

## **8. Management**

### **Update 14**

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RESOURCE GUIDE**

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# 8. Management

## 8.1 Introduction to Management

### 8.1.1 Overview of Management

Management processes and practices have a direct link to overall accountability within a school district. The focus of management is the successful implementation of programs. Both the management structure and the execution of day-to-day management functions have an impact on student achievement as well as the quality of overall service delivery within the district.

The purpose of this module is to provide a general guide on how to assess the effectiveness and efficiency of management practices with the goal of improving overall related service delivery within the district. Additionally, a section on existing "best practices" is included to provide practical examples from school districts statewide. Finally, a bibliography is included to provide information on available resource materials on specific topics.

Managing in the public school environment presents numerous challenges for school administrators. These include:

- *The governance structure.* Policy decisions are made by an elected Board of Trustees who often come from diverse backgrounds. Board members may also have divergent goals and objectives for the district. Although both of these factors are an integral part of the democratic process, school administrators are challenged to build the infrastructure for cohesive decision-making and provide support mechanisms to meet Board needs.
- *Public scrutiny.* There is an inherent skepticism about management of public school resources. Administrators face the demand for providing greater levels of service at decreased expenditure levels. This demand for providing "more for less" requires district management to be creative and seek alternatives to traditional service delivery methods. Additionally, parents and patrons of school districts have become increasingly involved in the decision-making process. Participation in site-based decision-making initiatives enables them to communicate with the board at scheduled

meetings and workshops. School administrators are challenged to incorporate often diverse community demands for accountability at all levels of the district's organization.

- *Uncertainty of public school financing.* Financing the multi-billion dollar expenditures required to support public education in Texas has been a major issue for district administrators. Legislative action and subsequent court interpretations focusing on equalization make both short- and long-term financial planning and decision-making difficult.
- *External agency control.* Numerous external entities impact the operations of school districts. These include the legislature, Texas Education Agency, and other state and federal agencies. Responding to requirements, mandates, and requests add another level of complexity to an already complex management environment.
- *Operational diversity.* Public school districts, regardless of size, are complex and diverse organizations. The school district is normally one of the largest employers in a community and is required to provide services which include:
  - Instructional delivery
  - Food service
  - Transportation
  - Facility/Grounds maintenance
  - Custodial services
  - Financial services
  - Administration

Larger districts may provide other services including warehouse operations and security services.

The management structure, processes, and skills required to manage this enterprise significantly exceed that required for organizations with a singular focus or service output.

A challenge for school officials is the appropriate identification of the "problem(s)" to be addressed when developing a budget and making decisions about staffing and financial

allocations. Herbert Simon, author of many books on public administration, like *Administrative Behavior: A Study of Decision-Making Processes in Administrative Organizations*, explains that decision-making processes are facilitated when based upon a rigorous review of data and information, similar to activities involving engineering and scientific processes. Decisions about personnel management issues and financial allocations should be based upon data or evidence relating to the academic performance of students and the effectiveness of academic programs, in addition to data explaining relative operating efficiencies of all instructional support and administrative functions. It is necessary to make comparisons between districts and campuses that have similar characteristics to obtain useful information about potential management issues. Software applications that benchmark academic and performance statistics are available from various sources. Decision making processes in school districts are complex and administrative and governance decisions are not effective, if the "problem(s)" is (are) not adequately identified before making decisions about resource allocations.

John Warfield, author of *A Science of Generic Design, Managing Complexity through Systems Design*, describes various processes for analyzing factors that contribute to or diminish an organization's efficiencies and effectiveness in accomplishing goals and objectives. Warfield also describes computer applications that provide functional capabilities to map complex multi-dimensional issues involving various aspects of the management of services and activities. These types of tools are also useful to management in obtaining an understanding of the "problem(s)."

## 8.1.2 Current Management and Organizational Trends

In the past, school districts have adopted several conventional management structures. These include:

- *Hierarchical organization structure.* The reporting relationship in most school districts is hierarchical adhering to an established chain of command. Cross-functional communication does exist. Clearly delineated functional responsibility and vertical reporting relationships dominate
- *Traditional business model.* The business model and business processes for school districts have been traditional and often historically based. Change has usually occurred slowly in response to mandates or to the demands of a special situation. The support tools for management of the district (such as technology) have lagged current trends.

- *Promotion from within.* Administrative positions have traditionally been filled from the ranks of existing employees either through promotion or transfer. Tenured employees in most administrative positions (except superintendent) have been common.

Pressures generated by flat or declining revenue bases, demands for increased quality of service, and the increasing cost of service delivery have created the need for school districts to analyze and implement more current management and organizational strategies. These include:

- *Rightsizing.* Rightsizing involves in-depth analysis of the organization structure and staffing levels to determine if personnel resources are adequate or excessive. It also focuses on organizational issues such as levels/layers of management, reporting relationships, and the ability of the organization to serve its "customers" or users. Rightsizing involves refocusing and realigning resources to perform functions that are "mission critical" for the district to be performing. It challenges historical staffing levels and the existing organization structure by focusing on key issues such as productivity, efficiency, effectiveness and resource deployment.

Rightsizing can benefit districts that face pressures to control administrative costs and to reallocate resources to the campus level to focus on instruction and student achievement.

- *Horizontal organization structure.* Also known as a matrix organization, a horizontal organization structure breaks down the traditional hierarchical organization structure and reporting relationships. A matrix organization allows for resources to be utilized in a cross-functional manner and provides for an administrator to utilize resources from other organizational units without going through "bureaucratic hoops". It allows more flexibility in matching the organization structure with its overall strategy and mission. Additionally, employees at various levels are empowered to realistically participate in determining how they can best serve the organization. Lines of communication are also enhanced.

While most school districts adhere to a hierarchical structure, progress has been made through site-based management initiatives to allow for greater participation in management decisions and input regarding resource allocation. This initiative also appears to be a first step in providing a "bottom up" view of central administrative support requirements from both an organizational and staffing standpoint.

- *Reengineering.* Reengineering is a systematic approach to structuring and managing organizations. It differs dramatically from traditional management audits or organizational studies as it focuses on the fundamental rethinking of business processes. The results are normally a sharp departure from "legacy" processes of the past as the way work is performed is fundamentally challenged and subsequently changed.

Process reengineering is relatively new to the public sector but will play an even larger role in improving the management of school districts in the future.

Each of these trends is discussed in more detail in other sections of this module.

### 8.1.3 Improvement Opportunities

The focus of the remaining sections of this module is to present ways and methods that school districts can utilize (at their discretion) to improve overall management. It incorporates detailed information on identifying management improvement opportunities and incorporates "best practices" that are currently in place in Texas school districts. The module is based on several basic premises which include:

- An organization must constantly challenge itself and its methods of delivering services in order to meet the changing demands of today's society. A departure from the "we've always done it that way" service delivery philosophy is required.
- An organization must be change oriented. This does not indicate that an organization must change for the sake of change, but rather that it is continually seeking improvement opportunities.
- An organization must focus on results and seek to understand the "whys" of successes and failures. This means consistent evaluation and analysis of key operational components from instructional methods to transportation routing. Performance and productivity improvement are emphasized.

Additional resources are available on the Internet site of the Legislative Budget Board at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) describing "best practices" in public education including:

- Asset and Risk Management
- Community Involvement
- Computers and Technology
- District Organization and Management

- Educational Service Delivery and Performance Measures
- Facilities Use and Management
- Financial Management
- Food Service
- Governance and Leadership
- Human Resources Management
- Leadership and Management
- Personnel Management
- Plant Operations and Maintenance
- Purchasing
- Safety and Security
- Student Services
- Transportation

### **8.1.4 Improvement Challenges and Incentives**

The premises are proactive in nature but should become basic tenets of a school district's management philosophy as challenges/obstacles to change and improvement will inherently occur. These may include:

- *Employee resistance.* Employees may be change averse and feel threatened by new initiatives or implementation of new processes. This may be a result of fear of losing their jobs, insecurity relating to the ability to perform new duties, longevity within a position, or lack of understanding of the reason for change. This resistance is normally overcome by providing for interactive participation in the change initiative, open communication, and the willingness to address (through corrective action) legitimate concerns.

- *Resource availability.* The availability of key resources such as time, personnel, or fiscal resources may inhibit change initiatives. However this is a two-edged sword. The resources may not be available because of inefficient processes, improper resource allocation, or other reasons. All management improvement projects must include comprehensive planning to ensure that resource constraints do not block progressive actions.
- *Skill base.* The particular skill set involved in the change initiative may not be available within the district. The expertise to carry out the project and/or to implement project recommendations may not be available with district employees. It may be feasible to have an outside party (other district practitioners, professional organizations, or outside firms) to provide assistance. Employee skills can be enhanced by training prior to implementation of subsequent performance. Alternatively staff changes may be required for the initiative to be successful.

Major incentives for improvements in district management include:

- Improved student performance
- Increased program effectiveness
- Cost savings
- Improved service delivery
- Problem resolution
- Improved board relations
- Enhanced community support
- Improved resource utilization
- Enhanced relations with governmental agencies

The following section details methods for evaluating management and operational performance.

## 8.2 Methods for Evaluating Management and Operational Performance

The evaluation of management and operational procedures within a school district may be accomplished in a number of ways. Normally, a district monitors the effectiveness of these through analysis of results achieved. As an example, financial evaluation may occur through monitoring the achievement of performance objectives contained in the budget document. State and national test results may be utilized to evaluate a variety of key areas including curriculum content, instructional methods, and campus performance.

Alternatively, there are formal methods for performing evaluation of management and operational practices which are more proactive in nature. These include:

- Comprehensive Management Audits
- Focused Operational Reviews
- Performance Audits
- Organization Studies
- Reengineering Projects

The major features and project components are described below:

### 8.2.1 Comprehensive Management Audit

A comprehensive management audit is a detailed analysis of all aspects of a district's operations including operational practices, management processes and organizational structure. The major objectives are to:

- Refocus and realign resources to "mission critical" activities

- Improve efficiency (Improve work flows, eliminate unnecessary services, eliminate duplicate efforts, etc.)
- Improve the effectiveness of management processes
- Improve effectiveness of management support tools (automated system support, equipment replacement, improved controls, etc.)
- Determine appropriateness of service levels
- Identify cost savings
- Identify revenue enhancement opportunities
- Enhance the governance environment

Project components generally include a review of policies and procedures, focused interviews, general review of workload, work methods, and work flows, evaluation of systems and processes, review of management practices, review of resource and facility utilization and detailed functional and cost analyses. Projects may include a comparative survey with peer districts in Texas or nationwide. Management audit projects result in a report which details the project scope and methodology, contains findings and recommendations, identifies cost savings and/or investments required, and provides an implementation plan.

The major benefit of this method is that the district can analyze the efficiency and effectiveness of all district operations at one time and can then systematically plan and prioritize implementation strategies. Disadvantages may include cost, operational disruption during project activities, and organization-wide concern and the related morale impact.

## 8.2.2 Focused Operational Review

The components of this method are similar to the comprehensive management audit and have the same general objectives. This method is less comprehensive in scope as it focuses on one or more operational areas or functional units. However, project activities may be more detailed as they normally include detailed cost breakdowns obtained through activity-based cost analysis. This identifies the major cost drivers of the area(s) being reviewed and then segments these into cost components. This segmenting is beneficial in identifying high cost, low value, and/or non-essential activities. Segmenting also provides a mechanism for tracking costs over time. The approach for this method generally involves the following:

- In-depth activities analysis including service level identification
- Documentation of work flow and work activities by functional areas
- Development of work measurement tools
- Conducting work measurement and related cost analysis
- Assessing improvement opportunities

Additionally, a focused operational review allows for an assessment of service delivery which can include the following:

- Do service delivery systems parallel strategic goals and objectives?
- Do unmet needs or service gaps exist?
- Are users encountering delays or wait times for services?
- Do levels of service delivery efforts match service needs?
- Are mandated service delivery requirements being met?
- Are resources being utilized efficiently and effectively?

- Are service delivery performance standards utilized?
- Are performance standards realistic?
- Are service delivery policies and procedures utilized?
- Are policies and procedures meeting current user requirements?

The results of an operational audit are presented in a report format detailing project scope and methodology, findings and recommendations, work measurement and cost analysis detail, and a prioritized implementation strategy.

The major benefit of this method is that it allows a district to conduct an in-depth review of an area which normally is a concern or has been problematic in the past. It is less disruptive as only selected organizational units are impacted. Finally, it can be utilized as a tool in analyzing privatization or outsourcing alternatives.

### 8.2.3 Performance Audits

As described here, performance auditing is a method of determining management effectiveness and operational efficiency but also determining if there is compliance with applicable laws and regulations. The major difference in this method as compared to other methods described in this section is that performance audits are compliance oriented and stress statutory and regulatory compliance as much as economy and efficiency. The General Accounting Office publishes *Government Auditing Standards* (Commonly referred to as the "Yellow Book") which provides the following comprehensive information about performance audits.

The "Yellow Book" defines a performance audit as an objective or systematic examination of evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action.

The scope of performance audits can include economy, efficiency, and program audits defined as follows:

- Economy and efficiency audits include determining:
  - Whether the entity is acquiring, protecting, and utilizing resources (such as personnel, property, and space) economically and efficiently
  - Identification of the causes of inefficiencies and/or uneconomical practices, and
  - Whether the entity has complied with laws and regulations on matters of economy and efficiency applicable to the program.
- Program audits include determining:
  - The extent to which the desired results or benefits established by the legislature or other authorizing body are being achieved
  - The effectiveness of organizations, programs, activities, or functions, and,
  - Whether the entity has complied with significant laws and regulations applicable to the program.

The "Yellow Book" provides a sample work plan for each type of performance audit. For economy and efficiency audits, the example provided includes the following:

- Is the entity following sound procurement practices?
- Is the entity acquiring the appropriate type, quality, and amount of resources at an appropriate cost?
- Is the entity properly protecting and maintaining its resources?
- Is the entity avoiding duplication of effort by employees and work that serves little or no purpose?
- Is the entity avoiding idleness and over-staffing?
- Is the entity utilizing efficient operating practices?

- Is the entity utilizing the optimum amount of resources (staff, equipment, and facilities) in producing or delivering the appropriate quantity and quality of goods or services in a timely manner?
- Is the entity complying with the requirements of laws and regulations that could significantly affect the acquisition, protection, and use of the entity's resources?
- Does the entity have an adequate management control system for measuring, reporting, and monitoring a program's economy and efficiency?
- Does the entity have reported measures of economy and efficiency that are valid and reliable?

The sample work plan for program audits addresses the following:

- Assessment of whether the objective of a new or ongoing program are proper, suitable, or relevant
- Determination of the extent to which a program achieves a desired level of program results
- Assessment of the effectiveness of the program and/or of individual program components
- Identification of factors inhibiting satisfactory performance
- Determination of whether management has considered alternatives for carrying out the program that might yield desired results more effectively or at a lower cost
- Determination of whether the program complements, duplicates, overlaps, or conflicts with other related programs
- Identification of ways to make programs work better
- Assessment of compliance with laws and regulations applicable to the program

- Assessment of the adequacy of the management control system for measuring, reporting, and monitoring a program's effectiveness
- Determination of whether management has reported measures of program effectiveness that are valid and reliable.

The major benefit of a performance audit is the comprehensive nature of the scope which includes a review of internal controls and management controls. This scope is also the major disadvantage as the performance audit team must not only identify the myriad of policies, statutes, and program requirements for the audit but they must also develop compliance test measures that are objective. Other disadvantages include both the time and costs required for conducting a performance audit.

## 8.2.4 Organization Studies

An organization study involves a comprehensive review of a district's organization structure and staffing patterns. The major objectives are to determine if staffing levels are appropriate and if the structure of management is serving the needs of the organization. An organization study may be conducted as a stand-alone project or may be incorporated into management audits, focused operational reviews, or performance audits. Key study areas include a review of:

- Division of responsibility
- Position accountability
- Functional alignment
- Delineation and effectiveness of chains of command
- Spans of control
- Organizational design
- Degrees of specialization and generalization

- Supervisory ratios
- Workload distribution

Project components normally include review of relevant documents (such as organization charts, reporting charts, and job descriptions), focused interviews, observation and review of work methods and work flows, analysis of relevant supervisory/management structure and practices, and identification of communication protocols. Organization studies result in a report which details the project methodology, presents findings and recommendations, and provides an implementation plan. Additionally, project reports normally contain revised organization charts, revised job descriptions, analysis of potential cost savings, and analysis of alternative staff deployment methods.

Normally an organization study provides answers to the following questions:

- Is the organization structure aligned with the strategic goals and objectives of the district?
- Is the organization structure understood by the employees?
- Does individual authority match individual accountabilities?
- Are related work activities consolidated within the organization and not duplicated?
- Are workload distributions appropriate?
- Are spans of control and layers of management appropriate?
- Are organizational communication channels and protocols effective?
- Are organizational communication channels and protocols utilized?

The major benefit of an organization study is that operational efficiency and service delivery can be enhanced through improved staff utilization and deployment and improved

reporting relationships. This method also allows for the district to analyze current trends toward rightsizing and a more horizontal organization structure. A disadvantage is that staff members are often fearful of this process and may feel that the singular objective is to reduce staffing levels.

## 8.2.5 Process Reengineering

Process reengineering is defined by Hammer and Champy in their book *Reengineering the Corporation* as:

*the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service and speed.*

The major distinction between process reengineering and other methods described in this section is that reengineering begins with the questions: Why do we do everything that we do? And why do we do it the way we do? The other major distinction is that reengineering does not focus on incremental or marginal improvements. Hammer and Champy state it this way:

*In reengineering, radical redesign means disregarding all existing structures and procedures and inventing completely new ways of accomplishing work. Reengineering is about business reinvention-not business improvement, business enhancement, or business modification.*

The scope of a reengineering project also differs from the other methods identified above. The scope:

- Begins with a "blank sheet of paper" with the objective of accomplishing major improvements which are not constrained by the legacy of the past and the politics of the present.
- Takes a view of the organization as an integrated set of horizontal processes, supported by technology, people, and the related infrastructure.

- Maintains a strategic focus on process results which contribute the most toward achieving the desired performance. This minimizes resource utilization in non-strategic activities.
- Results in quantum change that leverages organizational creativity and motivation.
- Promotes integrated solutions which leverage information technology, operations, strategy, and change management processes to achieve radical change.
- Implements radical change focused on implementation and measurement of results achieved.

Work plans for process reengineering are customized for the organization and organizational environment.

## **8.2.6 Summary**

These methods can provide Texas school districts the ability to improve the overall management and service delivery capability. Alternatively, execution of these methods can also identify organizational strengths and reinforce that current management strategies and their execution are successful. The following section provides general information on how to utilize these methods.

## 8.3 Conducting Management and Operational Improvement Audits

This section contains a discussion of key issues to consider in the execution of management and operational improvement audits. In addition, a “typical” high level work plan for completing a management and operational improvement project is also presented, highlighting key elements of each project task.

### 8.3.1 Approach and Guiding Philosophies

Details of specific approaches to conducting management and operational improvement audits will vary depending on the reason for the review and the organization or operation being studied. However, several approach features tend to be common across all such reviews. For example, public education focuses on the analysis of service. An examination of the combination of financial and facilities performance data with personnel interaction addresses underlying management processes, decision-making, and performance issues specific to the operation or program being studied.

While specific approaches will vary, any approach to conducting these reviews must be fact-based, objective and analytical, regardless of the reason for the review or the organization or operation being studied. This is necessary to assure acceptance of findings and improvement recommendations resulting from the study.

Philosophies that should guide the overall execution of any management review or operational improvement audit are:

- *Prospective focus.* The appropriate focus of a management or operations analysis is from the present to the future, rather than backward to previous operating methods or environments. This is in contrast to the focus of a financial audit. The focus should be on improving current service delivery, financial, organizational and operating practices, with particular emphasis directed toward implementation.
- *Practicality of recommendations.* The review approach should provide for implementable improvement opportunities by thoroughly evaluating practical constraints and resources likely to be available for implementation.

- *Commitment to implementation of results.* The review approach should strive to ensure that a concrete commitment to pursue recommended improvement opportunities is developed on the part of the impacted organization. Those performing the review can achieve this emphasis by subjecting each of their recommendations to the following criteria:
  - *Difficulty of implementation:* Is the recommendation "implementable" given current and anticipated future resources?
  - *Timing of implementation:* Can the recommendation be implemented in a reasonable period of time?
  - *Costs/benefits of implementation:* Do the benefits of the recommendation (both quantitative and qualitative) outweigh the anticipated cost of implementation?
  - *Accountability:* Is some individual clearly accountable for "ownership" of implementing the recommendation?
  
- *Credibility and objectivity.* The review approach must ensure that results and recommendations are not only accepted by the impacted organization, but will also withstand public scrutiny. It is important for those conducting the review to approach the project with no preconceptions and to fully maintain their objectivity and independence throughout the project.

## 8.3.2 Management Issues Affecting Operational Effectiveness

Management and operations analyses seek to pose several important questions which will frame the overall scope and direction of the analysis. These questions relate to service quality, operational efficiency, organizational positioning and management effectiveness.

To evaluate the overall effectiveness of an operation, it will be necessary to understand the overall objectives which the operation is to ultimately support. Reviewers should therefore ask about:

- *Mission Objectives*
  - What is the established strategic direction of the school district and the operation being studied?
  - Who are the school district's "customers"?
  - Do the strategic directions of the operation under study fully support the requirements of the school district's strategic direction?
  - Do the strategic directions of the operation under study reflect the requirements of its operating environment?
  - Does the organization structure of the operation under study reflect the basic needs of the school district and its customers? Are the assignments of functions and reporting responsibilities appropriate and consistent with the overall role, scope and mission?
  
- *Performance*
  - Are services provided consistent with "customer" service needs and desires?
  - What are the operation's service level goals and measures of performance?
  - How is activity value measured?
  - How are resource utilization and performance measured?

- Does the organization actually accomplish its mission (i.e., how well does it actually *perform*)?
- How are operational policies set, implemented and communicated?
  
- *Resource Allocation to Support Performance*
  - What resources are available to the organization, and what is the organization's role in deploying those resources?
  - What specific resources are consumed in the delivery of services?
  - Should the school district seek alternative providers for any of the functions under study?
  - Do functions and/or organizational unit responsibilities overlap?
  - Are resources allocated and utilized appropriately?
  - Are proper performance measurement systems in place?
  - Do current performance measures adequately reflect the mission and goals of the school district and the operation under study?
  
- *Overall Management*
  - Is the current operation's organizational structure efficient and effective in facilitating quality service delivery and management coordination and control?
  - Is management information available through utilization of appropriate technology and technological tools?
  - Are planning, budgeting, and performance measurement consistent and internally coordinated?
  - What, when, and how should improvements be made?

### 8.3.3 Methodology Considerations for Reviews of Management and Operational Effectiveness

The methods utilized to conduct the operations analysis are important to the overall success of the project and the implementation of its results. The review methods should be adapted to the specific circumstances of the organizations and operations under review.

A typical review begins with the following major elements:

- Definitions of evaluation criteria and critical success factors for the operation under review, based on an understanding of the school district's overall mission and objectives
- Design and application of specific data collection and interview procedures and guidelines which produce evaluative and success factors information that assesses all aspects and components of the operation under review
- Analysis of data and development of recommendations to implement the results of the assessment.

This “top-down” approach starts with the development of an understanding of the school district's top-level policy and objectives. It moves through management middle levels, where traditionally the implementation takes place. This approach concludes with analyses of operational level activities and results. This top down review emphasizes effective communications in service delivery and cost containment strategies at the operations level.

The approach also recognizes both internal and external factors which affect the ability of the organization to function in a cost-effective and efficient manner. These factors or constraints must be considered when practical recommendations are developed.

Complementing the top down review is a “bottom-up” process for the review and concurrence with top down findings and for the implementation of change. While top management must support and commit to change, personnel at the operations level must actually implement changes. Those at the operational level should understand the benefits of proposed recommendations. The implementation strategy for cost-effective recommendations should be characterized by a “building block” approach. The blocks are to review and achieve concurrence through recognition of the value of staff participation in meeting the school district's goals.

## 8.3.4 Work Plan Elements

A work plan is important for completing a management and operational improvement project in the public education arena. It should highlight important elements of each project task. A generic work plan is included here for illustrative purposes only. The details of actual work plans for review projects will vary depending on the reason for the review and the specific operation or organization being studied.

This sample work plan consists of six major areas of work: (1) project initiation, (2) initial assessment, (3) core management and operations analysis, (4) privatization analysis, (5) operations improvement plan development, and (6) final report preparation and presentation.

### 8.3.4.1 Task 1: Project Initiation

Carefully planned preparatory activities will ensure that the overall project gets underway productively, is viewed positively by the organization under study, and quickly develops momentum as a vehicle for operational performance improvement. Project initiation requires an *orientation session* for the members of the review project team. The purpose of this orientation session is to ensure: (1) that management and staff from the organization under review understand the approach and data requirements; and (2) that the total review project team is fully aware of the types of project-related information that is available. This initial information identifies areas that involve significant costs and areas with major problems. Among the activities to be performed in this orientation are:

- Define project roles and reporting relationships
- Establish project communications procedures
- Establish project data gathering procedures
- Obtain a project management and status overview
- Establish any required on-site working arrangements

- Review project tasks with the project team, school district administration and operation management to establish an efficient approach which will focus on highest priority areas of concern and minimize impact on operations
  
- Review and confirm the schedule for completion of the project work plan
  
- Obtain historical and current organization charts to review:
  - The identification of key management personnel
  
  - Lines of authority
  
  - Lines of responsibility
  
  - Organizational relationships
  
  - Management reporting systems
  
- Finalize responsibility assignments for project team members
  
- Document preliminary information requirements identified during the orientation session

### **8.3.4.2 Task 2: Initial Assessment**

The preliminary interviews are conducted with appropriate administration and operations management personnel. A staged top-down approach to management interviews will provide the perspective necessary for the project team to clearly formulate an understanding of operations, the organization, management processes, and key issues. The focus of these interviews is to obtain a practical understanding of the organization, policies, procedures, and decision-making process. Subsequent to preliminary information gathering, interviews will be issue-oriented to maximize the review and analysis of relevant facts. The following examples highlight some typical issues encountered in the performance of such analyses:

- Service delivery and organization structure as reflected by:
  - Assessment of overall direction and strategy

- Specific service delivery strategies and objectives
- Overall “customer” satisfaction levels
- Service delivery performance measurement and evaluation
- Unmet customer needs
- Appropriateness and adequacy of organizational alignments
- Information exchange and communication flow
- Appropriateness and effectiveness of overall organization structure
- Internal versus contractor resource allocation
- Financial management and results as reflected by:
  - Financial and operation strategies
  - Adequacy of funding
  - Sources of funding
  - Operating and debt service costs
  - Financial performance measurement and evaluation
  - Cost-effectiveness of work force performance
  - Cost-effectiveness of contractor performance
- Facilities management as reflected by:
  - Space utilization strategies and practices
  - Deferred maintenance requirements
  - Preventive and corrective maintenance planning and scheduling
  - Physical plant expansion requirements

- Physical plant improvement requirements

To develop an understanding of the operation and the associated goals of the district the project team uses interviews. This understanding of the overall direction of the school district and, the consequent future of the operation under review helps define specific measures of mission success and goals to be pursued. The typical areas to be addressed during these interviews include:

- Responsibilities
- Reporting relationships
- Management information
- Major decision criteria
- Major functional area work products
- Performance measurement by major objective
- External environmental considerations
- Other strategic or tactical issues

To obtain a historical perspective and assess the capacity and preparedness for achieving goals, strategies, and plans, reviewers will study relevant data and documentation. They will focus on documentation that tests and guides an "issue-driven" analysis. A request for documentation will be prepared and submitted by the project team and typically will include requests for:

- Organization charts
- Policies and procedures

- Historical services delivered
- Major information systems and control processes
- Goals, objectives, and strategies
- Performance measurement/standards
- Operations: improvement initiatives
- Payroll cost and staffing levels
- Budgets and actual performance
- Project management techniques
- Technology platform
- Operational statistics and financial data.
- Staff development programs

This data will be used to develop an overall profile indicative of organizational and operational performance (both efficiency and effectiveness). Such a profile identifies results and workload over recent years, establishes a basis for comparison, and identifies potential improvement opportunities.

