03 and spent 46 cents of every tax dollar on classroom instruction, compared to the state average of 51 cents.

Over the last year, the district experienced significant changes. In June 2001, the district appointed an interim superintendent, who was hired as superintendent in November 2002. Under the new superintendent's leadership, the district improved its TEA district rating from *Academically Acceptable* to *Exemplary*.

Noting the presence of asbestos in the building containing the district library and cafeteria, the superintendent recognized the need to upgrade the facility. He applied for and received a \$1.6 million Instructional Facilities Allotment for the new building. The district demolished the building. The new facility should be completed by December 2003.

While work continues in the district, both SPISD staff and TSPR team members have a sense of steady progress. The district has implemented 29 recommendations; has 10 in various stages of progress; and has reviewed three not yet implemented. (See **Appendix A** for details on the recommendations' status.)

San Perlita ISD Report Card

Chapter	Total	Complete	In Progress	Not Implemented	Rejected	Percent Complete/In Progress	Grades
District Organization and Management	9	6	3	0	0	67%/33%	Satisfactory
Educational Service Delivery	11	9	2	0	0	82%/18%	Excellent
Financial Management	8	6	2	0	0	75%/25%	Satisfactory
Operations	14	8	3	3	0	57%/21%	Needs Work
Overall Grade	42	29	10	3	0	69%/24%	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 SPISD. Through commendations in each chapter, the report highlights model programs, operations and services provided by SPISD administrators, teachers and staff. The Comptroller encourages other school districts throughout Texas to examine these exemplary programs and services to determine if they could be adapted to meet local needs. TSPR's commendations include the following:

- ***School board members have pursued training beyond state and district minimum requirements.*** The Texas Education Code, Section 11.159, mandates the State Board of Education (SBOE) to set rules requiring each board member to attend at least 16 hours of continuing education in a board member's first year of service and eight hours each year thereafter. SPISD board members, however, received an average of 21.8 hours of extensive continuing education from April 2000 to April 2001, by attending seminars and additional training.

According to board reports, since the review SPISD board members have continued to attend seminars and receive additional training beyond state-mandated and district requirements.

- ***SPISD has taken advantage of a federally funded initiative to encourage and prepare students for college.*** San Perlita participates in GEARUP (Gaining Early Awareness and Readiness for Undergraduate Programs), a federally funded initiative designed to increase the numbers of low-income students prepared for post-secondary education. The GEARUP grant allows the district to employ one facilitator who coordinates services for 24 middle school students, including mentoring, tutoring, academic counseling and outreach to families.

The GEARUP program is in the fourth year of a five-year program. The program has continued with the same group of 24 students, who are ninth graders in 2003-04.

- ***SPISD provides families of high school students with a computer and Internet access at home and its high school teachers with laptop computers.*** SPISD received a grant for \$138,000 under the U.S. Department of Agriculture's Distance Learning and Telemedicine Loan and Grant Program. Cooperation between the district, the federal government and the Valley Telephone Cooperative Inc., provided 57 computers and Internet access for the families of SPISD's high school students. The district also used the grant to purchase laptop computers for every high school teacher.

Because students in this small community do not have access to a school or library after school, SPISD continues to provide every family with a high school student, a personal computer and Internet access at home. The superintendent said that computers give the students an opportunity to enhance their education by providing research tools and a network for direct communication with teachers. The laptops allow teachers to communicate with students and work on assignments, projects and record grades from school or home. Even though the grant is finished, the district continues to fund this program.

- ***SPISD provides outstanding health services to students.*** SPISD's nurse maintains a medical card for every student. The nurse notes the reason for visits on these medical cards, thus tracking medical issues for all students and detecting patterns requiring additional attention. In the event of a major medical emergency or a school security lockdown, the nurse can quickly access important medical information including blood type, known allergies to medications and other important information, and can quickly assist emergency medical personnel. The nurse also makes home visits to students who have been absent for two consecutive days to help reduce the number of absences.

The district continues to maintain a medical card for every student and staff member. The superintendent said that the nurse also provides annual vision, hearing and spinal screenings, which benefit students and staff and help make parents aware of any potential health problems.

- ***SPISD used state and federal grants to meet TEA recommendations for student-to-computer ratios.*** The district has received nearly \$274,000 in technology grants and has been able to provide students and teachers with an ample supply of computers. SPISD exceeds the state's mid-term goal of three to one with a ratio of two students per computer in the district.

Despite the elimination of the Telecommunications Infrastructure Fund grants, SPISD has continued to exceed the state's goal of three students to one computer with a ratio of two students per district computer.