The document review will also result in an analysis of management information flows relating to potential improvements in economies of scale, cost efficiencies, and staffing levels. This identification and analysis of management's process priority and criticality allows the review team to focus resources on processes and information flows.

### **8.3.4.3 Task 3: Core Management and Operations Analysis**

- After analysis of initial interviews and documentation, the project team will conduct a more detailed "core" analysis of operations, focusing and elaborating on the key issues and high payback areas identified in Task 2.
- Representative activities to be conducted are an operations, financial, and facilities analysis.
- An operations analysis describes:

*Services Provided.* The objective of the analysis of specific services provided is to quantify current service levels for the operation under review and identify discrepancies between required or desired services and services offered. The results of this analysis will be used as criteria for the design of future internal service delivery improvement options or for the evaluation of any external "privatized" service delivery options.

*Organizational Structure.* The objective of the organizational structure analysis is to highlight opportunities to streamline operations, improve coordination, and reduce organizational operating costs. Potential organizational structure issues in this regard include span of control or excessive levels of management. This analysis relies upon personnel and organizational data and typically addresses the following topics:

- Span of control. Compare and contrast actual spans of management control throughout the organization to identify potentially inefficient management structures
- Layers of management. Identify the numbers of layers of management from management to line workers. Excessive layers potentially cause increased reporting and management costs, and ineffective communications.
- Cost to manage. Compare the salary cost of managers divided by the salary cost of workers managed among functions and throughout the operation. High cost to manage is indicative of low span of control.
- Technology information systems. Review technology information systems within the district to achieve optimum installation and utilization of such systems.
- Performance measurement information. Identify the flow of performance measurement information to determine if received by appropriate personnel within the district.

- A financial analysis examines:

*Current Funding.* The objective of funding analysis is to illustrate the current and expected funding environments for the operation in order to identify specific fiscal constraints and develop potential "work-around" strategies. In performing this activity, the review team will identify and quantify sources and adequacy of funding for current and future operations. Potential opportunities to enhance funding will also be identified and evaluated.

*Current Operating Costs.* The objective of cost analysis is to portray the cost structure for the operation and perform trend analysis with the ultimate goal being to identify cost issues. Both operating and debt service costs will be analyzed. Activities include collecting budget and financial data for the past several years as well as the current fiscal year budget. In cost analysis, models of financial performance are built and evaluation criteria developed to analyze historical and planned expenditures and resource allocation, focusing on cost effectiveness.

- A facilities analysis examines:

*Deferred Maintenance.* The objectives of deferred maintenance analysis are to identify and quantify current and future deferred maintenance requirements in light of externally mandated requirements as well as quality of service imperatives, and to identify potential opportunities to reduce or eliminate expenditures in this area. Preventive and corrective maintenance management strategies are also developed during this activity.

*Capital Improvements.* The objectives of capital improvements analysis are to identify capital improvements necessary to maintain current performance levels, and to achieve mandated and desired future performance levels. This analysis includes an examination of current capacity and occupation rates for the physical plant of the operation under study. The following factors will be evaluated:

- Gross square footage per relevant measure (e.g. per student)
- Quality and quantity of facilities
- Potential funding for facilities construction
- Potential to expand or add to existing facilities
- Space utilization and availability

#### 8.3.4.4 Task 4: Privatization Analysis

This task is designed to identify and evaluate opportunities which may exist to privatize elements of the operation under review. Although cost effectiveness is the primary goal of this analysis, balancing "hard" quantitative factors with the "soft" qualitative impact of privatization is important.

This analysis is to be directed by those acting on the behalf of the school district rather than by potential vendors of the service being analyzed for privatization. Because potential vendors may have a vested interest in the outcome, they may not be objective enough to assure acceptance of analysis results. Both the affected organization and the wider public may reject the results.

- *Develop privatization decision criteria.* A series of decision criteria will be developed to evaluate various privatization and internal operating alternatives. It is important to obtain sufficient input from various stakeholder constituencies in the development of these decision criteria to assure the acceptance of privatization analysis results by those affected. Examples of decision criteria to be considered include:
  - Effect on overall mission and culture
  - Financial benefits
  - Management control over service quality
  - Management control over service options
  - Effect on key stakeholders (e.g. employees, local business, students)
  - Tax status implications

Activities performed in completing tasks 2 and 3 above will be helpful in developing and refining these privatization decision criteria.

- *Identify operating alternatives.* This activity identifies operating alternatives available to the operation under study. The alternatives may include privatization, self-operation, or a hybrid of these options. Various methods can be used to identify operating alternatives, including surveys of peer institutions, consultation with trade associations and an evaluation of local market options.

- *Evaluate operating alternatives.* Once operating alternatives are identified, they will be evaluated against the terms of the relevant privatization decision criteria developed above. Additionally, these operating alternatives will be analyzed according to applicable evaluation criteria from Task 3:
  - Service Levels
  - Management Control
  - Funding
  - Costs
  - Deferred Maintenance
  - Capital Improvements
  - Impact on Tax Status

#### **8.3.4.5 Task 5: Operations: Improvement Plan Development**

The activity identifies and enumerates actions which can be implemented to improve efficiency, cost effectiveness, and service quality of the operation. Recommendations will be for a multi-year implementation plan including significant time schedules and milestones. This task will include confirmation of work steps associated with each recommendation, an analysis of the costs and benefits associated with each recommendation, and the potential impact of each recommendation on other operations. Specifically, implementation plans will be designed to:

- Meet the overall goals and objectives of the school district
- Identify resource requirements, if any, in the areas of personnel, investment, or support
- Identify organization, function or individual which should be assigned responsibility for implementation of the recommendation
- Anticipate costs associated with implementation, both short- and long-term
- Create timetable for expected implementation of each recommendation

### 8.3.4.6 Task 6: Final Report Preparation/Presentation

The major objective of this final task will be to develop and present a final report on the project. The report will provide a summary of findings, recommendations and structured operations improvement implementation plans.

The report will summarize overall findings and recommendations in a format which parallels the analyses in Tasks 3 and 4:

- Operations: analysis
  - Services provided
  - Organizational structure
  
- Financial analysis
  - Current funding
  - Current operating costs
  
- Facilities analysis
  - Deferred maintenance
  - Capital improvements
  
- Privatization analysis
  
- Operations: improvement plans
  - Recommended actions
  - Costs to implement
  - Anticipated benefits

- Multi-year time schedules
- Accountabilities
- Impacts on other operations

## 8.4 Management Review Tools

Two management review tools which can be utilized to assess potential improvement opportunities and in the identification of cost savings include the Texas Education Agency Management Audit Methodology and the Legislative Budget Board School Performance Review.

### 8.4.1 TEA Management Audit

This methodology provides detailed guidelines for conducting a management audit in all major operational areas of a school district. It was designed to provide a school district with the ability to perform a review in one or more areas of its operations utilizing *internal resources* or *external resources* such as representatives from the business community or practitioners from other districts or professional associations.

The methodology consists of two components. The first component is a set of modules which serve as detailed interview and analysis guides in the eighteen (18) operational areas addressed. These can be utilized to provide focus and structure to an operational review as they allow the review team to identify deficiencies and potential improvement opportunities. Each of the modules was pilot tested in four diverse school districts to ensure relevancy to the unique operating environment of Texas school districts.

The second component of the methodology is a comprehensive training guide. This guide serves as a training resource which can be utilized to train individuals on how to conduct a management and operational review. The guide provides sequential work plan components detailing each work step from project initiation through development of the final report. The guide also contains helpful suggestions and techniques which serve as developmental tools which can enhance the skills of the project team members.

Copies of the modules and training guide are included in Sections 8.5 and 8.6.

### 8.4.2 Texas School Performance Review

In 1991, the Texas Comptroller of Public Accounts initiated the Texas School Performance Review program. The Texas School Performance Review progress report describes the objectives in the following way:

*The Texas School Performance Review (TSPR) is aimed at improving the efficiency and effectiveness of school administration by identifying problems and highlighting innovative solutions. The Review is designed to help school districts hold the line on costs, reduce administrative overhead, streamline operations and improve services—to ensure that every possible dollar is spent in the classroom teaching children.*

Unlike the TEA Management Audit Methodology, the TSPR relies on management consulting firms to conduct the reviews. This work had significant involvement of comptroller specialists throughout the course of each project. The consulting firms are allowed to apply their own methodologies; however, each review is structured through the issuance of specific request for proposals (RFP) which contain the specifications for each engagement.

Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

The Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews, including:

- Asset and Risk Management
- Community Involvement
- Computers and Technology
- District Organization and Management
- Educational Service Delivery and Performance Measures
- Facilities Use and Management
- Financial Management
- Food Service
- Governance and Leadership
- Human Resources Management

- Leadership and Management
- Personnel Management
- Plant Operations and Maintenance
- Purchasing
- Safety and Security
- Student Services
- Transportation

A detailed report is prepared for each review which is conducted.

Unique aspects of the TSPR include:

- Identification of innovative programs which are successfully working in each district
- Recognition of good management practices which are in place in the district
- Identification of cost savings opportunities and any investments which may be required to realize the savings
- Development of a prioritized implementation plan to guide implementation efforts

### **8.4.3 Best Practices Clearinghouse**

HB 1 from the 3<sup>rd</sup> called session of the 79<sup>th</sup> Texas Legislature requires TEA, in coordination with the LBB, to establish an online clearinghouse of information relating to best practices of school districts regarding instruction, public school finance, resource allocation, and business practices. The information must be accessible to school districts and the public.

The link to the Best Practices Clearinghouse is:

<http://www.tea.state.tx.us/bestprac/>

For information on the development of the clearinghouse, refer to the [House Bill 1 information site](#) within TEA's website.

## 8.5 TEA Management Audit Methodology

### 8.5.1 Business and Operations:

#### 8.5.1.1 Module: Accounting and Payroll

***Purpose:***

Accounting and payroll are among the most important business functions performed by a school district. Although regulations such as *Financial Accountability System Resource Guide* and other accounting standards exist, actual practices vary widely throughout the state.

A sound accounting and payroll system can provide numerous benefits including:

- Providing internal controls and safeguards
- Providing timely reporting on the status of funds
- Allowing systematic disbursements to maximize available funds.

This module is designed to provide an evaluation of the accounting and payroll policies, procedures, and operations. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. Key focus areas include segregation of duties, integration of funds into the central accounting system, use of hardware and software systems, and staff training programs to keep employees abreast of constantly changing requirements.

***Staff to Interview:***

- Superintendent

- Assistant superintendent with assigned responsibility
- Finance director
- Chief accountant
- Personnel director
- Director of information services

***Data Source(s):***

- Related policies, procedures, and manuals
- Financial reports
- External audit
- Payroll records
- Employee handbook
- Training programs
- Financial Accountability System Resource Guide
- Budget

***Related Modules:***

- Auditing

- Personnel and Employee Relations
- Budgeting
- Cash Management
- Purchasing
- Data Processing

***Audit Areas:***

In each of the modules to be audited, questions may be grouped according to: policies and procedures; operations; organization and staffing; and planning and evaluation.

***Policies/Procedures:***

1. Does the district have board approved payroll and accounting policies which:
  - Are published and disseminated to appropriate personnel?
  - Identify key roles and responsibilities of payroll and accounting personnel?
  - Are consistent with federal, state and local regulations?
  - Identify payroll and accounting reports?
2. Does the district have an approved accounting procedures manual which:
  - Is published and disseminated to appropriate staff?
  - Identifies required data for federal, state, and local reporting requirements?
  - Follows the TEA Chart of Accounts guidelines?

- Provides for various levels of reporting for management review and evaluation for such purposes as cost analysis?
3. Does the district have an approved payroll procedures manual which:
- Is published and disseminated to appropriate staff?
  - Follows the TEA Chart of Accounts guidelines?
  - Identifies required data for federal, state, and local reporting requirements?
  - Provides for the control and confidentiality of payroll records?
  - Provides for the segregation of duties of payroll personnel?

### ***Operations:***

1. Does the accounting system provide for program cost accounting as specified in Financial Accountability System Resource Guide with:
- Special activities and other program costs charged to the proper program/department budgets?
  - Overtime, part-time, substitute and other incidental salaries and benefits charged to program/department budgets?
2. Has the district organized the departments and adequately defined responsibility to ensure proper segregation of duties which promotes internal accounting control including :
- Personnel and payroll functions performed and supervised by personnel in different departments?
  - Payroll personnel responsible for:
    - Payroll calculation?
    - Preparation of payroll disbursement records (payroll ledger, individual year-to-date earnings records)?
    - Preparation of payroll checks?

- The personnel department responsible for:
    - Documenting employee status, compensation, and benefit records?
    - Approving employee status change documents?
    - Preparing and updating payroll master files?
  - Establishing procedures in the areas of cash receipts, cash disbursements, accounts payable and payroll function which prevent a person or persons from sole access to both assets (cash, equipment, vehicles, etc.) and accounting records?
  - Requiring payroll and disbursement checks to be signed by two authorized individuals?
  - Limiting issuance of manual checks to once a week or twice a month if the district utilizes an automated payroll and cash disbursement system?
3. Are funds integrated in the central accounting system including the:
- General fund?
  - Special revenue funds?
  - Debt service funds?
  - Capital projects?
  - Enterprise funds (if applicable)?
  - Capital assets accounting?
  - Long-term debt accounting?
  - Internal service funds?
  - Fiduciary fund types (including student activity funds)?
4. Are student activity funds monitored with:
- Full accounting through the central accounting system?

- A student activity funds accounting procedures manual which has been published and disseminated to students, advisors and officers?
  - Procedures for periodic monitoring and reporting if student activity funds are accounted for on a decentralized basis?
5. Do accounting hardware and software systems meet the needs of the district with:
- Accounting systems automated, when appropriate for the district size, and integrated to supply consistent information?
  - The district's system developing required analysis and reports on a regular and as-needed basis?
6. Do payroll hardware and software systems meet the needs of the district with:
- Payroll systems automated, when appropriate for the district size, to provide accurate and timely information on salaries and benefits?
  - Efficient adjustment to changing requirements?
  - Efficient maintenance of historical payroll records?
  - Efficient accounting for both 10 month and 12 month employee salaries?
7. Are the payroll and personnel systems integrated to provide necessary financial data and reporting with:
- The payroll and personnel systems sharing a common data base with appropriate security measures employed?
  - Generation of management reports showing leaves, balances, overtime, special stipends, etc.?
  - Payroll data automated and integrated with personnel, accounting and budget systems?
8. Is revenue and expenditure information compiled for analysis, evaluation, and planning purposes:

- Using financial data for program evaluation?
  - Tracking expenditures in a timely manner?
  - Providing the following documents:
    - General ledger (monthly and year-to-date)?
    - Subsidiary ledgers (cash disbursements, cash receipts, capital assets, payroll, etc., as appropriate)?
    - Budget-to-actual expenditure reports (monthly and year-to-date)?
    - Various special reports (list of expenditures for period, outstanding encumbrances, etc.)?
9. Does the program accounting provide the necessary information for efficient program management with:
- Program and department accounting information readily available?
  - Budget detail reports, including expenditures, encumbrances and budget balances disseminated monthly to program managers, principals and directors?

### ***Organization/Staffing:***

1. Has the district established staffing criteria for payroll and accounting with management staff assigned specific monitoring activities?
2. Is training in accounting procedures provided to:
  - Allow the accounting staff with opportunities to attend staff development seminars sponsored by the district or outside agencies?
  - Develop staff through educational programs on accounting procedures, where appropriate?
  - Update staff whenever major changes occur?
3. Is training on payroll procedures provided to:

- Allow the payroll staff opportunities to attend staff development seminars sponsored by district or outside agencies?
  - Develop staff through educational programs in payroll procedures, where appropriate?
  - Update staff whenever major changes occur?
  - Orient new employees and new management on payroll procedures?
4. Is training provided to management personnel in understanding and analyzing payroll and accounting reports?

### ***Planning and Evaluation:***

1. Are regularly scheduled reviews, analysis, and evaluation of accounting activities provided including:
  - Periodic random internal audits of petty cash and activity funds?
  - Review of compliance with changing accounting requirements?
  - Review and evaluation of information provided to managers?
  - An evaluation of the accounting reporting system in relation to federal, state and local reporting requirements?
  - Monthly reconciliation of all bank accounts?
  - Detailed tax receipt records reconciled to the general ledger tax revenue?
2. Are regularly scheduled reviews, analysis and evaluation of payroll processing provided including:
  - A review of changing payroll requirements conducted in a consistent manner?
  - An analysis of changing requirements for hardware, software, and staffing?
  - The payroll register reconciled to the payroll general ledger?

3. Is long-term planning developed according to changing requirements and projected needs of the district?
4. Are accounting and payroll policies and procedures evaluated and revised annually according to changing federal, state (*Financial Accountability System Resource Guide*) and local requirements?

### 8.5.1.2 Module: Budgeting

#### ***Purpose:***

Budget preparation and administration are important aspects of overall district operations. Providing adequate resources for programs within the restraints of available funding sources presents administrators with a significant challenge. Sound budgeting practices benefit the district by:

- Establishing a documented method for budget development, adoption, and administration
- Providing administrative controls for expenditure of funds within approved allocations
- Assuring campus and community involvement through a "bottom up" budget approach.

This module is designed to evaluate existing policies and procedures supporting the budget process. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. Operational practices which are analyzed include staff involvement, community involvement, expenditure control, spending plans, program budgeting, and long term budget planning.

Related Link:

[Example Monthly Budget Status Report for General Fund for Board of Trustees](#) (pdf)

***Staff to Interview:***

- Superintendent
- Board members (as appropriate)
- Assistant superintendent with assigned responsibility
- Finance or budget director
- Principal(s)
- Department head(s)
- Site-based decision making team

***Related Modules:***

- Accounting and Payroll
- Purchasing
- Personnel and Employee Relations

***Policies/Procedures:***

1. Does the district have board approved budgeting policies which are published and disseminated to appropriate staff and committee members which:
  - Identify roles and responsibilities in the budget process including:
    - Board of trustees?
    - Superintendent?

- Directors and supervisors?
- Building Principals?
- Teachers and staff?
- Site-based decision making team
- Community?
- Budget committee (if applicable)?
- Provide a methodology for controlling full time equivalent (FTE) positions?
- Allow for evaluating and prioritizing special needs of the district?
- Provide for an adopted budget development time line or calendar which is published and disseminated?
- Include an analysis of prior year budgets and expenditures?
- Provide in-service training in budget development procedures for the staff?
- Provide reserves for contingencies?
- Provide for a budget manual containing all relevant forms, instructions, and other data?

2. Does the district have a spending plan which allows for:

- Monthly and quarterly reviews to determine status of the annual spending plan (income and expenditures) with provision for necessary adjustments?
- All principals and other administrators to have a specific spending plan for non-salaried expenditures?
- All principals and other administrators to submit variations from the spending plan for approval?
- The annual adopted budget to be published and disseminated to:

- Board of trustees?
  - Superintendent?
  - County clerk?
  - Directors and supervisors?
  - Principals?
  - Teachers and staff?
  - Employee organizations?
  - Site-based decision making team?
  - Community?
  - Budget committee?
3. Has the district implemented program budgeting in accordance with financial accountability system resource guide with:
- All direct costs charged directly to program/department budgets?
  - Special activities and other program costs charged to program/department budgets?
  - Overtime charged to program/department budgets?
  - Part-time employees charged to program/department budgets?
4. Are all funds (including student activity funds) integrated in the district's budgeting system with:
- Procedures clearly designating responsible budget managers for all funds including:
    - General fund?
    - Special revenue funds?
    - Debt service funds?

- Capital projects?
- Trust and agency?
- Enterprise funds?
- Internal service funds?
- An annual budget submitted for all funds in accordance with district budgeting procedures?

### ***Operations:***

1. Does the budget system provide a procedure for budget amendments (increases or decreases), including:
  - Budget adjustments signed and approved by appropriate administrators?
  - Procedures for budget amendments to be distributed to board, staff and other interested parties?
  - Utilization of a policy for written, pre-approved internal budget changes?
2. Do program budgets provide necessary information for effective program management, including:
  - Program and department budget information which is readily available?
  - Monthly budget reports which include:
    - Full budget status?
    - Expenditures?
    - Encumbrances?
    - Balances?

3. Do the board, community, and staff participate in the budgeting process including:
  - The board setting annual goals which are used in developing the budget?
  - Established procedures for collecting community input to the budget including:
    - Public hearing?
    - Program advisory committees?
    - Campus committees?
  - A budget advisory committee which provides recommendations to the superintendent?
4. Does the business office provide projections, trends, comparative analysis and multi-year planning by:
  - Developing and verifying enrollment projections or utilizing those developed by other staff members?
  - Projecting inflationary costs for energy (heat, electricity, etc.), insurance and other fixed expenditures?
  - Projecting usage statistics for utility consumption?
  - Utilizing formalized forecasting methods in the budget development process?
  - Utilizing multi-year comparisons for analysis?
5. Do the budgeting hardware and software systems meet the needs of the district with:
  - Budget data automated and accessible to appropriate district staff and management?
  - Automated features that facilitate the budget preparation process?
  - Accurate budget reports which are provided to board and staff members?
  - Integration of the budget system with financial, cash management, and payroll systems?

- Hardware and software which can accommodate changing budget requirements?
6. Does the district have a position control system for budgeting controlling staff allocations and hiring which:
- Is supported by written procedures for staff allocations and hiring?
  - Includes an interrelationship between payroll, personnel and budget offices?
7. Does the district have an expenditure control system which:
- Allows for controlling expenditures and allocations?
  - Provides an expenditure control system with an interrelationship between purchasing, accounting and the budget office?
  - Provides for a written request and approval process for exceeding expenditure allocations?

### ***Organization and Staffing:***

1. Does the district have a designated budget staff which:
- Is comparable to districts of similar size?
  - Has assigned areas of responsibility and monitoring, such as:
    - Enrollment projections?
    - General fund?
    - Special revenue fund?
    - Capital projects funds?
    - Debt service funds?
    - Trust and agency funds?

- Internal service funds?
- Enterprise funds?
- Has assigned budget responsibilities in accordance with established guidelines for:
  - Size of budget?
  - Functions?
  - Categorical programs?
  - Location?
- Is provided in-service training on changing budget requirements and procedures?
- Attends state and area budget seminars?
- Conducts in-service training sessions for all personnel involved in budget development?

### ***Planning and Evaluation:***

1. Does the budget process provide for long-term (three to five years) budget planning including, but not limited to:
  - Enrollment and ADA projections?
  - Staffing requirements?
  - Facility needs?
  - Long-term debt requirements?
  - Staff development?
  - Debt retirement obligations?
  - Salary and benefit projections?

- Transportation needs?
  - Maintenance needs?
  - Capital expenditures for equipment and vehicles?
  - Income projections?
  - Revenue collections?
2. Does the budget process provide for evaluating and prioritizing district needs (including but not limited to):
- Classroom instructional materials?
  - Staffing requirements?
  - Expenditure allocations?
  - Facility needs?
  - Staff development?
  - Special services?
  - Transportation requirements?
  - Maintenance and operational needs?
3. Does the budget process provide for evaluation of budget projections and budget accuracy, including review of:
- Enrollment and ADA projections?
  - Income/revenue projections?
  - Staffing projections?
  - Expenditure projections?

- Number of budget adjustments?
  - Cash-flow projections?
  - Facilities projections?
4. Does the district engage in an annual planning process to improve budgeting procedures such as:
- Evaluation of procedures used to determine improvement goals?
  - Evaluation of procedures used in establishing priority goals?
  - Evaluation of procedures used to establish hardware, software and staffing needs?
  - Evaluation of procedures used to establish training needs of budget staff and personnel involved in budget development and control?
  - Evaluation of the budget preparation process including the budget manual, all forms, the submittal process, the adoption schedule, public input, etc.?

### **8.5.1.3 Module: Cash Management**

#### ***Purpose:***

Developing an effective cash management program can provide a district with additional revenues to fund essential programs and operations. Maximizing the return on invested funds while ensuring the safety and liquidity of investments has become a high priority. Effective cash management programs:

- Provide high rates of return through the use of various investment instruments
- Are based on a comprehensive written investment policy approved by the board
- Allow personnel to become skilled in investment procedures and techniques and stay abreast of current money markets.

This module allows review of all facets of the cash management program. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. Key elements include the investment policy, depository bank relationship, controls over cash disbursements, use of cash flow forecasting, and use of automated tools for sound management.

***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Finance director
- Director of information services
- Administrative staff with assigned responsibility

***Data Source(s):***

- Policies and procedures
- Depository contract
- Bank account analysis
- Investment portfolio
- Cash flow forecasts

***Policies/Procedures:***

1. Does the district have board approved cash management policies, procedures and practices which:
  - Meet current legal requirements mandated by Chapters [2256](#) and [2257](#), Government Code regarding investments, liquidity, safety of principal, diversity, marketability and internal accounting controls?
  - Provide for documentation of all relationships with banks, dealers, brokers and others financial institutions?
  - Prevent the payment of significant or normal obligations out of petty cash funds?
  - Comply with relevant laws on placing its primary banking relationships out for competitive procurement on a scheduled basis?
  - Provide for control on issuance of manual checks?
  - Provide for the existence of internal controls to prevent the occurrence of the following cash management practices:
    - Excessive drawdown (e.g., transferring unavailable funds to another account well in excess of the amount available)?
    - Check-kiting (e.g., covering shortfalls in one bank account with a check that itself represents uncollected funds)?
    - Chaining (e.g., using additional depository banks to deposit a check before final concentration occurs)?
    - Check-crossing (e.g., simultaneously issuing and depositing checks for identical amounts drawn on different banks)?
2. Does the district have board-approved investment policies designed to maximize investment income while minimizing risks, which:
  - Meet statutory requirements and include the following:
    - Definition of acceptable risk?
    - Allowable issuers and instruments?

- Percentage of portfolio that can be invested in each allowable investment type and issuer?
  - Diversification of risk?
  - Measurement of performance?
  - Authority and limitations for investments?
  - Selection of maturities?
  - Safekeeping?
  - Reporting and documentation?
  - Formal adoption and periodic revision of the policy?
- Provide internal control procedures to ensure adequate adherence to formalized investment policies and procedures?
3. Does the district have board-approved policies for issuing and managing debt which:
- Recognize any federal, state or local limitations imposed on the type and amount of debt issued?
  - Require utilization of financial advisors, bond counsel and the external auditor in evaluating and issuing debt obligations?
  - Require disbursement of bond proceeds to follow bond indenture guidelines?
  - Assure compliance with federal arbitrage regulations?

### ***Operations:***

1. Are cash collection procedures designed to provide optimum availability of funds including:
- Receiving the best availability schedule offered by its depository bank?

- Proactive acceleration of the collection of revenue from all major funding sources?
  - Use of wire transfers or direct deposit to district bank accounts?
  - Performing daily cash positioning and monitoring to reconcile bank activity and optimally determine excess or deficit cash positions?
  - Depositing all cash receipts daily?
  - Meeting all current day bank deposit deadlines?
  - Concentration of individual school accounts into one master account?
  - Utilization of lockboxes when benefits of increased availability of funds exceed additional cost?
  - Limiting payment of bills to once or twice a month with consideration given to available discounts?
2. Does the district have controls in place to prevent unauthorized, improper or early cash disbursements including:
- Assuring accounts payable disbursements are made according to the due date of the obligation?
  - Use of zero-balance accounts to fund disbursements for accounting reconciliation?
  - Safeguarding unused check stock with access available only to designated personnel?
  - Providing control procedures over outgoing wire transfers which include:
    - Use of passwords?
    - Limited number of authorized personnel?
    - Dual authorization required?
    - Bank call back procedures?
    - Dollar amount limitations on transfers?