TSPR Key Recommendations

The following are some of the key recommendations that the superintendent said 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 the superintendent during the TSPR team's follow-up visit to the district.

Educational Service Delivery

Recommendation 13: Use the distance learning lab to offer advanced courses. The superintendent said that using the distance learning lab for college-level courses provides students with a unique opportunity. Students obtain a feel for college, learn what is required and realize how college expectations differ from those in high school. Maximizing the use of the lab has been an efficient and effective way to allow students to earn credit.

Recommendation 17: Explore disciplinary alternative education program options. SPISD decided to rent space at city hall for \$50 per month for the district's Disciplinary Alternative Education Program (DAEP). The separate DAEP space has been successful because it isolates DAEP students from the general student population. DAEP students integrate well back into the general population upon returning to the district.

Financial Management

Recommendation 21: Develop internal control procedures for the business office and transfer business management duties to the accountant. The SPISD superintendent developed internal control procedures for the business office and transferred all of his accounting duties to a degreed accountant hired in 2001-02. The superintendent said that adjustment allowed him to focus on the district and curriculum issues.

Recommendation 24: Develop an implementation strategy for GASB Statement No. 34. With the assistance of the external auditors, SPISD developed an implementation plan to comply with GASB Statement No. 34. The librarian will perform the bar coding, scanning and input for the fixed-asset management system. This helped the district to comply with GASB 34 and provide assurance to taxpayers that the district tracks all assets.

Recommendation 25: Develop a Request For Proposal for auditing services and require the external auditing firm to include a management letter and schedule of findings with audited financial statements. The superintendent received board approval for the RFP, including a management letter and schedule of findings, which was submitted at the end of June 2003.

Operations

Recommendation 31: Maintain detailed records for all work performed by the Maintenance Department to facilitate the district's planning and budgeting. SPISD currently maintains detailed records for all work performed by the Maintenance Department. This recommendation helps provide the Maintenance Department with a good working knowledge of department expenditures.

Recommendation 37: Report eligible special education program mileage to increase state reimbursements. According to the superintendent, reporting eligible special education program mileage has increased revenues by \$7,591 for 2002-03.

What Still Needs to be Done?

SPISD has made steady progress in implementing TSPR recommendations. The district has implemented 29 recommendations and has 10 in various stages of progress, but has not yet implemented three recommendations. This section addresses the key areas requiring additional attention.

Staffing Allocation Formula

The district has not fully implemented Recommendation 6, concerning the use of staffing allocation formulas as a baseline for assigning staff. A staffing allocation formula, typically based on student enrollment, provides a school district with a guide for determining the number and type of staff positions needed. The superintendent said the district is working on a staffing allocation formula but finds it difficult because of the district's small size, a drop in student enrollment and a decrease in state funding. Considering these factors, a defined formula for the number and type of staff needed becomes even more critical since personnel costs typically are the largest district expenditure. By implementing a staffing allocation formula for all staffing categories, the district can ensure appropriate staffing for the number of students enrolled.

Financial Management

TSPR recommended that the district establish a general fund balance management policy and require the superintendent to report to the board on the status of the fund balance at every meeting (Recommendation 22). Although the district has begun updating, streamlining and reformatting all reports for the board, it has not established a fund balance management policy. By following the TEA formula for estimating an optimum school district general fund balance, the superintendent can establish goals for and a means of attaining and maintaining the desired fund balance level. By establishing a general fund balance management policy and requiring

the superintendent to reports its status at every meeting, the board ensures that it and district administration are always completely aware of the district's financial position.

Facility Management

Although the district obtained funds to demolish the library and cafeteria building and construct a new facility, it still has not created a comprehensive facilities master plan (Recommendation 29). TSPR encourages the district to develop a long-range master plan to document facilities needs, including maintenance and new construction. The plan should identify each major repair or renovation needed and identify and prioritize district goals.

SPISD'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 SPISD staff members, administrators and board members to discuss what went right and what went wrong-and then talk about 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. It is important for TSPR to continually be mindful of things that did not work as intended so that the review process can be improved.

The SPISD superintendent said that the review generated good ideas and improvements to help move the district forward. However, he said the timing of the review in October 2001 was not ideal. Because of the small size of the district, the superintendent has many different responsibilities. The superintendent said that given the district's size, he felt that the review team spent too much time in the district. Since this review, TSPR has begun using a pooled contract for smaller district reviews. This allows TSPR to quickly contract for consulting services, speeds on-site work and allows TSPR to complete small district reviews on a significantly reduced timeline.