- Confirmation of transfers performed by someone other than the initiator?
  - Requiring authorization by top administrative personnel for all significant cash transfers?
3. Are written purchasing procedures in place and regularly updated with emphasis on bulk purchasing and volume discounts?
4. Does the district utilize sound investment techniques while adhering to the investment policy and providing adequate controls such as:
- Excess cash is always invested?
  - Investments are placed from available funds only?
  - Competitive quotes are obtained for investment purchases?
  - Yield curve is analyzed as part of the investment decision-making process to improve earnings?
  - Personnel responsible for the investment function fully understand investment instruments?
  - Personnel making investment decisions stay in contact with the money market to keep up-to-date on market conditions?
  - Investment portfolio holdings are distributed among various issuers and vehicles to diversify risks?
  - Monthly reporting of investment activity is distributed to appropriate management?
  - Proper segregation of duties regarding placing, holding, accounting, and reviewing of investment transactions?
5. Are the district's financing arrangements planned based on budgets and forecasts, including:
- Compliance with statutory and accounting requirements regarding borrowing or financing transactions?
  - All indirect costs such as fees, compensating balance requirements, restrictions, etc., included in the determination of the true cost of debt?

- Selection of financing instruments based on availability, cost, and legal concerns?
6. Are banking relationships managed centrally and reviewed regularly, including:
- Limiting the number of bank accounts to minimize idle balances and facilitate monitoring and control?
  - Reconciling bank accounts on a monthly basis?
  - Central control over the opening and closing of bank accounts?
  - Written depository contract(s) exist with the district's bank(s) in addition to the required TEA contract?
  - Periodic analysis of bank relationships for performance and cost?
  - Objective determination of which payment method for bank services is most cost-effective. (i.e., compensating balances, direct fee payments, or a combination)?
  - Review of bank account analyses on a regular basis?
  - Regular meetings with bank personnel to:
    - Actively pursue portfolio management techniques, cash management strategy?
    - Continually gather summary data of Municipal and government securities?
  - Regular monitoring of the quality of pledged securities?
  - Regular monitoring to ensure that the amount of pledged securities is adequate?
  - Review to assure that pledged securities are held by an independent, third party safekeeping agent?
7. Do cash management hardware and software systems meet needs of the district to provide:
- The following functions:
    - Cash positioning?

- Bank relationship management?
- Forecasting?
- Investment portfolio management?
- Debt portfolio management?
- Security for access to the system?

### ***Organization and Staffing:***

1. Does the district have a defined and formalized cash management department or function, including:
  - Detailed job descriptions, responsibilities, accountability, and performance measurement for all cash management staff?
  - Key cash management staff which possesses necessary background, experience and knowledge for performing cash management activities?
  - Appropriate staff has the opportunity to attend cash management related continuing education programs and be involved in professional organizations (e.g., local cash management groups, Government Finance Officers Association)?
  - A formal compensation program for cash management personnel which is consistent with salary levels at similar organizations?
  - Provision for proper segregation of duties regarding executing, accounting and reviewing cash, debt and investment transactions?

### ***Planning and Evaluation:***

1. Does cash flow forecasting provide a systematic approach for determining and coordinating the cash needs of the district, including:
  - A cash flow forecasting process which is tied to an overall financing/investment plan?

- A cash flow forecasting system which is automated?
  - Evaluation of variances between actual cash flow and forecast cash flow which is utilized to revise subsequent forecasts?
  - The budget, key departments, board and community providing information for preparation of the forecasts as appropriate?
  - External sources of information are used to develop cash flow forecasts (e.g., interest rate assumptions, economic forecasts and governmental regulations)?
  - Short-term and long-term forecasts are prepared to cover various time frames?
  - Cash flow forecasts are prepared:
    - Weekly?
    - Monthly?
    - Quarterly?
    - Semi-annually?
    - Annually?
  - Long-term forecasts (encompassing one year or longer) are prepared:
    - Monthly?
    - Quarterly?
    - Semi-annually?
    - Annually?
2. Is investment performance monitored and reported to the superintendent and board on a regular basis?
3. Are internal reviews to improve cash collections, control disbursements, enhance investment returns and reduce debt costs performed on a regular basis?

### 8.5.1.4 Module: Data Processing

#### ***Purpose:***

Use of automation has enabled school districts to enhance operational, instructional, and business programs. Technological advances in hardware and software combined with affordable pricing allows districts of all sizes to utilize information systems to perform vital functions.

A data processing system provides a number of benefits including:

- More efficient operations through speed of processing and increased information
- Integration of programs
- Communication networks

This module assesses all aspects of data processing including information system planning, operational and organizational controls, system applications, system acquisition, user input, and program evaluation. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. The focus is on management of the operations and not on technical analysis or review.

#### ***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Director of data processing

- User departments
- Service bureau personnel
- Region service center personnel
- Education service center personnel

***Data Source(s):***

- Policies and procedures
- Operational manual and reports
- Disaster recovery plan
- Long range information system plan

***Related Modules:***

- All Business and Operations Modules
- All Curriculum and Instruction Modules
- All Administration Services Modules Excluding Governance

***Policies/Procedures:***

1. Does the district have board approved policies for data processing, including:

- Data processing policies which are published and disseminated to appropriate staff and committee members and updated on a scheduled basis?
  - Policies which identify district management information system requirements including the technology platform?
  - Data processing policies with established goals and objectives of the management information system?
2. Does the district have approved procedures for data processing, which:
- Are published and disseminated to appropriate staff and committees?
  - Provide for adequate security controls to protect the integrity of the system?
  - Provide procedures for establishing user committees for system planning and feedback?
3. Do district policies identify district management information requirements, including:
- A system for determining accounting, instructional, student records, curriculum, budgeting and other departmental information needs?
  - Active user committees to assist in determining needs and establishing system priorities?
  - A formal prioritization process for analyzing district-wide needs?
4. A clear assignment of roles and responsibilities for data processing staff of the district is evident, with:
- Data processing staff functions separate from accounting, payroll and other departments?
  - Data processing staff duties and responsibilities clearly separated to ensure checks and balances on input and output data?
5. Has the district adopted a financial plan for funding data processing systems and programs which includes:

- A board adopted annual spending plan for data processing with utilization of operating funds and bond funds as appropriate?
  - A board approved multi-year spending plan to provide hardware, software, and all peripheral requirements?
  - Funding for use of outside consultants to assist regular staff with system planning, requirements definition, or system implementation if the need exists?
6. Has the district developed operational and organizational controls which include:
- A segregation of functions between the Data processing department and user departments and internally within the data processing department as possible?
  - Provisions for general authorization by management and user departments over the execution of transactions?
7. Has the district developed guidelines (procedures) for application system development/acquisition and maintenance controls which allow for:
- Accounting and other user department personnel to be actively involved in the design of new systems and selection of software packages?
  - New application systems to be adequately tested by Data processing and user department personnel demonstrating system conversion planning?
  - Maintenance (updating and changing) of application programs to be adequately controlled?
  - Standards for system documentation to be adopted and followed?
  - All programs to be fully documented?
8. Has the district developed guidelines for hardware and system software controls which:
- Fully utilize control features that are built into the hardware and operating system?
9. Has the district developed procedures for access control which:
- Restrict access to data files, programs, and documentation to authorized personnel?

- Restrict access to hardware to authorized personnel?
10. Assure mainframe and/or mini-computers are located in a secure location if possible?  
Has the district developed procedural controls insuring:
- A control function has been established which is independent of computer operations?
  - Data processing operations are performed in a controlled, orderly manner that provides for accuracy?
  - Responsibility for prioritizing requests and scheduling of work is assigned to designated staff?
  - Appropriate physical safeguards and backup provisions are provided?
  - Off-site storage is utilized?
  - A district disaster recovery plan is developed?
11. Has the district developed input controls which provide for:
- Only properly authorized and approved input data to be accepted for processing?
  - Significant codes used to record data to be verified (e.g., employee numbers or vendor numbers)?
  - Control of conversion of data into an acceptable form?
  - Control of movement of data between processing steps to ensure data is not lost, added or altered? (Control totals are produced in each processing step and compared to prior control totals.)
  - Correction and resubmission of errors detected to be reviewed and controlled?
12. Has the district developed processing controls which provide for:
- All transactions to be accurately and completely processed?
  - Systematic checks and controls preventing processing wrong files, detecting errors in file manipulation, and highlighting operator errors?

13. Has the district established output controls to assure:

- Outputs are distributed only to authorized users?
- Output is checked for completeness and accuracy, including:
  - Output totals are balanced with input totals?
  - Output is clearly labeled
  - User departments compare data to the source document?

14. Has the district established a data processing user committee which:

- Provides for adequate representation of various user groups?
- Meets on a regularly scheduled basis with a well planned agenda and activities?

### ***Organization and Staffing:***

1. Does the district have an established system for determining data processing staffing requirements which include:

- Factors including enrollment, program needs, and comparative district data?
- Assessment of the use of outside resources (i.e., education service centers or a service bureau) and related cost data?

2. Is training in data processing procedures provided to allow:

- Data processing staff to attend regular review training sessions?
- Data processing staff to attend state and local seminars as appropriate?
- User groups to attend regular review and planning sessions?
- Management personnel to attend regular review and planning sessions?
- New staff to attend orientation session regarding the data processing program and system?

3. Are appropriate operator manuals provided for all programs and systems such as:
  - Attendance?
  - Budgeting?
  - Personnel?
  - Payroll?
  - Instruction?
  - Curriculum?
  - Student records?

***Planning and Evaluation:***

1. Are regularly scheduled reviews, analysis and evaluation of data processing services conducted with emphasis on:
  - Review of changing user requirements?
  - Involvement of user committees in conducting reviews, analysis and evaluation of data processing services?
  - Maintenance of accurate records of data processing activities allowing for review, analysis and evaluation?
2. Are regularly scheduled reviews, analysis and evaluation of data processing hardware conducted to:
  - Review current equipment and future hardware needs on an annual basis?
  - Evaluate user satisfaction with terminals and system operation?
3. Are long range plans developed and revised annually with :

- Input by representatives of the district administration, campus-based personnel and support personnel?
  - Current and future requirements considered for financial planning for system upgrade or replacement?
4. Are reviews and evaluations of security systems conducted to assure:
- Security of hardware is evaluated?
  - Security of software programs is evaluated?
  - Security of information access is evaluated?

### **8.5.1.5 Module: Purchasing**

#### ***Purpose:***

The purchasing function is among the most important business activities of a school district. The primary objective of a good purchasing system is providing quality materials, supplies, and equipment in the right quantity in a timely, cost-effective manner. A sound centralized purchasing system benefits a district by:

- Providing systematic procedures for the procurement of goods and services.
- Providing essential controls for budget and accounting purposes
- Providing economic benefits through practices such as bulk purchasing and price/bid solicitation.

This module focuses on the overall purchasing system including purchase order procedures, bidding practices, internal controls, warehousing, and integration of systems. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance review. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. The focus is on management of the operations and not on technical analysis or review.

***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Purchasing director/agent
- Finance director
- Principals/campus-based personnel
- Selected department head(s)

***Data Source(s):***

- Policies and procedures
- Purchasing manual
- Shared services agreements
- Construction contracts

***Related Modules:***

- Accounting and Payroll
- Budgeting

***Policies/Procedures:***

1. Does the district have board approved policies for the purchasing function including:
  - Written local procedures supplementing TASB policies that are distributed and updated on a periodic basis?
  - A policy for whether the district requires obtaining written price quotations for purchases less than \$50,000 for non-federally funded personal property?
  - A policy defining and controlling purchases which can be made outside the established purchasing system such as emergency purchases, open purchase orders, petty cash, etc.?
  - Restrictions on use of district employees and/or relatives to provide goods or services for the district?
  - Competitive bidding requirements?
  - Interlocal agreement requirements and board authorization?
  - Design/build procedures and guidelines?
  - Competitive sealed proposal/Request for Proposals requirements?

### ***Operations:***

1. Are specifications defined by those who are responsible for using the purchased materials with review by purchasing as appropriate?
2. Does the purchasing system (either automated or manual) provide for:
  - Automatic reorder points for stock replenishment?
  - Follow-up on back orders and partial shipments to assure receipt of proper quantities?
  - Monitoring open purchase orders?
  - Matching purchase orders and receiving documentation for verification of receipt of material to ensure proper payment of invoices?
  - Ensuring charges are made to the proper account code?

- An approved vendor file and history?
3. Does the bidding process provide for:
- Preparing specifications in a manner that does not limit bids to a specific vendor or item?
  - A standardized bidding process coordinated by the Purchasing Department?
  - Preparing and soliciting bids according to local policy, state and federal laws and regulations; and other volume purchases where bidding is the best purchasing practice?
  - Obtaining competitive prices for those items not bought by formal bid through requesting price quotations from vendors?
  - Follow-up procedures with vendors not submitting bids?

### ***Organization and Staffing:***

1. Does the district have a centralized purchasing system which:
- Provides for a requisition form which states suggested vendor, account code, delivery point, and description of item(s) to be purchased with related costs?
  - After approval of the requisition, a purchase order is issued with appropriate copies provided to the vendor, to the requesting department or campus, and to accounts payable with one copy retained by purchasing (if applicable)?
2. Are warehousing and inventory control responsibilities assigned to the purchasing function allowing for:
- Receipt of incoming goods with appropriate receiving documentation?
  - Timely reporting to purchasing and/or accounts payable regarding materials received?
  - Notification to the ordering department and subsequent disposition or delivery?

- Inventory control to accurately account for items received and disbursed?
  - Monitoring of inventory turnover with legal disposition of items which are inactive. (Items which are inactive for twelve months should be considered for disposal)?
  - Warehouse space planning which uses available space efficiently (such as ten foot aisles)?
  - Proper segregation of duties of warehouse personnel which seeks to prevent sole custody of inventories? (One person is not responsible for receiving, disbursement, and preparation of transaction documentation.)
  - Previously transferred/shipped materials and supplies which were not used by the ordering department to be returned to the warehouse inventory?
  - Separate areas for receiving, storing, and shipping of inventories?
  - Periodic (at least annual) physical inventories as an independent means of establishing accountability for the inventories that should be on hand?
  - Physical inventory adjustments to be reviewed and approved by persons who do not have sole custody of inventories?
3. Does the district have personnel assigned to perform the purchasing function including:
- Management staff who are assigned specific monitoring activities for purchasing?
  - A district staffing formula which is comparative to districts of similar size?
  - A purchasing staff which is provided in-service training on changing requirements, laws and procedures?
  - Appropriate purchasing staff attending state or regional purchasing seminars?
  - In-service training provided for all district staff involved in the purchasing process?
4. Are inventories physically safeguarded with fenced compounds, storerooms, cribs, or similar areas with restricted access and security?

### ***Planning and Evaluation:***

1. Is the procurement program integrated into the budgeting/encumbrance system with:
  - All purchase requisitions reviewed for budget authorization before purchase orders are prepared?
  - Periodic (preferably monthly) budget-to-actual expenditure reports issued to all user departments and to the department responsible for purchasing?
  - A periodic budget-to-actual expenditure report reviewed by the district's designated budget officer and periodic reports presented to board of trustees?
  
2. Has the district enforced established internal and external mandated ethical requirements governing purchasing procedures including:
  - An updated conflict of interest statement from the board of trustees?
  - Updated conflict of interest statements from key management personnel (at least the superintendent, assistant superintendents, directors, and responsible purchasing personnel)?
  - Periodic staff training programs presented to all appropriate personnel regarding the legal and ethical procedures in dealing with vendors?
  - A person independent of the purchasing function periodically evaluating the reasons for limited bid responses from vendors?
  
3. Does the district periodically identify and evaluate alternative purchasing methods such as joint purchasing with other districts or through the region service center?
  
4. Does the district monitor vendor performance and document performance problems for follow-up?

### **8.5.1.6 Module: Auditing**

#### ***Purpose:***

External and internal audits provide a review of the district's compliance with established standards and practices. External audits are required of all Texas districts and are performed by over three hundred public accounting firms. The external audit provides:

- An annual financial and compliance report
- An examination of the expenditure of federal funds (as applicable)
- A report to management on internal accounting controls (as applicable).

Internal audit functions are generally limited to larger school districts. The internal auditor supplements the work of the external auditor by examining specific areas to determine:

- The adequacy of internal controls
- Compliance with procedures, regulations, policies, and applicable law
- Efficiency and effectiveness of operations.

This module examines both the external and internal audit functions. Emphasis is placed on compliance with reporting standards, selection of qualified external firms, and interface of the external audit firm with the board and administration. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. For internal audits, the focus is on independence of the internal auditor, audit planning and procedures, and establishing a formal process to ensure corrective action as recommended is taken.

### ***Staff to Interview:***

- Superintendent
- Selected board members (Audit committee if appropriate)
- Assistant superintendent with assigned responsibility
- Finance director

- External auditor
- Internal auditor

**Data Source(s):**

- External audit report
- Internal audit report(s)
- Internal audit plan
- Financial Accountability System Resource Guide
- OMB Circular A-133 - *Audits of States, Local Governments, and Non-Profit Organizations*
- Related policies and procedures
- *Government Auditing Standards (Yellow Book)*

**Related Modules:**

- Accounting and Payroll

**External Audit Policies/Procedures:**

1. Does the district have board approved external auditing policies which include requirements that:

- The examination must be performed by a public accountant or certified public accountant holding a valid permit from the Texas State Board of Public Accountancy?
  - The auditor must be selected by the board of trustees and compensation paid from district funds?
  - The audit must encompass an organization-wide basis, and involve all fund types of the district?
  - If the district receives federal funding, the examination must be performed by the external auditor in accordance with:
    - OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations?
    - *Government Auditing Standards (Yellow Book)* issued by the U.S. Government Accountability Office?
    - Financial Accountability System Resource Guide, "Special Program Guidelines"?
  - The annual reports must include the following (at a minimum):
    - Annual financial and compliance report (minimum requirements stipulated by Financial Accountability System Resource Guide)?
    - Management report?
  - The auditor must retain original working papers for a period of seven years?
2. Are the district's procedures for selecting external audit firms published and disseminated?
  3. Does the board of trustees consider use of outside management audits to identify areas for improving efficiency, effectiveness, and economy?

### ***External Audit Organization/Staffing:***

1. Does the external audit staff assigned to the district's audit have necessary training in performing school district audits?
2. Does the external audit management routinely meet with appropriate district management and board of trustees to discuss:
  - Participation with the external audit management team in an annual audit planning meeting?
  - The role of the district's participation (internal audit and accounting personnel assistance) in the external audit?
  - The scheduling of audit work?
  - The findings and recommendations contained in the report to management?

***External Audit Planning/Evaluation:***

1. Was the annual financial and compliance report prepared, approved by the board of trustees and submitted to the Texas Education Agency within 150 days after the close of the fiscal year?
2. Were the audit reports reviewed in public meetings and copies distributed to appropriate users?

***Internal Audit Policies/Procedures:***

1. Does the district have documented internal auditing policies and procedures which:
  - Are based on an internal audit charter?
  - Define the purpose, authority, and responsibility of the department?
  - Establish the department's position within the organization?
  - Authorize access to records and personnel necessary for the performance of audits?
  - Define the scope of audit activities?

- Define the conduct of an audit, preparation of audit working papers, development of audit findings and preparation of audit reports?
2. Does the district have documented policies and procedures to ensure objectivity by:
- Providing for reports and recommendations to be made without undue influence from an auditee?
  - Making audit assignments under a rotation policy for internal auditing staff?
  - Providing no operational responsibilities for the internal audit staff?
  - Providing for internal audit work to be reviewed before the related audit report is released to provide reasonable assurance that the work was performed objectively?
3. Has the district documented policies and procedures to ensure proficiency and due professional care by:
- Clearly defining minimum educational requirements for personnel holding various levels of responsibility?
  - Requiring work experience appropriate for the types of audits to be performed?

### ***Internal Audit Operations:***

1. Is the scope of the department's audit work clearly defined with:
- All areas for potential audit within the district defined and approved?
  - The scope including the examination and evaluation of:
    - The adequacy and effectiveness of system of internal control?
    - All financial and operating records and reports?
    - The systems established by management to ensure compliance with policies, plans, procedures, laws, and regulations?

- The operating or program objectives and goals established by management?
  - Administrative control procedures developed and implemented by management?
  - Operating or program results monitored?
2. Are audits adequately planned and documented including:
- Objectives?
  - Scope?
  - Auditee?
  - Coordination with the external auditor?
  - Identifying areas of audit risk?
  - Writing the audit program?
  - Identifying the type of audit report?
3. Do reporting procedures ensure that audit results are adequately communicated and corrective action was taken by:
- Providing concise, constructive and timely audit reports?
  - Including the purpose of the audit, the scope of the audit, an expression of the auditors' opinion and recommendations for improvements?
  - Ensuring follow-up procedures are in place to determine that corrective action was taken and is achieving the desired results?
4. Does the department meet periodically with the external auditor to coordinate activities?

***Internal Audit Organization/Staffing:***

1. Is the department organizationally independent with:
  - The department being administratively responsible to the board of trustees of the district and selected by the board of trustees? (HB 1 of the 3<sup>rd</sup> called session of the 79<sup>th</sup> Legislature added [TEC 11.170](#) which requires the internal auditor to be selected by and responsible to the board of trustees.)
  - The board of trustees, having an understanding of the internal audit function and authority to promote independence, provide oversight and budgetary support, and allow the department to fulfill its purpose?
  - The department having access, as needed, to the board of trustees?
  - The board receiving and approving a summary of the annual audit work schedule?
  - The board receiving and reviewing activity reports at least annually?
  
2. Is continuing education and on-the-job training provided to all staff personnel to ensure:
  - Each audit team possesses the training appropriate for the work required?
  - Supervisors receive training in personnel management skills?
  - The department followed formal continuing education guidelines for personnel?
  - The staff participates in professional organizations?
  
3. Is internal audit staff evaluated at least annually?

***Internal Audit Planning/Evaluation:***

1. Does the department have an external review program with:
  - A review of the department conducted by persons who are independent of the organization and have no conflict of interest?
  - A review conducted at least once every three years?
  - A formal, written report issued upon completion of the review?

2. Has the department established long-range goals which:
  - Are defined, measurable, and approved by administration and the board of trustees?
  - Are accompanied by measurement criteria?
  - Are targeted for goal accomplishment?

### **8.5.1.7 Module: Risk Management**

#### ***Purpose:***

Risk management has become an essential part of school district operations. Rising costs for health, property, and liability insurance coverage have demanded that administrators begin cost containment programs. Sound risk management involves:

- Analyzing alternatives for insurance coverage such as self-insurance and other current industry trends
- Analyzing current insurance plans including deductible amounts, co-insurance levels, and types of coverage provided
- Assessing hazards and implementing programs to minimize exposure to potential losses.

This module assesses the district's risk management program including methods for reviewing insurance coverage, evaluation of the effectiveness of current programs, loss control programs, claims handling, determining insurable values, and requirements for coverage by outside groups using district facilities. It is to be noted that the Legislative Budget Board has published at

[http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

#### ***Staff to Interview:***

- Superintendent

- Assistant superintendent with assigned responsibility
- Administrative staff with assigned responsibility
- District's insurance agent and/or third party administrator
- Campus-based personnel

***Data Source(s):***

- Policies and procedures
- Insurance policies
- Employee handbook on benefits

***Related Modules:***

- Facility Management
- Accounting and Payroll

***Policies/Procedures:***

1. Does the district have board approved risk management policies which:
  - Have been published and disseminated to all appropriate staff and the community?
  - Provide a program of protection against and/or insurance for:
    - Loss or damage or disability as mandated by federal, state or local codes?

- Loss or damage to real or personal property?
  - Liability of the district and/or personal liability of members of the board and employees for damage to persons or property including injury or death?
  - Losses due to employee dishonesty?
  - Worker's compensation/employees liability?
  - Employee health, life and other supplemental benefits such as dental, optical, or disability?
2. Has the district assigned specific staff to manage risk management programs including:
- Assignment of management and control of the district's property and liability to a specific administrator?
  - Establishing rules and procedures to ensure the safety and well-being of pupils, employees and the public while on or in district property?
  - Utilizing the latest available risk management techniques such as inspections, investigation, and training to identify, analyze and minimize risks inherent in the operation of district programs?
  - Assigning campus or building administrators (as applicable) responsibilities for:
    - Identifying risks inherent to their location and operation and to make every effort to minimize such risks?
    - Educating employees concerning their responsibilities and enlisting their support?
    - Safekeeping of all assets through security of facilities?
    - Completing questionnaires and survey forms and coordinating on-site inspections and analysis of physical operations?
    - Maintaining records for inspection and forwarding reports to the assigned risk management administrator?

3. Is the risk management program clearly defined, including goals, objectives, procedures and responsibilities?
4. Is the risk management program reviewed and evaluated annually with emphasis on:
  - Annual evaluation of types of claims?
  - Annual evaluation of annual losses versus premium paid (if applicable)?
  - Annual evaluation of changes in regulations and laws?
  - Annual evaluation of insurance industry trends?
5. Has the district determined the most cost effective insurance programs including analysis of:
  - Self insurance (determined by actuarial study)?
  - Levels of coverage?
  - Realistic deductibles?
  - Annual request for proposals for insurance carriers (as applicable)?
  - Wellness programs?
6. Does the district keep abreast of federal, state, and local risk management laws and regulations by:
  - Attending federal, state and local organizational meetings and seminars?
  - Sharing appropriate laws and regulations with all employees?
  - Utilizing professional insurance consultants when an identified need exists?
7. Have administrative regulations or procedures for the risk management program been approved including:
  - Administrative regulations or procedures covering:

- Loss prevention control?
- Placement of insurance coverage?
- Property damage restitution?
- Catastrophe plan?
- Requirements for coverage by independent contractors?
- Use of facilities by outside groups?
- Driver training insurance coverage?
- Field trip and/or excursion coverage?
- Employee/student personal property guidelines?

### ***Operations:***

1. Has the district identified areas of exposure to loss and obtained comprehensive coverage including:
  - Risk property coverage for all the district's buildings and contents at replacement value as determined through a property valuation program?
  - Comprehensive general liability, auto liability and errors and omissions protection covering the district, members of the board, district officers and employees while acting in the discharge of their duties within the scope of their employment and/or under the direction of the board?
  - Workers' Compensation covering all employees and volunteers of the district providing benefits as prescribed by law?
  - Physical damage coverage on selected vehicles owned or operated by the district?
  - Boiler and machinery insurance covering boilers and such pressure vessels, air conditioning, and refrigeration units to such limits as determined through an equipment inventory?

- Student accident insurance made available to all students and required of those students who engage in district-organized athletic events?
  - Employee fringe benefits such as hospital and medical insurance, dental insurance, optical insurance, life insurance, long-term or short-term disability insurance to limits authorized by the board of trustees?
2. Has the district established a preventive loss control program including:
- Installation of sprinkler systems?
  - Installation of intrusion alarms and/or security systems with direct connection to a monitored location?
  - Installation of smoke alarms with direct connection to a monitored location?
  - Purchase of non-toxic smoke producing materials for school furniture, walls, and folding doors?
  - Construction of buildings with fire walls (determined by local building and fire codes) between rooms and school facilities that are vandal proof?
  - Installation of security fencing and lighting around buildings and ground?
  - Employment of security personnel?
  - Adjusting custodial schedules to provide greater adult coverage on school campuses?
  - Requesting neighbors to contact police about any suspicious activities?
  - Developing complete inventories of all furniture, equipment, books and materials in the district?
  - Maintaining a duplicate copy of inventories in fireproof locations or an off-site storage facility?
  - Maintaining "as-built" building plans and specifications in fireproof vaults or flat files?
  - Supplying the fire department with maps of school building indicating the location of fence gates and utility cutoffs to facilitate pre-fire planning?