The superintendent also expressed concern about publishing survey comments, which he said should be provided as an internal report to the

superintendent. TSPR understands this concern, but survey results are intended to help the district's board and administration understand the areas of most concern to citizens, teachers and students.

Appendix A

Status of Recommendations and Savings

Rec. #	Recommendation	Implementation Status	TSPR's Projected Five - Year Savings (Costs)	SPISD's Actual Savings (Costs) to Date	SPISD's Five - Year Savings (Costs) Estimate	Comments
Chapter 1 - District Organization and Management						
1	Publish an annual report on the district's educational performance and conduct a public hearing to discuss its contents. p. 19	Complete	\$0	\$0	\$0	The district conducted a public hearing to discuss SPISD's educational performance on January 30, 2003. The superintendent said that the annual report wasn't available at the time of the TSPR visit in April 2002. The district will continue to publish the report annually.
2	Establish a system of checks and balances for PEIMS data submissions and ensure that all necessary corrections are completed within the timelines set by TEA. p. 20	Complete	\$0	\$0	\$0	The superintendent immediately implemented a check-and-balance system by dividing the responsibilities among three employees instead of one person, and cross-trained the superintendent's administrative assistant, the secretary to the principal and the secretary to the counselor for the PEIMS data submission. The principal.

						accountant and superintendent review all PEIMS data before submitting to TEA.
3	Develop an organizational structure that illustrates district functions and lines of authority. p. 22	Complete	\$0	\$0	\$0	In April 2002, the superintendent prepared a more detailed organizational chart that shifts some authority slightly between principals. Instead of one principal having direct authority over one area such as cafeterias, the principals share that responsibility. The board approved the new organization.
4	Integrate the district's planning documents into a district strategic plan and link it to the budget. p. 24	Complete	\$0	\$0	\$0	Although the district did not combine its planning documents into a strategic plan, SPISD did combine three campus improvement plans (CIPs) into one district improvement plan with all special funds identified and linked to the budget. The superintendent advised that the district educational improvement committee (DEIC) continues to review and update the plans and is almost

						finished linking the general funds to the plans.
5	Establish Site-Based Decision-Making Committees for each campus and develop Campus Improvement Plans. p. 26	Complete	\$0	\$0	\$0	The superintendent said that site-based committees for each school have been established; these include the counselor, parents, the principal and teachers. The secondary-level committee also includes students. Campus improvement plans have been developed for each campus and combined with the DIP.
6	Implement a staffing allocation formula. p. 33	In Progress	\$185,970	\$17,000	\$800,000	The superintendent said that SPISD is reviewing formulas but finds it difficult to apply a formula because of the district's small size, a drop in student enrollment and a decrease in state funding. The district projects student enrollment based on past history and funding. In 2002-03, the district lost a music teacher and hired a secretary for a savings of \$17,000 in 2002-03. In 2003-04, the district eliminated a net of nine positions

						including the two positions in 2002-03, for a net annual savings of \$200,000 beginning in 2003-04.
7	Amend job descriptions to reflect the duties of current positions. p. 35	Complete	\$0	\$0	\$0	The district uses the Texas Association of School Boards (TASB) Human Resource Manual for job descriptions. Although TASB's job descriptions are generic, SPISD revises them to reflect specific job duties of current positions.
8	Develop a comprehensive plan for increasing parent involvement that includes strategies for recruitment of parent volunteers and training for teachers. p. 40	In Progress	\$0	\$0	\$0	The district is working on a final plan that uses a point system as an incentive to encourage parents to participate. Students receive one point every time their parent participates. The students receive a reward every six weeks based on the number of points received. The DEIC is ongoing and in the district DIP plan includes strategies for recruiting parent volunteers, training for teachers and increasing parent involvement. The district invites parents to attend school events

						with speakers and festivals.
9	Develop a quarterly district newsletter for all SPISD families and place it on the district's Web site. p. 41	In Progress	\$0	\$0	\$0	District students developed a monthly district newsletter called the <i>Trojan Shield</i> . The district distributed the first edition in February 2003. Although the district hasn't yet posted this newsletter on its Web site, the monthly <i>Gear Up</i> newsletter is on the district's Web site for students, teachers and the community to view.
Totals-Chapter 1			\$185,970	\$17,000	\$800,000	
Chapter 2 - Educational Service Delivery						
10	Include instructional strategies in the District and Campus Improvement Plans that specifically address the needs of students who have been retained. p. 54	Complete	\$0	\$0	\$0	District and Campus Improvement Plans have been revised to address the needs of retained students. For example, the Campus Improvement Plan includes instructional strategies of summer school, tutoring, technology and computer labs and adding smaller group instruction to specifically address the needs of students who have been retained. As a result, three to five fewer