- Maintaining minimum quantities of flammable liquids that are properly stored?
  - Making fire inspections of buildings with fire department personnel and maintaining written records of action taken on inspection reports?
  - Defining emergency rules and procedures for school personnel?
  - Developing emergency plans with an annual evaluation?
  - Posting lists of names and phone numbers of emergency personnel at each building in the district?
  - Providing appropriate programs for students on vandalism and respect for public property?
  - Safety training for employees to reduce worker's compensation claims?
3. Has the district established procedures for placement of insurance coverage including:
- Obtaining insurance coverage by accepting proposals for the best and most comprehensive coverage to meet its needs?
  - Considering various combinations of insurance coverage, such as, self insurance, varying levels of deductibles and multi-year coverage?
  - Formally evaluating insurance coverage, carriers, and self-insurance programs to determine best options for the district?
4. Does the district have established claims handling procedures?
5. Has the district established a catastrophic preparedness checklist including:
- Notification of proper emergency organization (i.e.) Fire Department, Police Department?
  - Management, supervisory and maintenance emergency response teams for coordination of responsibilities?
  - Communication (such as an emergency telephone system) for notification of relatives and/or spouses?
  - Supply of emergency power (if applicable)?

- Evacuation plan?
  - Information on media releases and who is authorized to speak on behalf of the district?
  - Notification of the insurance carrier?
6. Has the district established insurance requirements for outside parties utilizing district facilities and for contractors including:
- A certificate of insurance, a hold harmless and indemnification agreement, and/or endorsement to other party's liability policy showing the district as an addition to the insurance policy obtained from:
    - Individuals or organizations using or renting facilities or equipment?
    - Automobiles or buses hired by the district?
    - Contractors hired by the district?
    - Joint ventures with other public entities?
  - Required insurance coverage for all contractors with periodic checks to ensure policies are in force?
7. Has the district established a formal agreement for proper coverage for leased sites and facilities which:
- Requires tenants to obtain their own insurance and include the district as part of the "named insured"?
  - Requires periodic checks to assure policies are in force?
8. Has the district established requirements and guidelines governing the use of private vehicles for district business including:
- Proof of insurance?
  - Guidelines for use which are outlined and provided to drivers?

- Verification of qualifications to drive?
9. Has the district established driver training insurance requirements and procedures including:
- Parents or guardians assuming responsibility for the negligent or wrongful act or omission of their child driving a motor vehicle?
  - Parents of students enrolled in a driver training program providing a written notice of their child's enrollment?

### ***Organization and Staffing:***

1. Is a regular review of risk management staff, policies and procedures conducted which includes:
- Staffing requirements based on program needs and program evaluation?
  - Evaluation of the use of outside consultants for specialized areas conducted in relation to additional program and staff needs?
  - Evaluation of policies and procedures in relation to program and system changes?
  - Evaluation of policies and procedures in relation to changes in federal, state and/or local changes?

### **8.5.1.8 Module: Maintenance**

#### ***Purpose:***

Maintenance operations in Texas school districts generally include repair and renovation services, grounds care, and custodial functions. Efficient maintenance programs provide routine, preventive, and emergency maintenance services for all school facilities. The range of services provided may vary from minor tasks such as hanging chalkboards to more skilled tasks such as replacement of plumbing or electrical fixtures. Staffing patterns may include skilled artisans as well as general and grounds maintenance personnel.

Custodial services usually include cleaning services, minor maintenance functions, and performing special tasks as assigned by the building staff. In some districts, custodians perform grounds maintenance and assigned duties during after-hour events.

A sound maintenance and custodial program provides:

- A healthy, safe environment for conducting district programs
- Protection from expending excessive district funds for major repairs through normal and preventive maintenance activities
- A good community image for the district.

This module encompasses operational aspects including work order system, time reporting, inventory control, control of tools and equipment, and purchasing procedures. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Also examined are staffing levels, training programs, and coordination of new construction activities. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

### ***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Maintenance director
- Custodial supervisor
- Principals/campus-based personnel

**Data Source(s):**

- Policies and procedures
- Work order reports
- Organization and staffing charts

**Related Modules:**

- Facility Management
- Purchasing
- Personnel and Employee Relations

**Policies/Procedures:**

1. Does the building program recognize the importance of selecting material and equipment that contribute to efficiency in custodial operations as well as low maintenance costs including:
  - Having standardized building components such as wall covering, tile, etc.?
  - Having standardized equipment such as HVAC units?
  - Stressing quality of equipment and material used in construction projects while complying with state bid laws?
  - Allowing the director of maintenance to be a member of the facility planning committee (or building committee) to provide input on material and equipment and provide review of architectural plans and specifications?
  - Meeting the requirement that all instructional facilities use the commercially available light bulb that uses the fewest watts for existing light fixtures and is most cost-effective ([HB 3693](#), 80<sup>th</sup> Legislature)?

2. Does the district budget provide the necessary resources to carry on a planned program of maintenance services including:
  - Supporting the annual objectives of the maintenance department?
  - Supporting the approved staffing levels?
  - Providing a reserve fund for unforeseen needs?
  - Providing for formal input by the maintenance director during budget preparation and administration?
  - Supporting normal and preventive maintenance activities and all planned replacement programs?
  
3. Are personnel sufficiently trained through staff development programs including:
  - A planned program of in-service training to enhance functional skills?
  - A comprehensive safety training program?
  - A cross training program to promote job enrichment?
  - A procedural training program to inform employees of policies, procedures, and operating practices?
  
4. Do the district's educational programs encourage students to respect school facilities through:
  - Having planned educational programs that teach respect for school property?
  - Pursuing vandalism restitution?
  - Allowing student government or clubs to assume a role in the care of facilities?
  
5. Are the written rules and regulations regarding the use of school facilities by community groups effectively enforced by:
  - Designating one person to be responsible for assigning and monitoring the use of school facilities?

- Recovering costs for damages to facilities by outside groups from the user?
- Providing after-hour custodian schedules for cleaning and monitoring?
- Recovering costs for use of facilities where not related to public education purposes, such as rental charge for use for religious services?

### ***Operations:***

1. Does the district have maintenance management procedures which:

- Define operational methods for each craft or function, including custodians and grounds?
- Provide an inventory of vehicles, equipment, and tools?
- Define types of construction/reconstruction projects which can be completed by the staff?
- Provide for all projects to be completed according to written standards developed by the department?
- Allow custodians to perform minor maintenance duties as part of their responsibilities?
- Establish formulas for staffing of custodial operations (for example, 1 custodian for every 20,000-25,000 square feet of building space)?

2. Is there a planned or preventive maintenance program which:

- Provides schedules for servicing all equipment including heating, ventilation and air conditioning?
- Provides periodic and documented evaluations to be made of the condition of buildings and grounds of each school?
- Provides for a physical inventory and periodic updates of the condition and age of roofs, HVAC equipment, etc. in order to develop a planned replacement program?

3. Is there a system of work orders which:

- Provides complete cost data on labor and material costs for each job?
  - Reports all time of each employee including unassigned time and travel time?
  - Requires work orders to be completed accurately and in accordance with written standards?
  - Allows for prioritization of projects?
  - Defines initiators of work orders and provides complete instructions on requests for service?
  - Allows timely communication with the initiator regarding status of work order and/or quality of work completed?
  - Tracks timely completion and any backlog of work?
4. Is there a differentiation between maintenance and capital outlay projects with:
- Maximum monetary limits set for construction of new facilities by the Maintenance Department (e.g. \$50,000 - \$75,000)?
  - A clear definition of capital outlay expenses versus normal operating expenses?
  - Indirect cost allocation to aid in determining the full cost of all capital projects?
5. Does the district have established procedures regarding vehicles, tools and equipment including:
- Budget allocation for purchases of tools and equipment which support operational needs?
  - A policy prohibiting use of tools or equipment for personal projects?
  - A replacement policy for lost or broken tools?
  - A full inventory of all tools with periodic "spot" checks?
  - A regular schedule of maintenance for equipment such as mowers, edgers, compressors, etc. and for all vehicles?
  - A regular planned replacement schedule for equipment and vehicles?

- Vehicle usage policy limiting personal use of school vehicles and the number of take home vehicles?
6. Is maintenance scheduled to avoid excessive peaks in the work load and disruption to the educational process by:
- Scheduling a majority of inside activities, such as painting, when school is not in session?
  - Scheduling major roofing, flooring, ceiling, etc. repairs when school is not in session, or the facility is vacant?
7. Do purchasing procedures for the maintenance department:
- Require purchases to be made through the central purchasing system of the district?
  - Limit petty cash purchases in dollar volume (e.g. \$50.00) and number?
  - Limit open purchase orders by designating time and monetary limitations?
  - Stress bulk purchasing for volume discounts?
  - Provide for proper security of all items that are purchased and expensed?

### ***Organization and Staffing:***

1. Does the organizational structure of the maintenance department:
- Have a structure that is clearly defined?
  - Provide for each job to be clearly defined with a written job description?
  - Minimize organizational levels for effective supervision?
  - Limit staff ratio of supervisors to workers to a maximum of 10-12 employees?
  - Provide for use of crews on a centralized district-wide basis or decentralized site basis as appropriate?
2. Do the personnel procedures for the maintenance department:

- Provide for the selection process to include personal interviews with line managers who determine technical competence?
- Provide a competitive compensation program to attract skilled employees with special training and qualifications?
- Require personnel to participate in in-service programs on a regular basis?
- Limit overtime to 5-10% of total maintenance work hours available?
- Provide for maintenance personnel to have identification as district employees such as badges and/or uniforms?
- Provide for recognition of personnel for their accomplishments (such as employee of the month, perfect attendance for the year)?
- Designate employees who will perform emergency repairs and define the basis for additional compensation to be paid for these call-outs?

### ***Planning and Evaluation:***

1. Has the district developed a record of all maintenance performed within the school district (with computer assistance if feasible)?

### **8.5.1.9 Module: Food Service**

#### ***Purpose:***

The food service operation is an essential support service for all districts. In order to enhance participation and meet the needs of a more health conscious clientele, many districts provide options such as a la carte menu items and salad bars. A well managed program can:

- Provide safe and nutritious meals for students and staff
- Provide surplus revenues which can finance future improvements of the operation

- Provide training and educational programs on nutrition and employee wellness.
- Provide nutrition education to students and staff that promote food choices for a healthful diet
- Promote healthy food choices by offering healthy foods and marketing healthy eating practices
- Create or support a healthy school nutrition environment

This module focuses on key elements of this operation including identifying all component cost of meals, the procurement, preparation and delivery system, staffing levels, and use of the commodity program. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. The module also examines accounting and reporting, cash handling, storage/warehousing, and staff training.

### ***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Food service director
- Principals/campus-based personnel

### ***Data Source(s):***

- Policies and procedures
- Financial reports
- Organization and staffing charts

- Budget
- Participation data

***Related Modules:***

- Accounting and Payroll
- Purchasing

***Policies/Procedures:***

1. Does the district have board approved policies for the operations of the food service program which:
  - Establish procedures regarding centralization or decentralization of food preparation?
  - Establish procedures regarding a la carte menus and prices?
  - Establish procedures regarding "open" or "closed" campuses?
  - Establish procedures regarding Wellness policies?
  - Establish procedures regarding signature authority of Child Nutrition Programs?
  - Define the coordination between food service personnel and building principals?

***Operations:***

1. Participation in the breakfast and lunch programs is monitored to:

- Analyze if the participation percentage has remained stable or increased over a 5 year period?
  - Determine if participation in the lunch program meets the state average?
  - Record daily participation for each menu?
  - Analyze any special occurrences affecting participation?
2. Are food service costs maintained and analyzed on a daily, monthly, and annual basis including:
- The cost per meal served?
  - The cost of food per meal as a percentage of the cost of the meal?
  - The cost of labor per meal as a percentage of the cost of the meal?
  - The indirect cost per meal as a percentage of the cost of the meal?
  - Overhead costs charged to the program for benefits, utilities, custodial support, maintenance, etc.?
  - Profitability of the overall operation?
  - Allowability of all expenses as defined by local, state and federal regulations?
  - Net cash resources not more than 3-months operating expenses?
  - Size of campus and participation?
  - Type of cooking facilities (i.e., centralized/decentralized)?
3. Does the accounting and deposit of cash receipts provide for:
- Written procedures on counting and depositing money?
  - Accounting by individual food service site?
  - Auditing on a periodic basis by assigned personnel?

- Provision of security measures for cash and personnel?
  - Consistent record keeping for each site?
4. Are inventories of food and serving products:
- Maintained for pantry stock, warehouse stock, and freezer items?
  - Secured for control purposes to avoid pilferage?
  - Centrally received for control and accounting purposes or properly reported if delivered to individual sites?
  - Monitored through production sheets detailing food prepared and food served?
  - Physically counted on a periodic basis?
5. Does the district's participation in the United States Department of Agriculture (USDA) surplus commodity program:
- Meet federal procedures for ordering, receiving and storing of commodity products?
  - Provide for inventory controls consistent with other food service inventory?
  - Provide for efficient and cost effective utilization of a majority of items received?
6. Does the food service operation provide support of the educational program by providing:
- Nutrition education materials or resources to teachers?
  - Nutrition education activities for students?
  - Nutrition education activities involving the school and community to create or support a healthy school nutrition environment?
  - Nutrition information displayed in cafeteria or available for students or parents?
  - Student advisory councils involved in the nutrition program?

7. Do food service budgets provide necessary information for effective program management including:
  - Compiling campus information for comparative analysis?
  - Keeping records on equipment purchases and repairs to assist in future purchasing of equipment?
  - Current data on budget status?
  - Involvement of selected food service personnel in all phases of budget administration?
  - Allowing use of fund balances for purchasing capital equipment?
  - Itemizing indirect costs in budget reports?
8. Are effective purchasing practices utilized by food service personnel, and do these practices include:
  - Bidding items to ensure the lowest price?
  - Provision of adequate dry and freezer storage space to facilitate purchasing practices?
  - Adherence to all district central purchasing practices and procedures?
9. Are there defined procedures for the use of cafeteria facilities including:
  - A defined policy for use of cafeteria facilities by student and parent organizations?
  - A defined policy for the use of cafeteria facilities by community groups?
  - Centralized accounting for funds received from special activities relating to the food service operations?
10. Are there defined procedures to ensure food safety including:
  - Food temperature logs?
  - Staff training?
  - Food safety procedures for food preparation, holding, storing and reheating?
  - Cleaning and sanitizing?

- Pest control?

### ***Organization and Staffing:***

1. Does the district have an established food service staffing method which:
  - Is based on meals served per man-hour of labor?
  - Allows for reporting and monitoring staffing levels?
  - Considers use of convenience foods, alternative types of dishware, etc., to control staffing costs?
2. Is there an established in-service training program for food service personnel which:
  - Has an orientation session for entry level employees to describe district personnel policies, food service operational policies, operation of food service equipment, and to distribute a handbook for Food Service employees detailing job descriptions, procedures of service, etc.?
  - Provides regularly scheduled training sessions on hygienic food preparation and food handling procedures?
  - Provides regularly scheduled training sessions on control of serving portions and cost control procedures?
  - Provides regularly scheduled training on baking and cooking methods for preparing new food offerings?
  - Provides regularly scheduled training sessions on care and cleaning of food preparation and serving equipment?
  - Provides regularly scheduled training sessions on serving the "customer" with proper service methods - courtesy, exchanging problem foods, etc.?
  - Provides annually scheduled civil rights training sessions as required by USDA?
3. Are food service staff assigned specific duties and responsibilities which:
  - Are supported by current and accurate job descriptions?

- Provide essential specialization in areas such as nutrition?
4. Does the district provide for food service staff to attend regional and state food service seminars including:
- State conferences of the state professional organization or Texas Department of Agriculture (TDA)?
  - Regional meetings of food service personnel?

***Planning and Evaluation:***

1. Is an annual evaluation or survey of food services conducted to gather information on:
- Quality of product?
  - Product acceptance by student?
  - Product acceptance by staff?
  - Product acceptance by parents?
  - Service acceptance by student?
  - Service acceptance by staff?
  - Service acceptance by parents?
2. Are regularly scheduled visitations by supervisory staff conducted to evaluate:
- Menu compliance?
  - Evaluation of compliance with Texas Public School Nutrition Policy (TPSNP) and Child Nutrition Program regulations?
  - Evaluation of point of service system, counting procedures and reports?
  - Evaluation of Hazardous Analysis and Critical Control Point (HACCP) plans and implementation?

- Evaluation of Wellness Policy implementation?
  - Evaluation of menu planning procedures, serving and nutrient analysis?
  - Evaluation of reimbursement claiming procedures?
  - Evaluation of cash handling and deposits?
  - Evaluation to determine that all revenues accrue to the food service department only?
  - Food serving?
  - Student and staff acceptance?
  - Time schedules?
  - Delivery schedules?
3. Are monthly review and evaluation sessions conducted with:
- Food service supervisor?
  - Site managers?
  - Principals?
  - Campus based staff?
4. Are monthly management planning sessions held to:
- Review evaluation reports?
  - Review menus?
  - Review cost control procedures?
  - Plan training sessions?
  - Review staff assignments (hours and costs)?

5. Does the district engage in an annual planning process to improve food service procedures which includes:
- Evaluation of food service goals?
  - Evaluation of procedures and operations to establish equipment needs?
  - Evaluation of expenditures and revenues to plan budget requirements?
  - Evaluation of procedures to determine training needs?
  - Evaluation of costs to determine the future cost per food item to students and staff?
  - Evaluation of costs to determine potential saving opportunities?
  - Evaluation of purchasing practices?
  - Evaluation that on-site reviews of all campuses were performed before February 1<sup>st</sup>?

### **8.5.1.10 Module: Transportation**

#### ***Purpose:***

Transportation is a vital support service that demands sound management due to the large capital investment in bus fleets and annual expenditures required for maintenance and operation. Although numerous state regulations govern transportation services, districts have the flexibility of establishing procedures which can enhance operations including:

- Using tiered bell schedules for more efficient use of vehicles and manpower
- Designating routes which maximize student loads
- Using alternative fuels such as propane or natural gas
- Determining the most beneficial "distance from school" requirements
- Contracting for services with public or private entities.

This module examines the transportation program focusing on monitoring factors affecting transportation, bus replacement and vehicle maintenance programs, driver recruitment and training, service evaluation, and purchasing procedures. Additional information regarding transportation can be found on the School Finance website under [School Transportation Funding](#). It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Transportation director
- Principals/ campus based personnel

***Data Source(s):***

- Policies and procedures
- Bus routings
- Maintenance records
- Bus fleet records
- Annual transportation report

***Related Modules:***

- Purchasing
  
- Personnel and Employee Relations

***Policies/Procedures:***

1. Does the district have locally developed and approved policies for the transportation program which:
  - Establish procedures for handling student/parent complaints?
  - Establish procedures for handling student misbehavior or vandalism on the bus?
  - Address bus load capacity?
  - Provide for charges to be assessed to departmental or program budgets for special trips?
  - Establish a replacement policy for school buses?
  - Set distance from school requirements for ridership?
  - Define hazardous traffic conditions applicable to the district and identify the specific hazardous areas for which mileage may be incurred?
  - Determine maximum total time a student can spend on the bus?

***Operations:***

1. Does the district monitor factors affecting transportation costs including:
  - Increases in enrollment?
  - Decreases in enrollment?
  - Closure of schools?

- Opening of school(s) in new attendance area(s)?
  - Number of new students in a geographic area without a school?
  - Boundary changes?
  - Organizational changes (i.e., addition of middle schools)?
  - School-to-school transportation due to over enrollment in a building?
  - The cost per pupil for transportation?
  - Replacement cost of school buses?
2. Do the district's operating procedures for transportation reflect the use of scheduling, routing and automated tools for the purpose of improved efficiency and cost effectiveness including:
- Use of a computerized routing and scheduling system?
  - Dual or triple routing of buses?
  - Adjustment of bell schedules to provide for multiple use of equipment?
  - Use of a grouping of the linear density of regular routes?
  - Use of a grouping of the linear density of special routes?
3. Is there a planned program of equipment replacement and vehicle maintenance with:
- An established plan for fleet maintenance including preventive maintenance?
  - An inventory control system for parts and supplies?
  - Use of bulk purchasing procedures as appropriate?
  - Cost records maintained for each vehicle?
  - Requiring bus drivers to check the vehicle (including fluid levels) daily and report status to maintenance personnel?

### ***Organization and Staffing:***

1. Has the district established a staffing formula which:
  - Is comparative to districts of similar size and linear density classification?
  - Provides a compensation and benefits program which is comparable with other districts?
  
2. Is training provided for all transportation staff on an annual basis with:
  - Transportation staff provided in-service training on changing laws, requirements and procedures?
  - Appropriate staff attending staff and regional seminars?
  - In-service activities provided for drivers with required attendance?
  - Drivers of special education students receiving training in the needs of the special students?
  - Drivers trained in student communication and discipline?
  - Bilingual drivers used for bilingual routes?
  - Trained substitute drivers available?
  - Recommended training sessions for school bus passengers in the fall of the year concerning procedures for evacuating a school bus during an emergency ( [TEC 34.0021](#))?
  - A review of emergency bus evacuation procedures, including a demonstration of the school bus emergency exits and the safe manner to exit, immediately before each field trip involving transportation by school bus?

### ***Planning and Evaluation:***

1. Are transportation services evaluated to determine overall effectiveness and efficiency through:

- Review of routing, loading and scheduling annually for the purpose of increasing efficiency and cost effectiveness?
  - Analysis of cost of use of alternative fuels such as propane?
  - Recording, monitoring and evaluation of maintenance costs each year?
  - Consideration of contracted services to reduce costs if effectiveness can be maintained?
  - Review of alternatives to reduce costs of purchasing parts and supplies?
  - Annual review of type of vehicles needed to determine the most efficient and effective type for the district?
2. Does the district maintain a bus replacement schedule with :
- Future needs for transportation identified in relationship to available equipment?
  - Bus replacements meeting existing federal and state codes?
  - A set schedule and methodology for bus replacement?
3. Does the district include the cost of transportation when planning for the closing or opening of school sites, including:
- The increase/decrease of transportation costs when opening a new school or closing an existing school?
4. Does planning for special schools (i.e., magnet schools) include a review and analysis of transportation services including increased equipment and staffing needs?
5. Does annual program analysis review the fiscal impact of changing requirements for eligible ridership?

### **8.5.1.11 Module: Facilities Management**

#### ***Purpose:***

Facility planning and management of construction or renovation projects are significant activities for most districts. Planning for facilities based on student growth, programmatic needs, and legislative requirements is essential to provide for student needs without overcrowding, use of substandard facilities, or use of costly portable alternatives. Active management of construction projects can provide cost control, ensure quality of workmanship, and help ensure timely completion.

This module provides the basis for assessing the facilities management program in the district. The focus is on long-term projects and not day to day maintenance and operation activities. Key elements include:

- Master planning procedures
- Internal management of construction projects
- Long range financial planning for facility improvement
- Roles/responsibilities of outside architects and contractors
- Staff input into facility planning.

It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

### ***Staff to Interview:***

- Superintendent
- Board members (as appropriate)
- Assistant superintendent with assigned responsibility
- District construction supervisor

- District architect

***Data Source(s):***

- Policies and procedures
- Facility master plan(s)
- Financial plans
- Construction contracts

***Related Modules:***

- Budgeting
- Maintenance
- Accounting and Payroll
- Transportation

***Policies/Procedures:***

1. Does the district have board approved facilities management policies which:
  - Provide for a board approved facilities master plan?
  - Identify short term and long term facilities needs which are included in the district's master plan?
  - Provide for publication and dissemination of policies and the facilities master plan to staff and community members?

- Include guidelines for determining the priority needs for facilities including but not limited to:
    - health and safety of students?
    - health and safety of employees?
    - instructional needs?
    - efficiency of operation?
    - cost effectiveness?
  - Provide a methodology which addresses emergency facility needs?
  - Provide for an annual review and revision of the facilities master plan?
2. Does the district have approved facilities management procedures which:
- Are published and disseminated to appropriate staff and community members?
  - Provide for input, review, and evaluation by:
    - Teachers?
    - Principals?
    - Clerical staff?
    - Operation staff?
    - Maintenance staff?
    - District administrators?
    - Community members?
    - Board of trustee members?

3. Is the district facilities master plan reviewed, evaluated and revised annually including:
  - Publication of a time line for review and evaluation of the facilities master plan annually?
  - Publication of procedures for staff/community review and evaluation of district facility master plan?
  
4. Does the district have a board approved facilities management financial plan with:
  - Funds budgeted for short term and long term projects on an annual basis in accordance with an approved facilities master plan?
  - Funds budgeted for contingency or emergency facility needs?
  - Various sources of financing facility needs evaluated and utilized to meet district needs?
  
5. Does the district long-range facility master plan contain a five (5) year projection of needs with a corresponding financial plan which includes:
  - The history and five year projection of student enrollment by grade and site (including special education)?
  - The history and five year projection of campus capacities by grade?
  - The history and five year projection of community growth?
  - A demographic study and projection of community and school population (minority analysis, etc.)?
  - A five year projection of additional school sites required?
  - A five year projection of excess sites or facilities?
  - A five year projection of special facilities required for special education students?
  - A five year projection of classroom furniture and equipment (replacement and growth) requirements?
  - A five year projection of special service and support service furniture and equipment requirements? (Administration facility, food service maintenance,

- warehousing, data processing, operation and grounds, transportation, health facilities, guidance and counseling facilities, etc.)
- A five year projection of available revenue sources?
  - A five year priority listing of facility needs?
  - A five year assignment of funds in accordance with the priority listing?
  - Facility projects budgeted and accounted for by project including all direct and indirect costs?
  - Facility expenditures coordinated with district investment and cash management programs?
6. Has the district assigned specific staff to manage the facilities management program by:
- Clearly defining responsibility for management and control of the district facilities management program?
  - Providing procedures for the authorization and methodology for selection of architects and other professional service firms required in facilities planning and construction?
  - Providing coordination of projects with maintenance and other related departments?
  - Providing resources for a support staff such as an in-house architect or construction supervisor?
  - Clearly defining the role of outside architects and contractors?
  - Ensuring standardization of materials as feasible?
7. Are facility projects scheduled to:
- Ensure coordination with the campus administrator?
  - Coincide with financial resources available and the investment schedule?
  - Ensure availability of staff if the project is completed by district employees?

8. Does the district's management program for construction/reconstruction include:
- Complete review of all plans and specifications to ensure compliance with relevant construction code requirements?
  - Thorough check of references of the general contractor and subcontractors by the project architect and/or assigned district personnel?
  - Inspections coordinated by the architect to provide quality control?
  - Comprehensive status reports provided in a timely manner by the architect and district staff?
  - Formal communications with the general contractor to be directed through the project architect?
  - Established procedures for progress payments?
  - Monitoring of contractor insurance coverage and all bonding requirements?
9. Are change orders for projects:
- Signed and approved by the architect, superintendent, and board?
  - Coordinated through the project architect?
  - Fully documented with all reasons for any increase/decrease in costs clearly specified?
10. Do facility project budgets provide information for effective program management including:
- Monthly project progress reports containing budget, expenditures, encumbrances, and balances?
  - Current and accurate budget data?
11. Are procedures for accepting completed facility projects established with:
- Approval by the construction supervisor?

- Approval by the architect?
- Approval by appropriate inspector(s)?
- Approval by administration?
- Monitoring of timely completion of any "punch list" items?
- Procedures for holding a retainage (portions of final payment) until final acceptance of the project?
- Ensuring complete "as-built" plans are delivered to the district?