						students have been retained each year.
11	Strengthen English as a Second Language services by using technical assistance offered through Region 1. p. 57	Complete	\$0	\$0	\$0	The only recommendation the district received from TEA during a June 2002 ESL review was to correct outdated student files. The district revised forms to keep the data updated. With the assistance of Region 1, the district produced an ESL handbook for teachers and students. The handbook will be revised as the program changes.
12	Develop goals, objectives and strategies for improving the gifted and talented program. p. 59	Complete	\$0	\$0	\$0	Region 1 helped develop a G/T handbook that includes goals, objectives and strategies that were added to the campus improvement plan.
13	Use the distance learning lab to offer advanced courses. p. 60	Complete	\$0	\$0	\$0	The distance learning lab created a program that provides students access to college courses. Students who participate get a taste of college and are able to compare the differences between high school and college workload and responsibilities. The district

						<p>encouraged students to sign up for the program. Students may participate for free. UT Pan American, Texas State Technical College and UT Brownsville participate and offer Psychology, Government I and II, English I and II and basic courses for students. District students who take the college courses can leave high school with 15-18 hours of college credit. This program also allows students to enter into college earlier. The junior class, which has 14 students, has six students enrolled in college at the University of Texas at Pan American in Edinburg.</p>
14	<p>Expand the CATE program to include computer and technology courses that will prepare students for careers or continued education. p. 62</p>	<p>Complete</p>	\$0	\$0	\$0	<p>The district CATE program has always offered business computer courses; in 2002-03, it added webpage development and computer programming course. No students were interested in the computer programming</p>

						class, however, an integrated software package course and a computer repair course also are available if enough students enroll.
15	Update and expand the library's book collection to meet state recommended "acceptable" standards. p. 64	Complete	(\$21,500)	(\$6,000)	(\$30,000)	Although student enrollment has decreased, the district has updated and expanded its library collection by purchasing new books. SPISD increased its annual library budget from \$9,000 to \$15,000, allowing the district to purchase 2,000 more books. Now it has a ratio of 30 books per student, placing it above the state-recommended Exemplary level of 20:1. SPISD will not purchase any more books until the library has been demolished and the new library is completed in December 2003.
16	Conduct exercises of the district's emergency management plan. p. 69	In Progress	\$0	\$0	\$0	SPISD will be conducting exercises of its emergency management plan on an ongoing basis. District schools have monthly fire drills. The superintendent said that a sequence of rings

						signify when drills occur.
17	Explore disciplinary alternative education program options. p. 71					At the time of the original review, the district's Disciplinary Alternative Education Program (DAEP) was located on campus. In September 2002, SPISD began renting a space off campus at San Perlita City Hall for \$50 per month. The DAEP uses a full-time teacher as needed. Generally only one or two students are in DAEP at a time, with placements up to 30 days depending on the offense. The superintendent said that keeping DAEP students off campus so they cannot mingle with the general student population has been an improvement for students and faculty.
		Complete	\$0	\$0	\$0	
18	Secure the cafeteria walk-in freezer and all facilities when unattended. p. 72					In April 2002, the district installed locks on the cafeteria walk-in freezer doors as well as its maintenance and transportation facilities building where equipment is stored. The one-time cost was \$20 for two
		Complete	\$0	(\$20)	(\$20)	

						locks. The cafeteria manager and maintenance supervisor have the only keys.
19	Inspect all playground equipment on district property for compliance with safety requirements and create a plan to correct any deficiencies. p. 73	In Progress	\$0	\$0	\$0	Although the district has not created a written plan, SPISD periodically has the principals, teachers, aides on duty, students and Maintenance staff perform visual inspections of the district's one playground. SPISD refilled the gravel and inspected equipment to determine if swivels or chains were loose. The district intends to redo the whole playground in summer 2003 for \$2,000, an amount already included in the annual budget.
20	Conduct a survey to determine high-traffic areas for students walking to school and have the county designate and mark them as school crossing areas. p. 74	Complete	\$0	\$0	\$0	SPISD has only one crossing area. In February 2002, the superintendent requested that the county install stop signs on each side of the crossing area and paint stripes on the road to indicate the path as a crossing area. In addition, the district assigns one adult daily to serve as the crossing guard.