12. Is training provided to facilities management staff on an annual basis including:

- In-service training regarding changing laws, regulations, and procedures (federal, state and local)?
- Providing resources for staff to attend state and local seminars on facilities planning, construction and financing?
- Providing district staff (principals, site administrators, custodians, and maintenance staff) in-service training on inspection, evaluation and identifying facility needs on a regular basis?

13. Are specific staff assigned responsibility for various functions to develop and review the district facility master plan on an annual basis including:

- Enrollment projection by grades for each school for a period of five years?
- Class size requirements by school?
- Special education special facility requirements?
- Federal, state and local construction requirements?
- Assessed evaluation projections (for a minimum of five years)?
- Projected bonding capacities?
- School capacity projections?

### ***Planning and Evaluation:***

1. Are facilities management services evaluated to determine effectiveness and efficiency through:
  - Analysis of planning, scheduling, and completion of facilities projects on an annual basis for the purpose of increasing efficiency and cost effectiveness?
  - Evaluation of facility project costs in relation to budget projections?
  - Evaluation of the performance of contractors, subcontractors, architects, etc., with historic records retained for future reference?
  - Evaluation of in-house versus contracted construction projects on a regular basis?
  - Evaluation of the true cost of in-house construction projects with the inclusion of indirect costs such as employee benefits, administrative expenses; etc.?

## **8.5.2 Curriculum and Instruction**

### **8.5.2.1 Module: Instructional Program**

#### ***Purpose:***

Requirements for instructional programs are well defined and in most cases mandated by the state. However, the management and oversight role in implementing these programs and ensuring adherence to established standards is the responsibility of individual districts.

Good management of instructional programs can:

- Provide for systematic monitoring of instructional programs
- Provide feedback on successful aspects of curriculum and instruction
- Identify areas for program revision

- Benefit overall student achievement

This module focuses on development of curricular programs, curriculum modification procedures, evaluation of test results, support services for instruction, use of technology, staff development and general management processes which are in place in the instruction area. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

***Staff to Interview:***

- Superintendent
- Assistant superintendent with assigned responsibility
- Curriculum director
- Curriculum specialist
- Principals
- Department heads
- Teachers

***Data Source(s):***

- Policies and Procedures
- Curriculum Guides
- Test Results/AEIS Reports

- Staff Development Programs

### ***Related Modules:***

- Special Programs
- Student Services
- Planning and Evaluation:

### ***Policies/Procedures:***

1. Are procedures established for textbook inventory and replacement including:
  - Maintaining a comprehensive textbook inventory?
  - Properly accounting for funds for replacement books?
  - Providing for accurate reporting of all textbooks to administration by each campus?
2. Are procedures established for allocation for instructional supplies and materials (other than textbooks) including:
  - Providing opportunity for input from campuses regarding needs?
  - Providing resources for supplemental instructional materials and supplies?
  - Allowing maximum flexibility to the campus for use of instructional funds?
  - A budget monitoring process to provide accountability of campus budgets?
  - An inventory of instructional materials and supplies maintained by campus?
  - Maintenance of cost data to ensure general per pupil, grade level and subject matter equity?

3. Do procedures exist for providing instructional pilots including:
  - A board policy which is supportive of instructional pilots?
  - Procedures for requesting/approving instructional pilot funding?
  - An established procedure for evaluation of pilots?
  
4. Has the district provided curriculum guides which:
  - Utilize resources from the state or regional education service centers to develop district instructional guides?
  - Ensure curricular alignment to provide continuity/transition between grade levels?
  - Are regularly evaluated and updated by staff members who use the guides and by administrators responsible for curriculum management?
  - Has a procedure to ensure that guides are utilized in the instructional program with periodic monitoring through review of lesson plans, regular meeting with grade level teams, observation, etc.?
  
5. Does the district have a planned instructional monitoring program which includes:
  - Review of lesson plans by team leaders, curriculum specialists, and/or building administrators?
  - Regular meetings with grade level teams to discuss instructional program status?
  - Observations by building level administrators to monitor teaching of the approved curriculum.
  - Use of an automated instructional monitoring system with:
    - All elements of the instructional program automated?
    - Mandatory training for staff utilizing the system?
    - Formal feedback to teachers regarding instructional progress?
    - Use of the system as a tool for modification of the curriculum?

6. Does the district have procedures for modification of curriculum which:
  - Utilizes advisory committees to assist in the process?
  - Provides curriculum review/revision as part of the annual planning and budgeting process?
  - Bases certain modifications upon evaluation data?
  - Allows resource personnel such as the instructional staff to provide input in their area of expertise?
  
7. Does the district have a procedure for identifying "at risk" pupils and providing support which:
  - Is supported by a board policy defining "at risk" pupils with criteria for promotion/retention of students?
  - Establishes a procedure for providing resources to "at risk" pupils which has been developed and communicated to those responsible and/or impacted?
  - Uses federal and/or state funds available for "at risk" pupils?
  - Requires parent involvement/communication for all "at risk" pupils?
  - Evaluates program success continuously both in the affective and cognitive domains?

### ***Operations:***

1. Are student test results reviewed, analyzed and evaluated in relation to the demographics of the community served through:
  - Analysis of test results according to applicable variables using TAKS tables?
  - Planning for support and/or remediation based on item analysis of TAKS data and other evaluative information?
  - Annual reporting to board of trustees, media and community of test results?

2. Are library and/or media services sufficient to support the needs of the district with:
  - A standard formula for library materials and media equipment?
  - Application of accreditation standards to library and/or audio visual materials such as having 8-10 books per student in the library?
  - A procedure for handling controversial materials?
  - Prioritized plans for growth in the use of technology such as automation and video?
  
3. Is modern technology utilized in instructional programs including:
  - A long range plan for utilization of technology in the instructional program?
  - An approved policy for purchasing and using computers in the instructional program?
  - A procedure for initiating instructional technology?
  - Use of pilots in instructional technology?
  - A long range plan for utilization of technology in the instructional program?
  - An annual budget allocation established for academic or instructional hardware and software acquisition?
  
4. Are instructional and supportive services designed and implemented to meet the needs of the students with:
  - A defined and adopted guidance program provided for all pupils?
  - Tutorial or other similar programs provided without supplemental cost to the district?
  - Specialized programs available to meet the wide range of student needs?
  
5. Does the curriculum offer a balance in courses to meet student needs including:
  - Scheduling on the basis of interest and success and availability of certified teachers to teach desired classes?

- Classes providing for equal educational opportunity without reference to sex, ethnic origin or other criteria?
- Resources allocated for college preparatory, remedial and vocational instruction as well as basic programs?

### ***Organization and Staffing:***

1. Is staff development based on prioritized needs with:
  - A relationship established between new textbook adoption and staff development needs?
  - Surveys of staff development needs conducted on a scheduled basis?
  - Allocation of staff development resources based on prioritized needs?
  - A process for evaluation of the quality of staff development activities?
  - Staff development based on multi-year planning?
  - Teachers and building level administrators involved in planning staff development programs?
  - Teachers used as instructors for staff development programs?
  - Teachers offered opportunities to be trained to provide ongoing staff development in specific areas?
2. Do provisions exist for a teacher recognition program based on instructional success with:
  - Board of trustees/community recognition of outstanding teacher(s)?
  - Mentor teacher or other programs utilized for teacher recognition and development?
  - Teacher appraisal data utilized to develop in-service/staff development programs and services and in the improvement of instructional delivery?

3. Does the district's program of instructional scheduling:
  - Schedule staff instructional resources to achieve maximum efficiency and effectiveness?
  - Provide review of teacher's schedules by principals and/or central administration to develop assignments which provide maximum utilization of instructional personnel?
  - Assign staff with special assignments such as coaching or specialized classes a full-time equivalent teaching load to the extent possible?

### ***Planning/Evaluation:***

1. Does the district evaluate the instructional program on a regular basis with:
  - Teacher evaluation data reviewed and analyzed for identification of strengths and weaknesses?
  - TAKS or other test scores analyzed both at a district and campus level to identify areas of instruction which need to be strengthened?
  - Review and analysis of comparative data between similar districts to develop an evaluation of the district?
  - Teachers and administrators involved in review of current effective schools research to identify areas for improvement and/or further study?
2. Does the district engage in an annual planning process focused on the improvement of instruction with:
  - Evaluation data used to determine improvement goals for the district?
  - The budget process including consideration and funding of the additional resources required to implement improvement goals?

## **8.5.2.2 Module: Special Programs**

***Purpose:***

All districts are faced with the challenge of providing programs for students with special needs.

These programs allow a district to provide educational programs which are most beneficial for individual students in terms of instructional level, student interest, and/or identified need. Many of these programs may be combined with regular classroom programs (based on individual needs) which provide for a more complete education and integration with other students.

This module examines the elements of five programs:

- Special Education
  
- Vocational Education
  
- Gifted and Talented Programs
  
- Bilingual Education
  
- Accelerated Education

Included in the examination are assessment programs, program monitoring, cost analysis, interface with regular programs, parental/community involvement and program evaluation. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

***Staff to Interview:***

- Superintendent
  
- Assistant superintendent with assigned responsibility

- Program directors
- Administrative staff with assigned responsibility
- Principals
- Teachers

***Data Sources:***

- Policies and procedures
- Reports and program evaluation
- Curriculum guides

***Related Modules:***

- Instructional Program
- Student Services
- Planning and Evaluation:

***Policies/Procedures:***

1. Does the district provide support services - speech, physical, occupational therapy as needed with:
  - Review of both adequacy and costs of these services and analysis of alternative delivery systems such as cooperatives with other districts or contracting?

- Regular review of student progress to monitor needs and level of service?
2. Has the board adopted policy on bilingual education which includes:
    - A formal time-phased plan?
    - Goals which are reviewed annually?
    - Establishment of an advisory committee?
  3. Has the district defined a process for identifying district bilingual needs with:
    - Student assessment programs which evaluate student needs for bilingual programs and services?
    - Community and home surveys completed to determine present and future needs?
    - Adoption of specific criteria for exiting bilingual programs?
    - Parental involvement included as a part of the program?
  4. Does the district have an assessment process for identification of gifted and talented students with:
    - Students in the program representative of the ethnic population in the district?
    - District developed criteria for student placement in the program?
  5. Has the district provided for advanced placement courses when justified by student enrollment?
  6. Are there definitive plans in place for the use of compensatory education funds with:
    - Student progress reviewed and evaluated annually?
    - Assessment services provided to the program?
    - District defined criterion for success in the compensatory education programs?

7. Do the compensatory education programs reflect the ethnic and economic factors in the district?

***Operations:***

1. Are special education program offerings consistent with student needs including:
  - Provisions for annual Individualized Education Plan (IEP) review?
  - Provisions for private placement when the district cannot meet the needs of the student?
  - Regularly scheduled reviews performed on private placement programs?
2. Does the special education program include vocational training opportunities for special need pupils which:
  - Make vocational education classes available for "mainstreamed" students with curriculum modifications if necessary?
  - Provide vocational education teachers with staff development in Special Education?
3. Does cooperation and coordination exist between regular classroom and special education through:
  - Regular and special education staff meeting on a regular basis?
  - Curriculum development in the district including staff from both areas?
  - Developing cooperative activities for specific students?
4. Is cost analysis performed on the special education program which identifies:
  - Cost per pupil for special education instruction?
  - Percent of district funds spent for special education?
  - Total special education program costs?
  - Percent of student enrollment served by the special education program?

- Cost of assessment per special education pupil?
  - Per pupil cost of each type of special education program?
  - Cost per pupil for supportive services?
  - Special education transportation costs?
  - Alternatives in the community and social service programs to reduce overall costs of district special education programs?
5. Is cost analysis performed on the bilingual program which identifies:
- Cost per pupil for bilingual instruction?
  - Cost of assessment per bilingual student?
  - Per pupil cost by program, such as
    - English as a second language?
    - Bilingual classes?
    - Tutorial?
    - Other (specify)\_\_\_\_\_?
6. Is cost analysis performed on the gifted and talented program which identifies:
- Cost per student for instruction?
  - Cost of assessment per student?
  - Added cost per teacher assigned?
  - Per pupil cost by program?
  - Total program costs?
  - Percent of district enrollment served by the program?

7. Is cost analysis performed on the compensatory education program which identifies:
  - Cost per student for accelerated instruction?
  - Cost of assessment per accelerated student?
  - Added cost per teacher assigned?
  - Per pupil cost by program?
  - Total accelerated program costs?
  - Percent of district enrollment served by the program?
  
8. Do the bilingual program instructional materials meet the district's needs with:
  - Costs for materials controlled through district purchasing procedures?
  - The district maintaining an inventory of bilingual material?
  
9. Do the gifted and talented program instructional materials meet the district's needs with:
  - Instructional materials readily available to insure success of the program?
  - Program staff available to present the purpose and planned use of special materials?
  - Costs for materials controlled through district purchasing procedures?
  - An inventory of instructional material maintained and periodically updated?
  
10. Does the accelerated education program offer instruction consistent with needs identified from teacher evaluation and assessment data through:
  - Program curriculum based upon identified student needs and revised accordingly?
  - Program evaluation which includes an analysis of student progress?
  
11. Are accelerated education programs offered at all grade levels as appropriate?

12. Do the accelerated education program instructional materials meet the district's needs with:

- Instructional materials readily available to insure the success of the program?
- Costs for materials controlled through district purchasing procedures?
- An inventory of instructional material maintained and periodically updated?

***Organization/Staffing:***

1. Does staff development include training of both special education staff and regular education staff with:

- The regular education staff receiving training in special education?
- Special education staff receiving training offered for regular education?
- The principal and other administrators receiving training in special education?
- The regular and special education staff receiving training on innovative school programs identified in Texas schools?

2. Has the district established a plan to employ trained bilingual teachers to meet program needs by:

- Cooperating with university and other staff development programs to train bilingual teachers?
- Having a formalized recruiting process to hire bilingual teachers?

3. Is there an ongoing staff development program for teachers in bilingual and regular classes impacted by bilingual students which:

- Provides staff development in bilingual education for administrators, counselors and teachers?
- Provides opportunity for staff to attend staff development activities offered by professional associations, TEA and others?

4. Does the level of instructional staff in the gifted and talented program meet district needs?
5. Do teachers receive in-service training on alternative instructional methodologies by:
  - The district cooperating with universities and other groups in providing staff development?
  - The district supporting staff participation in seminars offered off-site?
6. Does the level of instructional staff in the compensatory education program meet district needs?

***Planning/Evaluation:***

1. Is the compatibility of curriculum between regular and special education programs monitored to ensure student progress and success with:
  - The special and regular education staff jointly planning curriculum objectives?
  - The special education staff assisting regular education with development of techniques and materials?
2. For special education students exiting special education to regular programs, does the district review and evaluate students progress with:
  - Student exit data reviewed and evaluated?
  - Individual Education Plan objectives for mainstreaming or exiting the program reviewed and monitored?
  - Revisions to educational programs made, when necessary, to improve the success of special education students in regular classes?
3. Is parent and community input provided to the special education program through:

- Advisory committees formed with representatives from community based organizations, social services, etc.?
  - Solicitation of parent support for programs with input included in program delivery?
  - Community and social services programs used to supplement district programs?
4. For students exiting from the bilingual program to regular curriculum, does the district review and monitor students progress with:
- Student exit data reviewed and evaluated?
  - Bilingual program objectives developed to ensure student success in English speaking classes?
5. Is parent input provided on the bilingual education program through:
- Solicitation of parent support for the program with input included in the program delivery?
  - District advisory committee including parent representatives?
6. Is parent provided input on the gifted and talented program through:
- Parent participation in the program advisory committee?
  - Parent meetings held to discuss the program?
  - Incorporating parent issues and concerns into future planning sessions?
7. Are gifted and talented programs evaluated with:
- An annual review and evaluation of programs?
  - Student progress assessed and analyzed?
  - Program revisions based upon evaluations?
8. Is parent input provided on the accelerated education program through:

- Parent participation in the program advisory committee?
  - Incorporating parent issues and concerns into future planning sessions?
9. Is the accelerated education program evaluated by:
- Reviewing the program objectives and student progress?
  - Reviewing and evaluating the rate of students exiting from the program?
  - Analyzing the percent of students enrolled in the program that drops out?
  - Identifying and counseling the students enrolled in the program with higher than district average absenteeism?
10. Does all program evaluation reflect current TEA campus rating and monitoring initiatives?

### **8.5.2.3 Module: Student Services**

#### ***Purpose:***

Student services normally encompass counseling, psychology, and health services in most Texas districts. The services provided may include:

- College counseling
- Career counseling
- Health education
- Substance abuse counseling
- Psychological counseling

Recently, these services have played a more important role in helping students cope with the complexities of today's world. The role of the educational community in providing needed assistance for career and individual needs will continue to grow in future years.

This module examines the programs offered by school districts, the delivery of these services, the design of student services, staff development programs, planning, and program evaluation.

It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

### ***Staff to Interview:***

- Superintendent
  
- Assistant superintendent with assigned responsibility
  
- Administrative staff with assigned responsibility
  
- Counselors
  
- Principals
  
- Teachers

### ***Data Source(s):***

- Policies and Procedures
  
- Planning Programs

- Reports

***Related Modules:***

- Instructional Program
- Special Programs

***Policies/Procedures:***

1. Is there a district commitment to provide student services including guidance, health, and psychological with:
  - Locally adopted policies and procedures supporting these services?
  - A regular review of the level and cost of these services and exploration of alternatives for delivery?
  - The district seeking external funding to augment or pilot student services programs?
2. Has the board of trustees adopted a policy on guidance services which includes:
  - A student/staff ratio?
  - Guidance in educational, career and personal planning?
  - Establishment of an advisory committee?
  - An appeal process?
3. Has the district defined a process for delivering student services with:
  - Job descriptions developed for all student services personnel?
  - A planning process developed to prioritize and evaluate services?
  - Communication of specific programs and services through announcements and/or bulletins to parents and students?

- The student services staff developing and disseminating informative material for parent education on topics such as drug abuse, college admission, etc.?

### ***Operations:***

1. Are student services provided as efficiently and effectively as possible with:
  - Clerical support staff provided so that professional staff is relieved of clerical duties?
  - Current technology utilized for maintaining student records?
  - The staff utilizing appropriate community agencies for referral?
  - Student services annual per student costs comparable with state averages? (State average can be obtained from the TEA).
2. Are student services designed to meet student and environmental needs with:
  - Students provided an opportunity to relate courses, interests and achievements to career interests?
  - Parents provided an opportunity to become informed and involved in students' planning activities?
  - Substance abuse recognized as a potential problem and is covered within the curriculum and/or student services?
  - Health education provided as a preventive service?
  - Special facilities for providing health and guidance services identified and provided?

### ***Organization and Staffing:***

1. Are staff development programs offered to student services staff with:

- The administrative and student services staff made aware of district policies, procedures and state law?
  - Opportunity provided to student services staff to attend workshops, seminars and courses to refresh or up-grade skills?
  - The district supporting training in the use of automated student systems?
  - An opportunity provided to student services staff to visit exemplary school systems?
2. Are student services staff offered opportunity to provide in-service training to teachers and other instructional staff?
  3. Is the district adequately staffed for providing student services?

***Planning and Evaluation:***

1. Does the district have an approved annual plan for student services with:
  - The district's plan based upon an assessment of student needs?
  - An advisory committee to assist in the establishment of goals and priorities?
  - The district's plan including the identification of, and coordination with, community agencies and programs?
2. Are student services annually reviewed and evaluated?

## **8.5.3 Administrative Services**

### **8.5.3.1 Module: Personnel/Employee Relations**

***Purpose:***

Management of personnel programs continues to be of foremost importance to school districts. Most Texas districts expend 70-80% of their budgets for salaries and personnel related costs. An effective personnel and employee relations program can:

- Enable a district to recruit and retain quality employees at all levels
- Provide a compensation and benefit program which meet employee needs
- Provide for staff development programs which allow staff members to stay abreast of current trends

This module is designed to provide an assessment of all aspects of a personnel system including recruitment, staffing, disciplinary policies, and staff development programs. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. The module also addresses elements of a total compensation program such as job description, job evaluation, salary surveys, salary structures and benefits.

### ***Staff to Interview:***

- Superintendent
- Assistant Superintendent for Personnel
- Director(s) of Personnel
- Personnel Staff Specialists
- Principals and Staff
- Teachers

***Related Modules:***

- Communications
  
- Accounting and Payroll

***Policies/Procedures:***

1. Does the district have board approved policies which are disseminated to all staff regarding:
  - Recruitment of professional, paraprofessional, clerical and auxiliary staff members?
  - Hiring?
  - Promotion?
  - Seniority?
  - Grievance?
  - Probation?
  - Performance appraisal?
  - Staffing?
  - Affirmative Action?
  - Termination?
  - Benefits?
  
2. Do district policies provide for the board of trustees to monitor the implementation of personnel policies and procedures without becoming directly involved in administrative procedures?
  
3. Do written personnel policies furnish guidelines for administrative procedures including:

- Designation of the Personnel Department or personnel administrator to develop and update personnel policies for the District?
  - Distribution of written personnel policies and subsequent revisions to all staff?
  - Involvement of teachers and administrators in the policy development and revision process?
  - Definition of responsibility and authority for the implementation of any given personnel policy?
  - Presentation of a training program on personnel policies at orientation, in-service or staff meetings?
  - A survey of staff members regarding the current personnel policies and practices which may be used to make modifications and revisions?
4. Does the district have a system of personnel accounting and research to help predict staffing needs which:
- Provides data regarding future staff needs based on emerging curricular and programmatic demands?
  - Furnishes data on the number of positions and teachers in each certification area?
  - Provides information regarding the number of teachers not assigned in their major area of certification?
  - Furnishes data on staff turnover by curricular area, campus, and for the total school system?
  - Distinguishes between turnover and termination of an employee with cause?
  - Provides data regarding the various staff characteristics of individual campus and system-wide, such as race, sex, age, experience, certification, etc. which can be used in correcting imbalances?
  - Furnishes data on the number of administrative and supervisory members in relation to the total professional staff?
  - Furnishes data on professional staff size in comparison to class size?

- Provides data on appropriate staffing levels for central administration?
- Provides a method for staffing levels of building principals and assistant principals based on enrollment?
- Provide for periodic organizational review of administrative staff?

5. Does the recruitment process:

- Use written job descriptions, legally defensible job qualifications, and performance criteria for all vacancies being filled?
- Provide for written information to be distributed to candidates for employment which explains the school system, employment requirements, and characteristics of the community?
- Ensure professional relationships are developed and maintained with placement offices, faculty members, and officials of colleges and universities?
- Provide travel funds to allow active recruitment on college campuses?
- Utilize reference checks with previous employers or personal references?
- Provide for notification of administrative and supervisory vacancies to current staff members?
- Provide administrative and supervisory staff participation in formulating and implementing recruitment plans?
- Provide timely responses to all applicants?

6. Are decisions involving staff selection based upon a planned program including:

- Using job descriptions and essential qualifications as guides in the selection of personnel?
- A selection procedure which is uniformly applied to each candidate?
- Allowing participation in the interview phase by administrative staff of the campus or area in which the vacancy exists?

- Maintaining candidate files which are as complete as possible and comply with appropriate laws?
  - A designated probationary service period?
  - A system for orientation, mentor supervision, and in-service training during the probationary period?
  - Physical requirements or examinations which do not bias the selection of handicapped individuals?
7. Does the district have a system for position control which :
- Is automated and integrated with budgeting, personnel, and payroll to ensure effective position control?
  - Is based on written procedures to control the number of budgeted full time equivalent (FTE) positions?
  - Provides an approval process to exceed the number of budgeted positions?
8. Are the placement, assignment, and transfer practices:
- Administered with input from central and campus administrators?
  - Providing each campus with a balanced staff in terms of special skills and other appropriate factors?
  - Allowing newly appointed teachers to be placed in situations where they will have maximum opportunity for success?
  - Providing teacher assignments within the field of their preparation?
  - Supported by policies and procedures governing both voluntary and involuntary transfers which are available in written form to all employees?
9. Does the orientation of staff provide:
- Orientation sessions and question/answer periods to be held periodically throughout the year as scheduled?

- A building orientation program conducted by staff members who tailor the orientation to the needs of the staff?
- Distribution of a handbook and other information relating to the educational philosophy, personnel practices and policies of the District?
- Periodic information relating to the District and community resources?
- Participation by substitute teachers in planned training activities designed to meet their needs?

10. Do the professional development and training programs of the district:

- Assign responsibility for the coordination and direction of the staff development program to a specific Division and/or Department? (Normally a function of the Personnel Department.)
- Provide a staff development program that is responsive to the needs of individuals, groups, departments, campuses, and the District?
- Allow for policies and programs for staff development and training to be developed cooperatively with the input from employees of the District to meet both immediate and long-range needs?
- Emphasize the use of skills and expertise of District personnel for selected staff development programs?
- Provide comprehensive training for paraprofessional, clerical and auxiliary personnel including skill training, safety training, etc.?
- Establish realistic incentives for staff training conducted outside regular school hours?

11. Do the disciplinary and termination practices used in the district:

- Provide for termination to be instituted only after serious efforts (counseling and remedial training) have been made to assist the employee to improve?
- Allow monitoring of the work of the employees during their probationary periods and for provision of assistance and support as it is needed to attempt to ensure success?

- Base termination on written evaluation reports and written documentation which have been shared and discussed with the employee?
- Provide for the dissemination of the rules, regulations and policies to all employees; the uniform application relating to discipline of the rules, regulations and policies; the careful investigation of accusations; and a warning procedure to be used in cases of violations?
- Ensure the mandates of appropriate due process are observed in all applications of the discipline policy of the District?
- Provide a plan of progressive discipline, such as an oral warning, disciplinary layoff, and termination to be used for paraprofessional, clerical, and auxiliary personnel?
- Provide for immediate suspension and/or termination for serious violations such as assault, theft, drinking or drug use on the job; etc.?

12. Is the administrator appraisal process designed to:

- Allow participation by administrators in the development, review and revision of the administrative appraisal process?
- Utilize subordinate and self ratings as deemed appropriate?
- Ensure the performance appraisal is signed by the administrator indicating that he/she has seen the appraisal and has been counseled?
- Provide administrator development programs to be based upon the strengths and weaknesses shown on the performance appraisal?

13. Are opportunities for promotion publicized to the staff with all promotions based on competency, performance, and job qualifications?

14. Do the district's established policies and administrative procedures relating to a leave of absence (with or without pay):

- Provide for distribution of policies to all staff members?
- Ensure prompt action on leave requests?

- Allow employees to participate in the periodic review and revision of leave policies?
- Differentiate between the types of leave which require Board of Trustees approval and those which may be approved or denied administratively?
- Provide for administration to have authority to approve or disapprove leave requests not covered by established policy?

15. Are the district's compensation plans:

- Based on a compensation policy or statement clearly defining the competitive position the District wants to maintain?
- Periodically updated through a comprehensive salary survey utilizing survey techniques such as benchmarking, job matching, and collection of high, low, and actual salary data?
- Based on sound compensation practices with a minimum, midpoint, and maximum salary range and a range spread not exceeding sixty percent? (The midpoint should approximate the market.)
- Published, distributed, and interpreted through staff meetings or personal conferences?
- Approved by the Board of Trustees after development by the administration?

16. Does the district have job descriptions which:

- Clearly define statements of minimum, legally defensible qualifications for each type of position?
- Clearly define duties and responsibilities for each position?
- Are updated periodically with employee input and administrative review?

17. Does the district's job evaluation plan:

- Allow for determining the internal worth of jobs through a point factor or other validated job evaluation method?

- Ensure changes in job classifications are based upon changes in duties and responsibilities?
- Ensure reclassification of positions is based on a systematic study or job analysis?