	Totals-Chapter 2		(\$21,500)	(\$6,020)	(\$30,020)	
Chapter 3 - Financial Management						
21	Develop internal control procedures for the business office and transfer business management duties to the accountant. p. 82	Complete	\$0	\$0	\$0	The superintendent transferred his accounting duties (monitoring investments and reconciling bank statements) to a full-time degreed accountant hired in 2001-02. The district developed and uses internal control procedures for the business office.
22	Establish a general fund balance management policy and require the superintendent to report to the board on the status of the fund balance at every meeting. p. 84	In Progress	\$0	\$0	\$0	The superintendent is updating, streamlining and reformatting all board reports. The superintendent provides the board with information on the balances on all accounts, including tax collections, accounts payable and fund balance information. The board has not yet set a fund balance policy. Although the superintendent has not worked with the board to set a policy, he intends to discuss this with the board in 2003-04.
23	Develop a budget calendar and include key stakeholders in the	Complete	\$0	\$0	\$0	In 2002-03, SPISD began using the budget calendar example

	budget development process. p. 87					in <i>TEA's Financial Accountability System Resource Guide</i> . Everyone on the district's educational improvement committee is included and has input in the process. The process asks principals to review their needs and submit recommendations to the campus and district improvement committees, which decide whether to accept or reject them. The district educational improvement committee has final decision-making authority over the requests. The board and superintendent provide input on funding during the budget workshop meetings.
24	Develop an implementation strategy for GASB Statement No. 34. p. 89	Complete	\$0	\$0	\$0	External auditors assisted SPISD to ensure full compliance with implementation of GASB Statement No. 34. The librarian, who received GASB 34 training, performs bar coding, scanning and input for the fixed-asset system SPISD

						conducted an inventory and received no external audit findings in its report.
25	Develop a Request For Proposal for auditing services and require the external auditing firm to include a management letter and schedule of findings with audited financial statements. p. 90	Complete	\$0	\$0	\$0	The superintendent requested and received board approval to submit a request for proposal for auditing services at the end of June 2003, including a request for a management letter. The district approved an external auditor in August 2003.
26	Create an insurance committee to evaluate the state employee health insurance plan and determine its impact on the district and its employees. p. 94	Complete	\$0	\$0	\$0	Because of the district's number of employees, SPISD had to join the state plan beginning in 2002-03. A district insurance committee evaluated the state health insurance plan's options. In addition, the superintendent conducted staff meetings and individual meetings with employees. The state provided the district \$75 per month per covered employee. Each employee received an additional \$1,000 annually to help pay for additional employee

						coverage, dependent coverage, compensation or a combination. Each employee signed a form on how to distribute these funds, because higher levels of coverage required additional district and employee contributions.
27	Develop and maintain a comprehensive fixed-asset management system. p. 96					The district inventories all fixed assets and stores them during the summer. SPISD has the system, software and people to account for assets and conducted an inventory in summer 2003. Before teachers leave for summer vacation, they check everything back in and store all audiovisual items over the summer. The district spent \$5,000 for the tags, wand and software training. The district plans to conduct an annual inventory each summer and does not anticipate any future out-of-pocket costs beyond the \$5,000 already spent.
		Complete	\$0	(\$5,000)	(\$5,000)	
28	Create an investment strategy to	In Progress	\$18,785	\$0	\$0	SPISD reviewed TexPool and OneStar interest

	increase interest earnings. p. 100					rates and decided to continue working with its local depository bank because the bank has matched TexPool's interest rate. The district will monitor rates to determine if this continues to be the best strategy. No savings have been recognized because of reduced interest rates since the time of the original review.
	Totals-Chapter 3		\$18,785	(\$5,000)	(\$5,000)	
Chapter 4 - Operations						
29	Create a comprehensive facilities master plan. p. 112	Not Implemented	\$0	\$0	\$0	SPISD does not have a written formal facilities plan but intends to prepare one during 2003-04. The district does have annual inspections conducted by TASB Environmental Services staff to determine facility issues that need addressing. The library and cafeteria building had asbestos, so the district demolished that building in summer 2003 and is constructing a new building that will house the library and cafeteria.
30	Develop a capital improvement plan	Not Implemented	\$0	\$0	\$0	The district has not completed a