18. Do regulations governing resignations provide for:

- Resignations to be submitted in writing to the designated personnel administrator?
- Employees to be counseled when resigning regarding conditions governing reinstatement, re-employment, withdrawal of retirement contributions and termination of insurance coverage?
- An exit interview to determine reasons for resignation which are then systematically examined to discover possible means of reducing turnover?

19. Does the school district have a written and publicized procedure for the reduction of staff which:

- Reflects full consideration of such factors as tenure, seniority, affirmative action, qualifications, quality of performance and certification in determining the order of lay-off?
- Incorporates statements relating to the order of recall and the period in which laid-off staff is eligible for recall; the circumstances, if any, under which new hires would have priority over laid-off personnel; and the entitlement of fringe benefits during the lay-off period?
- Considers multiple alternatives for reducing staff prior to the actual lay-off of personnel. (Among these alternatives are transfers, attrition, or early retirement arrangements)?

### ***Organization and Staffing:***

1. Does the district have a designated personnel administrator who:

- Coordinates all personnel functions for all staff of the District?
- Serves as a resource person for other administrators, groups and committees within the District in personnel matters?

- Recommends personnel policies and procedures?
- Understands current and emerging developments in the personnel function through participation in workshops, conferences, and seminars, reading of professional literature and interaction with personnel administrators in both public and private sectors?
- Provides coordination of staff development and training programs?
- Coordinates plans for appraising the performance of the District personnel?

2. Does the personnel department:

- Administer a comprehensive benefit program including life, health, optical, and dental insurance with other special programs such as capital accumulation plan, long/short term disability, etc.?
- Maintain personnel records of all District employees?
- Assure personnel records are safeguarded against loss or damage by fire or other hazard?
- Understand personnel records are accessible to authorized persons on an approved need-to-know basis, subject to statutory limitations of the Open Records Act?
- Use (when feasible and appropriate) automated techniques to provide more effective and efficient processing and integration of records?
- Maintain copies of all relevant policies, procedures, handbooks, etc.?
- Maintain a current staff directory?
- Prepare and maintain statistical information for all personnel?

3. Does the district have an employee assistance program which:

- Provides counseling and/or referral for employees with drug or alcohol abuse problems?
- Provides an employee wellness program encouraging good employee health practices?

### ***Planning and Evaluation:***

1. Does the personnel administrator provide accounting and research assistance during both short and long term planning processes?
2. Does the personnel department provide employees appraisal information for district evaluation efforts?

### **8.5.3.2 Module: Planning and Evaluation**

#### ***Purpose:***

Evaluation of the effectiveness of district programs allows the Board and administrators to determine the success of each program. Program evaluation reveals if key objectives and results were obtained and can help chart a course for planned programmatic changes based on those results. Cost/benefit analysis is also a useful tool in the planning and evaluation process.

This module focuses on determining if a district is carefully examining its service delivery through planned review and assessment using:

- Testing programs
- Surveys
- Program research
- Assessment by staff and administration

The module also addresses planning processes for program evaluation.

It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews.

Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

***Staff to Interview:***

- Superintendent
- Assistant Superintendent with assigned responsibility
- Director with assigned responsibility
- Counselors

***Related Modules:***

- Instructional Program
- Special Programs
- Student Services

***Policies/Procedures:***

1. Do locally developed board of trustees policies require district management to conduct periodic program evaluation with:
  - A program evaluation schedule presented annually to the Board of Trustees?
  - Long range plans for program evaluation reviewed and revised annually?
  - Board of Trustees adopted policies published and disseminated?
2. Is there a periodic review of all district programs with:

- Procedures for review and evaluation of district programs and services published and disseminated?
  - Evaluations of program and services reviewed with staff for next year's planning?
  - Program and services evaluation results shared with the Board of Trustees, and where appropriate, advisory committees?
  - Cost data reviewed and compared with program and service objectives and results?
  - Review of TEA campus rating and monitoring initiatives?
3. Are assessment (testing) programs administered and monitored by:
- Comparison with proven assessment programs available to measure student progress?
  - Comparison with proven assessment programs available to measure curriculum objectives?
  - Assessment of career interest, behavior inventories, and other special assessment provided?
  - Teachers, counselors and other staff trained in both test administration and interpretation?
  - Sharing assessment results with the parents and the Board of Trustees?
  - Recommending curriculum changes based on an analysis of assessment data?
4. Is long range planning periodically completed with:
- The Board of Trustees, Superintendent and other administrative staff involved in developing a multi-year strategic plan for the District?
  - Strategic planning including these components: general administration, educational plan (including instruction), evaluation and student services, business operations, personnel operations, communications and community involvement?
  - Community input provided in the planning process?
  - Demographic projections collected from verifiable sources?

- Full disclosure of the fiscal impact of policy or programmatic changes?
  - Annual review and update?
  - Future needs analysis and an evaluation of future capability in each functional area of the District?
5. Does the district conduct graduate follow-up surveys by:
- Requesting post-secondary institutions to provide student evaluations on graduates?
  - Requesting employers to evaluate training of former students?
  - Establishing a follow-up survey program of graduates?
  - Submitting an annual report to the Board on the follow-up surveys including recommendations for correcting or improving problem areas?

### ***Organization and Staffing:***

1. Has the district assigned planning and evaluation responsibilities to identified staff with:
- Evaluation required by legislation identified and completed?
  - Evaluation activities prioritized based on Board goals and/or student needs?

### **8.5.3.3 Module: Communications**

#### ***Purpose:***

An effective communications program is a valuable asset for all school districts. Sound program uses include:

- Building consensus and support for programs and special projects

- Disseminating accurate information in a timely manner
- Allowing for feedback on District programs and operations
- Providing mechanisms to keep employees informed of District activities

This module is designed to provide an assessment of the District's overall communications with citizens, patrons, community groups, the media, and employees. Key focus areas include use of advisory committees, establishing working relationships with the media, assigning specific responsibilities to staff and establishing essential policies and procedures to support the overall program. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

### ***Staff to Interview:***

- Superintendent
- Board Members (as appropriate)
- Assistant Superintendent with assigned responsibility
- Administrative Staff with assigned responsibility

### ***Data Source(s):***

- Related policies and procedures
- Reports
- Newsletters

- Community Groups

***Related Modules:***

- Personnel/Employee Relations
- Governance

***Policies/Procedures:***

1. Has the district developed a communications policy and strategy which:
  - States established goals and objectives on communications?
  - Provides an established policy and procedure for working with the media?
  - Contains a policy for handling of controversial issues?
  - Contains an established procedure for handling parent complaints?
  - Contains an established procedure for regular communication with employees such as newsletters?
  - Addresses a crisis communication plan in the event of a natural disaster?
  - Contains an established procedure for training staff on telephone courtesy?
2. Does the district develop and distribute a report to the public with:
  - An individual and/or office appointed to be responsible for developing the formal report on district activities and accomplishments for the year?
  - Distribution of the report through Board meetings, service clubs, chamber of commerce, or direct mail?
3. Does the district have established communication with the local media which:

- Provides for the Superintendent and/or a designee to meet personally with local editor(s), reporters, or media staff?
- Requests a regular reporter be assigned to cover District news?
- Provides for press conferences or news releases for major events and/or activities?
- Provides advance copies of all Board meeting agendas to the media with backup material provided upon request?

### ***Operations:***

1. Does the district communicate to the community regarding special activities by:
  - Utilizing parent organizations, service clubs, women's organizations, etc., to promote and publicize activities?
  - Using Board meetings as a forum for the Superintendent and Board members to report on programs, activities, etc.?
  - Distributing special notices or community newsletters on a planned basis?
2. Does the district utilize advisory committees as appropriate for:
  - Input and comment in any area required by law, for example, Gifted and Talented, Bilingual, or Title 1?
  - Input relating to special programs, bond issues, and goals of the District?

### ***Organization/Staffing:***

1. Has the district identified an individual to coordinate school public relations who:
  - Serves as spokesperson for the District?
  - Reviews, edits, and distributes media releases regarding District operations or activities?
  - Trains staff to work with the media?

- Assists in assuring that communication plans and skills exist in each school and department?
2. Does the staff provide regular liaison to school/ community organizations, including PTO and service clubs by:
    - Assigning an administrator to work as liaison with organizations in the District?
    - Training assigned staff to coordinate with PTO, booster club, and other organizations?
    - Establishing a District speakers bureau and furnishing organizations with a list of speakers and topics?

### ***Planning/Evaluation:***

1. Does the district periodically review and evaluate the community/public relations program by:
  - Developing an annual plan for a Community/Public Relations program in which projects and objectives for improved community relations are developed and resources assigned for effective implementation?
  - Assessing the public's knowledge and attitudes about the District through periodic surveys?
2. Has the district established a procedure for regular communication with employees which:
  - Provides information regarding action taken at Board meetings to be furnished to employees in a timely manner?
  - Provides for information regarding District operations, activities of various district committees, District and/or school honors to be sent out in regular publications?
  - Establishes employee recognition programs such as employee of the year and service awards?

### 8.5.3.4 Module: Governance

#### ***Purpose:***

It is important to recognize the role of the Board of Trustees in the overall operation of the District. As elected members, the Board must represent the constituents of the District while fulfilling responsibilities established by law and policy. A cohesive Board which focuses on the decision making process, planning, and providing resources for goal achievement is an asset to the District.

This module focuses on determining if the Board understands the role that they must play as policy makers and the role of the Superintendent as the responsible party for policy implementation and day to day operations. Procedures for conducting effective Board meetings are addressed. The vital need for open communications, transfer of information, and training to enhance operations is included in relevant sections. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

#### ***Staff to Interview:***

- Board Members
- Superintendent
- Principal

#### ***Related Modules:***

- All

#### ***Policies/Procedures:***

1. Has the board adopted and compiled policies which are:
  - Comprehensive, locally developed and based upon recommendation of the Superintendent or other staff?
  - Regularly reviewed and updated?
  - Disseminated to each Board member and all other designated staff?
  - Readily available at the administration office and campus locations for use by employees and/or the public?
  
2. Does the district have established, published operational procedures which:
  - Provide published procedures for each functional unit of the District?
  - Provide administrators the opportunity to review and update procedures on an annual basis?
  - Provide formal staff training on District procedures?
  - Provide a process for procedure revision which is clearly defined and allows for staff input?
  
3. Are board meetings organized to facilitate the policy making process through:
  - Preparation of a Board agenda and supporting information packet which is prepared by the Superintendent and disseminated according to established time lines?
  - Providing comprehensive background information allowing the Board to make well-informed decisions?
  - Organization and operation of Board meetings according to established procedures?
  - Ensuring Board decisions are made in a timely manner?
  - Providing for public input through a formal agenda item or other means for citizen comments?
  - Establishing criteria for placing an item on the agenda (including items requested by the Board or citizens)?

- Conducting executive sessions in accordance with State law?

### **Operations:**

1. Are board roles and responsibilities defined by:

- Conducting information sessions for candidates running for the Board?
- Conducting formal orientation sessions to define the role and responsibilities of a Board member?
- Ensuring Board members set policy and allow the Superintendent to manage the District's operations?
- Conducting annual self-evaluation and developing a plan for the improvement of board operations?
- Implementing elements of the approved self-evaluation plan?
- Providing for Board members to work constructively with the Superintendent to resolve issues and concerns?

2. Does the board organization include establishment of advisory committees, if needed, which:

- Are established for specific purposes and specific time limits?
- Give fair and equal representation in the selection of committee members and attempts to meet the interests of individual Board members?
- Provide for standing and/or ad hoc committees for finance, facility/building, personnel, instruction and/or other special purposes?

3. Are board actions recorded and maintained allowing for:

- Use in determining follow-up actions to be accomplished by administration to carry out Board policy?
- Use in planning future meetings?

### ***Organization/Staffing:***

1. Does the superintendent make recommendations to the board regarding operation of the district including:
  - The Superintendent serving as Chief Executive Officer for the District?
  - The Superintendent making recommendations for all personnel actions based on input from campus administrators or other appropriate staff?
  - The Superintendent attending all meetings of the Board?
  - The Superintendent recommending policies to the Board?
  - The Superintendent implementing adopted Board policies?
  - The Superintendent establishing a process to communicate on an ongoing basis with the Board to keep them informed of District activities?
  - The Superintendent delegating authority when appropriate?
  - The Superintendent coordinating the implementation of procedures regarding District operations?
  
2. Do board members participate in training each year including:
  - Orientation and training for newly-elected Board members to clearly define the Board's role in budget, personnel matters, etc.?
  - Seminars and workshops sponsored by regional, state, and national organizations?
  - Training based on identified needs of Board members in addition to basic state requirements?
  
3. Does the district provide necessary support for the board to conduct their functions including:
  - Designation of an employee to record minutes, schedule appointments and maintain files?
  - Assigning appropriate staff to research and respond to information requests from the Board?

4. Does the board and superintendent participate in local, state and national organizations through:
  - Active participation in regional, state and national associations?
  - Attending training and professional development seminars for school boards sponsored by professional organizations?
  - The Superintendent actively participating in local, regional and national school administration associations?
  - Providing budgetary resources for participation in training and professional development seminars including travel and tuition costs?
  - Utilizing information services of appropriate regional, state and national organizations (by both the Board and Superintendent) to enhance the operations of the District?

### ***Planning/Evaluation:***

1. Does the board establish annual goals and undertake a formal planning process by:
  - The Board and Superintendent conducting annual goal setting and planning sessions, based upon the Board adopted long range plan for the District?
  - Adopting annual goals for the District to improve District programs and operations?
  - Publicizing District plans and goals?
  - Providing an implementation schedule for the plans and goals?
  - Reviewing progress of goal achievement on a regular basis but no less than once a year?
  - Placing a priority on instructional program goals and student achievement goals?
  - Providing essential resources for goal achievement?
2. Does the board have a process for obtaining community input by:

- The Board agenda providing opportunity for public comment?
- Established communication with business organizations and community groups through special programs such as Adopt-A-School?
- Conducting cooperative projects with community and business organizations?

## 8.6 TEA Management Audit Methodology Training Manual

### 8.6.1 Foreword

The *Training Guide for Management and Operational Reviews* is designed to provide training to prepare an individual or group to perform a management and operational review in any Texas school district.

A management review assists the school district administration by identifying key strengths of the district's operations relating to business and operations, curriculum and instruction, and administrative services. The review also identifies opportunities for improving the efficiency, economy, and effectiveness of the district.

A sound management review brings together a team of professionals who review and evaluate selected activities and functions of a school district. This review team works closely with the district administration, combining the district's unique knowledge and involvement with the team's special skills, experience, and objectivity to define problems and identify solutions. It is to be noted that the Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session.

The *Texas Education Agency Management and Operational Review* was professionally designed utilizing methodology which has been used very successfully in government and the private sector. This methodology has been custom designed for Texas schools and piloted in four districts. The program was designed to:

- *Improve management and operations.* The review helps identify opportunities for improvement including ways to increase productivity.
- *Demonstrate accountability.* The review provides an independent, objective appraisal that helps ensure the district is operating efficiently, effectively and economically.
- *Adapt with ease to a particular district's environment and need.* The review provides a guide and a set of modules that can be customized by selecting the appropriate elements and the level of detail that meet the district's specific needs.

- *Provide the materials for a continuing self-evaluation program.* After the review is complete, the school district has acquired the knowledge and experience of a management and operational review, enabling the district to monitor performance in the future.

The primary tools to perform these reviews are eighteen modules that were created for the Texas Education Agency which allow a district to examine in depth the following:

1. Accounting and Payroll
2. Budgeting
3. Cash Management
4. Data Processing
5. Purchasing
6. Auditing
7. Risk Management
8. Maintenance
9. Food Service
10. Transportation
11. Facility Management
12. Instructional Programs
13. Special Programs

14. Student Services

15. Personnel and Employee Relations

16. Planning and Evaluation:

17. Communications

18. Governance

Sections I through Section IV explain a management review and provide guidelines on how to perform one. Section IV is particularly important as it explains exactly how to use the review modules developed for TEA.

There are four appendices to the Guide. These are designed to provide further development with interviewing techniques, oral presentation skills, and brainstorming techniques if needed.

## **8.6.2 Purpose**

The purpose of this guide is to provide the tools and techniques needed to perform a successful management review. The target of the management and operational review is to objectively identify opportunities to improve the efficiency and effectiveness of a district's business and operations, curriculum and instruction, and administrative services.

This program is designed for voluntary use by all Texas school districts. Districts taking advantage of this process will be able to perform management reviews using existing school district staff and/or assistance from external sources.

This guide will serve as a reference book during formal training sessions conducted by TEA. Successful completion of the training will be a requirement of all individuals who will be directing a management review for any district.

The guide will also be useful to a project director and the project team during the review phase.

### 8.6.3 Section I - What Is A Management Review?

#### *Focus*

Define a management review

Identify benefits of a management review

Introduce the four phases of the management review process

#### ***Definition of a Management Review***

*"The purpose of (a management review) is to identify opportunities for greater efficiency and economy, or to improve effectiveness in carrying out procedures of operations. The objective is improvement in relation to the goals of the organization."*

***Ellsworth Morse***  
*Assistant Controller General*  
*General Accounting Office*

There does not seem to be any one accepted definition of a management review. Despite the lack of an agreed upon definition, there is consensus on what the process entails. This process will unfold throughout the guide.

In 1972, the General Accounting Office (GAO) provided some guidelines for management reviews of governmental units in "Standards for Audit of Governmental Organizations, Programs, Activities and Functions." This publication highlighted the three E's (economy, efficiency and effectiveness) of management reviews. The following passage is taken from that source:

*"A review of efficiency and economy shall include inquiry into whether, in carrying out its responsibilities, the (reviewed) entity is giving due consideration of conservation of its resources and minimum expenditure*

*of effort. Examples of uneconomical practices of inefficiencies the (reviewer) should be alert to include:*

- *Procedures, whether officially prescribed or merely followed, which are ineffective or more costly than justified.*
- *Duplication of effort by employees or between organizational units.*
- *Performance of work which serves little or no useful purpose.*
- *Over-staffing in relation to the work to be done.*
- *Faulty buying practices and accumulation of unneeded or excess quantities of property, materials or supplies.*
- *Wasteful use of resources."*

A management review brings together a team of skilled individuals who examine or evaluate any or all activities of an entity. This team works closely with personnel from that entity to combine their knowledge and involvement with the team's special skills to identify strengths, define problems, and recommend solutions.

By performing a successful management review in your district, you are helping to maximize the benefits derived from the expenditure of your district's limited resources. As you work through this guide, you will gain key insights into management reviews and what must be done to perform one successfully.

### ***Benefits of a Management Review***

A successful management review should provide a solid and objective basis for measuring the efficiency and effectiveness of the school district's policies, procedures, and practices. It also provides recommendations that can enable school districts to streamline operations, cut costs, evaluate programs and increase classroom performance.

There are specific benefits that can result from the performance of a management review. The management review can:

- Provide an independent analysis and a different viewpoint on district functions
- Present new ideas and innovative methods for performing key operations
- Increase efficiency and effectiveness of district operations
- Increase productivity of district employees
- Evaluate administrative and internal controls
- Provide a cost/benefit and/or other comparative analysis to inform the district how it performs in relation to established standards or other comparable districts
- Provide initiative for continuing self-evaluation

### ***Phases of a Management Review***

Essentially, there are four phases of a management review. These phases are:

- Preparation
- Analysis
- Evaluation
- Reporting

Each phase is essential to the completion of a successful management review and will be discussed in detail in Sections III through VII.

## *Preparation*

Preparation is the first phase of conducting a management review. The objective of this phase is to initiate the project and develop a plan to successfully complete the review.

The scope and objectives of the management review are determined in this phase. The review team is selected and trained to use the TEA management and operational review process. In this phase you will gather existing information about the area to be reviewed, meet the key personnel, and complete a general overview of the area. These planning activities will result in the development of a work plan for the review.

## *Analysis*

Analysis is the second phase of a management review. This phase involves the collection and analysis of information that is relevant to the objectives of the review that were established in the planning phase. Analysis is accomplished by reviewing existing district policies and procedures, conducting interviews, and may include actual observation of activities in the area under review. Of these, the interviewing process may easily have the most significant impact on the review findings and recommendations. Because of its importance, Appendix 1 of this manual focuses on improving interviewing skills.

## *Evaluation*

Evaluation is the third phase of the management review process. It involves the following:

- Reviewing accumulated data to identify strengths and as well as identify and prioritize problem areas
- Identifying opportunities for improvement
- Developing recommendations to facilitate improvement

## *Reporting*

Reporting is the fourth and final phase of the management review. It is critical to the success of the review because the recommendations that you compile must be clearly communicated to the school district's decision makers if they are to be implemented. Reports should be well-planned and clearly presented, and should highlight the positive aspects identified in the school district's operations as well as those areas needing improvement or change. The report must generate interest and should outline specific practical recommendations for improvement.

## 8.6.4 Section II - The Preparation Phase

### *Focus*

- Define the scope of the management review and begin initial preparation
- Select and train the review team
- Organize the review team to conduct the general overview
- Develop a work plan that will focus the review team's efforts and enable monitoring of the programs of the review

### *Introduction*

The initial phase of the management review process is critical to ensuring success of the review. The purpose of this first phase is to set the stage. The goal is to gain enough background understanding of the area being reviewed to construct a logical and reasonable work plan for the second phase of the review.

The planning that occurs in the preparation phase helps the project leader design the review. Project planning is concerned with scope, objectives, commitment of resources, work plan development scheduling, and generally preparing and organizing.

This first phase involves essentially four steps:

- Identify the district's needs

- Build a team
- Conduct general overview
- Establish a work plan and project schedule, for the analysis phase

This section of the guide will look at each one of these areas in greater detail. The information which is provided should serve strictly as an aid for understanding of this aspect of the management review.

### *Identify the District's Needs*

To begin the management review process, the school district must determine the areas to be reviewed and agree on the primary objectives and scope of the review. As discussed in Section V, it is recommended that the district utilize all eighteen modules during a survey or diagnostic review process. The results of this initial review will identify areas that require more in-depth study which can be completed through a detailed evaluation.

Should a district not choose this comprehensive approach, a number of alternatives can be utilized to identify needs. These include:

- Areas which have been identified through district self-study programs
- Areas identified through meetings or workshops with administration, management staff, district personnel and/or meetings with the board of trustees
- Areas with identified deficiencies which are impeding district operations

In deciding the number of areas to be reviewed, it is important to consider the costs the district will incur by performing the review, travel expenses, outside consultant fees (if any) and other administrative expenses of the review. However, the broader the initial review, the greater the opportunity to identify cost savings for the district.

## *Build a Team*

The purpose of this step is as follows:

- Identify a review team leader
- Select an appropriate review team
- Organize the members of the review team and establish team roles and responsibilities (these members will be referred to as consultants throughout this guide)
- Set working guidelines which will ensure efficient administration and effective communication throughout the review

### *The Review Team Leader*

The review team leader may be selected prior to identifying the district's needs or the selection may follow that step in order to match the individual skills with the district's needs. The team leader will be responsible for coordinating and monitoring the progress of the review. Because of the key role this individual will perform in the review process, school district experience should be an essential consideration. A review team leader may be an administrator from another district, a retired administrator, staff from TEA, a professional organization or an outside consultant with experience in conducting management reviews. It is important to note that all review team leaders must be certified by successfully completing the TEA training program prior to conducting a review.

The team leader's responsibilities will include, but are not limited to, the following:

- Overall direction of the review
- Training the review team members (consultants)
- Planning the project

- Supervision of the work schedule and task assignments
- Overseeing quality control
- Coordinating the report preparation
- Presenting the report to administration and the board of trustees

### *Selecting a Review Team*

There are many alternatives for organizing a team available to the district and it is imperative that the alternative that best fits your district is selected. How you assemble your team is strictly a local option. Some of the alternatives available to you are as follows:

- Utilize the administration and resources of a neighboring district to conduct the review. A reciprocal agreement may be entered into whereby the districts review each other periodically
- Utilize the resources of Texas Education Agency or professional associations
- Utilize the resources of the regional education center
- Utilize the resources of an independent consulting firm with the understanding that the *Management and Operational Review Guide* methodology will be followed
- Utilize volunteers from the community who have experience and knowledge that will benefit the process. For example:

#### **Volunteer's Occupation**

Insurance Agent

Restaurant Owner

#### **Area of Review**

Risk Management

Food Services

Banker	Cash Management
Public Relations Firm	
Representative	Communication
Trucking and Distribution	
Representative	Transportation
Retired superintendent or administrator	Curriculum and Instruction

Other volunteers may be found through the local Adopt-a-School program, local governments and chambers of commerce.

Self administer the review using resources within the district's administration.

The team that you select may be a combination of the alternatives. Your challenge will be to select a team that best fits your local situation thereby optimizing your review's results. It cannot be overstated that utilizing team members who are experienced in the field and/or in conducting management reviews is an added asset.

### *Training a Review Team*

Effective training will help ensure a successful project for the district. Each team member should attend a formal training session which covers the key elements of a management review and describes TEA management and operational review methodology.

The formal training program should follow the structured approach presented in this Guide. The optimum training session is a day and a half and follows the agenda presented in Appendix 4 of this guide. The training can be shortened to meet the specific needs of the review team through:

- Providing overviews of each section of the guide
- Self study

- Using only selected sections of the guide

In addition to the material presented in this guide, other helpful training tools may include:

- An orientation session describing the district conducted by school administrators
- A discussion of the review team roles and project schedule
- An overview of the comprehensive work plan

The training may be conducted using a number of resources. The review team leader will usually play a large role. Other resources which could be utilized include:

- School administrators (internal and external)
- Other review team members
- TEA staff members
- Professional association staff members
- Outside consultants

### *Managing a Review Team*

The review team leader has a major responsibility in managing the review team. These responsibilities include ensuring that all tasks are completed thoroughly and according to the project schedule. To accomplish this, the team leader must monitor progress, review work quality, and provide direction and information for project team members. The leader must also keep a handle on the "pulse of the district" during the course of the project to understand how the project and review team are being perceived. If problems are identified, the team leader should initiate corrective actions.

Review teams may include a diversity of people with different backgrounds and expertise. Therefore, the team leader is required to deal with the different opinions on the team and facilitate a process for resolving these differences. The resolution must satisfy the team members and not discourage them from stating their opinions. What makes a team effective is the diversity of experience and ideas.

There are things you can do when the team first comes together which will create a healthy, positive approach to differences among team members:

- Set the tone by explaining how the team will benefit by the diversity of backgrounds, opinions, and experiences of the team members
- Encourage people to disagree with the opinions someone else may express, explaining what they think and why. Caution people to address the ideas versus the person
- Establish the ground rules for discussions

In the course of the team working together, there will also be differences between what you feel must be done and what one person or a group of people, on the team want to do. In these cases, you need to:

- Ensure that you have been clear on what your position is and why
- Explore the different opinions of the group, both content and emotion
- Evaluate any compromises which can accommodate their desires and yours
- Distinguish the types of decisions the group will make
  - Some decisions you will make independent of the group. Even though you will be open to hearing their opinions, the final decision is yours
  - Other decisions are for the team to make. In these cases all positions will be considered and the group will work through them to come up with the best solution or approach

- Keep on task and on schedule

### *The Review Team in the Government Environment*

It is crucial to understand the operating environment of any organization prior to conducting a management and operational review. This is especially important for school districts due to the unique environment of governmental entities.

School districts are political subdivisions of the state of Texas. Texas Education Agency, through legislative authority, provides administrative and operational support for over 1,000 districts. TEA distributes state funds to each district based upon a formula established by the state legislature. Local school districts also have ad valorem taxing authority under state law which provides a second source of funds. Federal funding for special programs is a third source of funds for the districts.

Locally districts are governed by elected officials who comprise the school board of trustees. Elected board members serve three-year terms. The board is the policy-making body for the district. The day-to-day operations of the district are managed by a full-time professional superintendent appointed by the board. The superintendent, with the concurrence of the board, in some cases, employs all other staff members who support the diverse operations of the district.

It is important for the review team to recognize key differences between the public and the private sectors. There are many similarities between government and private industry but there are also some important differences. These include:

- The school board is elected by popular vote and meets on an average of one to four times per month
- Meetings of the board are open to the public. Closed meetings (those excluding the public) are allowed for the purposes provided under state law, such as discussions concerning personnel issues, litigation and land acquisition
- Most records maintained by the district are open to the public and the media
- Formal budgeting is done on an annual (fiscal year) basis as opposed to monthly budgeting

- There is consistent public scrutiny of school district activity
- The media provide extensive coverage of the district regardless of the size
- The district must operate under federal, state, and locally adopted policies

The review team should remain cognizant of the government environment and be sensitive to the unique nature, demands, and pressures that are present.

### *Project Timing*

Selecting the right time for conducting the review is important. The beginning or end of the school year is usually an inappropriate time due to the heavy workload of these periods. The team should also avoid months with holiday periods such as December. Project timing should be coordinated with the district's administration to ensure that staff is available for interviews and other assistance and that the project team will not be disrupting important scheduled activities.

### *Conduct General Overview*

A general overview is conducted to review and document existing information about the era (i.e., transportation, food service, curriculum) and to meet the district management (school board, superintendent, assistant superintendents, etc.) and key personnel (i.e., principals, counselors, teachers, etc.) in the area. The purpose of this step is twofold: (1) assist the team in the preparation of the detailed work plan described in step four and (2) to communicate with the district management regarding the scope and timing of the review.

In order to define the scope of the review and develop a work plan, the team may gather and document existing information related to the area to be reviewed. This background research might include:

- Reviewing organization charts, reporting charts, staffing job descriptions, division of duties, levels of authority and responsibilities, etc.

- Reading available policy and procedure manuals
- Reviewing relevant reports and documents such as the budget or external audit reports
- Studying other identified information sources listed in the introduction of each module.

The documentation allows the review team to gain familiarity with the area to be reviewed and may result in determining further areas for analysis. All documents should be listed and brief abstracts of pertinent facts should be prepared for the work plan.

It is important for the review team to hold an initial meeting with district management and key personnel. Early positive communication between the review team and management are essential. An atmosphere of cooperation and teamwork must be established from the beginning. The following checklist has suggested points to be covered at this meeting:

- Introduce review team to the district management
- Define the purpose of the meeting and the review
- Clarify the goals of the review
- Determine the basic timelines of the review schedule
- Clarify the final products which will result from the review (these are called review or project deliverables)
- Explain how the review will be evaluated/managed. Describe methods for reporting project status which may include:
  - *Review Status Report*. Summarizes the review as a whole, presenting the review milestones just past as well as those just ahead

- *Timed Activity Report.* Records the activities of each person assigned to the review in relation to the review schedule. This is made available to district management who wish to stay informed on the nature of work completed
  
  - *Special Report.* From time to time throughout the review, it may be necessary to compile a special report on the review status or findings. This could be a special report for a board meeting or a special report to school administrators when a major finding is identified that demands immediate attention. The need for special reports will generally be dictated by the district's specific needs and environment
- 
- Identify resources necessary for the review
  
  - Discuss schedule and personnel constraints for the review
  
  - Set a tentative start date for the review
  
  - Arrange any additional meetings if necessary
  
  - Allow for questions and open discussion
  
  - Conclude meeting

### *Open Communication and Feedback*

In the initial meeting with district administrators, the process for open communication and feedback between the project team and the district's staff must be established. Methods for planned communications throughout all project phases should be established to provide feedback to both the project team and district administrators. The best tool is an exit conference, which is conducted with the superintendent or other designated administrators when the project team is leaving the district to perform further analysis, prepare the report, and/or to complete the project. The exit conference can provide an update on project status and schedules, as well as a forum to review findings and confirm observations.

### *Establish a Work Plan for the Analysis Phase*

The review team must define the scope of the review based on the background research and the input of the district management. The scope should include a review of all eighteen areas (i.e., transportation, food services, data processing, etc.) and include specific problems noted by district management (i.e., cash management practices).

The detailed work plan related to the scope of the review and should describe how to accomplish the planned objectives. It is essentially a division of labor. It includes a list of task descriptions, with estimated resource requirements and a timeline in which to complete the tasks. The work plan is an important step to the success of the review:

- It helps keep the review focused and concentrates your efforts on obtaining pertinent data
- It enables efforts to be more productive
- It serves as a communication tool between the team and the district management monitoring the project

There are several formats for putting together an effective work plan. Design your work plan to fit your district's environment and needs. The following guidelines can serve as a checklist for the development of a work plan:

- Determine the work to be performed
- Visualize the end product of the review and the factors that might affect the school district's ability to perform
- Think through each step carefully and document the rationale, as necessary, on a supporting worksheet
- A good approach is to make a "judgment" estimate for each step. For example, you may need to estimate the:
  - Number of people to be interviewed
  - Time requirements for each step
  - Size of department/operation

- Probable accessibility of personnel
- Logistics involved
- Complexities of work involved
- Develop an outline for the overall review to achieve objectives.
  - Identify segments, phases, and/or projects
  - Identify anticipated scope and results of each phase
- Prepare in this order:
  - Time-phased chart (task and timeline)
  - Personnel utilization schedule (task and role assignments)
  - Methodology, technical approach, and text
- Test to see that the plan fully describes steps necessary to achieve the district's objectives/scope and that it gives consideration to those things that are most important to the decision-makers

## 8.6.5 Section III - The Analysis Phase

### *Focus*

- Identify the advantages and disadvantages of five data collection techniques
- Identify successful interview guidelines
- Provide fact-finding suggestions

- Introduce the four types of analysis used in a management review

### *Introduction to the Analysis Phase*

This section details how to obtain specific information through data collection efforts focused on the areas you are reviewing. During this phase the consultant will accumulate and analyze data that will identify problem areas and areas of strength within the district.

The analysis phase is at the heart of the management review. Here you will assimilate the information needed to understand the operations of the area under review, develop findings, and later formulate recommendations for improvement. The steps in the analysis phase are as follows:

- Collect all relevant data concerning the area
- Conduct meetings/interviews in the area under review
- Engage in fact finding activities including observation of operating practices
- Begin an initial analysis of the collected data

### *Collect Data*

Good data collection is critical to the analysis phase. The final quality of your review will rely heavily on the quality of data you have collected during this phase. There are several data gathering techniques which should be employed as you conduct your review. Depending upon your particular situation, some of these techniques may be more appropriate than others, and discretion should be your guide as to which techniques to employ. These data collection techniques are: document review, observation, questionnaires, focus groups and interviews. Each of these techniques will be discussed briefly.

A key question is "What data should I collect and what questions should I ask?" Because of its importance, special guidelines have been developed to help you answer this question. These guides are designed to provide you with all the tools and questions you will need to successfully review any area of your school district's operations.

These guidelines are called *Management and Operational Review Modules* and an explanation of their use is included in Section V.

### *Document Review*

Document collection and review may involve looking at forms, reports, budgets, planning documents, organization and staffing charts, management reports or policies and procedures manuals. It is often used when data needs include management studies, work flow analysis and paper flow review.

Potential advantages of document review include:

- Information is objective
- Inconsistencies can be detected
- Gives good insight to the inner workings of the district

Potential drawbacks may include:

- May require review of numerous policies and reports to get complete picture
- Can be labor-intensive and time-consuming
- There may be "too much" information

When considering document review as a means of data collection, you should understand precisely what you are looking for and which individual will be able to locate the documents you desire. The review module provides a list of potential data sources for the data collection phase.

### *Observation*

Observation can include a simple observation of the general process of work being performed in the area under review or it may entail a structured analysis such as time-and-motion studies.

Generally, observation takes place over a specific period of time. These observations can focus on specific procedures, actions and responses that are inherent in an area. Observation may provide a chance to see certain behaviors that are correlated to performance, productivity, and results.

Some potential advantages of observation include:

- The chance to see behaviors correlated to performance, productivity and outcome
- Provides more specific "how to" information
- Can identify redundancies in tasks and problems in communication

The potential drawbacks of observation include:

- Employees may dislike an observer "looking over their shoulder"
- May be time-consuming
- Employees may be on their "best behavior" during observation, so actual performance may not be observed

When considering observation to collect data, it is important that you know precisely what you will be observing and why, with well-defined observation criteria of capturing data established beforehand. As an observer, you should blend into the work environment. You should also try to be non-threatening, not an authority figure. Failure to blend in may be threatening to the employees.

### *Questionnaires*

Questionnaires can be used to collect large amounts of information at one time. Many times a questionnaire will provide more frank feedback than face-to-face

interviews. Also questionnaires allow participants to feel that they had a fair opportunity to voice their concerns during the review process.

Potential advantages of questionnaires include:

- Most people are familiar with "how to fill out a questionnaire"
- Ideal for collecting large amounts of information
- Anonymity may result in more frank feedback
- Can reveal consensus on changes that need to be addressed

Potential drawbacks may include:

- Can be costly
- May ask the wrong questions, e.g. "garbage in, garbage out"
- The impersonal nature may be inappropriate for the situation

When considering a survey or questionnaire to collect data, you must ensure that the questions are well-focused and easy to administer. The information that will be generated by the survey should clearly justify the costs of acquiring it, and the questionnaire should be short and easy to complete. Questionnaires may be a tool that the district wishes to employ, but they are not required in a management review.

### *Focus Groups*

Focus groups are used in the district when you wish to obtain data from eight to twelve employees of equivalent status. Essentially, a focus group is a group interview. The focus group candidly discusses specific issues, concerns and possible solutions. This technique must be highly structured to be successful. The meeting should last no longer than two hours.

Potential advantages of a focus group can include:

- Can reveal insights on inner workings of the district
- Participants may be more candid around peers
- Information gathered is usually quite reliable

The potential drawbacks of focus group may include:

- Can be costly due to the time involved with eight to twelve participants
- May be difficult to recruit participants
- The group may be hard to control

When considering the use of a focus group to collect data, you must be careful not to mix your group (i.e. mixing managers and subordinates). The group should be homogeneous to be successful. Limit the group to less than twelve. Establish and follow a schedule outline. You should also be certain that the seating arrangement establishes intimacy to increase participation. Focus groups should also be used more as a "front-end" data collection technique, unless you assemble a focus group to elicit feedback on your recommendations that you will establish at the end of your review. Strong leadership of the focus group is crucial.

## *Interviews*

Interviews are the primary method employed to obtain data for the review. Because of their importance, a complete interview section follows this overview. Further interview techniques are contained in Appendix 1.

The eighteen modules serve as an excellent interview guide for the review team. The modules also provide a list of district staff which may be interviewed during the completion of each module.

Potential advantages of interviews can include:

- Can increase credibility of the review
- Can provide strong insights on employee and management wants and perceptions
- Increase the likelihood that the interview will "buy into" your review
- Are ideal for focusing on specific issues and/or problems

The potential drawbacks of interviews are that:

- Results can be unreliable if the interviewee is uncooperative
- A bad interview can jeopardize the credibility of your review
- Personal factors may have strong effect, i.e., interviewee has not been prepared for the interview or has not allocated sufficient time for completing an interview

### *Board Interviews*

In the school district environment, interviews should be conducted with members of the governing body (board of trustees) and key administrative officials who are responsible for the areas under review.

Interviews with board members can provide the consultant with perspectives and insights of the elected policy makers. Issues and concerns may surface which will be valuable during the course of the review. The interview session also allows the consultant to inform the board members of the purpose of the review, project schedule, and the role the board will play in later phases of the review. This "buy-in" in the initial part of the review will be a valuable asset for the consulting team as it sets the stage for board acceptance and implementation of major recommendations.

## *Conducting Interviews*

Your ability to conduct a good interview is crucial to the success of the management review. There are eight points to be taken into consideration to successfully conduct an interview:

- Scheduling the interview
- Preparing for the interview
- Opening the interview
- Note taking during the interview
- Closing the interview
- Recording the information
- Following up interviews when necessary to eliminate inconsistencies or incomplete information

When scheduling an interview can well in advance of the anticipated date, give the purpose of the interview and identify any materials the interviewee should have at the meeting.

Prepare for the interview by reviewing any information that you collected during the preparation stage of the review. Also, review the module concerning that area so that you will have an overview of the information you will be trying to obtain.

Open the interview by arriving on time and by putting the interviewee at ease.

Conduct the interview by mixing the various types of questions (types are described in Appendix 1). Avoid asking leading questions. A well-developed, structured outline format will assist you in formulating your questions. There are some "Do Nots" to consider when conducting an interview:

- Do not agree or disagree with the interviewee's answers
- Do not comment positively or negatively on the district's practices and procedures
- Do not disclose information obtained in other interviews
- Do not state what you believe will be in the findings or recommendations

It is not necessary to record word-for-word what is said. Use your outline as a guide to your note-taking.

Close the interview by summarizing general information gained and ask if there is any additional information you should know.

Record the information obtained during the interview in an organized manner as soon as possible after the interview has occurred. Again, the modules will be useful in this process.

The last point is an important one. Many times people do not realize that any inconsistencies or incomplete data exist until they have recorded the information. Don't be afraid to return to the interviewee to clarify these areas.

One aspect that is often overlooked during an interview is the need to collect written documentation. Although the interview is primarily an oral data gathering technique, it is still important to collect relevant documents, manuals, reports, etc., that the interviewee may possess which will assist in the review. These documents might have been collected previously; but if not, the interview provides an excellent forum to obtain this documentation.

### *Employee Perceptions of Management Review*

One key to a successful management review is for the review team to seek the cooperation and gain the trust of school district employees during the interviews. Cooperative employees, with their "hands-on" knowledge of the particular area that you are reviewing, can direct you to areas of inefficiency that you were unaware existed prior to the review.

*"...people will help us...if they, too, share in the benefits...We must devote ourselves to making clear to others that our purpose basically is to help them..."*

**R.W. Dorman**  
*"Human Relations in Internal Auditing"*

With this in mind, there are several actions you can take to gain the trust and cooperation of the individuals you interview:

- Listen carefully to their concerns
- Focus only on materially significant issues
- Display sincere interest in day-to-day problems
- Avoid participating in internal politics
- Ask employees what areas they believe need improvement or change
- Allow employees to participate in the development of constructive recommendations affecting their particular responsibility areas
- Point out the benefit of participation of school district employees during the management review

The importance of developing and maintaining employee trust and cooperation cannot be overstated. After all, these employees will be directly involved in the implementation of any recommendation will determine the ultimate level of success your management review will reach.

Appendix 1 focuses specifically on more interviewing techniques. A review of this material may enhance your interviewing skills.

### *Fact Finding*

The purpose of fact-finding is to collect the information that you need in order to identify areas for improvement and formulate recommendations during the Evaluation phase of the review.

One of the main difficulties in fact finding is focusing your efforts so that time and resources are not expended to collect irrelevant or unnecessary data. It is also important to stay on schedule during this step. With all of the information that will be available to collect, you must remain mindful of the schedule you have established to avoid delaying the review.

Remember these guidelines or suggestions to assist you in your fact finding efforts:

- The amount of information available is much greater than the amount actually needed
- "Information or fact overload" makes the evaluation phase of the review more difficult
- Use your established work plan to focus your fact finding efforts. In previous steps of the review process you have already:
  - Identified your information, or fact, needs
  - Identified the sources of this needed information
  - Identified the appropriate techniques for gathering the information, or finding the facts
- Use the data sources listed in the module

### *"Tour of the District"*

One of the most valuable information collection techniques is "touring the district" with the superintendent and/or other administrators. This tour acquaints the consultant with the district's operations and facilities and allows the consultant to meet key personnel.

The tour is a very valuable aid for identifying strengths in district operations and areas of concern which should be further addressed in the review. This first hand look at the district is extremely valuable in focusing emphasis and gaining thorough knowledge about the district.

### *Initial Analysis of Data*

During the final stage of analysis, the consultant should review the data collected to ensure accuracy and completeness.

The consultant should not spend a great deal of time retracing the steps taken earlier to ensure the accuracy of the data. Instead, the consultant should identify deficiencies in the data that may impair the quality of the recommendations and conclusions that will be formulated. These deficiencies should be addressed through requests for clarification or additional data.

It is important for the consultant to understand the types of analysis that will be utilized in this management review process. There are numerous types of analysis that could be used; however, the Texas Education Agency's Management and Operational Review modules are sub-divided into four types of analysis. These modules will assist the consultant in analyzing each area under review. The use of the modules is discussed in detail in the Section V.

These four types of analysis outlined by the modules are as follows:

- Policies/procedures analysis
  
- Operations: analysis
  
- Organization and staffing analysis
  
- Planning and evaluation analysis

### *Policies/Procedures: Analysis*

Policies/Procedures analysis is the evaluation of both written and non-written procedures of the area under review. This type of analysis is designed to determine whether outlined procedures are:

- Locally reviewed and adopted
- Complete
- Current
- Understandable
- Relevant
- Properly disseminated
- Meet established guidelines
- Support the district's mission and objectives
- Properly followed
- Periodically updated

### *Operations: Analysis*

This section involves analyzing the actual work performed in each area under review. This work is documented to determine areas for improvement, simplification, automation, etc.

Issues that will be addressed with this type of analysis include:

- Is it more effective to perform the function in a centralized or decentralized fashion?

- Are there any work steps that are currently used which are not necessary?
- Would it be appropriate to automate some processes that are currently performed manually?
- Are any activities duplicated by personnel in another area or function?
- Are operations meeting the district's mission and objectives?

### *Organization and Staffing: Analysis*

The purpose of this analysis is to document and evaluate the organizational structure and staffing of the area being reviewed and to determine if the functional responsibilities are clearly defined and understood by the employees in that area.

Some example issues to be addressed in organization and staffing analysis include:

- Is the number of employees directly supervised appropriate at each level of the organization?
- Are staff oriented functions being handled at the appropriate level?
- Are staffing levels reasonable for the duties which are performed within the district?
- Are employees trained properly in the activities of the area under review?
- Are job descriptions clearly defined?

### *Planning and Evaluation: Analysis*

This type of analysis is designed to investigate the appropriateness and effectiveness of the planning and evaluation procedures of the areas under review.

Issues that will be raised concerning planning procedures include:

- Are appropriate levels of management involved in the annual planning process?
- Is the planning process providing sufficient guidelines and performance measures to monitor improvements in the area under review?
- Are goals established which are understandable, realistic and, if possible, quantifiable?
- Are planning sessions held periodically throughout the year to review the progress of the area toward achieving established goals?
- Do the long-range and short-range plans of each area reflect the overall plans and goals of the school district?

There are also numerous issues which will be addressed concerning the evaluation procedures of the area under review. These may include:

- Are periodic and yearly evaluations performed to measure the area's ability to attain certain benchmarks which have been identified by the planning process?
- Is the information collected and distributed to management appropriate and adequate to evaluate the area's performance?
- Are periodic review and evaluation sessions held with key personnel in the area to discuss progress and performance?
- Is relevant operating information gathered and reported to management on a regular basis?

## 8.6.6 Section IV - Using the Management and Operational Review Modules

### 8.6.6.1 Introduction

The *Management and Operational Review Modules* are designed to assist any individual or group to perform a management and operational review in any Texas school district.

The *Management and Operational Review Modules* are designed to:

- *Improve productivity.* The review helps identify opportunities for productivity improvement.
- *Demonstrate accountability.* The review provides an independent objective appraisal that helps ensure the district is operating efficiently, effectively and economically.
- *Adapt with ease to a particular district's environment and need.* The review provides a guide and a set of modules that can be customized by selecting the appropriate elements and the level of detail that are appropriate for the district.
- *Provide the materials for continuing self-evaluation program.* After the review is complete, the school district has acquired the knowledge and experience of a management and operational review, enabling the district to monitor the areas studied for improvement.

The modules address three major areas - Business and Operations, Curriculum and Instruction, and Administrative Services. Most modules are divided into the four types of analysis discussed in the previous section:

- Policies and Procedures
- Operations
- Organization and Staffing
- Planning and Evaluation

- The organization of the modules is listed below
  - Business and Operations
    - √ Accounting and Payroll
    - √ Budgeting
    - √ Cash Management
    - √ Data Processing
    - √ Purchasing
    - √ Auditing
    - √ Risk Management
    - √ Maintenance
    - √ Food Service
    - √ Transportation
    - √ Facility Management
  - Curriculum and Instruction
    - √ Instructional Programs
    - √ Special Programs
    - √ Student Services
  - Administrative Services
    - √ Personnel and Employees Relations

- √ Planning and Evaluation:
- √ Communications
- √ Governance

The Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) many resources including "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. These resources are very beneficial to organizations that interested in conducting performance audits.

### 8.6.6.2 How to Use the Modules

The modules are the key tool for conducting the management review. They serve the review consultants as:

- An *interview guide* which will focus an interview by asking vital questions relating to the area(s) under review.
- A *data collection guide* to assist the review consultant in determining data sources that will be resource aids throughout the project.

The modules are designed to be used as guides and as such will evoke thought on the part of the consultant to ask follow-up questions or to seek additional data sources to ensure a thorough review.

#### ***Module Organization***

Each module contains an introductory section followed by specific questions divided into four areas:

- Policies and Procedures

- Operations
- Organization and Staffing
- Planning and Evaluation

These major divisions should aid in focusing the analysis phase of the project.

The introduction provides an overview on the purpose of the module and its importance to a school district. The overview is followed by a list of staff members who may be interviewed or utilized to procure resource materials. The list is general and should be modified to meet the review team's needs. Potential data sources are listed which will provide background data on practices and procedures. The list of data sources is generic in nature and may be expanded as necessary. Finally, a list of related modules is provided to alert the reviewer to other areas that overlap this module is important to ensure thoroughness in the review process and assure coordination of findings/recommendations.

### ***Conducting the Review***

It is recommended that the team use all eighteen modules during the review. This process should follow each step outlined in previous and subsequent chapters of this Training Guide. Modules should be assigned to team members based upon their knowledge or expertise in the area.

During this initial phase, the team will use all modules as a survey instrument to conduct a diagnostic review. The review should last two to four days (depending on the size of the district) and will provide general findings and recommendations.

The result of this phase will be a report on findings and recommendations similar to the report contained in Section VIII of this Guide. A second product will be the identification of areas requiring further detailed review.

### ***Detailed Evaluation***

A detailed evaluation may be requested by a district after the initial survey phase. This type of review would include:

- In-depth study of a particular area
- Detailed data collection and analysis
- Observation and documentation of operating practices
- Staffing analysis
- Productivity evaluation
- Evaluation of program effectiveness
- A formal report with supporting documentation

This in-depth evaluation could be conducted by review team members or may require the use of outside experts in a particular area.

### ***Training***

Prior to utilizing the modules in a district, all members of the review team must receive training. The review team leader must be certified by successfully completing a course sponsored by TEA. At the completion of this training, the team leader will receive a master copy of the modules and a "working" copy which can be utilized by team members during the review.

All team members should be trained either through TEA or by the review team leader. Conducting a good management review is not easy, not even for the most experienced individual. Sound training will facilitate a successful review.

## **8.6.7 Section V - The Evaluation Phase**

### ***Focus***

- Identify areas of inefficiency or areas not effectively utilizing resources
- Organize findings to achieve maximum benefit for the district
- Establish evaluative criteria for the development of alternatives
- Formulate recommendations and conclusions

### *Introduction*

The goals of this phase are to summarize the information collected during the analysis phase and develop recommendations to be presented to the board and/or district administrators.

During the evaluation phase of the review, the consultant should not try to investigate and report every problem that is encountered, but should focus only on the problems having the most severe impact on the school district's operations and objectives. While 'significant' is a relative term, it can usually be measured by comparing the costs to the benefits of correcting the problem.

There are four steps of the evaluation phase. They are as follows:

- Identify and define areas for change
- Prioritize findings
- Develop alternatives
- Develop recommendations and conclusions

### *Identify and Define Areas for Change*

Once you are satisfied that the data is accurate and complete, then it is time to identify your findings, i.e. areas of strength and areas for change or improvement.

Areas to focus on include:

- Operational practices that are not standard or are inefficient
- Absence of policies and procedures
- Staffing patterns

The consultant should review thoroughly all data collected during the analysis phase - interviews, procedures, policies, etc. - and identify the appropriate findings. In fact, many of the findings or problems that are developed may have been generated directly by district personnel during the interviews or through other forms of staff input during the review. In this case the consultant serves as a facilitator to transmit these findings and suggestions to district administration.

Some findings may be obvious immediately. For example, a review of the accounting division may reveal that invoices are paid on the date that they are received by accounts payable. A district writing checks all during the month is inefficient not only in its cash management practices, but also in its utilization and scheduling of accounting personnel.

Other areas for improvement may not be so obvious, however. In fact, you may need to utilize standards developed by outside sources in order to determine if a certain area is in need of improvement. To assist you in identifying standards for comparison, some modules contain general "rules of thumb." Other sources include data which is collected from comparable districts or data available from the TEA.

Once you have identified an area of improvement, you must clearly define the exact finding. These finding definitions are intended to highlight a specific issue that was uncovered during the review. These definitions should be written clearly and concisely and presented to the review team leader for review.

### *Prioritize Findings*

Any management review will produce a number of findings and recommendations. Implementation of all recommendations at one time will not be feasible for the district due to limitations of financial and human resources. It is essential to prioritize each

finding in order to give district management an idea of the amount of time and resources that should be dedicated to the area.

There are no firm rules for prioritizing findings. General guidelines should be helpful to the project team during this important phase and should concentrate on those items that:

- Have the potential for the greatest cost savings for the district
- Will improve operations affecting the greatest number of individuals
- May be violations of policy, procedures, law, etc.
- May significantly streamline a process or function, thereby creating greater efficiency or effectiveness in business operations or instruction
- May improve the working environment of the district or relieve the district staff of unnecessary functions, reports, etc.

Each team member should prioritize their findings and then discuss their rationale/justification with the entire team. A team "brainstorming" session may then be held to determine the recommended priorities for the district from all individual rankings. The team should then discuss priorities with administrative officials to get input and finalize this task.

Keys to setting priorities include:

- Team effort should be used in the process
- Review/Input by district administration is necessary
- Qualification or establishment of benchmark requirements for comparison and credibility are invaluable aids to this process
- Rankings are coordinated with other supporting recommendations. For example, purchase of necessary microcomputer hardware must precede the implementation of a preventive maintenance software package

- Rank priorities for developing the implementation schedule
- Address top priority findings (both strengths and areas which can be improved) in the Executive Summary or transmittal letter of the report and in the formal presentation of the review to the school board

### *Develop Alternatives*

Now that the problem area has been clearly defined and a ranking has been placed on its importance, the consultant should develop alternatives to solve problems. Identifying a range of solutions to problem areas assures the district that an appropriate variety of alternatives were surveyed, and appropriate recommendations were selected.

Developing alternatives is one of the most creative aspects of the review.

- Normally a number of alternatives will have occurred to review team members during the analysis phase
- After the data review step is complete, the combined knowledge, intuition and judgment of the review team should be applied to the identification of possible alternatives
- Brainstorming is often a helpful technique. The review team is assembled and asked: "What are all the possible alternatives to the findings?"

Guidelines for effective brainstorming can be found in many sources. Appendix 3 has been included to provide some brainstorming "basics" and successful techniques.

To select the most relevant alternatives, the review team must apply criteria that allow all alternatives to be evaluated. Evaluative criteria should be defined and documented based on the district's needs and other relevant considerations.