	and consider applying for a Qualified Zone Academy Bond. p. 114					comprehensive capital improvement plan and did not apply for QZAB because it received an Instructional Facilities Allotment (IFA) award of \$1.6 million in June 2002. The award will pay to build a new library and cafeteria. The district is not planning to complete a comprehensive capital improvement plan at this time.
31	Maintain detailed records for all work performed by the Maintenance Department to facilitate the district's planning and budgeting. p. 116	In Progress	\$0	\$0	\$0	The Maintenance supervisor implemented a web-based request form for teachers and all staff to complete. Once the request form is entered, it is e-mailed to the Maintenance supervisor, accountant and their supervisor. The Maintenance supervisor tracks the form and identifies what action to take. The Maintenance supervisor uses the records itemized of all work performed, materials used and associated costs. These records will assist the district in the budget process and in

						determining equipment replacement needs.
32	Develop an equipment replacement plan based on priority and Food Services funds availability. p. 121	Complete	\$0	\$0	\$0	In December 2001, SPISD developed a Food Services equipment plan to replace outdated equipment with new equipment when the new cafeteria is built. The new cafeteria should be complete in December 2003, when the new equipment will be purchased. The district will better monitor the use of the equipment in new facility.
33	Develop procedures to ensure compliance with Texas Department of Health requirements. p. 122	Complete	\$0	\$0	\$0	Region 1 provided training for the cafeteria manager to help develop procedures so employees will know what is expected of them and what TDH will look for in its annual inspections. Region 1 visited the district four times in 2002-03 to verify that the cafeteria complies with TDH requirements, which it did. Also, the cafeteria manager performs a monthly inspection to ensure the cafeteria

						complies with TDH requirements.
34	Train the cafeteria manager in the financial operations of the Food Services Department. p. 123	Complete	\$0	\$0	\$0	Region 1 assisted with training the accountant and cafeteria manager on the Food Services Department's financial operations. The training was provided at no additional cost to the district since SPISD pays to be a member of Region 1. The training included nutritional content and food production to help control costs.
35	Improve the nutritional content of meals. p. 124	Complete	\$0	\$0	\$0	At no cost to the district, Region 1 assisted the cafeteria manager with menu/meal planning and nutritional content of the food served.
36	Conduct annual surveys to assess customer satisfaction with cafeteria services and the quality, appearance and taste of the food. p. 125	Not Implemented	\$0	\$0	\$0	The superintendent said that administrative staff monitors the cafeteria service regularly. The district did not conduct surveys because there are no restaurants in the city and the only place to eat is the cafeteria.
37	Report eligible special education program mileage to increase state	Complete	\$37,324	\$7,591	\$37,955	In 2002-03, SPISD began including special education

	reimbursements. p. 129					mileage in TEA - required transportation reports. The accountant submits the required reports and maintains a log of special education mileage to ensure that the correct information is reported. For 2002-03, the district received an additional \$7,591 in special education transportation reimbursement and expects the same reimbursement annually.
38	Develop a formal school bus replacement plan. p. 131	In Progress	\$30,564	\$0	\$0	SPISD has not developed a formal bus replacement plan. SPISD has four regular buses and one special education bus. Three of the buses are from five to 10 years old, and one is older. The superintendent and Maintenance supervisor informally monitor the condition of the buses. SPISD had planned to auction the two oldest buses in summer 2003, but has not done so yet, so no savings are recognized.
39	Develop a schedule for the	Complete	\$0	\$0	\$0	In November 2001 the

	maintenance of the district's bus and vehicle fleet. p. 132					Maintenance supervisor began maintaining a log of repairs for each bus and vehicle, replacement of parts and maintenance performed. The Maintenance supervisor has developed a maintenance schedule based on the number of miles driven.
40	Provide expanded driver training opportunities for SPISD bus drivers. p. 134	Complete	\$0	\$0	\$0	Region 1 provides driver training for bus drivers as needed. Region 1 provides only limited training throughout the year. SPISD's five drivers receive annual updates to remain in compliance with its bus drivers' certification.
41	Finalize and implement the district technology plan. p. 138	Complete	\$0	\$0	\$0	In November 2001, SPISD submitted its technology plan for 2001 through 2003 to TEA. The district technology committee then updated the plan and returned it to TEA for final approval, which was granted in March 2002. SPISD's technology plan has been implemented.
42	Develop a disaster	In Progress	\$0	\$0	\$0	SPISD does not

	recovery plan and test it periodically. p. 139					yet have a disaster recovery plan. District administrators are working on a plan during 2003-04. In the interim, the district's information is backed up on a daily basis.
	Totals-Chapter 4		\$67,888	\$7,591	\$37,955	
	Total Savings		\$251,143	\$13,571	\$802,935	