- For some reviews, easily measurable evaluative criteria can be established, such as the number of students per bus or the cost of a meal per student. These are considered "hard" criteria

- In other cases, evaluative criteria involve areas which are much more difficult to quantify, such as the benefits of improved management information or the effect on morale of a new organization structure. These can be considered "soft" criteria
- Most reviews involve both "hard" and "soft" evaluative criteria. In all cases, the criteria should be defined as specifically as possible and the review team should develop some sort of numerical rating or index for each of the criteria

After evaluative criteria have been identified, potential solutions can be screened to determine which alternatives best satisfy the criteria. The most promising alternatives are then defined in greater detail and formally measured against the evaluative criteria. The selection and evaluation of alternatives should be reviewed with management of the area under review to ensure that everyone understands the process and to secure feedback.

### *Develop Recommendations and Conclusions*

Selection of the recommended alternative is the next step. Sometimes this selection will be relatively easy because one alternative is clearly superior. In other cases, further evaluation will be necessary to select the recommended solution. The advantages and disadvantages of each alternative must be analyzed in greater detail until a recommendation is made.

The purpose is to identify the actions that the district can take to improve its operational efficiency and effectiveness and to identify resources that can be re-allocated more effectively to areas such as instruction. For example, if over-staffing in the food service area is identified, the consultant may recommend reduction in work force through attrition, transfer to another district position, early retirement, or a combination of these alternatives.

In all cases, the recommendation and/or conclusion must be carefully thought out and justified, and must be feasible to implement in a public school environment. Each recommendation should be reviewed to see that it complies with applicable laws and codes and the budgetary priorities of the district. Any monetary savings to the district that will result from implementation of the recommendation should be identified and quantified.

Solving every problem in the district during the review is not possible. A recommendation to do further study or analysis in an area or to bring in outside resources with expertise in that particular area is a sound recommendation for any review.

The Legislative Budget Board has published at [http://www.lbb.state.tx.us/Perf\\_Rvw\\_PubEd/Perf\\_Rvw\\_PubEd.htm](http://www.lbb.state.tx.us/Perf_Rvw_PubEd/Perf_Rvw_PubEd.htm) many resources including "best practices" in public education as a result of its activities involving school performance reviews. Historically, information was produced by the Comptroller of Public Accounts and was transferred to the Legislative Budget Board pursuant to HB7, 78<sup>th</sup> 3<sup>rd</sup> Called Session. These resources are very beneficial to organizations that interested in conducting performance audits.

## 8.6.8 Section VI - The Reporting Process

### *Focus*

- Prepare an effective written report to management
- Establish a timeline that will ensure your recommendations will be implemented
- Deliver the review findings orally to administration and/or the board of trustees
- Conduct a project evaluation that provides feedback on review success

### *Introduction*

No matter how good the findings are, the management review can not be judged truly successful unless the district accepts the recommendations and acts upon them. The way that recommendations are presented is a key element in acceptance by the district administration or board.

The reporting phase consists of these steps:

- Prepare a written report
- Develop an implementation schedule

- Deliver the findings and recommendations through oral reports
- Evaluate the project

### *Media Relations*

It is important to introduce the review team to the significance of the media relations at this time. School districts are an important source of news, especially in smaller towns. Also, the "fishbowl" in which school districts operate increases outside media pressure. In a time when the news media and the general public cry for openness in public institutions, this review process is a tangible example of an institution's efforts to be open and responsive to its constituents.

Most school districts have an established media policy. This policy should be followed during the review team's contacts with the media. The review leader should be familiar with this policy and instruct the project team members about its use.

A very effective media tool that can be utilized during this review is the press release. Press releases can highlight positive facts or information to convey to the media and public. This public relations tool can focus attention of area media to the review and provide ideas for future articles or stories concerning the project. All press releases should be issued by the appropriate district staff member.

Depending upon the situation, the media may press the project team for "inside information" on the review. It is imperative that all review team members resist the urge to leak information that has not been finalized and reviewed with decision makers. Improper media relations can damage the credibility of the project team.

### *Written Report*

All management reviews will present a written report at the end of the process. The quality of this report is important to persuade district officials to adopt the findings and recommendations proposed by the review team. Consequently the report must be well-planned and clearly presented. It must generate interest and present practical recommendations for improvement.

At a minimum, the management review report should include the following:

- An executive summary, (which may be in the form of a transmittal letter) which provides an overview of the project and highlights the most important findings
- A brief description of the review's objective, scope and approach (methodology)
- Presentation of findings/problems:
  - Observations with relevant background data
  - Recommendations for improvement
- The implementation schedule

Each of these areas will be discussed separately. An example from a management review report is included in Section VIII.

In preparing your final report, an essential philosophy for the review team to adopt is a review of the draft report from the bottom up. Observations and recommendations should be first reviewed with the affected departments. At this level of review, the following must be achieved:

- Verify that facts as presented are accurate
- Determine that recommendations are practical
- Determine that benefits will be derived as a result of implementing the recommendations

Once the bottom up review of the draft has been accomplished, the report should be reviewed (upward) through the administrative staff of the district. If lower level managers have reviewed the report for errors of fact or feasibility of recommendations, the higher level administrators are able to concentrate more on the overall impact of the review on the district. This review philosophy ensures a certain degree of ownership of recommendations by the administration because they have been involved in formulating the report.

It is also imperative that the recommendations of the review be discussed and evaluated by the review team as a whole. The purpose of this step is to eliminate any redundancy or contradictions of recommendations from different team members. This also allows the review team to discuss the impact recommendations in one area may have on other areas. Typically the team members will have worked separately in formulating recommendations. Allowing the review team to work together can help avoid conflicting recommendations.

## *Report Content*

### *Executive Summary*

The executive summary is a very important aspect of the report. Surveys show that busy readers tend to read:

- Executive Summary            100%
  
- Introductions                    60%
  
- Conclusions                    50%
  
- Body                                15%
  
- Appendix                        10%

For this reason the executive summary must clearly and concisely convey the essence and findings of the report. The executive summary should be no longer than two to three pages in length (not including the implementation schedule if attached to this section) and it should be able to stand alone as a document that allows the reader to understand the report and its recommendations.

The executive summary contains an overview of the project, explains the methods that were utilized to conduct the review, and highlights major findings and recommendations. Further, the executive summary should entice the reader to read the full report. The executive summary may be incorporated into a transmittal letter.

An example of an executive summary is included as part of Section VIII.

### *Description of objectives, scope and/or methodology*

This section should open the report and should explain BRIEFLY to the reader the "what, when, where, why and how" of the review. This section will communicate to the reader why the review was conducted, what areas were reviewed, how thoroughly they were reviewed and what methodology was employed.

Again, this section should be brief, but is important that it be included in the report so that the reader can gain some basic background information on the review.

An example is included in Section VIII.

### *Presentation of findings and recommendations*

This presentation comprises the heart of the report. In this section, which will probably be the lengthiest section of the report, all of the observations and recommendations in the areas reviewed should be discussed individually. The recommended format of this section is to identify each finding separately in the following format showing the:

- Observation with supporting background data
- Recommendation

### *Observation*

The observation should simply contain the clear and concise definition of the finding or problem. It usually requires a single sentence.

### *Background*

Following each observation section may be a background section. The goal is to provide supporting data which substantiates the finding identified in the observation

above. This section should contain only a summary of key information and an explanation of what was observed. Details of the operations and situations encountered that will provide insight to the problem identified in the observation should be highlighted here.

### *Recommendation*

The related recommendation should follow the background. This recommendation is the action identified to correct this problem. It should list the specific corrective actions and their associated costs and cost savings (as applicable) as concisely as possible. The recommendation should be written so that anyone reading the report will be able to understand and implement it.

Note: A recommendation to study an area further or bring in outside resources with expertise in that area to solve a particular problem is a sound recommendation.

### *Implementation schedule*

Every review report should include a summary of the implementation schedule created for implementing the recommendations of the review. This implementation schedule may be presented as part of the executive summary or in a separate section of the report. The implementation schedule should:

- List each recommendation in summary form
- Designate the functional area responsible for implementing the recommendation
- Identify the current implementation status of the recommendation (i.e., open, in progress, etc.)
- Give a target date for implementation of the recommendation

This schedule, as developed in the report, will identify a work plan for the district to use as it implements the recommendations.

## *Develop an Implementation Schedule*

After the findings have been formulated, an implementation schedule should be developed. This step may actually be completed in conjunction with the preparation of the written report.

This portion of the review is important for several reasons:

- It helps ensure that the review will be implemented, not allowed to sit on a shelf.
- It establishes a timeline for implementing recommendations.
- It will serve as a guideline in allocating financial resources in the operating or capital budget necessary to implement the recommendations and improve the district's operations.

The implementation schedule should reflect the priority of findings that were established in the earlier steps of the review process. The implementation schedule will "put into motion" the recommended solution to the prioritized findings and observations.

In developing the implementation schedule, it is highly recommended that the input of the functional managers of the affected areas be consulted. This "bottom-up approach" will ensure that the schedule is realistic and that the administration supports it.

The implementation schedule should establish key deadlines for the implementation of the recommendations. It is important that progress is monitored, and it is recommended that an individual be assigned to oversee its progress. It should be noted, however, that the implementation schedule is not inalterable, but is a guideline that should be followed.

A final consideration in establishing the implementation schedule relates to the school board. The schedule should be presented to the board and its support or adoption should be attained. Once the school board has adopted the schedule and its implementation is underway, reports should be made to the board periodically to update members on the progress.

## *Oral Presentation*

Review team members may be called upon at some point to make an oral presentation to some audience. This audience may be a community group, a group of district officials or the school board. In fact, it is quiet common for the results of the review to be presented orally to the school board.

You may frequently make oral presentations and feel very comfortable with your oral presentation skills. On the other hand this may be a rare occurrence for you and may cause you a great deal of anxiety. For this reason, Appendix 2 is provided to assist the review team with oral presentation skills. Rehearsal and understanding of the project methods and results are the best forms of preparation, however.

## *Evaluate Project*

When the review is complete, evaluate the success of the project. The evaluation should involve:

- Objective review by the project team leader to analyze successes, failures, performance of team members, and quality of the end product.
- Objective review by the project team as a whole to determine to focus not only on the review but also on the tools utilized for the review such as training and the modules.
- Objective review by district staff members to provide formal feedback on the process from the district's perspective.

Once the evaluation of the project and process is complete, TEA should be provided feedback. Evaluations will not be used to compare districts across the state, but to enhance the review process. Input is valuable and feedback in the areas of team functions, validity of module content, the review methodology and the training process will be particularly helpful.

Project evaluation is the final phase of a management review. A successful review will leave the project team and the district with a positive feeling of accomplishment.

# Appendix 1 - Interviewing Techniques

## ***Introduction***

The success of a review team member depends as much upon communication and interpersonal skills as it does upon knowledge of school districts. This is particularly true when interviewing people. To better acquaint consultants with the interviewing process the following areas will be discussed in detail.

- Perceptions of the review consultant
- Communications and the consultant
- The interviewing process

## ***Perception of the Review Consultant***

It is necessary to differentiate between how the consultant perceives his/her role and how school district personnel may perceive the consultant's role.

The role of the consultant is one of:

- Business advisor
- Problem-solver

In order to fulfill this role a consultant must be:

- Intelligent
- Objective
- Analytical

- Helpful
- Friendly
- Independent
- Persistent
- Tactful
- Cooperative
- Understanding

While the consultant sees his/her role as a business advisor and problem-solver, school district personnel may perceive the consultant's role to be:

- Investigator
- Police officer
- Spy
- Troublemaker
- Outsider
- Know-it-all
- Glory seeker

- Nit picker

They may react or behave toward this perceived negative image with:

- Anger
- Distrust
- Suspicion
- Hostility
- Jealousy
- Indifference
- Contempt
- Fear

A time when these negative feelings are most frequently demonstrated is during the interviewing process. School district personnel may feel that the consultant is there to "trap them", "get them in trouble" or "eliminate their jobs".

The following techniques will help to minimize or even eliminate these negative perceptions of a consultant.

### ***Communication and the Review Consultant***

Many positive or negative feelings that school district personnel have toward a consultant will be a result of what happens in the communication process.

Communication as it relates to interviewing is a three-step process.

The first step in the communication process is to create a friendly atmosphere--that is, communicate to school district personnel that the team is there to help. It is a friend, not an enemy. A friendly atmosphere can be created by keeping the following items in mind.

- Audience analysis--Get to know who you are interviewing. Find out something interesting about the interviewee, what he/she does, what his/her motivations are. Let the interviewee know you are interested!
- Proper scheduling--Let the interviewee know the purpose and the schedule. Make it convenient for him/her. Be punctual
- Friendly opening with a brief description of why the interview is needed
- Pleasant, conversational, non-threatening style
- Smile!

The second step in the communication process is to elicit information. The major tool a consultant has for getting information is the ability to ask the right questions. This involves knowing what questions to ask. The interviewer should have a conceptual framework of the problem and have a flexible plan as to what questions to ask.

In addition to knowing what questions to ask, the consultant must also know how to ask the questions. This involves the ability to ask questions which will elicit the greatest amount of relevant information.

The third and final step in the communication process is to listen and let the interviewee know that what was communicated was understood. Listening is more than sitting immobile and nodding. It means that the listener must get actively involved. This includes verbal responses of encouragement, paraphrasing and communicating feelings, and non-verbal responses such as good eye contact and encouraging gestures.

These three steps in the communication process are presented in detail in the following sections.

### ***The Interviewing Process***

The discussion of interviewing process itself will be divided into the six segments of the process:

- Preparation
- Scheduling
- Opening
- Conducting
- Closing
- Recording

*Preparation:*

Preparation is as important to interviewing as it is to other management auditing activities. If the interview is not adequately planned, it can be wasteful and frustrating for both parties.

Some of the tasks to perform in preparing and planning for the interview:

- Complete the homework. Review manuals, prior policies, procedures and organization charts. Review reports and standard questionnaires. Prepare an interview agenda
- Know who is to be interviewed. Find out about his or her knowledge, experience, and personality. Talk to others who know the person. However, the consultant should be careful to use this information as objective input, not as data that can cause bias or prejudice
- Determine the objectives of the interview. What information or results can be obtained?

- Write out the basic questions to ask. Review and rephrase them. These questions are guides for the interview, not something that must be covered regardless of how the interview is progressing
- Organize and consolidate questions
- Try to walk around the work area ahead of time. Try to get familiar with surroundings before the interview
- Don't go in cold--ever

### *Scheduling*

When preparing for an interview, the consultant should think about how and when to schedule it. In most instances, the interviewee should agree to the time. Surprise is very rarely necessary for management reviews. Scheduling will increase the probability of getting a good reception, having the interviewee's undivided attention, and having necessary records available. It will also save time for both the interviewer and interviewee

Some of the guidelines to follow in scheduling the interview are:

- Call well in advance to set up the interview. Don't get discouraged if you do not make immediate contact
- Describe the purpose for the interview
- Select a time convenient to the interviewee
- Plan on no more than an hour for each interview
- Try to avoid the hours right before or after lunch, the last hour on a Friday, or a day before a holiday

- Aim for one-to-one interviews. Discourage having the interviewee's supervisor or others present, as this may inhibit communication. Group interviews are difficult to control
- Select a private, quiet location if the interviewee does not have a private office

## *Opening*

The opening to the interview is important, as it sets the tone for what follows. It is important to get off to a good start.

Suggestions for opening the interview:

- Arrive on time
- Start in a friendly way. A smile helps. Make introductions and offer to shake hands. Try to put the person at ease
- Keep small talk to a minimum. Experience will suggest whether to get right down to business or if some pleasantries is in order. A comment on a family portrait is rather obvious. On the other hand, remarking about an interesting piece of furniture or art might be appropriate
- State or restate the purpose of the interview. The other person may be concerned about the purpose of the interview. Don't start asking questions without first explaining the purpose and how the information will help. Explain, if appropriate, how confidential information will be handled

## *Conducting*

This is the major part of the interview. It generally consists of questions and answers. If it is done well, a wealth of information will result. If not, two people's time will have been wasted and it may have adversely affected the relationship.

In general, there are three types of questions to ask during the course of an interview:

- Open-end
- Closed-end
- Probe

The following is a discussion of these three types of questions.

### *Open-end Questions*

Open-end questions often begin with "how," "what," "why," or "where."

An example of an open-end question would be "How has the new data processing system affected the accuracy and timeliness of the reports you work with?"

Benefits of using open-end questions:

- The open-end question allows the interviewee to think about the answer before giving it
- It allows for judgment and a variety of responses
- Does not prejudice the answer

Another benefit of this type of question is that it is a great help in triggering other questions. We have all been or will be in positions where you "go blank". These are also the questions that probably will present a sense of the real problem and the district's perceived needs.

### *Closed-End Questions*

Closed-end questions generally require a "yes" or "no" answer.

An example of a closed-end question would be "Does the material go from purchasing directly to the schools?"

Closed-end questions are useful when the interviewer wants to:

- Identify numerical or definitive information, such as names
- Silence overly talkative interviewees
- Follow up vague responses to open-end questions
- Get commitment from the interviewee

Avoid asking a quick series of closed-end questions. They could make the interviewee feel nervous and defensive, or give them a subordinate feeling.

### *Probe Questions*

The third type of question is the probe question.

The purpose of the probe question is to dig more deeply into the issue.

The probe question generally follows an open-end question, although it can follow a closed-end question. Lawyers call this a "line of questioning" when they do it in court. An example of a probe question might be:

- First (open-end) question: What was the reason for replacing the old system?
- Answer: It just wasn't working well.
- Probe question: Can you tell me exactly what problems you were encountering?

Caution must be used with probe questions. If too many probe questions are used, the interviewee may feel that he or she is being cross-examined.

There is a fourth type of question that never should be used: The leading question.

A leading question is one that indicates an assumed answer or indicates what the interviewer would like to hear.

Examples of a leading question:

- You don't have any trouble getting the bank reconciliation done each month, do you?
- I imagine your people have been pretty well trained, haven't they?

### *Listening*

Listening is obviously an extremely important part of conducting the interview. Unfortunately, most people do not listen as well as they could, and valuable information is often forgotten or misinterpreted by the interviewer.

Causes of poor listening:

- Allowing oneself to be diverted by the other person's appearance, mannerism, or speech
- Allowing oneself to be diverted by outside noise, temperature, light, movement, or other factors external to the interview
- Suspending listening because the other person speaks excessively, poorly, or unclearly
- Getting tired
- Letting other subjects crowd into one's mind

- Becoming angry or upset because the other person disagreed or is trying to control the interview
- Losing interest because it is repetitive
- Thinking of the next question

How can one improve listening skills?

- Always look at the other person while that person is speaking(which also encourages the other person to respond fully)
- Sit up alertly. An overly relaxed position may cause an overly relaxed mind
- Listen to understand. Try to read beyond the spoken words. Listen for the meaning of words
- Give non-verbal feedback to the other person by nodding, using questioning looks, or smiling when appropriate. Avoid a cold, impassive face. This is an interview, not a poker game

### *Restatement*

Even careful listening will not always result in clear understanding. Sometimes the interviewer needs to clarify a particular point the other person has made. A technique called restatement may be used: the interviewer restates in his/her own words what the interviewee has just said.

Here is an example:

- Consultant: "What procedure do you have for controlling gas consumption in your bus fleet?"

- Interviewee: "The records are checked by the accounting clerk and her supervisor before they go to the superintendent."
- Consultant: "As I understand it, the accounting clerk sees the records before the supervisor sees them."

Interviewers first learning this technique sometimes feel it is unnatural and sounds phony. These fears are quite justified if the restatement is not preceded by good, sincere listening. In such cases, interviewees may feel they are being "techniqued." Restatement works best when it is sincere, relevant and not overdone.

### *Reflection*

Another technique that can be an effective interviewing tool is reflection. This occurs when the interviewer hears the interviewee expressing a feeling, often a sensitive feeling. In order to draw out the interviewee in a supportive manner, the interviewer will feed back in his or her own words the emotion he or she believes the interviewee is expressing. The feedback should be in the form of a statement, not a question.

Here is an example:

- Interviewee: "We'd be able to get our job done on time if the maintenance department did what they were supposed to do."
- Consultant: "You feel you're not getting the cooperation you need from the maintenance department."

Reflection can be very effective in helping fear, hostility and other emotions to surface. However, there are potential problems in its use:

- If over-used, it can become trite and boring
- The reviewer can be perceived as playing "psychiatrist"
- It may not be appropriate to bring those emotions to the surface

- If the interviewee responds skeptically, the interviewer can feel put down and withdraw or get angry
- The interviewee can interpret the "reflection" as agreement, when none is intended

### *Evaluating Answers*

If an answer given by the interviewee is not understood, you the reviewer can:

- Ask the person to repeat or restate
- Ask for concrete examples if language is unclear or vague
- Ask for a written flow (graphic representation of the work-flow process)

In evaluating answers, the reviewer should:

- Distinguish between opinion and fact
- Be wary of answers that:
  - Are too pat and smoothly stated
  - Are sweeping generalizations
  - Contain many unfamiliar or complex terms

If answers appear to be inaccurate, the interviewer can:

- Pause with a quizzical look and use a restatement to confirm what was heard
- Raise the question again in the summary of the interview

- After the interview, check the answer with another source, but be sure to do it in a way that will not embarrass the interviewee

Under no circumstances should the interviewer blatantly question the accuracy of the answer with "Are you sure about that?" or "You're kidding." This can destroy the rapport and reduce the effectiveness of the interview.

### *Note Taking*

The following guidelines should be used for taking notes:

- Don't use a formal looking document. Instead, use a regular notebook or pad
- Tell the interviewee that notes of the essence of his or her ideas will help ensure the accurate representation of the person's ideas
- Don't record every word in detail. Look for the main ideas. Don't write something after every comment as police officers might do. Collect a few ideas and then write them. It's hard to write and listen at the same time
- Avoid awkward silences during note taking. Try to keep a conversational atmosphere
- Periodically read back factual notes to make sure they are accurate
- Be careful if notes about the interviewee are taken. Some people are quite talented at reading upside down

### *Closing*

Eventually you reach the end of your questions or the end of your scheduled time. You've invested a considerable amount of time in this interview. So take the time to end the interview properly.

If you come to the end of the interview and you haven't achieved your objective, you may suggest extending the interview. This can be done if it is convenient for both of you. However, interviews can be tiring and the additional time spent may not be productive. It might be better to arrange for another meeting.

Here are some guidelines to follow in closing an interview:

- Don't end too abruptly, but let the interviewee know the interview is coming to a close
- Briefly summarize what the interviewee provided
- Thank the interviewee sincerely for his or her time and information
- Ask if the interviewee will clarify any points that are later found to be unclear to the interviewer
- End on a friendly, informal note

If the interview was not friendly, end quickly. Don't get into a discussion of personalities or differences of opinion.

## *Recording*

Once the interview is complete, one step remains--to record from the notes a more complete and better organized summary of the interview.

Guidelines to be considered in recording the results of the interview:

- Do it as soon as possible. Don't trust your memory, particularly if your notes are just a few key words or numbers
- Look for inconsistencies or gaps that might require follow up

- Write or print neatly. This document will undoubtedly become part of the review files and will probably have to be read by others, perhaps at a later date when the note-taker is not present to explain each word
- Be sure that nothing is cited out of context. To do so is unfair and can result in misunderstanding
- Try to write only the facts. Sometimes reviewers are tempted to make a more subjective comment about the interviewee (judgment, attitude). Phrase these comments very tactfully, particularly if the notes will be seen by others

## Appendix 2 - Oral Presentation Skills

### Structuring Presentations

The key components to successful oral presentation skills are:

- Objective
- Audience
- Topic
- Structure

#### ***Objective***

To make a successful oral presentation, speakers must understand their objective and/or goal. This understanding allows them to organize their thoughts clearly and provide overall direction for the presentation.

#### ***Audience***

When analyzing an audience, identify:

- The key decision makers
- What they know about the subject
- How much detail is needed
- How interested they are

- What resistance, if any, already exists
- What the attitude is toward the review?

### **Topic**

The topic is the central idea of a presentation or the series of ideas to be conveyed. In this case, the topic will most likely be the results and recommendations of the management review.

### **Structure**

In every presentation there should be an introduction, a body and a conclusion. The introduction must attract attention and establish credibility.

During the body the speaker delivers the message. Speakers should do so with authority and energy. They can establish authority by looking and sounding as if they mean what they say. This should be the case anyway.

## **Delivering Presentations**

During a presentation, speakers must understand that they are presenting both the content and themselves. The content must be organized and understandable if the presentation is to be successful. As for the presentation of self:

- Make a positive first impression
  - Have a good stance
  - Use frequent eye contact
  - Use, but don't abuse, gesturing

- Project the voice well. Pay attention to volume, modulation and rate of speaking, but sound natural!
- Use good articulation
- Use good pronunciation

### ***Using Visual Aids***

Visual aids are useful because they increase retention, organize thoughts and ideas, focus on key points, capture audience attention, provide a change of pace and simplify detailed or difficult concepts.

There are several factors that determine the appropriate type of visual aid:

- How large is the audience?
  - Small groups - flip-charts
  - Large groups - slides or transparencies
- How much money is available?
- How much preparation time is available?
- How many times will the visual aids be used?
  - Once or twice - flip-charts
  - Many times - slides or transparencies

There are five very common mistakes made with visual aids. Avoid:

- Standing in front of the visual aid, blocking the audience's view

- Facing the visual, rather than the audience
- Visual aids that are too busy
- Lettering that is too small
- Situations when the speech and the visual aids do not match

### ***Site Preparation***

Always check out the presentation room before giving the speech. Go into the room for a brief while to become familiar and comfortable with its features. If the chairs and equipment are not set appropriately, change them. If additional equipment is needed, request it.

In summary, there are four basic points to remember:

- Arrive early to the presentation room to make adjustments if necessary
- Make sure everyone can clearly see the visual aids
- Provide easy access to the equipment and materials needed to display then materials
- Don't be afraid to answer a question with "I don't know, but we can do more analysis on this issue if you wish"

Above all, be flexible. If something goes wrong, don't panic. Handle unexpected situations calmly, professionally and, if appropriate, with humor.

## Appendix 3 - Brainstorming Techniques

This appendix will provide some key 'basics' of brainstorming. If more information is desired than is in this Appendix, many sources are available.

- If done in group, keep the group to a small, manageable size (fewer than 12)
- If a group is involved, designate one person as the facilitator
- Establish the 'rules' of the session beforehand
  - State the purpose
  - Everyone should contribute ideas
  - NO IDEA IS A BAD IDEA, no matter how preposterous it may sound at first
  - Members should not pre-judge an idea, not even their own
- Put all ideas up on the board (or flip-chart) first, but do not expand upon them at this point
- When all fresh ideas are exhausted, go back and expand upon each idea generated
- Review all the possibilities and determine which are most feasible or appropriate - then prioritize

## Appendix 4 - Suggested Training Agenda

### Day One

9:30 - 10:30	Course Overview and Introduction of Instructors and Participants, Overview of TEA Management and Operational Review
10:30 - 11:30	What is a Management Review?
11:30 - 12:30	The Preparation Phase
12:30 - 1:30	Lunch
1:30 - 2:30	The Analysis Phase
2:30 - 3:30	Using the TEA Modules
3:30 - 3:45	Break
3:45 - 4:45	The Evaluation Phase
4:45 - 5:00	Day One Review

## Day Two

9:00 - 10:00	The Reporting Phase
10:00 - 11:00	The Report
11:00 - 11:15	Break
11:15 - 12:00	Use of Standards
12:00 - 12:30	Course Conclusion
12:30 - 12:45	Course Evaluation

# Acronyms

ADA - Average daily attendance

FTE - Full time equivalent

GAO - General Accounting Office

HB – House Bill

HVAC - Heating, ventilation, and air-conditioning

IEP - Individualized Education Plan

LBB – Legislative Budget Board

OMB - Office of Management and Budget

PTO - Parent-Teacher Organization

RFP - Request for proposal

TAAS - Texas Assessment of Academic Skills

TAKS – Texas Assessment of Knowledge and Skills

TEA – Texas Education Agency

TSPR - Texas School Performance Review

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